

By Mr. HAMILTON of New York: Petitions of sundry citizens of Lakewood and Jamestown, N. Y., favoring national prohibition as a war measure; to the Committee on the Judiciary.

Also, petition of sundry residents of the city of Jamestown, in the county of Chautauqua, N. Y., favoring the prohibition of the liquor business as a war measure; to the Committee on the Judiciary.

By Mr. HILLIARD: Memorial of St. Paul's Methodist Episcopal Church South, of Denver, Colo., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. HOUSTON: Petition of sundry citizens of Petersburg, Tenn., urging the conservation of food products in making liquor, etc.; to the Committee on the Judiciary.

By Mr. JOHNSON of Washington: Petition of 21 citizens of Raymond, Wash., favoring Federal amendment for woman suffrage; to the Committee on the Judiciary.

By Mr. KENNEDY of Rhode Island: Resolution of Providence (R. I.) Wholesale Drug Co., protesting against proposed tax on alcohol for pharmaceutical and prescription purposes and on proprietary preparations; to the Committee on Ways and Means.

By Mr. LINTHICUM: Petition of American Association of Masters, Mates, and Pilots, Rescue Harbor No. 14, Baltimore, Md., against increase of postage rates on second-class matter; to the Committee on Ways and Means.

Also, petition of J. F. Wilson, Washington, D. C., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. LONERGAN: Memorial of Union Grange, of Southington, Conn., favoring prohibition during the war; to the Committee on the Judiciary.

By Mr. LUNN: Petition of Charles H. Bennett and 53 men of Broadalbin, N. Y., praying for enactment of prohibition of manufacture of all alcoholic liquors as a measure of food conservation and prohibition of sale of liquors for beverage purposes to conserve the health, wealth, labor, transport facilities, and military efficiency of the people; to the Committee on the Judiciary.

Also, petition of John Thomas, secretary to the social service committee of the Episcopal diocese of Long Island, praying for enactment of a law which will prevent grain, which is needed to feed the hungry of the world, from being turned into alcoholic drink during the war; to the Committee on the Judiciary.

By Mr. MAGEE: Petition of E. D. Roe, Jr., and others, of the city of Syracuse, N. Y., favoring full national prohibition; to the Committee on the Judiciary.

Also, petition of Charles L. Nye and others, of the city of Syracuse, N. Y., favoring full national prohibition; to the Committee on the Judiciary.

Also, petition of Ray M. Hudson and others, of the city of Syracuse, N. Y., favoring full national prohibition; to the Committee on the Judiciary.

Also, petition of John G. Giles and others, of the city of Syracuse, N. Y., favoring full national prohibition; to the Committee on the Judiciary.

Also, petition of W. L. Gardner and other residents of the town of Onondaga, Onondaga County, N. Y., favoring full national prohibition; to the Committee on the Judiciary.

By Mr. MEEKER: Memorial of Prosperous Lodge, No. 706, International Association of Machinists, St. Louis, Mo., protesting against prohibition; to the Committee on the Judiciary.

Also, memorial of Car and Coach Painters' Union, Local No. 304, St. Louis, Mo., favoring investigation by Congress into controversy between Chamber of Commerce of San Francisco, Cal., and organized labor; to the Committee on the Judiciary.

Also, petition of Woman's Christian Temperance Union, of St. Louis, Mo., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. MORIN: Petition of J. M. Baldy, of the Bureau of Medical Education and Licensure of Philadelphia, Pa., urging the abrogation of the patents on salvarsan and also on all other drugs held by Germans; to the Committee on Patents.

By Mr. NOLAN: Petition of United Brotherhood of Carpenters and Joiners of America, Local No. 1296, San Diego, Cal., protesting against any amendment of the Chinese exclusion act to permit of the importation of Chinese into the United States; to the Committee on Immigration.

By Mr. OSBORNE: Petition of the members of the Methodist Episcopal Church of Redondo Beach, Cal., for the immediate enactment of prohibition of the manufacture of alcoholic liquors as a measure of food conservation and for the immediate prohibition of the sale of liquors for beverage purposes in order to conserve the health, wealth, labor, transport facilities, and military efficiency of the people; to the Committee on the Judiciary.

Also, petition of Methodist preachers of southern California, in the First Methodist Episcopal Church of Los Angeles, June 11, 1917, urging Representatives in Congress to see that

each soldier shall be provided with an indestructible medal so inscribed that in case of death under circumstances where he might not be cared for by those who know him his body might be identified; to the Committee on Military Affairs.

By Mr. POLK: Petition of Wilmington Lodge, No. 184, International Machinists, relative to food-control legislation; to the Committee on Agriculture.

By Mr. RAKER: Petition of State Board of Agriculture of California, favoring bill exempting from tax nonprofiting agricultural fairs; to the Committee on Ways and Means.

By Mr. ROBBINS: Petition of First Presbyterian Church of Vandergrift and Grace Reformed Congregation of Jeannette, Pa., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. SCULLY: Petition from members New Jersey Osteopathic Society, offering their professional services to the United States Government and favoring the establishment of the osteopathic school of practice as a separate department of the service; to the Committee on Military Affairs.

By Mr. SNEEL: Resolution of Black River and St. Lawrence Association of Congregational Ministers and Churches, at a meeting held at Norwood, N. Y., heartily approving of the prohibition of the manufacture and sale of all intoxicating beverages during the time of the war; to the Committee on the Judiciary.

Also, petitions of citizens of Saranac Lake, Wadhams, North Elba, and Moira, N. Y., for full prohibition of the manufacture, sale, and transportation of intoxicating beverages for the period of the war in conservation of the man power, military, and industrial efficiency, and the food supply of the Nation, and urging that all liquors now in bonded warehouses and elsewhere be commandeered by the Government and redistilled for undrinkable alcohol, to be purchased by the Government for war purposes, and opposing an increase in the tax on intoxicating liquors as a means of raising a revenue to prosecute the war; to the Committee on the Judiciary.

By Mr. TAYLOR of Colorado: Memorial of city council of Denver, Colo., urging legislation to fix food prices; to the Committee on Agriculture.

Also, memorial of Colorado Branch of the National Congress of Mothers of Denver, Colo., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. TIMBERALKE: Memorial of Business Woman's Club of Colorado Springs relative to protecting morals of those in training camps; to the Committee on Military Affairs.

Also, memorial of Rankin Presbyterian Church, of Brush, Colo., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. VARE: Memorial of 14 churches in the Kensington district, Philadelphia, favoring prohibition as a war measure; to the Committee on the Judiciary.

SENATE.

TUESDAY, June 19, 1917.

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

Almighty God, we lift our hearts reverently to Thee with Thy name upon our lips, the name of the God of our fathers, the holy one of Israel, our guide and our God in this our day. We thank Thee for the patriotism, for the wisdom, for the patience with which Thy servants who have been called into leadership have committed themselves to the task of ordering the affairs of this Nation to meet conditions that are new and untried. We bless Thee that throughout the country there is a spirit of divine optimism, believing that Thou who hast guided us from the beginning will still lead us on to the consummation of the divine purpose as a Nation. We ask Thy blessings upon us, with the forgiveness of our sins and the inspiration of Thy Spirit. For Christ's sake. Amen.

The Journal of yesterday's proceedings was read and approved.

SUNDRY CIVIL APPROPRIATION ACT.

A message from the House of Representatives, by G. F. Turner, one of its clerks, announced that the House had passed a joint resolution (H. J. Res. 105) to correct an error in the sundry civil appropriation act for the fiscal year 1918, in which it requested the concurrence of the Senate.

Mr. MARTIN. I ask that the joint resolution which has just been received from the other House be laid before the Senate.

The joint resolution (H. J. Res. 105) to correct an error in the sundry civil appropriation act for the fiscal year 1918 was read twice by its title.

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

There being no objection, the joint resolution was considered as in Committee of the Whole, and it was read, as follows:

Resolved, etc., That that portion of the act entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1918, and for other purposes," which reads: "For maintenance and operation of the Panama Canal, salary of the governor, \$100,000;" is amended to read as follows: "For maintenance and operation of the Panama Canal, salary of the governor, \$10,000."

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

CALLING OF THE ROLL.

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

The VICE PRESIDENT. The Secretary will call the roll.

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

Ashurst	Johnson, S. Dak.	Page	Smith, S. C.
Calder	Jones, N. Mex.	Penrose	Smoot
Chamberlain	Kirby	Pittman	Sterling
Coit	La Follette	Poincxter	Stone
Culberson	McKellar	Pomerene	Sutherland
Cummins	McLean	Robinson	Trammell
Fernald	McNary	Shafroth	Vardaman
Frelinghuysen	Martin	Sheppard	Warren
Gallinger	Nelson	Sherman	Watson
Gerry	New	Smith, Ariz.	
Hitchcock	Norris	Smith, Md.	
James	Overman	Smith, Mich.	

Mr. SHAFROTH. I desire to announce the absence of my colleague [Mr. THOMAS] on account of illness.

Mr. GALLINGER. I have been requested to announce the unavoidable absence of the junior Senator from Maryland [Mr. FRANCE] on account of illness. This announcement may stand for the day.

Mr. SUTHERLAND. I wish to announce the absence of my colleague, the senior Senator from West Virginia [Mr. GOFF], on account of illness. I will let this announcement stand for the day.

Mr. MCKELLAR. I desire to state that the senior Senator from Tennessee [Mr. SHIELDS] is absent on account of illness.

The VICE PRESIDENT. Forty-five Senators have answered to the roll call. There is not a quorum present. The Secretary will call the roll of the absentees.

The Secretary called the names of the absent Senators, and Mr. KENDRICK, Mr. REED, Mr. SIMMONS, and Mr. WALSH answered to their names when called.

Mr. HOLLIS, Mr. FLETCHER, Mr. BRADY, Mr. RANDELL, Mr. GORE, and Mr. SAULSBURY entered the Chamber and answered to their names.

Mr. SMITH of Michigan. My colleague [Mr. TOWNSEND] is detained from the Chamber on account of official business with a committee of the Senate; That accounts for his absence.

Mr. GERRY. I desire to announce that the junior Senator from Kentucky [Mr. BECKHAM] and the junior Senator from Utah [Mr. KING] are detained necessarily from the Senate on public business.

The VICE PRESIDENT. Fifty-five Senators have answered to the roll call. There is a quorum present.

COMMITTEE SERVICE.

Mr. SHEPPARD. Mr. President, if I may resume the analysis of the bill which is the unfinished business—

Mr. WARREN. I ask the Senator from Texas if he will yield to me on a matter of committees.

Mr. SHEPPARD. Certainly.

Mr. WARREN. I was requested by the Senator from Washington [Mr. JONES] to announce his resignation as member and chairman of the Committee on the Disposition of Useless Papers in the Executive Departments. I ask that his resignation be accepted.

The VICE PRESIDENT. Without objection, it is accepted.

Mr. WARREN. On behalf of the junior Senator from Ohio [Mr. HARDING] I ask that he be excused from further service on the Committee to Investigate Trespassers upon Indian Lands.

The VICE PRESIDENT. It is so ordered.

Mr. WARREN. I ask for the adoption of the following order:

Ordered: That Senator JONES, of Washington, be appointed chairman of the Committee to Investigate Trespassers upon Indian Lands; that Senator BRADY, of Idaho, be appointed chairman of the Committee on Disposition of Useless Papers in the Executive Departments.

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

Mr. STONE. I observe that the Senator from Texas has taken the floor to continue his speech on the bill pending before the Senate as the unfinished business. Am I correct about that?

Mr. SHEPPARD. The Senator is correct.

Mr. STONE. The Senate adjourned yesterday until 12 o'clock to-day, and I had supposed that there would be a morning hour under the rule.

Mr. GALLINGER. I will say to the Senator I rose to ask that the regular order be followed and that the morning hour be observed.

Mr. STONE. I ask for the regular order.

Mr. SHEPPARD. I have no desire to begin until the morning business has been concluded.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT. The Chair lays before the Senate a concurrent resolution passed by the Legislature of the Territory of Hawaii, which will be incorporated in the Record and referred to the Committee on Pacific Islands and Porto Rico.

The concurrent resolution is as follows:

Concurrent resolution.

Whereas certain persons entered into homestead agreements with the commissioner of public lands of the Territory of Hawaii, and are in process of proving up their claims; and

Whereas certain other persons have entered into homestead agreements with the commissioner of public lands of the Territory of Hawaii, and have faithfully performed all the terms of their agreements and are awaiting their land patents; and

Whereas certain other persons entered into homestead agreements with the commissioner of public lands of the Territory of Hawaii, and have faithfully performed all the terms of their agreements and have received their land patents; and

Whereas all the persons above referred to took up, occupied, and transferred their homesteads under the advice and concurrence of, and made their agreements with, a former commissioner of public lands of the Territory of Hawaii, who had a misconception of the law; and Whereas the said homesteaders either transferred or surrendered their original homesteads and under the advice of and concurrence and agreement with the then commissioner of public lands of the Territory of Hawaii entered into homestead agreements a second time; and Whereas section 73 of the act of Congress of August 12, 1898, as amended August 1, 1910, provides that—

"No person shall hereafter be entitled to receive any certificate of occupation, right of purchase lease, cash freehold agreement, or special homestead agreement who or whose husband or wife shall have previously taken or held any land under any such certificate, lease, or agreement hereafter made, or issued, or under any homestead lease or patent based thereon": Therefore be it

Resolved by the Senate of the Territory of Hawaii (the House of Representatives concurring). That the Congress of the United States is hereby memorialized to authorize the governor of Hawaii to ratify the agreements of the following-named persons made with the commissioner of public lands of the Territory of Hawaii, and to issue land patents to those who are living up to the terms of the agreements when the same have been completed, and to issue land patents to those who have already complied with all of the terms of their agreements, and to ratify the land patents already issued.

The following are the agreements of homesteaders who are in process of proving up:

Name.	Lot taken.	Tract.	Island.
Sarah E. Harris.....	30	Kuiaha-Kaupakalua.....	Maul.
Dollie Henning.....	45	.....do.....	Do.
Hugh Howell.....	51	.....do.....	Do.
D. Venhuizen.....	56	.....do.....	Do.
Maniolo Malule.....	156	Kalaheo.....	Kauai.
Joaquin Vieira.....	92	.....do.....	Do.
Augustine Caraballo.....	3	Omao.....	Do.
Anjofo Martin.....	42	Lawai.....	Do.
Nicholas Vegas.....	39	.....do.....	Do.
Elmer M. Cheatham.....	133, 134, 135	Kapaa.....	Do.
Robert D. Israel.....	138, 139, 146	Kapaa.....	Kauai.
George Brandt.....	24	Omao.....	Do.
Emily M. Hoopii.....	18	.....do.....	Do.
Libbie K. Kula.....	56	Lawai.....	Do.
John Souza.....	19	.....do.....	Do.
Frank Souza.....	49	.....do.....	Do.
Louisa Hellum.....	58	.....do.....	Do.
John Awa.....	198	Lualualei.....	Oahu.

The following are the agreements of homesteaders who have proved up and are awaiting patents:

Name.	Lot taken.	Tract.	Island.
Mrs. Lella Ontai.....	36, 37	Pahoa, Waianae.....	Oahu.
Silva Costa Ayres.....	34	Lawai.....	Kauai.

The following are homesteaders who have already been granted land patents:

Name.	Lot taken.	Tract.	Island.
Joseph Bento.....	47A	Lawai (grant 6777).....	Kauai.
Mary Ikua Harper.....	21	Lawai (grant 6749).....	Do.
John Silva.....	48A, 48B	Lawai (grant 6765).....	Do.
Kioshi Tamamoto.....	55	Lawai (grant 6778).....	Do.
Manuel Nunes.....	30	Lawai (grant 6414).....	Do.
Mrs. E. K. Kanehiwa.....	11A, 11B	Lawai (grant 6635).....	Do.

THE SENATE OF THE TERRITORY OF HAWAII,
Honolulu, Hawaii, April 21, 1917.

We hereby certify that the foregoing resolution was this day adopted in the Senate of the Territory of Hawaii.

CHAS. T. CHILLINGWORTH,
President of the Senate.
O. SOARES,
Clerk of the Senate.

THE HOUSE OF REPRESENTATIVES
OF THE TERRITORY OF HAWAII,
Honolulu, Hawaii, April 26, 1917.

We hereby certify that the foregoing resolution was this day adopted in the House of Representatives of the Territory of Hawaii.

H. L. HOLSTEIN,
Speaker House of Representatives.
EDWARD WOODWARD,
Clerk House of Representatives.

The VICE PRESIDENT presented a petition of the City Council of Los Angeles, Cal., praying that freedom be granted to Ireland, which was referred to the Committee on Foreign Relations.

He also presented a memorial of sundry citizens of Pittsfield, Mass., remonstrating against the imposition of a tax on proprietary medicines, which was referred to the Committee on Finance.

He also presented a petition of the Northwest Suburban Citizens' Association of the District of Columbia, praying for the enactment of legislation providing for the erection of a national convention hall in the city of Washington, which was referred to the Committee on Public Buildings and Grounds.

Mr. CHAMBERLAIN presented a petition of the Congregation of the Methodist Episcopal Church South, of Corvallis, Oreg., praying for national prohibition as a war measure, which was ordered to lie on the table.

Mr. PHELAN presented a petition of sundry citizens of San Luis Obispo, Cal., praying for national prohibition, which was ordered to lie on the table.

Mr. SMITH of Maryland presented a petition of the Calvary Methodist Episcopal Sunday School, of Mount Airy, Md., praying for the prohibition of the manufacture and sale of alcoholic liquors during the war, which was ordered to lie on the table.

He also presented a petition of the Woman's Christian Temperance Union, of Washington County, Md., praying for the prohibition of the manufacture and sale of liquors as a war measure, and remonstrating against the placing of an increased tax upon intoxicating liquors, which was ordered to lie on the table.

He also presented a petition of sundry citizens of Kent County and Baltimore, in the State of Maryland, and of the Red Cross Auxiliary, of Pocomoke, Md., praying for the conservation of food products and for national prohibition as a war measure, which were ordered to lie on the table.

Mr. FRELINGHUYSEN presented a petition of sundry citizens of Wallington, N. J., praying that an appropriation be made for the improvement of the Passaic River in that State, which was referred to the Committee on Commerce.

He also presented a petition of Typographical Union No. 103, of Newark, N. J., praying for Federal control of foodstuffs, which was ordered to lie on the table.

He also presented memorials of Palisade Brotherhood of Railroad Trainmen No. 592; of Trunk Makers' Union No. 2, of Newark; of Barbers' Union No. 381, of Hoboken; of Beer Bottlers' Union No. 268, of Newark; of Journeymen Barbers' Local Union, of Plate Printers and Assistants Local Union No. 99, of Elizabeth; of Embroidery Workers' Union No. 5, of Cigar Makers' Local Union No. 146, of New Brunswick; of Journeymen Barbers' Union No. 315, of Plainfield; and of Painters' Union No. 814, of Englewood, all in the State of New Jersey, remonstrating against the enactment of legislation to prohibit manufacture of beer and light wines, which was referred to the Committee on Finance.

He also presented petitions of sundry citizens of Newark, Passaic, Orange, East Orange, Maplewood, and Trenton, all in the State of New Jersey, praying for national prohibition as a war measure, which were ordered to lie on the table.

Mr. WEEKS presented a petition signed by sundry manufacturers of Holyoke, Mass., praying for the enactment of legislation to prohibit the manufacture and sale of intoxicating liquors during the period of the war, which was ordered to lie on the table.

Mr. SMITH of Michigan. I have a telegram from the Patriotic League of Lenawee County, Mich., which I ask to have inserted in the RECORD.

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

ADRIAN, MICH., June 18, 1917.

Hon. WILLIAM ALDEN SMITH,
Senate, Washington, D. C.:

Patriotic League of Lenawee County, embracing all patriotic activities in county, most earnestly urges immediate passage of Lever food-control bill without material change. In our opinion there is

absolutely no danger from lack thereof. Control should not be vested in commission but in a single administrator who must be given radical and plenary powers. Our laboring men, business men, and farmers are thoroughly aroused upon this question.

PATRIOTIC LEAGUE OF LENAWEE COUNTY,
ROBERT DARTON, President,
W. H. BURNHAM, Vice President,
R. C. ROTHFUSS, Secretary.

EFFICIENCY OF THE PRESS.

Mr. SHERMAN. I present a communication from the Illinois State Journal, of Springfield, Ill., which I ask to have inserted in the RECORD.

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

THE ILLINOIS STATE JOURNAL,
Springfield, Ill., June 14, 1917.

Hon. LAWRENCE Y. SHERMAN,
Senate Office Building, Washington, D. C.

DEAR SENATOR: With this country's fate trembling in the balance, its future offering unlimited possibilities conditioned upon the stability of democracy, or threatened with all the horrors of ruthless autocratic domination if it fails to make certain the defeat of those who would oppress, upon what one great widespread and dominating influence does the Nation depend to-day to uphold and win support to the war program of the administration?

How many persons would be influenced to respond to the call for subscriptions to the liberty-bond issue; how many would respond to the appeal of the Red Cross and the dozens of other patriotic organizations that are swamping the newspapers with requests for free space; how could universal registration for conscription be quickly brought about without serious social disorder but for the voluntary, prompt, and enthusiastic support of the patriotic press of the United States?

To what can the Nation look for such service hereafter if the power of the press is devitalized or destroyed by oppressive and destructive taxation?

To be efficient, the newspapers of this land must be prosperous.

To be prosperous they must be relieved of injustice and inequitable taxation.

Is it reasonable, right, or good business at this time of all others to permit individual personal animosities to dominate the course of this Nation in discriminating against the Nation's most powerful ally, the untrammelled press, while specially favoring other and more prosperous industries that possess no means of influencing the course of public sentiment?

For days and weeks the wires and mails have been burdened with news of plans proposed for exacting undue tribute from the daily press, already staggering under the load of increased expenses due to advancing cost of paper, ink, metals, machinery, and wages, and crippled by the loss of trained workers.

Add to this the prospective exactions of further heavy increases in all overhead expenses, including many varieties of taxation, and still further deprivation of experienced workers, and you can picture what confronts a publisher threatened by Congress with additional oppressive special taxation beyond the ability of many to meet.

Contrast with this picture the view, easily obtained, of many flourishing industries whose greater comparative prosperity is enhanced instead of burdened by the prospect of war taxation.

In the mails to-day comes to the State Journal this unsolicited expression from one of the builders of automobiles, rejoicing over the benefit to be derived by such manufacturers from equitable consideration shown to the trade by Congress.

This is what the general manager of one such concern is sending to newspapers:

"No greater impetus to the automobile industry could have been given than that which has resulted from the voting by Congress of the war tax on motors, for it definitely settles the status of car ownership. With the knowledge that only a reasonable and moderate fee is to be assessed on the automobile, the general public is flooding dealers all over the country with orders and compelling factories to work full time to meet them.

"Telegraphic reports from 35 State managers of one large eastern factory, the Metz Co., of Waltham, Mass., show an increase of 100 per cent in sales in the six days following the passing of the tax. Other car makers report increases also."

No such reports are to be heard from newspaper publishers.

Every mail brings a new crop of appeals to the press to donate additional space free of all expense to the Government for pressure to be brought in its behalf; some to urge prompt registration, others to point the finger of shame at the slacker; one after another to help induce the indifferent to subscribe for bonds, all to invite the press to turn loose its best thought, its most earnest effort and space, ad libitum, to influence public sentiment in the direction of liberty and freedom. Does the press hesitate? Is it backward or niggardly in responding to the call of its Government for free service and free space in this great emergency?

A thousand times, No!

Without hesitation, or murmur, and without limitation; with no suggestion or thought of reward or recompense, the American press welcomes the call, gives of its best without limit and asks what more can it do.

We, of the press, volunteer to render our service ahead of all others and without regard to what others may do. We recognize no command greater than the needs of the Nation, and our resources are subject to the suggestions of our Commander in Chief, the ruler of the Nation, whenever he may call upon us.

Is any other industry more prompt, more patriotic, more liberal, or more potent?

Is any other industry so harassed and threatened?

I submit, with all respect, the much-used but appropriate fable of the murder of the goose that laid the eggs of gold.

To what source will Congress turn for aid, if it cripples or kills the newspapers that have shown such loyalty to their country?

Why not help make the press prosperous so that it may be more potent, instead of harassing and crippling it so that its influence shall be weakened or destroyed?

America's advancement is largely due to its enlightened, patriotic press.

To help win the war and to promote the reconstruction of the Nation after the war, if we win, this country will need the greatest possible efficiency in its public press.

Is it not plainly the part of judgment and wisdom to free the press from oppression and give it opportunity to make itself more efficient?

The weaker the press the weaker the Government! The less prosperous the press the weaker it must be.

Give the newspapers a chance to do their share in the best possible manner.

Sincerely and respectfully, yours,

LEWIS H. MINER.

FOOD PRODUCTS.

Mr. PHELAN, from the Committee on Irrigation and Reclamation of Arid Lands, to which was referred the bill (S. 1725) to stimulate the production of food upon private and public lands within reclamation projects, and for other purposes, reported it with amendments and submitted a report (No. 68) thereon.

BOTANIC GARDEN.

Mr. GALLINGER. I am directed by the Committee on the Library to report back favorably without amendment the bill (S. 346) to increase the area of the United States Botanic Garden in the city of Washington, D. C., and I submit a report (No. 67) thereon. At the last session a similar bill was passed without dissent, and I ask unanimous consent for the present consideration of the bill.

The VICE PRESIDENT. Is there objection?

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That the United States Botanic Garden, situated in the city of Washington, D. C., be, and the same is hereby, increased and enlarged by attaching thereto those two certain parcels of land situated, lying, and being between Third Street on the east and Sixth Street on the west, and Missouri Avenue on the north and Maine Avenue on the south, which said parcels are known as East Seaton Park and West Seaton Park.

SEC. 2. That said two described parcels shall, upon the passage of this act, become part and parcel of the said United States Botanic Garden and immediately available for the purposes thereof: *Provided*, That the location of conservatories and other improvements of a permanent character which may be built within said parcels shall be confined to areas not intended as the sites for future public buildings and drive-ways in the plan for that vicinity prepared by the park commission.

SEC. 3. That all laws and parts of laws inconsistent with any of the provisions of this act be, and the same are hereby, repealed.

The bill was reported to the Senate without amendment, ordered to be engrossed for 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. SMOOT:

A bill (S. 2479) for the protection of the owners of mining claims in time of war; to the Committee on Mines and Mining.

By Mr. MCKELLAR:

A bill (S. 2480) to amend section 11 of the act approved December 23, 1913, known as the Federal reserve act, as amended by the act of September 7, 1916; to the Committee on Banking and Currency.

NATIONAL DEFENSE.

Mr. WATSON submitted an amendment intended to be proposed by him to the bill (S. 1786) to amend certain sections of the act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, and for other purposes, which was referred to the Committee on Military Affairs and ordered to be printed.

AMENDMENT TO PENDING BILL.

Mr. BORAH submitted an amendment intended to be proposed by him to the bill (S. 2463) to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel, which was ordered to lie on the table and be printed.

WITHDRAWAL OF PAPERS—ELIZABETH GATES PERRY.

On motion of Mr. SMITH of Maryland, it was

Ordered, That the papers accompanying the bill (S. 6976) granting a pension to Elizabeth Gates Perry, Sixty-fourth Congress, be withdrawn from the files of the Senate, no adverse report having been made thereon.

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 act and joint resolution:

On June 15, 1917:

S. J. Res. 70. Joint resolution relating to the service of certain retired officers of the Army.

On June 14, 1917:

S. 995. An act to authorize the issue to States and Territories and the District of Columbia of rifles and other property for the equipment of organizations of home guards.

PRICE OF STEEL.

The VICE PRESIDENT. Concurrent and other resolutions are in order.

Mr. STONE. Mr. President, I do not rise to offer a resolution of any kind, but I suppose, under this head as well as any other, I might place in the RECORD matters which may seem to be, and are, of special interest at this juncture in our affairs. We are appropriating enormous sums for various purposes and are organizing a multitude of ways and means of expending the money thus appropriated in the public interest and for the public good. We know about the appropriations, but it is of vital interest to know how the money we appropriated is expended.

Among other things Congress has done for the prosecution of the war has been to pass a bill appropriating \$500,000,000 to construct merchant ships to convey the products of this country to Europe and also to other parts of the world, but especially to that part of Europe occupied by our allies in the war in which we are now engaged.

Only the other day—June 17—I read an article in the Washington Post, which I desire now to read to the Senate for the purpose of calling special attention to what it says. It relates to the work to which I have particularly referred—of building merchant ships to meet the demand upon us in the conduct of the war. The article is headed, "Ship steel prices to U. S. pushed up—Corporation asks \$95 a ton—Navy has been paying only \$65." And then the following:

That the United States Steel Corporation is attempting to charge the Government \$95 a ton for steel for the proposed commercial fleet, as compared with \$65 a ton for steel for the Navy, was the remarkable disclosure made here yesterday. The difference, shipbuilders estimate, represents \$40,000,000 profit.

Gen. George Goethals said the price submitted was not satisfactory. He had been compelled, however, to fix that as a basic price—

That is, \$95 per ton—

upon which shipbuilders have been told to make their estimates. Later, in case of a revision, the shipbuilders will be protected.

The price fixed by the Steel Corporation is considered here to be all the more remarkable in view of the investigation of steel prices by Congress when the tariff was being considered. At that time—

That was only a short time ago—

the Bureau of Corporations, after an exhaustive inquiry, determined that at \$31 a ton the Steel Corporation was able to pay a dividend of 10 per cent on its entire stock issue.

The majority of that stock, as the world knows, was what in Wall Street parlance, and in what is now universal parlance, is called "watered stock."

Experts who have been making an inquiry into the subject for the United States Shipping Commission, declare that the increase is not justified.

Mr. SMITH of Michigan. That is, Mr. President, the increase from \$35 to \$95 a ton?

Mr. STONE. The increase from \$31 per ton.

Mr. SMITH of Michigan. That the increase from \$31 to \$95 is not justified?

Mr. STONE. Is not justified. However, I think, though I do not speak with certainty, that the experts referred to condemn the increase from \$31 per ton, under which price a 10 per cent dividend was declared on the entire stock issue of the steel company, even to \$65 per ton, which the Navy Department is paying. The increase to \$95 per ton certainly was condemned as not justified.

Mr. SMITH of Michigan. Mr. President, will it bother the Senator if I interrupt him?

Mr. STONE. It will not.

Mr. SMITH of Michigan. I should like to say to the Senator, for I know he wants to be accurate, and will be accurate, in what he says—

Mr. STONE. I will so far as I can be; that is my desire.

Mr. SMITH of Michigan. That the truth is that no contract has been let at \$95 per ton, nor is it proposed to let any contracts at \$95. The contracts let were let at a price to be fixed by the Council of National Defense, which was to be the measure of cost and the sole measure of cost. Both parties agreed on that. If they should agree on \$40, that will be the price; and if they should agree on \$31, that will be the price; but there is no proposition in any contract that Gen. Goethals has executed which holds the Government to any such cost as \$95 per ton. In each of the contracts he put a clause that the price of the steel in the contracts shall be that agreed upon by the Council of National Defense. Everyone knows, as the Senator has intimated, that the Navy Department is buying steel at about \$65, and it is hoped, both by Gen. Goethals and by the other members of the Shipping Board, that the price of the steel for these vessels will not exceed \$45 or \$55 per ton.

Mr. STONE. Well, nevertheless, while it is stated that Gen. George Goethals says the price of \$95 per ton is not satisfactory,

he has been compelled to fix that as the basic price—compelled to fix that basic price.

Mr. SMITH of Michigan. That is correct only in this, Mr. President, that the offer of the Los Angeles Shipbuilding Co. was at that figure, but Gen. Goethals refused to sign a contract until there was inserted in it a clause that the price to be paid should be the price agreed upon by the Council of National Defense, thus protecting the Government entirely and at every point as completely as though the price had been fixed at \$50, because, on the statement of the Senator, if our steel plants were commandeered and operated by the Government 10 per cent could be made at \$31 a ton.

Mr. STONE. But the remarkable thing to me is that Gen. Goethals, however his name may be pronounced—

Mr. SMITH of Michigan. The country knows how to pronounce his name.

Mr. STONE. I do not know whether the country can pronounce it or not.

Mr. SMITH of Michigan. No matter whether they can pronounce it or not, history will take care of him. There is no doubt about that, is there?

Mr. STONE. I think it will; but just how it will take care of him I do not know.

Mr. SMITH of Michigan. Many other innocent men have been assailed, many men not very far from me have been criticized very severely, perhaps unjustly.

Mr. STONE. I am not assailing anybody. The Senator is unduly precipitate—

Mr. SMITH of Michigan. No; I am not.

Mr. STONE. In rising in defense. When a man's friends defend him too quickly, they lay him open to suspicion.

Mr. SMITH of Michigan. Yes; and one who assails too quickly lays himself open to criticism, and that is what the Senator has done.

Mr. STONE. I have not assailed; I may do so, but I have not done so as yet. The Senator had better wait until the indictment is preferred or presented before he rises to plead.

Mr. SMITH of Michigan. Mr. President, the Senator gave me the privilege.

Mr. STONE. Oh, I yielded to the Senator.

Mr. SMITH of Michigan. Yes.

Mr. STONE. Of course; and I will yield again whenever he desires.

Mr. SMITH of Michigan. I will not bother the Senator; I will use my own time.

Mr. STONE. That is all right; the Senator can do as he pleases as to that.

Mr. SMITH of Michigan. The Senator from Missouri usually does as he pleases, and I think he ought to accord that privilege to his colleagues.

Mr. STONE. I could not help doing that if I desired to do otherwise, and I have no wish to do otherwise.

The point I make, Mr. President, is that there was, according to what I have read, a tentative agreement made at \$95 a ton. It may have been subject, as the Senator says, to review by some one else, as it was subject to the review of some one else; but what I complain about is this—that any contract should be made, even tentatively, which had too much upon it the coloring of graft.

Mr. SMOOT. Mr. President—

Mr. STONE. I am not accusing Gen. Goethals of graft; I exonerate Gen. Goethals of that; but I will accuse the people with whom he was dealing with an attempt, a deliberate, cold-blooded attempt, to rob the Treasury of the United States, and the general must have known that.

Mr. SMOOT. Mr. President—

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

Mr. STONE. Yes.

Mr. SMOOT. I desire to suggest to the Senator that I think the newspaper has made a mistake as to the price of the steel to go into these ships. I have the confidential statement made—

Mr. STONE. Confidential statement?

Mr. SMOOT. The testimony given before the Committee on Appropriations where the price of plates and sheets was mentioned by Gen. Goethals. I wish also to say that Gen. Goethals expected to get even a lower price than that mentioned here. In his testimony he says:

I have a proposition this morning in the office to build some steel ships at Seattle at \$155 a ton, on the basis of 4½ cents for plate—

That is, \$85 for plates—

and 3½ cents for sheets—

Which would be \$75 for sheets. He thought, even then, that the price for the sheets and plates was too high, and said also

that he could make the contract at a lower price than that with eastern firms. I simply call the Senator's attention to that, thinking perhaps that the newspaper report was an error, because I have quoted absolutely what he did say.

Mr. STONE. I nevertheless complain that an officer of this Government, put into a great and responsible position, whether civil or military, should consent even to a tentative proposition that involved mulcting the Treasury of the United States of from \$40,000,000 to \$50,000,000. It was, at least, very poor judgment and contributed naught to his administrative ability. That criticism I do make. There I leave that part of what I have to say, which is the first half.

This morning I find in the same paper, the Washington Post, another very interesting article relating to the same subject, which I wish to read that it may go into the RECORD:

WOODEN SHIP VICTORY—DENMAN TO CARRY OUT THE PLAN DESPITE GOETHALS'S OPPOSITION—CUTS GENERAL'S STEEL PRICE—MILLS AGREE TO \$56 TENTATIVELY INSTEAD OF \$95, ORIGINAL COST—DENMAN CONFERS WITH WILSON, AND GOETHALS WILL SEE HIM TO-DAY—U-BOAT TOLL GROWS AND ENGLAND URGES SHIPS—DENMAN FEARS FOR UNITED STATES TRANSPORTS—CONGRESS CRITICAL OF "WAR ADMINISTRATION."

Though contracts were signed for 10 ships with steel tentatively at \$56 by Chairman Denman, of the Shipping Board, yesterday, as against \$95, agreed to by Col. Goethals and the steel makers recently, the controversy between the two on the shipbuilding program apparently has not been ended. Chairman Denman called at the White House yesterday and had a long conference with President Wilson. Gen. Goethals also called, but the list of appointments proved to be filled until Friday. Meantime the controversy was discussed in Congress.

After his conference with the President, Chairman Denman said U-boat sinkings for the past week would average a total of 9,000,000 tons loss annually. Every ship possible, and of every kind, must be built by the United States.

PLAN FOR UNITED STATES TROOP SHIPS.

"The most serious thing," said Denman, "and the most important, is the mounting of figures on sinkings of British ships. The decrease in the sinkings the last two weeks in May evidently showed Germany had recalled her submarines to prepare them for expected sailings of American troop ships. Sinkings are again on the increase.

"Our conference had nothing to do with the reported differences between myself and Gen. Goethals," Mr. Denman continued. "There is no real difference in our views. There never has been anything but a smile between us. We talked about U boats and need of merchant ships."

The increased submarine sinkings last week indicate that Germany has her entire submarine fleet in action. There was evidence that the German Government called in its undersea boats for repairs during the month of May, so that they would be ready to lie in wait for the American transports when they began carrying our troops to France. Germany is now sinking merchant shipping faster than it can be replaced unless the present shipbuilding plans of the United States are greatly extended.

CHAIRMAN DENMAN'S STATEMENT.

The contracts yesterday went to the Downey Construction Co., of New York, for 10 vessels, and were signed by Chairman Denman after he had refused to approve them when they first came to him from Gen. Goethals naming a price of \$95. The price of \$56 will stand, Mr. Denman announced, until a final figure is set by the President or by some agency he may designate.

"Since the Government now has the power to force a lower price," said Mr. Denman, "I should not go on approving contracts at \$95. If the price of \$56 is raised finally, the steel plants will be refunded; if it is lowered, the Government will benefit by the reduction."

ACCEPTED BY THE PLANTS.

A base price of \$95 was agreed on between Gen. Goethals and the steel plants some weeks ago. It was to stand until a final price was arranged, but Chairman Denman said yesterday he had declined to sign more contracts at that figure because he did not care to set a precedent that would embarrass the board when final negotiations for a price basis were begun. The Navy is obtaining steel at about \$65.

The country's steel plants, it was said yesterday, accepted the price of \$56 on condition that its acceptance would not determine the final price to be paid. Steel men, it is said, estimate the cost of production now at around \$45, but they have been able to sell all the plates they could produce at from \$95 to \$125. The commercial demand, however, will cease with the Government's requisitioning of ships building and shipyard facilities.

COMMITTEE MAKING ESTIMATES.

The committee on war supplies of the Council of National Defense is making estimates for the fleet corporation now on steel prices. Gen. Goethals has said he is ready to leave the whole matter of prices to the committee. But Mr. Denman said the committee would not fix prices, although it would advise.

As to the controversy between Chairman Denman and Gen. Goethals, Congress in voting a \$500,000,000 appropriation for shipbuilding authorized the President to exercise powers granted in the act through any agency he might designate. But both Mr. Denman and Gen. Goethals, it is said, are anxious that the other should not be designated to carry out the act's provisions. Gen. Goethals, it is understood, feels he can not accomplish half as much as he might if hampered by the Shipping Board with powers to direct his efforts. Mr. Denman, it is said, believes the Shipping Board should be given full powers.

DENMAN HOLDS THE STOCK.

As Denman holds 95 per cent of the capital stock of the shipping corporation for the Government, such designation, it is said, means he will remain in power, and that the wooden-ship program will go through, possibly with all steel ships that can be constructed under Gen. Goethals' plan.

I merely read this and leave it for your reflection without comment.

And now, Mr. President, a word and I am done. There is an issue, it seems, between Mr. Denman and Gen. Goethals. Gen. Goethals desires plenary power to proceed with shipbuild-

ing as he pleases. Mr. Denman, the chairman of the Shipping Board, desires supervisory powers. That seems to be the issue between them. Gen. Goethals did make tentative contracts, subject, of course, to approval by others, Denman among them, at \$95 per ton for steel. Mr. Denman, chairman of the board, turned down those contracts, would not even countenance them, and made contracts proposing tentatively \$56 per ton. That is the difference between the one man, who contends for supremacy in the exercise of power, and the other man, who contends for the exercise of a supervisory power in the construction of this commercial fleet for the war emergency.

I am bound to say, Mr. President, that I rejoice that such a man as Denman is in this emergency at the head of the Shipping Board.

Mr. VARDAMAN. Mr. President, it is not my desire to do anybody an injustice.

I called attention on last evening to the matter which the Senator from Missouri [Mr. STONE] has just discussed.

I did not undertake to determine Gen. Goethals's authority in the transaction mentioned but contented myself with simply calling attention to the transaction.

Evidently there is a purpose somewhere of somebody to do something that ought not to be done.

A Senator came to me this morning with a message from Gen. Goethals, saying that the general had nothing to do with the fixing of the price of steel; that that was a matter for the board to determine. I can not recall just now which board, but it was one of the many boards appointed by the administration to work for the Government for nothing, I presume.

There is no question in my mind but that the matter of the price of steel to be furnished the Government for shipbuilding had been under consideration for some time by the altruistic patriots who control the enterprises which manufacture that very essential material.

It was the purpose of the steel manufacturers to force the United States Government to pay \$95 a ton for steel. The mere suggestion is an outrage, an exasperating thought, but nevertheless I believe it is true.

They were going to take advantage of this emergency to rob and plunder the taxpayers—coin this dire and desperate necessity into dollars and fill their capacious coffers with blood money.

Sustaining my own judgment in the matter, I am going to ask permission to read an editorial published in the New Republic, of Saturday, June 9, which throws a flood of light on this dark, damnable conspiracy, and is a straw which shows where and which way the wind is blowing. It puts the American people on guard and should call the Congress to arms to defend the taxpayers against such shameless conduct.

I take it that no one will charge the New Republic with viewing the question from a partisan standpoint. I have read this publication for some time and find it inclined to be ultra-conservative.

The subject of the editorial is "The price of steel for ships." I shall read it in full:

The foundation of the Shipping Board's new program of ship construction is steel. It was the apparent inability of the steel interests to promise deliveries within a reasonable period that at first made it seem necessary to rely on inferior wood construction. It was a change of front on the part of the steel manufacturers, and explicit promises of enough steel to build 3,000,000 tons of shipping within a year and a half, that induced the recent change from wood to steel. Henceforth, if we may judge from statements of Gen. Goethals, and of Members of Congress, our main hopes are to be staked on steel; wood is to be merely a side issue, to be pushed as vigorously as may be without interfering with the steel program.

The responsibility for this change is a staggering one, and it may be assumed that it was not made without the most searching consideration. If there has been a miscalculation, if the enthusiasm of the steel manufacturers has outstripped their judgment, if deliveries are delayed and the output of ships falls far short of the promise, the triumph of the central powers may be the price of the mistake. It is to be assumed that Mr. Farrell and Mr. Gary and Mr. Schwab have weighed the possibilities earnestly and anxiously, and that their promise rests on a genuine belief in their ability to perform.

Nevertheless complete confidence in the soundness of their decision can rest only on a conviction that it was rigorously impartial, that it was based exclusively on an estimate of the measure of disinterested service which the steel industry is capable of rendering. Unfortunately there have been disquieting rumors as to the price which the steel industry expects to exact for its services; and the soaring stock-market quotations of United States Steel, since these rumors have made their appearance, lend to them an air of plausibility. It can hardly be a mere coincidence that steel common has advanced 20 points since the middle of May. In 1910 the Steel Corporation was selling steel plates at an average of about \$31 a ton. A thorough investigation of costs in steel production by the Commissioner of Corporations led to the conclusion that this price brought a return of 10½ per cent on the investment. Since then, of course, costs have risen considerably, and to-day an impartial investigation would call for some revision of these figures, even as to steel made for the Government, which it may be assumed is entitled in time of war to the best that its citizens can do. In practice, the Government is now paying more than double the price which was in 1910 bringing such abundant returns. The figure fixed upon by Secretary Daniels for steel plate for the Navy is \$65 a ton, and,

though this figure is attacked by steel manufacturers, it errs on the side of liberality.

The disquieting rumor which has apparently gained credence in Wall Street is that the Shipping Board will be expected to pay 4½ cents a pound for the steel plates to be used in its gigantic merchant fleet—a price that figures at more than \$95 a ton, more than three times the price in 1910, and nearly 50 per cent more than the present price for Navy construction. No confirmation of this figure has been published, but its accuracy seems to be generally accepted. The Wall Street Journal, a publication known to have unusually good sources of information, stated definitely in a leading article last Monday that the price will be in round numbers \$100 a ton.

It is hardly credible that far-sighted steel manufacturers of the type of Messrs. Gary, Schwab, and Farrell should lend themselves to anything of this sort. At a time when the men of the country are being drafted into service, perhaps to be maimed or killed, for a paltry \$30 a month, it is inconceivable that the wealthiest industry in the United States should be willing thus to coin more riches out of the Nation's peril. It would have a most sinister aspect. Socialists and radical labor leaders have for years preached to their followers that war was an institution designed by the capitalist class to enable it to extort more profits out of the sweat of labor.

And I will say just at this point that this is not an exception to the rule.

Unrest among workmen the world over has been predicated on the supposition that while human beings were drafted for war at nominal compensation, property was allowed to exact what the market would bring. Would not hundred-dollar steel look like a startling confirmation of this charge? Politically, such a thing would be suicidal. It would supply deadly ammunition to the western Senators, such as LA FOLLETTE, who have maintained that the President plunged us into the war at the behest of the Wall Street interests.

The United States Steel Corporation and the other steel manufacturers have an opportunity, which will perhaps never return, of demonstrating that they place solicitude for the national safety and welfare above the desire for profit. They should be content to furnish steel to the Government at the price already determined upon for Navy work—at \$65 a ton. That is a fair, indeed a liberal, price. Anything more savors of extortion. Under the new shipping legislation, the President has drastic and extensive commanding power; he has a club which can make itself felt. But he should not be forced to use it. Ships can not be rapidly built in an atmosphere of suspicion and antagonism. The offer of steel at \$65 a ton should come from the steel interests, and it should be a voluntary one, made from a sense of public obligation. Let it be their contribution toward the prosecution of the war.

Mr. President, the Senate will judge for itself as to whether or not there is a conspiracy among the Garys, Schwabs, and Farrells to profit pecuniarily by this war. Personally I do not expect patriotism from that source. Money is conscienceless, and the man whose life is devoted to money-making is usually incapable of patriotic motives.

I would as soon expect to find virtue in the realm of the lost as altruism in the soul of a man whose life is devoted to the accumulation of wealth.

There may not be anything wrong in this incident which the Senator from Missouri and myself have called to the attention of the Senate, but the sunlight of publicity will not do any harm. It is a matter that the Congress ought to understand, so that if anything should happen to go wrong, Congress could block the game of the conspirators and protect the American people from plunder.

Mr. SMITH of Michigan. Mr. President, I do not know that I am called upon to say anything in reply to the statement made by the Senator from Missouri [Mr. STONE]. I asked him a question or two, and he made reply in the same good humor which has always characterized our relations. But the only reason I interrupted the Senator was because I did not desire any false impression to grow out of the statement, which perhaps without elucidation might be the case.

The truth about that shipbuilding contract is simply this, and nothing more, that a shipbuilding company offered to build certain ships for the United States Government, fixing the price. Their contracts were accepted, but a clause was written in each contract that the price fixed for the steel was purely tentative and must be finally fixed by the National Council of Defense. It made no difference whether that contract read \$100 a ton or whether it read \$500 a ton, neither one was binding upon the Government. The price was left to the National Council of Defense. The fact that we were buying our steel for our naval vessels at practically \$65 indicates that there is a very wide discrepancy between what would actually be paid and what was asked.

This Los Angeles Shipbuilding Co. I know nothing about. They made this proposition. The Government wanted the ships, no time was to be lost, and it was useless to haggle over the price. So the matter was left entirely to the Government. If Gen. Goethals had said the price would be \$95 a ton he would have made a great error, justly open to criticism. If he had said \$65 a ton the Senator from Missouri might have risen with great propriety to criticize his course; therefore no price was fixed.

Mr. WEEKS. Mr. President—
The PRESIDING OFFICER (Mr. McLEAN in the chair). Does the Senator from Michigan yield to the Senator from Massachusetts?

Mr. SMITH of Michigan. I do.

Mr. WEEKS. I wish to ask the Senator if he knows anything about the Los Angeles Shipbuilding Co.?

Mr. SMITH of Michigan. I do not.

Mr. WEEKS. I was given some information not long ago, which I think I put in the RECORD—I am not quite sure—to the effect that the Los Angeles Shipbuilding Co. was a company on paper—

Mr. SMITH of Michigan. I think the Senator has made a mistake, which he rarely does.

Mr. WEEKS. That it had no shipbuilding plant constructed; that a corporation had been formed with a very reputable man as president; that a little money had been paid in, but that it will take at least a year for the Los Angeles Shipbuilding Co. to construct its plant to get ready to lay down ships. The purpose, I understood, of the Shipping Board is to have ships delivered within that time and practically the entire contract delivered within 18 months.

Mr. SMITH of Michigan. I think, in reply to the Senator from Massachusetts, that as far as the responsibility of the Los Angeles Shipbuilding Co. was concerned, the Shipping Board and Gen. Goethals satisfied themselves about it. A man who has expended \$350,000,000 of our Government money without a breath of criticism from any source, receiving the praise of the entire civilized world, does not change his course of conduct overnight.

I know nothing about this company. I see the Senator from California [Mr. PHELAN] in his seat. Perhaps he would care to say whether the Los Angeles Shipbuilding Co. is a responsible company. I know nothing about it. Mr. Denman evidently thinks it is or he would not have made the contract; he is a resident of San Francisco himself.

Mr. PHELAN. Mr. President, I have not any very definite information about the Los Angeles or California Shipbuilding Co. apart from the fact that it was awarded a contract by the Navy Department, and hence the presumption is that it is an established plant. It is a comparatively new concern. I have in my hand a letter from the Long Beach Chamber of Commerce, in which it speaks of the two yards—Craig's and California—as proposing to lay keels immediately for four large merchant vessels for the Shipping Board and to rush them to completion. It indicates that there are companies springing up in every part of the country for the purpose of meeting the extraordinary demands of the Navy and the Shipping Board. I do not know that a company requires anything more than capital and the ordinary equipment, which are easily obtained, in order to be a shipbuilding plant. I do not know that it is a reproach upon a company that it has not already turned out ships. We are in an era of progressive construction.

Mr. SMITH of Michigan. Mr. President, as I said, I know nothing about the Los Angeles Shipbuilding Co., but I do know that they have no contract with the Government which binds the Government to pay any set price for steel, and they have no contract with the Government to pay \$95 a ton for steel. It is the cheapest kind of notoriety to give currency to such a proposition as that, and to give it at the expense of a man who has proven himself both capable and honest in the discharge of his public duty. I hold no commission from Gen. Goethals; what I say is purely voluntary; but I know his reputation. It belongs to the Nation and should be protected from slander, and I know that no contract has been made by him and no contract was refused by Mr. Denman which would tend in the slightest degree to discredit either gentleman.

I ought not to say it again, but there has been so much misinformation about this teapot tempest that I do want to say once more that the price according to the article read by the Senator from Missouri was merely tentative and is now only tentative. When it went over to Mr. Denman he said, "I would rather have it at \$50." So would Gen. Goethals, and the way was provided for \$50 steel not by the chairman of the Shipping Board but by their agent and manager; but if the testimony read by the Senator from Missouri is correct, \$50 would be exorbitant. If idle gossip and tin-pan publicity is to open the flood gates of criticism at the very beginning of this war our domestic problems will be more serious than our foreign.

In this matter the Government was entirely protected. Surely that ought not to be the subject of criticism, and would not have been if it had not been for the advertised controversy between Mr. Denman and Mr. Goethals, and how recent that controversy is. As I turn to his testimony, which I hold in my hand, I find Mr. Denman says: "We selected Gen. Goethals because of his well-known reputation. He sought no responsibility. We dragooned him into the service of his Government." I read the language of Mr. Denman in this report: "We dragooned him into the service of the Government." Why did they dragoon him? Because he had performed the most gigantic task ever under-

taken by the American Government, honestly, fearlessly, and expeditiously.

I do not often criticize people. Sometimes it is unwarranted, and in my opinion this controversy never should have been precipitated, especially when its motive was cheap notoriety.

I have heard honest and fearless and patriotic men sharply criticized and villified; I have seen them wounded in their spirit and in their hearts; but I do not deal in that kind of subterfuge.

Mr. Denman is undoubtedly an active, enterprising, forceful man. What I said of him the other day I now repeat—that if he is a great man or has unusual abilities for his present work he has yet to demonstrate them—but the mere fact that he took his pencil and rubbed it through "\$95" and wrote "\$50" in its place in a contract to be absolutely controlled by the Government will not give him a very high place in history. If the statement of my honored friend from Missouri can be relied upon, even \$50 or \$55 is too high. What is to be said if the National Council of Defense write \$31 where \$50 now is? They can write anything they please in the contract, because in the wisdom of this great Army officer and those associated with him the right is reserved to the Government.

If every department of the American Government in times like this is run with as much concern for the welfare of their Government as these men show, I do not think we will have any occasion for criticism.

I perhaps ought not to have said even this. I apologize to my friend from Missouri if I seemed to fly too quickly to the support of Gen. Goethals. I only did it because of my sense of fairness and justness and my jealousy for a reputation that ought not to become the football of little souls hungering for glory.

Mr. STONE. Mr. President, my chief object in calling attention to this matter was to emphasize the danger the country is in of having the vast sums we are appropriating unwisely—I will merely say unwisely—expended. It is a fact, as I understand the truth to be, that the Shipping Board, of which Mr. Denman is the head, had developed a plan for the building of wooden vessels to meet the emergency confronting the country, which vessels could be built far more speedily and with far less expense than steel vessels. Gen. Goethals, at the head of the construction arm of this business, adopted, I will say, a plan, after more or less contention, of building steel vessels in preference to wooden vessels.

Without desiring unduly or unfairly to reflect upon anybody, it struck me as being strange, and the eloquent defense of my friend from Michigan has not removed that thought from my mind, that the head of this construction arm, after his insistence for steel vessels, should make even a tentative contract with a ship-building corporation at \$95 for steel, thereby setting, tentatively at least, the price of steel, which meant a concession to that extent to the grafting demands of those who had steel to sell instead of turning it down peremptorily. It struck me that it was a rather remarkable performance.

I do not assail Gen. Goethal's integrity. I do not assail the integrity of any man, but I speak of a fact which the Senate and the country should keep in mind when we are expending not millions but billions of dollars and when every sort of effort will be made by all kinds of people to thrust their greedy claws into the Treasury to plunder it. Men who permit things to be done even tentatively that lead to such results seem to me to lack an administrative ability at least that does them no credit.

I have never been, I am frank to say, a very enthusiastic admirer of Gen. Goethals. I barely know him. I do not recall ever meeting him more than once, but I am somewhat familiar with his career, and for one I venture to say, which I would not have done except in the immediate circumstances, that he is rather a pampered hero, whose reputation, such as it is, has been built largely upon the genius of other men. I go further and say that with the combined genius of them all, with the genius and intelligence of them all, the Panama Canal lacks a vast deal of being a great engineering success. I regard it rather as a failure. I express that as my opinion.

But, Mr. President, the eyes of those who are appropriating these vast sums of money as well as the eyes of those who are expending them should be keenly fixed upon what is done, and all of us—we here and those of the executive departments—should be very watchful of what is done.

Mr. SMITH of Michigan. Mr. President, I will only take a moment. The Senator from Missouri [Mr. STONE] says he is not a very enthusiastic admirer of Gen. Goethals. Of course, that was quite evident from what he said in the fore part of his address. He says that Gen. Goethals's fame results largely from the work of others. I want to say to the Senator that Gen. Goethals is big enough and generous enough to concede

that fact. When honors from his countrymen were being bestowed upon him and when he was being highly praised for the great work he did, he had the greatness, the courtesy, and the consideration to say that all of the men engaged in the work of building the Panama Canal had enabled it to be an accomplished fact, and that he claimed only to be one of the sixty thousand. I think the fame of almost any man who outlives his own generation, perhaps, may be attributed to the action of his fellows and those who are associated with him. Generally, if they are big enough such men are willing to divide the glory, and if they are small men, fearful that others may get a little glory, their names do not long endure in history. This man is big enough to concede that he is only one of the thousands of men who did an important work, and his fame is imperishable.

Mr. WEEKS. Mr. President, it seems to me that it is particularly unfortunate that the name of a great public servant, a great engineer, should be dragged into this kind of a controversy. I have not any brief to say anything for Gen. Goethals, but it will surprise the country and will surprise the engineering profession when they read what the Senator from Missouri has just said, that the Panama Canal is not an engineering success. I have never heard it suggested that it was not an engineering success so far as engineering capacity could perform the work. It is true that nature has played some peculiar freaks with the territory through which the Panama Canal passes, but no engineering skill could have prevented the slides and other conditions which have prevented the canal from being a complete success.

I did not rise, however, to discuss the Panama Canal, or even to discuss Gen. Goethals, but to say that it is well known to everyone in the Capitol that there has been friction, and very pronounced friction, between Gen. Goethals and the chairman of the Shipping Board ever since Gen. Goethals's connection with the enterprise. I do not know anything about the merits of the case; I do not know anything about the merits of the contention about the prices of steel. It would seem that \$95, \$90, or even \$85 was a very high price for steel. I do not know how many strings there are on that; I do not know what the conditions of its supply are; nobody seems to know about it; but to try the case like this, and in some degree to jeopardize the well-established reputation of a great engineer in a cursory discussion of this sort seems to me to be entirely unjustifiable.

That brings me to the suggestion which I think should be brought to the attention of the Senate at every opportunity—and I think I shall offer it as an amendment to this bill—of a committee to really investigate such reports as this and to give the public the information. My judgment is that 95 per cent of the ills which the body politic thinks exist would be cured by publicity. You can not cure them by this kind of discussion based on reports in the public press, with no more investigation probably than we are giving it here; but it can be cured and the information can be given to the public if a properly constituted committee investigates such matters as this, involving the expenditure of tens and hundreds of millions of dollars; and the public is entitled to the information.

Mr. President, not long ago I introduced a joint resolution providing for a committee on the conduct of the war. One of the functions of that committee would be to investigate just such a case as this and to give to Congress and to the public the real facts relating to it. We are, in my judgment, going to have any number of such controversies as this growing out of the great power which we are giving to certain men and the unusual amounts of money authorized to be expended and the unusual conditions which surround the expenditure. Somebody should have the power immediately to determine any question of this character as to which the public is entitled to information. This very contract ought to be before the Senate and ought to be referred to a committee of the kind which I have described. Then, in a very short time the Senate would have the exact facts.

The joint resolution to which I refer has been resting quietly in the committee to which it was referred for now something like six weeks, perhaps two months. I do not know that it is ever going to be reported. I have been told that the President is opposed to its being adopted because it might embarrass the administration in some respects. I want to say that there is no intention on the part of the proposer of the resolution or of anybody interested in it to embarrass the administration in the slightest degree; but there is an intent to furnish Congress and the public with the information which they should have. If I were in the position of responsibility, I should want to have such a committee organized and in operation for the purpose of investigating these questions and for the purpose of protect-

ing the men who are involved in making these contracts and expending these appropriations.

I am going to see that the Senate has an opportunity to vote on the joint resolution. I do not know just exactly how I am going to do it; perhaps I shall propose it as an amendment to this bill; but I am going to have it determined by the Senate whether it wishes to have real information furnished it when it wishes to pass on these questions involving the expenditure of hundreds of millions of dollars, or whether it is willing to take newspaper reports as the basis for acting on great questions, and especially those affecting and, perhaps, destroying the reputations of men.

The PRESIDING OFFICER (Mr. McKellar in the chair). Concurrent and other resolutions are in order.

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

The PRESIDING OFFICER. The Senator from Mississippi suggests the absence of a quorum. The Secretary will call the roll.

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

Borah	Jones, N. Mex.	Phelan	Smoot
Broussard	La Follette	Pittman	Stone
Calder	McKellar	Poindexter	Sutherland
Chamberlain	McLean	Pomerene	Swanson
Colt	McNary	Shaftroth	Vardaman
Fernald	Martin	Sheppard	Warren
Frelinghuysen	New	Sherman	Watson
Gerry	Norris	Simmons	Welcott
Husting	Overman	Smith, Md.	
James	Page	Smith, Mich.	
Johnson, S. Dak.	Penrose	Smith, S. C.	

Mr. GERRY. I desire to announce that the junior Senator from Kentucky [Mr. BECKHAM] and the junior Senator from Utah [Mr. KING] are detained necessarily from the Senate on public business.

Mr. SHAFROTH. I desire to announce the absence of my colleague [Mr. THOMAS] on account of illness.

Mr. WOLCOTT. I wish to announce the absence of my colleague [Mr. SAULSBURY], who is detained on account of public business.

The PRESIDING OFFICER. Forty-two Senators have answered to their names. There is not a quorum present.

Mr. CHAMBERLAIN. I ask that the names of the absentees be called.

The PRESIDING OFFICER. The Secretary will call the names of the absent Senators.

The Secretary called the names of absent Senators, and Mr. HOLLIS, Mr. KENDRICK, Mr. KENYON, Mr. NELSON, Mr. NEWLANDS, Mr. RANDELL, Mr. STERLING, Mr. THOMPSON, Mr. TOWNSEND, and Mr. WALSH answered to their names when called.

Mr. FLETCHER, Mr. HITCHCOCK, Mr. BRADY, Mr. GORE, Mr. McCUMBER, Mr. WEEKS, Mr. ASHURST, and Mr. SMITH of Arizona entered the Chamber and answered to their names.

The PRESIDING OFFICER. Sixty Senators have answered to their names. A quorum is present. The morning business is closed.

CONSERVATION OF FOOD AND FUEL.

Mr. CHAMBERLAIN. Mr. President, I ask that the unfinished business be laid before the Senate.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 2463) to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel.

Mr. SHEPPARD. Mr. President, taking up again the analysis of the bill before the Senate, I desire to say that it further provides that whenever the President shall find it impossible, by license or by voluntary arrangement, to assure an adequate supply of necessities, he is authorized to requisition and take over, for use or operation by the Government, any factory, mine, or other plant, or any part thereof, in which any necessities are or may be manufactured, produced, prepared, or mined; said factory, mine, plant, or any part thereof, to be returned to the owner when use by the Government is no longer required. Just compensation is to be made for such use; and if the amount determined by the President is unsatisfactory, recourse may be had to the courts.

The bill provides that whenever the President finds it essential, in order to prevent undue enhancement, fluctuation, or manipulation of prices of necessities, or injurious speculation therein, he is authorized to regulate or close any exchange, board of trade, or similar institution or place of business. He may require clearing houses, clearing associations, or similar institutions which clear, settle, or adjust transactions of such exchanges, boards of trade, etc., to keep such records as he may

require. The penalty for violation of the provisions regarding such exchanges, boards of trade, etc., is a fine not exceeding \$10,000, or imprisonment for not more than four years, or both.

The bill provides that when the President finds stimulation of production necessary, and that producers of any nonperishable agricultural products produced within the United States should have a guaranteed price in order to bring about such stimulation, he is authorized seasonably, and as far in advance of seeding time as practicable, to determine and fix and give public notice of what, under specified conditions, is a reasonable guaranteed price for any such products to assure producers a reasonable profit. The United States thereupon guarantees to the producer complying with the President's regulations within the period prescribed by him, not exceeding three years, a price not less than said guaranteed price. The President may levy an import duty necessary to prevent interference with the guaranteed price, which duty shall be sufficient to make the import price equal to the guaranteed price. In no case shall any existing duty be reduced. In order to make the guaranteed price effective, or in order to protect the Government against materially increased liabilities by virtue of the guaranty of price, the President may purchase all products for which a price has been guaranteed, hold, transport, or store them, or sell and deliver them to any person or to our allies, or use them for our Government.

The bill provides that the President may make such regulation or prohibition of the use of foods, food material, or feeds in the production of alcoholic or nonalcoholic beverages or such reduction of the alcoholic content of any beverage as he may deem essential to an adequate and continuous supply of food. The penalty on conviction for violation of this provision is a fine not exceeding \$5,000 or imprisonment for not more than two years, or both.

The bill provides that every person who willfully assaults, resists, impedes, or interferes with any officer, employee, or agent of the United States in the execution of any duty prescribed by the act shall, on conviction, be fined not exceeding \$1,000 or be imprisoned for not more than one year, or both.

The sum of \$2,500,000 is made immediately available for the payment of such rent, the expense of such printing and publication, the purchase of such material and equipment, and the employment of such persons and means in the city of Washington and elsewhere as the President may deem essential.

The sum of \$150,000,000 is made available immediately for the purposes of the act. No part of this sum is to be expended for rent, publication, printing, material and equipment, or the employment of clerical forces.

Judgment by the courts that any part of the act is invalid shall not impair any other part.

The act shall cease to be in effect when the national emergency resulting from the existing state of war shall have passed, the date of which shall be ascertained and proclaimed by the President. In no event shall the act continue in effect longer than one year after the termination, as ascertained by the President, of the present war. All legal obligations, however, incurred by the United States pursuant to the act shall continue in force until fulfilled.

The measure may now be summarized as follows:

First. It penalizes the willful destruction of necessities for the purpose of enhancing the price or restricting the supply.

Second. It penalizes hoarding, which is carefully defined. This does not apply to any farmer, gardener, or other person who accumulates or withholds the products of any farm, garden, or other land under lease or cultivated by him.

Third. It enables the President, under effective penalties, to license and regulate importation, exportation, manufacture, storage, or distribution of any necessities, whether he finds such steps essential to economical manufacture and equitable distribution. The licensee is first given an opportunity to conform charges, rates, and practices to the President's direction. This section does not apply to any farmer, gardener, or other person with respect to the products of any farm, garden, or other land owned, leased, or cultivated by him, nor to any retailer with respect to the retail business actually conducted by him, nor to any common carrier.

Fourth. It authorizes the President, when he deems it necessary to the purposes of the act, to purchase, produce, manufacture, store, or sell any necessities. He may commandeer any necessities, as well as storage space therefor, paying for what he takes; and if the party entitled to payment is not satisfied, he may have recourse to the courts.

Mr. KENYON. Mr. President—

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Iowa?

Mr. SHEPPARD. I yield to the Senator from Iowa.

Mr. KENYON. I should like to ask the Senator a question—in no controversial spirit, because I agree with him in nearly everything—in regard to the section he now refers to—section 9. Does he think that under that section the President could fix the price of farm products; or has the Senator discussed that phase of the matter? I have not been here. It seems to me that there should be an amendment to section 9 making it clear that farm products are not included, the same as the proviso to section 6, or similar to that, and the section dealing with the licensing system.

Mr. SHEPPARD. I was about to call attention to the proviso in this section, which is to the effect that no natural person is required to furnish any necessities held by him and reasonably required for consumption by himself and dependents for a reasonable time.

Mr. BRADY. What section is that?

Mr. SHEPPARD. The section referred to by the Senator from Iowa.

Mr. KENYON. Section 9. That is true as to necessities held by him and reasonably required for consumption; but, now, suppose the farmer is holding something he has produced—and I do not think we ought to injure the farmer or the producer in any way; we must take care of production. If he is holding that beyond the mere purposes which the proviso covers—that is, the amount reasonably required for consumption by himself and his immediate relatives—under this section, could not the President take the farmer's product and fix the price? That is the question that is worrying me.

Mr. SHEPPARD. Under this section the President may determine the price which he considers just, but if the party entitled to payment is not satisfied he may have recourse to the courts.

Mr. KENYON. Does the Senator think we ought to give any power to fix the price of what the farmer may produce? Now, this is outside of the minimum guaranty. I do not refer to that. That is to stimulate production. But if the President can take the products of the farm by fixing a price, or take them as this section provides, I am afraid we are going to injure production very much. That is a troublesome question in section 9.

Mr. SHEPPARD. I do not believe that the President would ever find it necessary to go to that extent.

Mr. KENYON. I do not think so, either.

Mr. SHEPPARD. This section becomes effective only when the President finds an emergency sufficiently acute to justify action under its terms.

Mr. KENYON. I do not think the President would, either; but I do think that the thought going out to the country, to the farmer and to the producer, that some power is given to fix this price absolutely will be a deterrent to production.

Mr. SHEPPARD. I think it well to discuss that point a little further along in the debate.

Mr. KENYON. Does not the Senator believe that some such proviso as has been inserted in the other sections—that it shall not apply to the farmer or the producer as to what he himself produces on his own land or land leased by him—would make the matter clear?

Mr. SHEPPARD. Very probably. I shall be glad to hear the Senator on that point at a later stage in the debate, and also to give it careful consideration myself.

Mr. KENYON. I wish the Senator would. I have prepared an amendment on that line which I believe is rather essential.

Mr. SHEPPARD. Fifth. The bill empowers the President, if he deems it necessary to an adequate and continuous supply of necessities, to requisition and take over, for use or operation by the Government, any factory, mine, or other plant, or part thereof. He must make what he considers just compensation to the party entitled to payment, who has an appeal to the courts if dissatisfied.

Sixth. It authorizes the President to regulate or close exchanges, boards of trade, and similar institutions when he finds such action necessary in order to prevent undue enhancement or fluctuation of prices of necessities, injurious speculation, unjust market manipulation, or unfair and misleading market quotations. Violation of this provision is punished by fine not exceeding \$10,000 or by imprisonment for not more than four years, or both.

Seventh. It authorizes the President to fix a guaranteed minimum price for any nonperishable agricultural products produced within the United States whenever he finds stimulation of production essential and such action needed to effect such stimulation. To sustain said price he may, if he finds it advisable, impose import duties, or purchase the products for which a price has been guaranteed for storage, for sale to any person, or to our allies, or for use by our Government.

Eighth. It authorizes the President to regulate or prohibit the use of foodstuffs in making alcoholic or nonalcoholic beverages or to reduce the alcoholic content of any beverage, if he considers such action necessary to assure an adequate and continuous supply of food. The penalty for violation of this provision is a fine not exceeding \$5,000, or imprisonment for not more than two years, or both.

It will be observed, Mr. President, that the powers conferred by this measure are to be exercised only when the President finds the exercise necessary in order to carry out the purposes of the legislation; that is, in order to safeguard and assure the proper production, conservation, and distribution of food, to prosecute the war successfully, and to save the people from the Saturnalia of speculation, corruption, and extortion attending emergencies like the present one, if it should be left unguarded.

These powers are war powers, therefore, of the first magnitude and the first necessity. Food is life. The transfer of millions of men from the farms in the European countries with which we are allied to the battle front, increasing the drain on our food resources as well as theirs, and the approach of a similar condition here will undoubtedly disorganize the usual processes of food production, imperil the usual food supplies, and create a situation of extraordinary danger—a situation requiring extraordinary, prompt, and vigorous treatment. The strain upon our food supply has only begun. The enormous demand already in existence creates opportunities and temptations for speculators which many men can not resist, and which many will eagerly embrace. In the wake of great disasters men are always found who would rifle the pockets of a corpse and gamble on the bosoms of the dead.

Mr. McLEAN. Mr. President—

The PRESIDING OFFICER (Mr. SHAFROTH in the chair). Does the Senator from Texas yield to the Senator from Connecticut?

Mr. SHEPPARD. I yield.

Mr. McLEAN. Right on the point of the exaction of excessive prices, we find it prohibited in section 4, which I think is a very important section. I should like to ask the Senator if it is the intention of the committee not to provide penalties for the offenses described in section 4?

Mr. SHEPPARD. There is a general penalty clause in the bill.

Mr. McLEAN. Does the Senator refer to section 17?

Mr. SHEPPARD. I do.

Mr. McLEAN. That does not seem to me to provide any penalty for violations of the provisions of section 4. That section applies to persons who shall willfully assault, impede, or interfere with an officer or employee, and so forth.

Mr. SHEPPARD. That is the only clause which purports to provide a general penalty, Mr. President.

Mr. McLEAN. It does not seem to me that it provides any penalty for violations of the provisions of section 4. If the Senator will turn to section 4 he will see that for the unlawful destruction of any necessities a penalty is provided in section 8.

Mr. SHEPPARD. Exactly. I have referred to that fact.

Mr. McLEAN. That section only provides a penalty for destruction of necessities.

Mr. SHEPPARD. Hoarding is prohibited, also.

Mr. McLEAN. The penalty for hoarding is provided for in section 6.

Mr. SHEPPARD. Exactly.

Mr. McLEAN. But I find no other penalties provided for violation of the other provisions of section 4, which are very important.

Mr. SHEPPARD. Except in so far as section 17 may be applicable.

Mr. McLEAN. Yes; but was it the understanding of the committee, or is it the belief of the Senator, that section 17 does provide penalties for exacting excessive prices?

Mr. SHEPPARD. I think that is a debatable question, I will say to the Senator. He makes a point that should be cleared up in the course of the debate.

Mr. McLEAN. It does not seem to me that it does; and the section is a very important one. I call the attention of the committee to it; and there is one other question I would like to ask.

On line 21, page 3, it is provided that no one shall make any unjust or unreasonable rate or charge in handling or dealing in or with any necessities. Does the Senator understand that the words "rate or charge" for handling apply to retail dealers?

Mr. SHEPPARD. I so take it. There is a subsequent section which deals more particularly with that proposition.

Mr. McLEAN. I think that should be made very clear. Otherwise, the Senator will observe that the prohibition against

an excessive price applies only to a conspiracy, which is provided for in the latter part of that section.

Mr. SHEPPARD. Section 5 deals with that question in detail, with rates and charges.

Mr. McLEAN. Yes, it does; but I think section 4 ought to be drawn so as to carry out the purpose of the committee. The Senator will see that unless it is made clear that there is a prohibition against exacting excessive prices on the part of the individual, any retailer who is exempted from the provision requiring a license may control supply or distribution and exact excessive prices without penalty.

Mr. SHEPPARD. I thank the Senator for the suggestion. I shall endeavor to bring it to the attention of the committee.

Mr. President, the assurance of an adequate food supply for the people at home and the soldiers at the front, the repression of infamous men who would coin the people's needs into personal gain, are as vital a war operation as the assembling of artillery, the construction of a trench, or a charge on the battle field.

This measure is more than justified by the war clauses of the Constitution; nay, it is, in my judgment, demanded by them. The war clauses of the Constitution are as follows:

The Congress shall have power * * *
 To declare war, grant letters of marque and reprisal, and make rules concerning captures on land and water;
 To raise and support armies, but no appropriation of money to that use shall be for a longer period than two years;
 To provide and maintain a Navy;
 To make rules for the government and regulation of the land and naval forces;
 To provide for calling forth the militia to execute the laws of the Union, suppress insurrections, and repel invasions;
 To provide for organizing, arming, and disciplining the militia, * * * and
 To make all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States, or in any department or officer thereof.
 (Section 8, Article I, clauses 1, 11, 12, 13, 14, 15, 16, and 18.)

It will be observed that it is not necessary to invoke unspecified war powers in order to justify this measure. It is specifically authorized in the sections of the Constitution which empower Congress to provide, support, and maintain an Army and a Navy. Certainly the provision of a food supply is essential to the support and maintenance of the armed forces of the country both on land and sea. Even if it were necessary to invoke unspecified powers, Mr. President, they would be ample under the circumstances.

I wish to call attention to a quotation from Madison, one of the greatest of the commentators on the American Constitution. He says:

With what color of propriety could the force necessary for defense be limited by those who can not limit the force of offense? If a Federal Constitution could chain the ambition or set bounds to the exertions of all other nations, then indeed might it prudently chain the discretion of its own government, and set bounds to the exertions for its own safety.

How could a readiness for war in time of peace be safely prohibited, unless we could prohibit, in like manner, the preparations and establishments of every hostile nation? The means of security can only be regulated by the means and the danger of attack. They will, in fact, be ever determined by these rules, and by no others. It is in vain to oppose constitutional barriers to the impulse of self-preservation. (The Federalist No. 41, pp. 275, 276, edition of Central Law Journal Co., 1914.)

I wish to say again, Mr. President, that it is not necessary to go beyond the plain provisions of the Constitution in so far as this measure is concerned.

Mr. President, it is the solemn duty of the American Congress to enact this legislation. We have embarked upon as noble a mission as has ever engaged the activities of men. The forces of autocracy and democracy are in a death lock for the domination of mankind, and the side that wins will govern the destinies of the earth for centuries to come. Millions of American young men are preparing to enter the contest for liberty, for brotherhood, and for humanity. If they should suffer for lack of food, or from improper food, due to our failure to adjust production, or facilitate distribution, or if famine and extortion should walk hand in hand through this Republic while the people are striving with every energy to sustain the men in the trench and the sky, it would be a crime whose shame would never fade, a crime the blame for which would lie at the door of the American Congress. Let denunciations cease. Let re-creation end. Let bitterness die. Let the sounds which reach the enemy from this Chamber be not the sounds of discord and altercation, but of a harmonious patriotism, typical of a common determination to press every resource and every power into the service of liberty, notes of unity and devotion that shall bring terror to the despotism whose ambitions have converted the fairest valleys of the earth into flaming hells,

encouragement and hope to the heroes who are offering their lives that the rights of men may be preserved.

Mr. CHAMBERLAIN. Mr. President, the bill has not yet been read.

The PRESIDING OFFICER. The Secretary will read the bill. The Secretary read the bill, as follows:

Be it enacted, etc., That by reason of the existence of a state of war, it is essential to the national security and defense, for the successful prosecution of the war, and for the support and maintenance of the Army and Navy, to assure an adequate supply and equitable distribution, and to facilitate the movement, of foods, feeds, fuel, and articles required for their production, hereafter in this act called necessities; to prevent, locally or generally, scarcity, monopolization, hoarding, injurious speculation, manipulations, and private controls affecting such supply, distribution, and movement; and to establish and maintain governmental control of such necessities during the war. For such purposes the instrumentalities, means, methods, powers, authorities, duties, obligations, and prohibitions hereinafter set forth are created, established, conferred, and prescribed.

SEC. 2. That words used in this act shall be construed to import the plural or the singular, as the case demands. The word "person," wherever used in this act, shall include individuals, partnerships, associations, and corporations. When construing and enforcing the provisions of this act, the act, omission, or failure of any official, agent, or other person acting for or employed by any partnership, association, or corporation within the scope of his employment or office shall, in every case, also be deemed the act, omission, or failure of such partnership, association, or corporation as well as that of the person.

SEC. 3. That there is hereby established a governmental control of necessities which shall extend to and include all the processes, methods, activities of, and for the production, manufacture, procurement, storage, distribution, sale, marketing, pledging, financing, and consumption of necessities, which shall be exercised and administered by the President for the purposes of this act; and all such necessities, processes, methods, and activities are hereby declared to be affected with a public interest. And in carrying out the purposes of this section the President is authorized to enter into any voluntary arrangements or agreements, to use any agency or agencies, to accept the services of any person without compensation, to cooperate with any agency or person, to utilize any department or agency of the Government, and to coordinate their activities so as to avoid any preventable loss or duplication of effort or funds: *Provided*, That none of the penalties of this act shall apply to this section.

SEC. 4. That it is hereby made unlawful for any person willfully to destroy any necessities for the purpose of enhancing the price or restricting the supply thereof; knowingly to commit waste or willfully to permit preventable deterioration of any necessities in or in connection with their production, manufacture, or distribution; to hoard, as defined in section 6 of this act, any necessities; to monopolize or attempt to monopolize, either locally or generally, any necessities; to engage in any discriminatory and unfair, or any deceptive or wasteful practice or device, or to make any unjust or unreasonable rate or charge in handling or dealing in or with any necessities; to conspire, combine, agree, or arrange with any other person, (a) to limit the facilities for transporting, producing, manufacturing, supplying, storing, or dealing in any necessities; (b) to restrict the supply of any necessities; (c) to restrict distribution of any necessities; (d) to prevent, limit, or lessen the manufacture or production of any necessities, or to enhance the price thereof; or (e) to exact excessive prices for any necessities; or to aid or abet the doing of any act made unlawful by this section.

SEC. 5. That, from time to time, whenever the President shall find it essential to license the importation, exportation, manufacture, storage, or distribution of any necessities in order to carry into effect any of the purposes of this act, he shall publicly so announce, no person shall, after a date fixed in the announcement, engage in or carry on any such business specified in the announcement of importation, exportation, manufacture, storage, or distribution of any necessities as set forth in such announcement, unless he shall secure and hold a license issued pursuant to this section. The President is authorized to prescribe such regulations governing the conduct of the business of licensees as may be essential to prevent uneconomical manufacture and inequitable distribution of necessities and otherwise to carry out the purposes of this act. Such regulations may also include requirements for the issuance of licenses and requirements for systems of accounts and auditing of accounts to be kept by licensees, submission of reports by them, with or without oath or affirmation, and the entry and inspection by the President's duly authorized agents of the places of business of licensees. Whenever the President shall find that any rate, charge, or practice of any licensee is unjust, or unreasonable, or discriminatory and unfair, or wasteful, and shall order such licensee, within a reasonable time fixed in the order to discontinue any such unjust, unreasonable, discriminatory and unfair, or wasteful rate, charge, or practice, thereafter, unless such order is revoked or suspended, such licensee shall, within the time prescribed in the order, discontinue such unjust, unreasonable, discriminatory and unfair, or wasteful rate, charge, or practice. The President may, in lieu of any such unjust, unreasonable, discriminatory and unfair, or wasteful rate, charge, or practice, find what is a just, reasonable, nondiscriminatory and fair, or economical rate, charge, or practice; and in any suit in any Federal or State court of competent jurisdiction such finding of the President shall be prima facie evidence. Any person who, without a license issued pursuant to this section, knowingly engages in or carries on any business for which a license is required under this section, or willfully fails or refuses to discontinue any unjust, unreasonable, discriminatory and unfair, or wasteful rate, charge, or practice, in accordance with the requirement of an order issued under this section, or willfully violates any provision of this section or any regulation prescribed under this section shall, upon conviction thereof, be punished by a fine not exceeding \$5,000 or by imprisonment for not more than two years, or both: *Provided*, That this section shall not apply to any farmer, gardener, or other person with respect to the products of any farm, garden, or other land owned, leased, or cultivated by him, nor to any retailer with respect to the retail business actually conducted by him, nor to any common carrier, nor shall anything in this section be construed to authorize the fixing or imposition of a duty or tax upon any article imported into or exported from the United States or any State, Territory, or the District of Columbia.

SEC. 6. That any person who willfully hoards any necessities shall, upon conviction thereof, be fined not exceeding \$5,000 or be imprisoned for not more than two years, or both. Necessaries shall be deemed to be hoarded within the meaning of this act when either (a) held, con-

tracted for, or arranged for by any person in a quantity in excess of his reasonable requirements for use or consumption by himself and dependents for a reasonable time; (b) held, contracted for, or arranged for by any manufacturer, wholesaler, retailer, or other dealer in a quantity in excess of the reasonable requirements of his business for use or sale by him for a reasonable time, or reasonably required to furnish necessities produced in surplus quantities seasonally throughout the period of scant or no production; or (c) withheld, whether by possession or under any contract or arrangement, from the market by any person for the purpose of unreasonably increasing or diminishing the price: *Provided, however*, That any accumulating or withholding by any farmer, gardener, or any other person, of the products of any farm, garden, or other land owned, leased, or cultivated by him shall not be deemed to be hoarding within the meaning of this act.

SEC. 7. That whenever any necessities shall be hoarded as defined in section 6 they shall be liable to be proceeded against in any district court of the United States within the district where the same are found and seized by a process of libel for condemnation, and if such necessities shall be adjudged to be hoarded they shall be disposed of by sale in such manner as to provide the most equitable distribution thereof as the court may direct, and the proceeds thereof, less the legal costs and charges, shall be paid to the party entitled thereto. The proceedings of such libel cases shall conform as near as may be to the proceedings in admiralty, except that either party may demand trial by jury of any issue of fact joined in any such case, and all such proceedings shall be at the suit of and in the name of the United States. It shall be the duty of the United States attorney for the proper district to institute and prosecute any such action upon presentation to him of satisfactory evidence to sustain the same.

SEC. 8. That any person who willfully destroys any necessities for the purpose of enhancing the price or restricting the supply thereof shall, upon conviction thereof, be fined not exceeding \$5,000 or imprisoned for not more than two years, or both.

SEC. 9. That to carry into effect the purposes of this act the President is authorized to purchase, provide for the production or manufacture of necessities; to store them and to provide storage facilities for them by construction, purchase, lease, or otherwise; to sell them; and to require any person having the control of any necessities, or any storage space suitable for the storing of necessities, to furnish the whole or any part of such necessities or storage space to the Government in such quantities, at such times, and at such prices as shall be determined by the President to be reasonable. Upon failure of the person to comply with such requirement, the President is authorized to requisition and take possession of any such necessities or storage space and to pay for them at the price so determined. If the price so determined be not satisfactory to the person entitled to receive the same, such person shall be paid the amount prescribed by the President and shall be entitled to sue the United States to recover such further sum as, added to the amount so paid, will be just compensation for such necessities or storage space, and jurisdiction is hereby conferred on the United States district courts to hear and determine all such controversies: *Provided*, That nothing in this section shall be construed to require any natural person to furnish to the Government any necessities held by him and reasonably required for consumption by himself and dependents for a reasonable time. Any moneys received by the United States from or in connection with the disposal by the United States of necessities under this section may, in the discretion of the President, be used as a revolving fund for further carrying out the purposes of this section. Any balance of such moneys not used as part of such revolving fund shall be covered into the Treasury as miscellaneous receipts.

SEC. 10. That whenever the President shall find that it is impossible by license or by voluntary arrangement or agreement to assure an adequate and continuous supply of necessities, he is authorized to requisition and take over, for use or operation by the Government, any factory, mine, or other plant, or any part thereof, in which any necessities are or may be manufactured, produced, prepared, or mined. Whenever the President shall determine that the further use or operation by the Government of any such factory, mine, or plant, or part thereof, is not essential for the national security or defense, the same shall be restored to the person entitled to the possession thereof. The United States shall make just compensation, to be determined by the President, for the taking over, use, occupation, and operation by the Government of any such factory, mine, or plant, or part thereof. If the amount so determined be unsatisfactory to the person entitled to receive the same, such person shall be paid the amount prescribed by the President and shall be entitled to sue the United States to recover such further sum as, added to the amount paid, will be just compensation, in the manner provided by section 24, paragraph 20, and section 145 of the Judicial Code. The President is authorized to prescribe such regulations as he may deem essential for carrying out the purposes of this section, including the operation of any such factory, mine, or plant, or part thereof, the purchase, sale, or other disposition of articles used, manufactured, produced, prepared, or mined therein, and the employment, control, and compensation of employees. Any moneys received by the United States from or in connection with the use or operation of any such factory, mine, or plant, or part thereof, may, in the discretion of the President, be used as a revolving fund for the purpose of the continued use or operation of any such factory, mine, or plant, or part thereof, and the accounts of each such factory, mine, or plant, or part thereof, shall be kept separate and distinct. Any balance of such moneys not used as part of such revolving fund shall be paid into the Treasury as miscellaneous receipts.

SEC. 11. That whenever the President finds it essential in order to prevent undue enhancement or fluctuation of prices of, or in order to prevent injurious speculation in, or in order to prevent unjust market manipulation or unfair and misleading market quotations of the prices of necessities, hereafter in this section called evil practices, he is authorized to prescribe such regulations governing, or may either wholly or partly prohibit, operations, practices, and transactions at, on, in, or under the rules of any exchange, board of trade, or similar institution or place of business as he may find essential in order to prevent, correct, or remove such evil practices. Further, for the purpose of this section, the President may require all persons coming within its provisions to keep such records and statements of account, and may require such persons to make such returns, verified under oath or otherwise, as will fully and correctly disclose all transactions at, in, or on, or under the rules of any such exchange, board of trade, or similar institution or place of business, including the making, execution, settlement, and fulfillment thereof. He may also require all persons acting in the capacity of a clearing house, clearing association, or similar institution, for the purpose of clearing, settling, or adjusting transactions at, in, or on, or under the rules of any such exchange, board of trade, or similar in-

stitution or place of business, to keep such records, and to make such returns as will fully and correctly disclose all facts in their possession relating to such transactions, and he may appoint agents to conduct the investigations necessary to enforce the provisions of this section and all rules and regulations made by him in pursuance thereof, and may fix and pay the compensation of such agents. Any person who willfully violates any regulation made pursuant to this section, or who knowingly engages in any operation, practice, or transaction prohibited pursuant to this section, or who willfully aids or abets any such violation or any such prohibited operation, practice, or transaction, shall, upon conviction thereof, be punished by a fine not exceeding \$10,000 or by imprisonment for not more than four years, or both.

SEC. 12. That whenever the President shall find that an emergency exists requiring stimulation of production and that it is essential that the producers of any nonperishable agricultural products produced within the United States shall have the benefits of the guaranty provided for in this section in order to stimulate production of such products, he is authorized, from time to time, seasonably and as far in advance of seeding time as practicable, to determine and fix and to give public notice of what, under specified conditions, is a reasonable guaranteed price for any such products, in order to assure such producers a reasonable profit. Thereupon the Government of the United States hereby guarantees every producer of any merchantable nonperishable agricultural products produced within the United States, for which a guaranteed price shall be fixed by notice in accordance with this section, that, upon compliance by him with the regulations prescribed by the President, he will receive for any such products produced in reliance upon this guaranty within the period, not exceeding three years, prescribed in the notice, a price not less than the guaranteed price therefor as fixed pursuant to this section. In such regulations the President shall prescribe the terms and conditions upon which any such producer shall be entitled to the benefits of such guaranty. When the President finds that the importation into the United States of any such products produced outside of the United States seriously interferes or is likely seriously to interfere with the practical operation of any guaranteed price therefor fixed pursuant to this section, or materially enhances or is likely materially to enhance the liabilities of the United States under guaranties of prices therefor made pursuant to this section, and shall so proclaim, there shall be levied, collected, and paid a rate of duty upon the products so imported, the amount of which rate of duty shall be ascertained and proclaimed by the President, which amount shall, when added to the value of the product at the time it is offered for entry, be sufficient to bring the price thereof at which imported up to the price which shall have been fixed therefor pursuant to this section; but in no case shall any such rate of duty be fixed at an amount which will effect a reduction of the rate of duty upon any such products under any then existing tariff law of the United States. For the purpose of making any guaranteed price effective under this section, or whenever he deems it essential in order to protect the Government of the United States against material enhancement of its liabilities arising out of any guaranty under this section, the President is authorized also, in his discretion, to purchase any such products for which a guaranteed price shall be fixed under this section, and to hold, transport, or store them, or to sell, dispose of, and deliver the same to any person or to any government engaged in war with any country with which the Government of the United States is or may be at war or to use the same as supplies for any department or agency of the Government of the United States. Any moneys received by the United States from or in connection with the sale or disposal of any products under this section may, in the discretion of the President, be used as a revolving fund for further carrying out the purposes of this section. Any balance of such moneys not used as part of such revolving fund shall be covered into the Treasury as miscellaneous receipts.

SEC. 13. That whenever the President shall find that limitation, regulation, or prohibition of the use of foods, food materials, or feeds in the production of alcohol or of alcoholic or nonalcoholic beverages, or such nonalcoholic beverages as he shall determine, or that reduction of the alcoholic content of any beverage, is essential, in order to assure an adequate and continuous supply of food, he is authorized, from time to time, to prescribe, and give public notice of, the extent of the limitation, regulation, prohibition, or reduction so necessitated. Whenever such notice shall have been given and shall remain unrevoked, no person shall, after a reasonable time, which shall be prescribed in the notice, use any foods, food materials, or feeds in the production of alcohol or of alcoholic or nonalcoholic beverages, except in accordance with the limitations, regulations, and prohibitions prescribed in such notice, or produce any beverage having an alcoholic content in excess of the amount prescribed therefor in such notice. Any person who willfully violates this section shall, upon conviction thereof, be punished by a fine not exceeding \$5,000, or by imprisonment for not more than two years, or both.

SEC. 14. That in carrying out the purposes of this act the President is authorized to create an agency or agencies, to accept the services of any person without compensation, to cooperate with any agency or person, to utilize any department or agency of the Government, and to coordinate their activities so as to avoid any preventable loss of funds or duplication of work.

SEC. 15. That under regulations to be prescribed by the President the use of the mails of the United States free of charge for postage for exclusively official business in carrying out the purposes of this act shall be extended to any agency or person designated by the President.

SEC. 16. That the President is authorized to make such regulations and to issue such orders as are essential effectively to carry out the provisions of this act.

SEC. 17. That every person who willfully assaults, resists, impedes, or interferes with any officer, employee, or agent of the United States in the execution of any duty authorized to be performed by or pursuant to this act shall upon conviction thereof be fined not exceeding \$1,000 or be imprisoned for not more than one year, or both.

SEC. 18. That the sum of \$2,500,000 is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, to be available immediately and until expended, for the payment of such rent, the expense of such printing and publications, the purchase of such material and equipment, and the employment of such persons and means, in the city of Washington and elsewhere, as the President may deem essential.

SEC. 19. That for the purposes of this act the sum of \$150,000,000 is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, to be available immediately and until expended: *Provided*, That no part of this appropriation shall be expended for the purposes described in section 18.

SEC. 20. That if any clause, sentence, paragraph, or part of this act shall for any reason be adjudged by any court of competent jurisdiction to be invalid, such judgment shall not affect, impair, or invalidate the remainder thereof, but shall be confined in its operation to the clause, sentence, paragraph, or part thereof, directly involved in the controversy in which such judgment shall have been rendered.

SEC. 21. That the provisions of this act shall cease to be in effect when the national emergency resulting from the existing state of war shall have passed, the date of which shall be ascertained and proclaimed by the President; but the date when this act shall cease to be in effect shall not be later than one year after the termination, as ascertained by the President, of the present war between the United States and Germany. Nothing in this section shall be construed to prevent the fulfillment by the United States of any legal obligation incurred pursuant to this act which shall be in force when this act ceases to be in effect.

Mr. STERLING. I ask leave to introduce a bill.

The bill (S. 2481) to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel was read twice by its title.

Mr. STERLING. I ask that the bill may lie on the table and be printed.

The PRESIDING OFFICER. It will be so ordered.

Mr. CHAMBERLAIN. Mr. President, quite a number of Senators were anxious to hear the statement of Mr. Hoover this morning, and the hearings were continued in the afternoon. They were very anxious to be present at those hearings, and it was supposed that they would be continued all the afternoon. There was a general understanding, in order to give Senators an opportunity to be present, that the Senate would take a recess until to-morrow at 12. I shall make that motion, but I wish first to make the statement that when the Senate convenes to-morrow at 12 o'clock it will be my purpose to keep this bill before the Senate until it is finally disposed of. I hope Senators who intend to speak upon it will be prepared to commence to-morrow at 12 o'clock to speak either upon the bill or on amendments to it. I now move that the Senate take a recess until to-morrow at 12 o'clock.

The motion was agreed to; and (at 2 o'clock and 20 minutes p. m.) the Senate took a recess until to-morrow, Wednesday, June 20, 1917, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

TUESDAY, June 19, 1917.

The House met at 12 o'clock noon, and was called to order by Mr. FITZGERALD, as Speaker pro tempore.

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

We come to Thee, O God, our Heavenly Father, fountain of life and light and love, before entering upon the duties of the hour. Pour down upon us Thy spiritual gifts and quicken all that is purest, noblest, best in us, that we may be one with Thee, working in Thee, through Thee, for Thee, for the best interests of our Republic and of mankind; that we may hasten the coming of Thy kingdom; that wars and rumors of wars may cease to be, and all the earth rejoice together in peace and good will, in the spirit of the Lord Christ. Amen.

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

MESSAGE FROM THE SENATE.

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

S. J. Res. 67. Joint resolution to fix the status and rights of the officers of the Public Health Service when serving with the Coast Guard, the Army, or the Navy; and

S. J. Res. 63. Joint resolution to establish a reserve of the Public Health Service.

The message also announced that the Senate had passed without amendment joint resolution of the following title:

H. J. Res. 105. Joint resolution to correct an error in the sundry civil appropriation act for the fiscal year 1918.

FOOD CONTROL.

Mr. LEVER. 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. 4961) to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel. Pending that, I desire to ask unanimous consent that all Members who desire to discuss this bill may be permitted to extend their remarks in the Record for five legislative days after the passage of the bill.

Mr. CAMPBELL of Kansas. Mr. Speaker, reserving the right to object, does that refer to Members who have addressed the House?

Mr. LEVER. Oh, no; all Members—those who have addressed the House and those who have not.

Mr. CAMPBELL of Kansas. Are these extensions to be confined to the bill?

Mr. LEVER. To the bill.

The SPEAKER pro tempore. The gentleman from South Carolina moves 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. 4961, and pending that motion asks unanimous consent that Members have five legislative days after the passage of the bill to extend their remarks in the Record on the bill. Is there objection?

There was no objection.

Mr. LEVER. Mr. Speaker, one moment further. I desire to state that the demand for time on both the gentleman from Iowa and myself is very, very heavy, and it is going to be almost impossible to gratify the wishes of all gentlemen with as much time as they desire; but as far as this side of the House is concerned I wish to say to Members that I shall undertake to see to it that at least some time is yielded to those to whom I have made promises, and I presume that statement will be concurred in by the gentleman from Iowa, so far as his side is concerned?

Mr. HAUGEN. So far as possible.

The SPEAKER pro tempore. The question is on the motion of the gentleman from South Carolina 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. 4961.

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. 4961, with Mr. HAMLIN in the chair.

Mr. LEVER. Mr. Chairman, I yield 30 minutes to the gentleman from Alabama [Mr. HEFLIN]. [Applause.]

Mr. HEFLIN. Mr. Chairman, and gentlemen of the committee, it seems that it is hard for some gentlemen here, as well as in another body that I know of, to realize that we are in war. Some of the speeches that have been made have proceeded, it seems to me, upon the theory that we are legislating about conditions that obtain in time of peace. I wonder what it will take to arouse these gentlemen to a realization of the fact that we are engaged in war? Some of our boys are out at the training camps with their aeroplanes, learning to perform their duties in the war. Some of them have been crippled and some of them have been killed. Some of our munition plants are being blown up by German spies. Spies are roaming around the country with poison and explosives in their possession. They are stirring up all the trouble that they can for us. They are begging our laborers to strike and they are urging our citizens in some sections to resist the selective-draft law, and yet some gentlemen here, a very few I am glad to say, do not seem to realize that we are called upon by the Commander in Chief of our Army and Navy to give him legislation that he says is absolutely necessary for the successful conduct of the war. The sooner we realize the fact that we are engaged in war against the most brutal, the most skillful, and the most dangerous tyrant that ever appeared upon the earth, the better it will be for us and our country. [Applause.] Alexander the Great longed to be a ruler of the world and now the most colossal of all those who have sought world power rages like a mad man in the Old World, and for 40 years he has been making war preparations and lying in wait for the nations of the earth. [Applause.] He has not been preaching peace on earth, good will toward men. He has failed to attend the peace conferences of the nations. When arbitration for the settlement of international questions was suggested and disarmament was the expressed desire of more than 20 nations, the Kaiser remained away. All the while he was lying in wait, making war preparations, laying money aside, laying aside provisions, building war equipment day and night, making ready to dash upon an unsuspecting and an undefended world. That is the man we are fighting and yet a few gentlemen stand here and quibble and parley and dally about things that our Commander in Chief says are necessary for him to successfully fight this mad monster of the Old World. [Applause.]

Gentlemen are willing to trust the President with power over the man force of the country and over the purse of the country. You are willing to put the boys, the bravest spirits that ever marshaled beneath a flag, at the command of the Chief of our Army and Navy, but when he manifests concern about the food supply for the Army and the people some gentlemen become exceedingly nervous, and in their anxiety and concern for the

farmer they put him in the attitude of being willing for his boy to go to war, but demanding that his hay and corn be let alone. [Laughter.]

My friend from Texas, Mr. YOUNG, a member of the Committee on Agriculture, is the friend of the farmer, but he is not the only friend that the farmer has here. He realizes that there are other men here who are the sincere friends of the farmer. Gentlemen, the farmer is asking for fair and just treatment, and he is willing to do his part in every respect. He realizes that war produces conditions that call for legislation that would not be thought of in time of peace. The President has the power now to commandeer or take over the produce of the farmer. If he needs it for the use of the Army and Navy, he can take it and pay whatever he thinks is right; but the President does not want to do that. He prefers to take the farmer into his confidence and to have an understanding about just what is to be done. The President realizes what an important part that food supplies are to play in this war, and he realizes how dependent the Army and the people are upon the farmer, and knowing the patriotism of the farmer and appreciating his willingness to do all in his power to serve the country by his efforts to increase the food supply the President has determined to extend to the farmers of the country the measure of assurance and certainty that this bill affords in the guaranty of a reasonable profit on the food supplies that they produce. [Applause.] The farmer in these hazardous times, times full of uncertainty and risk, had rather be sure of a reasonable profit than to be left to the mercy of a band of food speculators and gamblers. [Applause.] The President realizes, as the farmer does, that the speculators and gamblers rob the producers and prevent them from receiving a fair price and a reasonable profit. They misrepresent the facts as to the demand and supply while the produce is in the hands of the farmer, and they tell a story of small supply and great demand when the food supply is in their hands and out of the control of the farmer. [Applause.] It is a skin game, pure and simple. They pillage the producer with one hand and rob the consumer with the other. So in removing the food speculator and gambler we benefit producer and consumer alike, and at the same time we safeguard the farmer with the guaranty for a reasonable profit while he farms on such a large scale to produce food supplies for us and our allies. [Applause.]

The President, the Commander in Chief of our Army and Navy, has called upon the farmers all over the country to plant more grain than ever, and to produce more food products of every kind. He realizes that thousands of farmers are changing their crops entirely; that the cotton farmers, many of them, are trying for the first time to produce food products on a large scale, and in order that there shall be no doubt about a sufficient food supply he is willing to do the extraordinary thing and back the farmer at this critical time and see to it that he does not lose, but that he shall receive a reasonable profit. [Applause.] The farmers of my State have cut their cotton acreage 50 per cent, and they have planted more grain than ever before. This last statement is true of every other Southern State. The farmers of other States are striving for large grain crops, and the prospects for a bumper crop are exceedingly good. Now, then, suppose we do make a tremendous crop of food products and when we are ready to market them the submarine operations are so successful that we can not reach the allies with these products. What would happen if we did not have back of the farmer then the guaranty for a reasonable profit? Why, gentlemen, the bottom would drop out of prices and the cry of big crop and oversupply would greet the farmer as his produce sold below the cost of production. [Applause.]

But the President is taking no chances in the matter of producing adequate food supplies, and he favors legislation that will safeguard and protect the farmer who is to produce this food against hazards and uncertainties that war conditions might produce. As a war measure this Government is now insuring certain American ships and cargoes against loss upon the high seas. If it is wise and just to guarantee the shipowner that he shall not lose anything while carrying on a certain kind of necessary work in connection with the war, why is it not wise and just to protect the farmer against loss while he is engaged in producing the things without which we can not win the war? [Applause.] The President sees the justice of giving to the farmer this guarantee and assurance of a reasonable profit. The President is saying to the farmer, You are a very important man, Mr. Farmer. Our success in this war depends upon you, and we do not propose to urge you to go into the work of producing food supplies on a large scale for the use and benefit of the Government in time of war and then leave you to the uncertainties of speculation and chance. And the President says to the farmer, In the name of a hundred millions of people, I

beg you to go forth and use your industry and enterprise in producing a bumper crop of food supplies. In doing this you are helping to win the war, and we are going to guarantee to you a reasonable profit on your produce. [Applause.] Why, gentlemen, are you afraid to trust the President? Has he not repeatedly shown that he is the friend of the farmer? Look at the good-roads measure that we put through Congress under his leadership, the building of highways through the country out into the rural districts to the homes and firesides of the farmers. [Applause.] Take the Federal reserve act. It contains the first recognition of the farmers' land for loan purposes by national banks. You could not borrow money at a national bank on your land until President Wilson signed the bill that gave you that right. [Applause.] The farmer could not borrow money on his staple products until that bill became a law. The farmers of this land begged for an opportunity to buy homes and farms for themselves and families, and President Wilson urged us to pass the rural-credits bill to give to the farmers long-time loans at a cheap rate of interest. [Applause.] All this Woodrow Wilson has done for the farmers of the country. [Applause.] Now, some gentlemen express fear as to the farmers' interest being taken care of by President Wilson, the farmers' friend. He has shown his friendship for the farmer, and surely he can be trusted to do the just and fair thing by the farmer when in the outset he demands in these hazardous times a reasonable profit for his produce. Nobody knows what is going to happen. If prices of food products were low now, these same gentlemen would say, give us the guaranty of a reasonable profit. The war and speculators who rob the farmer and hoard food supplies have made legislation necessary. The Kaiser would rejoice to see us fail to take charge of the food situation. It would make him happy to see that the American Congress had thrown its food-supply legislation to the four winds and was stumbling along in the dark with no knowledge as to what would be produced or how it would be handled. But suppose we should make a big crop and we had no guaranty of a reasonable profit and the prices should go down and down? Suppose we could not reach our allies beyond the sea with our products? Why then the farmers would say to you gentlemen that the President's plan was the safest and best, and if you had followed his suggestion we would have had no losses. [Applause.] The farmer is a very intelligent citizen and he is pretty hard to fool. In my section he remembers well his experience of 1914, when cotton fell from 14 to 6 cents per pound. I, with others from the South, begged Congress to give him the guaranty of a minimum price which would give him a reasonable profit, because the war had caused that condition and prevented us from getting cotton across the sea. What will happen to our grain if we can not get it to the other side of the ocean. Why the bottom will drop out of the price and some Members will then be saying, "I wish now that I had voted to protect the farmer against this situation." The farmer sees the food speculator, the food hoarder, and gambler obtaining his produce at unprofitable prices, and then holding them for higher prices, until he pinches with hunger millions of our people. [Applause.] The farmer is a sensible man and he is as good a patriot as ever drew the breath of life, and all that he wants is to be treated fairly and squarely.

But the effort has been made here right recently to mistreat and impose upon the southern farmer. Just a few days ago the gentleman from Pennsylvania [Mr. Moore] tried to place a tax of \$2.50 a bale on cotton. I opposed his amendment then and contributed as best I could to its defeat, and I want to say to him and to all others concerned that his amendment should never have been offered. It was inexcusable and indefensible, for cotton has to do with nearly every phase of the life of the individual and the life of the Nation. [Applause.]

Mr. Chairman, cotton is the most serviceable product in the kingdom of agriculture. No other one product contains the three essential necessities of life—food, clothing, and shelter. [Applause.] It is the most useful product in time of peace, and on account of its vast and various properties, it is indispensable in time of war. It is now playing the most important part in the greatest war that the world has ever known. [Applause.] Cotton has treasured in its fiber the heat of the sun, and imprisoned in its snowy locks the secret of the lightning's power. When touched with nitric acid it hurls implements of destruction more powerful than the thunderbolts of Jove. [Applause.] Our gunpowder and explosive shells derive their tremendous power from cotton. In this boll of cotton is the substance to which our soldiers must look for their uniforms and shelter. Cotton furnishes wings for the aeroplanes and sails for our ships at sea. [Applause.] It flies in the flag above the soldier. It goes with him in his uniform and it spreads its white wings above him when he sleeps on the tented

field. [Applause.] Cotton is the power behind the bullet, and it is the healing balm in the bandages of the Red Cross and Hospital Corps. It soothes and comforts the wounded soldier and wraps its mantle about him in his long, last sleep. [Applause.] The oil of the cotton seed is a wholesome food and contains a substitute for glycerin, large quantities of which are used in the manufacture of powerful explosives. The seed contains food for man and beast, and it has in it choice elements of plant food, which when applied to the soil makes the earth to blossom as a rose. [Applause.] Cotton is the poor man's friend. It clothes the naked and its seed feeds the hungry. It blesses and serves the people in many ways. The Government as never before is dependent upon cotton. It is a national necessity and an international factor in the struggle now going on in Europe. In this world struggle in which we have been compelled to fight to preserve our own rights and liberties, cotton is to perform the most signal service [applause], and any man who would burden it with a tax and handicap and injure those who produce it, in his shortsightedness and recklessness, is weakening the arm of this Government in the prosecution of a war in which our very existence as a free country is at stake. [Applause.] The rust, the cotton worm, and the boll weevil are doing enough to decrease the cotton production and to cause the cotton producer to turn to other crops and to abandon his efforts to produce cotton on a large scale. Gentlemen, the cotton producer needs your help and your encouragement, and not your persecution in the form of unjust taxation. [Applause.] He is producing cotton now under great difficulty and at tremendous cost. Do not add to the burden that he is already carrying. During the trials through which he is passing in his efforts to produce cotton, a product so necessary to the successful conduct of this war, if you can not give him your sympathy and good will, be just and patriotic enough to let him alone. [Applause.]

Now, let me get back to the bill under consideration. You have not had any protest from the farmer against this bill. The trouble is that my friend Young started out against this bill when it had in it the maximum price. I have always been opposed to the maximum price. We struck that out. And when we did so we left our friend without anything to talk about. The gentleman from Texas answered his own speech when he said that the speculator had paid the farmer upon the average \$1.30 per bushel for his wheat and had then put the price of flour up to \$17.50 per barrel.

If I should speak until sundown, I could not make a more convincing argument as to why some sort of legislation should be had on this subject. [Applause.] Not only that, gentlemen, but I know and the gentleman from Texas [Mr. Young] knows that there is going to be legislation on this subject; and, in view of that fact, I feel it my duty to help to pass the very best measure possible, and that is what I am trying to do. I am tired of these iconoclasts and marplots who never construct anything themselves but are ready at all times to break down and destroy. We want constructive statesmanship at a time like this. [Applause.] The man on either side who is always complaining about measures brought in here but who has nothing to offer in its place is rendering service to no one here or elsewhere. If this bill needs to be improved, offer your amendments. When I voted to report it out of the committee I reserved the right to support amendments that would improve it. The gentleman from Texas complains that the chairman made changes in the bill, and, as redrafted, introduced it three times. Well, he improved it, and the last bill is the best of all.

Mr. SWITZER. What amendment would the gentleman propose to the bill?

Mr. HEFLIN. We did about the best that we could with the bill when we reported it out of the committee. I would like to see your amendments, if you have any, and if they meet with my approval I will vote for them. But you know and I know that there are a few fellows in here—not many—who have not been in sympathy with the administration at any time about anything. Even when Germany challenged our independence and shot down our flag and murdered our citizens some of them growled and whined because we struck back in self-defense. We were drawn into war, and no nation with any self-respect, no nation with an ounce of courage, no nation with a particle of national honor, would have endured longer the insults of the murderous Kaiser. [Applause.] Mr. Chairman, the fact is some of these gentlemen have been at cross purposes with the administration ever since the McLemore resolution was up for consideration in this House. Some of the gentlemen who supported that resolution are standing loyally by the President now, and I have no quarrel with them about a stand taken in the early stages of Germany's brutal treatment of us, but now it is the duty of every true American to stand with his country against the Germany autocracy. [Applause.] Let me say here in passing that in the beginning I

thought that the volunteer plan of raising an army was wisest and best, but when I studied the situation with regard to this war and considered the obligation and responsibility to serve, I was convinced that the selective-draft plan was fairest and best. Other gentlemen here favored the volunteer plan. I did not fall out with them for that, but I do want to say that when the President put his signature to that law it became the solemn act of Congress speaking for the people of the United States, and when it became the law of the land it was entitled to the support of every citizen in the country [applause], and no man in either House of Congress or elsewhere in our country can now be a true American and repudiate that law and advise men to ignore or disregard it. [Applause.]

It is all right for the Member of Congress to tell his people at home how he voted on that question and then it is his duty to say that the question is settled and that it is now the duty of all true Americans to stand by the law. When the question is discussed and the matter is settled by Congress, it is the duty of all honest men to do all that they can to see that the law is obeyed. [Applause.] Any other course means sedition and disloyalty. The man who now stands in the way of that solemn act of Congress and tries to prevent its successful operation is injuring his own country and giving aid and comfort to Germany. I do not care on which side of the aisle he sits, or whether he is in this or another body near by, he is not the right kind of an American. [Applause.] Gentlemen, I witnessed a very touching scene last Sunday. I saw the brave mission from martyred Belgium in solemn procession pass in front of this Capitol. I saw our boys on their spirited cavalry chargers riding in front and in the rear, fitting escorts to the brave mission in their charge. I saw our honored guests from Belgium lift their eyes to the dome of the Capitol, where flies the banner of constitutional liberty, and I could see new hope springing up in their hearts, and a look of new determination came into their eyes as they thought of the aid and friendship of the oldest Republic in the world. [Applause.] I thought of the outraged women of prostrate Belgium, the victims of the brutality of the German soldier. I thought of the once proud freemen of Belgium carried away and now working as slaves in the Empire of Germany, and I thought of the starving children and the little Belgian boys whose right hands had been cut off by German soldiers, and I said in my heart, Hope on, trust on, fight on, brave Belgians. The day of your deliverance is near at hand. [Applause.] The German autocracy, your enemy, is our enemy. It is the enemy of mankind. It regards neither God nor humanity. [Applause.] Through brute force and murder its Kaiser is trying to conquer the world. He has made war upon this, the oldest Republic upon the earth, and would make this fair land a part of the German Empire. But, thank God, we have the courage and the disposition, the man force, and the wealth to strike with the allied armies until this blood-bespattered monarch is destroyed and happy peace shall come again to a world now cursed by war. [Loud applause.]

Mr. HAUGEN. I yield 30 minutes to the gentleman from Illinois [Mr. MASON]. [Applause.]

Mr. MASON. Mr. Chairman and members of the committee, I expect in the roll call to vote with the gentleman from Alabama, my colleague who just preceded me. He said so many good things. Of course, I agree with him that President Wilson was the man of destiny and not of chance, and we think it was a mighty good thing for destiny that Hughes went to California on that particular trip. [Laughter and applause.] Having agreed with my friend and expecting to vote with him, I know you will pardon me for imitating him by talking for 30 minutes without mentioning the bill under consideration. [Laughter.]

We who think we are just as patriotic as anyone, who voted against the declaration of war when the Congress of the United States having the war-making power declared war, we consider that incident closed, and everyone of us, so far as I know, has rendered the very best assistance in his power in making that war a success. We who voted against conscription believed that we were right and are confirmed in it every day as we hear from the people, but not one of us who sits in the Chamber has directly or indirectly, in this forum or out of it, discouraged the enforcement of the law, because we believe that the safety of this Republic lies only in obedience to the law of this land. [Applause.]

But I can not go quite as far as my colleague from Alabama and insist that a man who wishes to amend the law is therefore guilty of treason. When you passed a law for conscription it became the law, but it became the right and prerogative of every Member of Congress at any time under the Constitution to offer an amendment to that law or a repeal of that law. That is our constitutional right that I purpose to indulge

myself in, believing I represent the people of the State of Illinois. [Applause.]

Therefore I intend, unless someone in the majority very soon offers an amendment to the law directing the President to accept volunteers, to offer that amendment myself, believing, with all due respect to the Executive, that the lawmaking power is here. The right under the Constitution to make laws governing the "land and naval forces" of the Government is here and not in the executive department of the Government. When the people passed that law, known as section 7, which gave the President of the United States "authority" to call for volunteers it was just as binding upon the Executive as the other sections which gave him "authority" to call for conscription of the people of this country. And believing that it is the duty of Congress to pass laws in accordance with the Constitution of the United States governing the land and naval forces, I intend to offer an amendment, complying with the Constitution, that the militia of the United States can not and may not be sent out of the country into foreign service.

Mr. DYER. Mr. Chairman—
The CHAIRMAN. Does the gentleman from Illinois yield to the gentleman from Missouri?

Mr. MASON. I only have a limited amount of time, and as I stated at the beginning I will be glad to yield after I get through.

Mr. DYER. Mr. Chairman, I make the point of order that the gentleman from Illinois is not discussing the bill.

Mr. LONGWORTH. That point of order does not lie.

The CHAIRMAN. The gentleman from Illinois is not confined to the bill.

Mr. DYER. My understanding was from the gentleman of South Carolina [Mr. LEVER] and others, that the debate was to be limited to the bill.

The CHAIRMAN. The Chair did not so understand it; that was the request, but it was not granted. The point of order is overruled.

Mr. MASON. I do not expect this to be popular with the press or to receive your immediate approval, but I hope that after we have had a chance to visit our constituents, and during this Congress, that action will be taken by the Congress of the United States. I am aware of the feeling that has grown up in this country among the Congress and the people, that the President, being the Commander in Chief of the Army and Navy, is the sole power to regulate the military branch of our Government.

Such is not the law. By the Constitution of the United States the Congress not only is empowered to raise the Army and the Navy, but section 8, paragraph 14, provides that the Congress shall have power "to make rules and regulations governing the land and naval forces of the United States." Under our oath this is our constitutional duty. To-day the thing most disturbing the American people is whether it is just or wise to order our militia—our conscripted men—into the trenches of Europe. While I believe 90 per cent of the American people are opposed to forcing our soldiers into the trenches of Europe unless they volunteer for that purpose, Congress has been so busy determining whether there shall be a tax on cigarettes, automobiles, and snuff that not a single rule governing the action of American forces has been offered in Congress upon that subject or recommended by the Executive to Congress. Since the days of the Constitution legislative powers have been gradually diminished and Executive powers increased. This is not more the fault of the Executive than it is of the legislative branch.

At the time of the passage of the conscription bill I had never, so far as my recollection goes, had my attention called to the question of the power of Congress to use the militia of the United States outside of the United States. Upon reading, however, a pamphlet addressed to Congress by Mr. Hannis Taylor, a distinguished member of the Washington bar, I have made an investigation on my own account, with what time and strength I have had, and I state now to my colleagues that under our Constitution Congress has no power to call the militia of the United States or the militia of the several States, by conscription or otherwise, and order them into service outside of the United States; that, therefore, the conscripted men can not be sent to the aid of our allies by order of the Congress of the United States or by the Commander in Chief, and if attempted it will be a plain and clear violation of the organic law of our Nation. Having reached this conclusion, it is clearly my duty to call the attention of my colleagues to that fact—that law—and let them decide whether they would attempt to violate the Constitution or attempt to authorize the Executive to do so.

Section 8, paragraph 15, of the Constitution provides that Congress shall have power to provide for calling forth the militia

"to execute the law of the Union, suppress insurrections, and repel invasions."

When this clause was originally presented to the Constitutional Convention it gave Congress an added power, which was to "enforce treaties," and for reasons which will be approved by students in examining this question it was unanimously agreed to strike out the power of Congress to use the militia to "enforce treaties," as that might give Congress the power to order the militia into foreign service, and while none of the authorities which I quote call attention to that fact, it is a most significant thing, as you will see.

In other words, "the right to enforce treaties" by the militia of the United States having been stricken out, then under the elementary rule of construction the law writes into the Constitution an affirmative prohibition against using the militia to enforce treaties. Besides, the familiar rule of construction of the Constitution what is not permitted is prohibited. It is perfectly clear that when the framers of the Constitution used the word "militia" they used it in the sense "which had been affixed to it by those from whom we borrowed it," and those from whom we borrowed it, namely, Great Britain, for centuries held that the militia "is a force for national defense that could never be taken out of the realm for service in foreign countries."

Mr. Speaker, may I be permitted here to cite in full the opinion of George W. Wickersham, Attorney General of the United States, who was called upon February 17, 1912, by the Secretary of War to answer the very question which I am herein discussing. May I read the conclusion of that opinion:

I think that constitutional provision here considered not only affords no warrant for the use of the militia by the General Government except to suppress insurrection, repel invasions, or to execute the laws of the Union, but by its careful enumeration of the three occasions or purposes for which the militia may be used it forbids such use for any other purpose, and your question is answered in the negative.

Gentlemen may say that we may send our militia to Europe to enforce "the laws of the Union." That question is completely answered by Attorney General Wickersham, and he says:

As no law of the Union can exist and be enforced in any foreign country, the militia can not be called out to enforce any such law there.

Gentlemen may claim that we may send them there to "repel invasion." That question is completely answered by Attorney General Wickersham, and he appeals to the common-sense rule of reason. He says:

If an armed force were assembled on our border, so near and under circumstances which plainly indicated hostility and an intended invasion, this Government might attack and capture or defeat such forces, using either the Regular Army or the militia for that purpose. This also would be but one of the ways of repelling an invasion.

Gentlemen may say that we may send them under the clause which allows us to use the militia to "subdue insurrection." The Attorney General answers that completely by saying:

As "insurrection" is necessarily internal and domestic, within the territorial limits of the Nation, this portion of the sentence can afford no warrant for sending the militia to suppress it elsewhere.

This is the opinion of the Attorney General of the United States. It is, by that custom which makes law binding on the executive departments of the United States, binding to-day, unless reversed by some other Attorney General or by the courts of our country.

That opinion I insert here in full:

AUTHORITY OF PRESIDENT TO SEND MILITIA INTO A FOREIGN COUNTRY.
The Constitution, which enumerates the exclusive purposes for which the militia may be called into the service of the United States, affords no warrant for the use of the militia by the General Government, except to suppress insurrection, repel invasions, or to execute the laws of the Union, and hence the President has no authority to call forth the Organized Militia of the States and send it into a foreign country with the Regular Army as a part of an army of occupation.

DEPARTMENT OF JUSTICE,
February 17, 1912.

SIR: I have the honor to respond to your note of the 8th instant, in which you ask my opinion upon the following question:

"Whether or not, under existing laws, the President has authority to call forth the Organized Militia of the States and send it into a foreign country with the Regular Army as a part of an army of occupation, especially should the United States intervene in the affairs of such country under conditions short of actual warfare?"

From very early times, in both England and this country, the militia has always been considered and treated as a military body quite distinct and different from the Regular or Standing Army, governed by different laws and rules, and equally different as to the time, place, or occasion of its service. One of the most notable points of difference is this: While the latter was in the continued service of the Government and might be called into active service at all times and in all places where armed force is required for any purpose, the militia could be called into the actual service of the Government only in the few special cases provided for by law. Their service has always been considered as of a rather domestic character, for the protection and defense of their own country, and the enforcement of its laws.

This has always been the English doctrine, and in some instances acts of Parliament have expressly forbidden the use of the militia outside of the Kingdom.

Our ancestors, who framed and adopted our Constitution and early laws, got their ideas of a militia, its nature, and purposes from this, and must be taken to have intended substantially the same military body, with the same limitations of the occasion and nature of their service. If they had intended to enlarge this they would have said so, just as they have when they intended to further limit or restrict the occasion or nature of their service.

When the Constitution gives to Congress the power "to raise and support armies," and to provide "for calling forth the militia to execute the laws of the Union, suppress insurrections, and repel invasions," and makes the President "the Commander in Chief of the Army and Navy of the United States, and the militia of the several States when called into the actual service of the United States," it is speaking of two different bodies—the one the Regular Army, in the continuous service of the Government, and liable to be called into active service at any time, or in any place where armed force is required; and the other a body for domestic service, and liable to be called into the service of the Government only upon the particular occasions named in the Constitution. And acts of Congress relating to the Army and the militia must have the same construction.

It is certain that it is only upon one or more of these three occasions—when it is necessary to suppress insurrections, repel invasions, or to execute the laws of the United States—that even Congress can call this militia into the service of the United States, or authorize it to be done.

As "insurrection" is necessarily internal and domestic, within the territorial limits of the Nation, this portion of the sentence can afford no warrant for sending the militia to suppress it elsewhere. And even if an insurrection of our own citizens were set on foot and threateningly maintained in a foreign jurisdiction and upon our border, to send an armed force there to suppress it would be an act of war which the President can not rightfully do.

The term "to repel invasion" may be, in some respects, more elastic in its meaning. Thus, if the militia were called into the service of the General Government to repel an invasion, it would not be necessary to discontinue their use at the boundary line, but they might (within certain limits, at least) pursue and capture the invading force, even beyond that line, and just as the Regular Army might be used for that purpose. This may well be held to be within the meaning of the term "to repel invasion."

Then, too, "if an armed force were assembled upon our border, so near and under circumstances which plainly indicated hostility and an intended invasion, this Government might attack and capture or defeat such forces, using either the Regular Army or the militia for that purpose. This, also, would be but one of the ways of repelling an invasion."

But this is quite different from and affords no warrant for sending the militia into a foreign country in time of peace and when no invasion is made or threatened.

The only remaining occasion for calling out the militia is "to execute the laws of the Union." But this certainly means to execute such laws where, and only where, they are in force and can be executed or enforced. The Constitution or laws of the United States have no extra-territorial force and can not be compulsorily executed beyond or outside of the territorial limits of the United States.

It is true that treaties made in pursuance of the Constitution are, equally with acts of Congress, the supreme law of the land; but their observance, outside of our own jurisdiction, can not be enforced in the same way. The observance and performance, outside of our own jurisdiction, of treaty stipulations and obligations are left much to the honor, good faith, and comity of the other contracting party, reinforced, at times, by a regard for the consequences of a breach. We can not send either the Regular Army or the militia into a foreign country to execute such treaties or our laws. Such an invasion of a foreign country would be an act of war.

Outside of our own limits "the laws of the Union" are not executed by armed force, either Regular or militia.

The Constitution had already given to Congress the unlimited power to declare war, at any time and for whatever cause it chose. It did not, in this provision, attempt the useless thing of giving to Congress an additional power to declare war, or to afford an additional ground for doing so.

What is certainly meant by this provision is, that Congress shall have power to call out the militia in aid of the civil power, for the peaceful execution of the laws of the Union, wherever such laws are in force and may be compulsory executed, such as a sheriff may call upon the posse comitatus to peacefully disperse a riot or execute the laws.

Under our Constitution, as it has been uniformly construed from the first, the military is subordinate and subservient to the civil power, and it can be called upon to execute the laws of the Union only in aid of the civil power and where the civil power has jurisdiction of such enforcement. Even the Regular Army can be thus called upon only on such occasions; and, certainly, the militia can not be thus called upon at any other.

Then, as the civil power is without force in a foreign country, and as even the Regular Army can not be sent into another country to there execute the laws of the Union, it follows that the Constitution confers no power to send the militia into a foreign country for the purpose stated in the question here considered. On the contrary, by its specific enumeration of the only occasions for calling out the militia, it clearly forbids this.

In all this I am not unmindful that nations sometimes do make hostile demonstrations and use armed force to compel the observance by another nation of its treaty obligations, and sometimes send armed forces into another country to protect the lives and rights of its own citizens there.

I shall briefly notice these in their application to our own country, its Constitution and laws. It will be observed, and as controlling and conclusive of the present question, that in case of a hostile demonstration against or a forcible attack upon another nation to enforce its treaty obligations, or to punish their infraction, there is no question involved of executing the laws of the invading nation, for such laws have no force or existence there.

While the Constitution makes itself and the laws and treaties, in pursuance thereof, the supreme law of the land, it is only in our own land where such laws are supreme or of any force. As to the other contracting party, a treaty is a mere compact, depending for its observance upon the good faith, comity, or other moral considerations. The Constitution can not make itself or the treaties or laws made under it the supreme law of any other nation or give to either any force or existence beyond our own borders. So that when an armed force is used to compel the observance of treaty obligations or to punish or obtain compensation for their violation there is no question of executing any

law of the Union, for there is no such law there. It is but the forcible compelling of the observance of an agreement or compensation for its breach. The provision referred to does not warrant the use of the militia for this purpose.

Just so it is when in troublous times an army of occupation, large or small, is sent into a foreign country to protect the lives and the rights of our own citizens. Here, too, no law of the Union is being executed by such invasion, for no law of the Union exists or can be enforced there.

While it is the duty of every nation to afford proper protection to foreigners who are lawfully within its borders, yet this is not because of any law of the nation of which such foreigners are subjects, for no such laws exist or have any force there. No one can say in such a case that we are executing or enforcing any law of the Union. We are but aiding or compelling the foreign Government to execute its own laws and to perform its own duty. As no law of the Union is being executed by such invasion, the militia can not be called out, under this provision, to take part in it. "As no law of the Union can exist or be in force in any foreign country, the militia can not be called out to enforce any such law there."

The plain and certain meaning and effect of this constitutional provision is to confer upon Congress the power to call out the militia "to execute the laws of the Union" within our own borders where, and where only, they exist, have any force, or can be executed by any one. This confers no power to send the militia into a foreign country to execute our laws which have no existence or force there and can not be there executed.

If authority is needed for the conclusion here reached, the following may suffice:

In *Ordronaux*, Constitution Legislation, page 501, it is said:

"The Constitution distinctly enumerates the three exclusive purposes for which the militia may be called into the service of the United States. These purposes are: First, to execute the laws of the Union; second, to suppress insurrection; and, third, to repel invasions."

"These three occasions, representing necessities of a strictly domestic character, plainly indicate that the services required of the militia can be rendered only upon the soil of the United States or of its Territories. * * * In the history of this provision of the Constitution there is nothing indicating that it was even contemplated that such troops should be employed for purposes of offensive warfare outside the limits of the United States. And it is but just to infer that the enumeration of the specific occasions on which alone the militia can be called into the service of the General Government was intended as a distinct limitation upon their employment."

"Being the ministers of the law to enforce its commands, they can only be summoned by the law-making power to act within the extent of its jurisdiction and in the manner prescribed by the Constitution. They can not, consequently, be used to invade the territory of a neighboring country or to enforce any public rights abroad. * * *

"The militia of the States, restricted to domestic purposes alone, are to be distinguished therefore from the Army proper of the United States, which, whether in the form of regular troops or volunteers, may be used to invade a foreign country as well as to repel the attack of foreign enemies."

And *Von Holtz*, Constitutional Law, page 170, it is said, "the militia can not be taken out of the country."

In *Kneedler v. Lane* (45 Pa. St., 238, 276), Judge Strong, speaking for the court, said:

"Apart from the obligations assumed by treaty, it was well known that there are many cases where the rights of a nation and of its citizens can not be protected or vindicated within its own boundaries. But the power conferred upon Congress over the militia is insufficient to enable the fulfillment of the demands of such treaties or to protect the rights of the Government or its citizens in those cases in which protection must be sought beyond the territorial limits of the country."

And see *Houston v. Moore* (5 Wheat., 1) and *Martin v. Mott* (12 Wheat., 19, 27).

It is true that the act of January 21, 1903, as amended by the act of March 27, 1908 (35 Stat., 399), provides:

"That whenever the President calls forth the organized militia of any State, Territory, or of the District of Columbia to be employed in the service of the United States he may specify in his call the period for which such service is required, and the militia so called shall continue to serve during the term so specified, either within or without the territory of the United States, unless sooner relieved by order of the President."

But this must be read in view of the constitutional power of Congress to call forth the militia only to suppress insurrection, repel invasions, or to execute the laws of the Union. Congress can not by its own enactment enlarge the power conferred upon it by the Constitution; and if this provision were construed to authorize Congress to use the Organized Militia for any other than the three purposes specified, it would be unconstitutional. This provision applies only to cases where under the Constitution said militia may be used outside of our own borders, and was doubtless inserted as a matter of precaution and to prevent the possible recurrence of what took place in our last war with Great Britain, when portions of the militia refused to obey orders to cross the Canadian frontier.

I think that the constitutional provision here considered not only affords no warrant for the use of the militia by the General Government, except to suppress insurrection, repel invasions, or to execute the laws of the Union, but, by its careful enumeration of the three occasions or purposes for which the militia may be used, it forbids such use for any other purpose; and your question is answered in the negative.

Respectfully,

GEORGE W. WICKERSHAM.

To the SECRETARY OF WAR.

Upon the question of the power of Congress to order the militia into a foreign territory has been fully discussed in the case of *Kneedler v. Lane* (Pa. State Reports 45, p. 238), and I desire to recommend it to any student in the investigation of this question. The syllabus of the case gives but a faint idea of the questions discussed. It sustains the constitutionality of the conscription act of March 3, 1863, and each of the five members of the court rendering opinions in the case. It is sufficient to say that while they disagree as to the constitutionality of that conscription to subdue an insurrection, repel invasion, or enforce the law every one of the judges clearly indicated the law in absolute harmony

with the opinion of Attorney General Wickersham, which I have heretofore read. I beg leave to insert an extract from the opinion of Justice Strong, who held that act was constitutional and who called attention to the fact that our Government was given the power to make treaties with other nations which power was denied to the States. He says, further:

This unrestricted power of making treaties involved the possibilities of offensive and defensive alliances. Under such treaties the new Government might be required to send armies beyond the limits of its territorial jurisdiction, and in fact at the time when the constitution was formed, treaty of alliance, offensive and defensive, was in existence between the old Confederacy and the Government of France. Yet more. Apart from the obligations assumed by the treaty, it was well known that there are many cases where the rights of a nation and of its citizens can not be protected or vindicated within its own boundaries. But the power conferred upon Congress over the militia is insufficient to enable the fulfillment of the demands of such treaties, or to protect the rights of the Government, or its citizens in those cases in which protection must be sought beyond the territorial limits of the country. The power to call the militia into the service of the Federal Government is limited by express terms. It reaches only three cases. The call may be made "to execute the laws of the Union, to suppress insurrections, and to repel invasions," and for no other uses. The militia can not be called for the invasion of a country without the limits of the United States. They can not be employed, therefore, to execute treaties of offensive alliance, nor in any case where military power is needed abroad to enforce rights in foreign lands.

The United States Supreme Court says:

Every act of Congress passed during war times must square with the Constitution.

The Constitution of the United States is a law for rulers and people, equally in war and in peace, and covers with the shield of its protection all classes of men, at all times, and under all circumstances. (Ex parte Milligan, 4 Wall., 2, 120.)

Gentlemen may claim that the proposed conscription act does not purpose to use the militia. But they say that our purpose is to draft from the great body of American citizens who do not compose the militia.

Unfortunately for that contention, Congress has itself, so far as is in its power, placed every man between the ages of 18 and 45 in the military department of our Government. Under the act of June 3, 1916, as I have stated, first it described the Army of the United States and says it shall consist of the Regular Army, the Volunteer Army, the Officers' Reserve Corps, the Enlisted Reserve Corps, the National Guard while in the service of the United States, and such other land forces as are now or may hereinafter be authorized by law. Section 2 of that act provides that the Regular Army shall consist—it does not include any branch of the militia thereafter described—as follows:

SEC. 2. Composition of the Regular Army: The Regular Army of the United States, including the existing organizations, shall consist of 64 regiments of Infantry, 25 regiments of Cavalry, 21 regiments of Field Artillery, a Coast Artillery Corps, the brigade, division, Army corps, and Army headquarters, with their detachments of troops, a General Staff Corps, an Adjutant General's Department, an Inspector General's Department, a Judge Advocate General's Department, a Quartermaster Corps, a Medical Department, a Corps of Engineers, an Ordnance Department, a Signal Corps, the officers of the Bureau of Insular Affairs, the Militia Bureau, the detached officers, the detached noncommissioned officers, the chaplains, the Regular Army Reserve, all organized as hereinafter provided, and the following as now authorized by law: The officers and enlisted men on the retired list; the additional officers, the professors, the Corps of Cadets, the general Army service detachment, the detachments of Cavalry, Field Artillery, and Engineers, and the band of the United States Military Academy; the post noncommissioned staff officers; the recruiting parties, the recruit depot detachments, the unassigned recruits; the service school detachments; the disciplinary guards; the disciplinary organizations; the Indian Scouts; and such other officers and enlisted men as are now or may be hereafter provided for: *Provided*, That hereafter the enlisted personnel of all organizations of the Regular Army shall at all times be maintained at a strength not below the minimum strength fixed by law: *Provided further*, That the total enlisted force of the line of the Regular Army, excluding the Philippine Scouts and the enlisted men of the Quartermaster Corps, of the Medical Department, and of the Signal Corps and the unassigned recruits shall not at any one time, except in the event of actual or threatened war or similar emergency in which the public safety demands it, exceed 175,000 men: *Provided further*, That the unassigned recruits at depots or elsewhere shall at no time, except in time of war, exceed by more than 7 per cent the total authorized enlisted strength.

Every able-bodied male citizen outside the Regular Army, as here described, is by this act of the last Congress placed in the militia.

It will be noticed that in section 57 it is called "the militia of the United States." Of course, the United States has no militia and can not have. The following from *Van Holts' Federal Constitution*, section 49, page 169, which I beg leave here to insert:

There is no militia of the United States. The Constitution recognizes only a militia of the several States, and the authority of the Federal Government as to them is precisely defined. It is nowhere made the express duty of the several States to have a militia. But not only does the Constitution take the existence of the State militia for granted, but the States can be compelled to maintain one by Federal legislation, for Congress is authorized "to provide for organizing, arming, and disciplining the militia."

Section 57 of act of June 3, 1916, is as follows:

Composition of the militia: The militia of the United States shall consist of all able-bodied male citizens of the United States and all other able-bodied males who have or shall have declared their intention to become citizens of the United States who shall be more than 18 years of age, except as hereinafter provided, not more than 45 years of age, and said militia shall be divided into three classes, the National Guard, the Naval Militia, and the unorganized militia.

It will be noticed that every able-bodied male citizen between the ages of 18 and 45, except those in the Regular Army, are in the militia, and the militia is by section 57 divided into three classes, "the National Guard, the Organized Militia, and the unorganized militia." As this act of the last Congress of June, 1916, authorizes Congress to draft the National Guard, which is the State militia, gentlemen may claim that because Congress has authorized Congress to draft the National Guard that it relieves the present Congress from the constitutional limitations.

The absurdity of this proposition is so apparent that it answers itself, for if we should allow Congress to authorize some future Congress to pass a law and thereby relieve that law from its constitutional limitations, then there is no provision of the Constitution which could not be avoided and be classified as "a scrap of paper," if one Congress could permit some future Congress to violate the Constitution of the United States.

No better illustration of this can be found than the fact that Attorney General Wickersham was asked the question whether the militia could be taken out of the country. Congress had before that time and under the act of March 8, 1908, attempted to avoid constitutional limitations by providing that whenever the President calls the militia of any State that that militia should continue to serve "either within or without the territory of the United States," but the Attorney General very properly says, "This statute must be read in view of the constitutional power of Congress"; and further, "Congress can not by its own enactment enlarge the power conferred upon it by the Constitution."

Will you permit me to call attention to another most flagrant violation of the Constitution in this effort to draft the State militia into the Government service, with the claim that they may be used for service in a foreign country? Section 15 further provides that "Congress may call the militia to enforce the laws of the Union, suppress insurrection, and repel invasion." Then proceeds in section 16 to provide for the organizing of that militia, "reserving to the States respectively the appointment of officers." The act of the last Congress, June, 1916, provides that the officers shall be appointed by the President up to and including the colonel, and above the office of colonel to be appointed by the President with the consent of the Senate. It is true that the officers by that act are to be appointed from among the members by the President. But the Constitution reserves the appointing of all officers of the States respectively even after they are employed in the service of the United States, and the present act, known as the conscription act, which we passed last month, provides in the second section that the President may draft the National Guard, which is the State militia, into the military service of the United States and further, "and to organize and officer in accordance with the provision in section 111 of said national defense act," which act, as I have shown you, clearly violates the Constitution by permitting the President to select the officers when the Constitution says it should be left to the States.

As we did not attempt to draft the Naval Militia, and the Government never has, so far as my knowledge goes, I will not discuss that branch of what the Congress has declared to be the militia of the United States, which is designated as the "Naval Militia." The remaining question is whether or not the Congress of the United States under the Constitution has power to call into service the unorganized militia for foreign service. The act of the last Congress, June, 1916, declares, as I have shown you, that all able-bodied males between the ages of 18 and 45 are placed by act of Congress into the unorganized militia, excepting those who are in the National Guard, the Naval Militia, and the Regular Army. It will be observed that this attempt on the part of Congress to make the "militia of the several States" the militia of the United States, which takes in the ages between 18 and 45, as above quoted, and on that subject I desire to quote briefly from the opinion of Chief Justice Lowrie, of the Supreme Court of Pennsylvania, in the case before cited, in referring to the conscription act then under consideration:

It seems to me that this is an unauthorized substitute for the militia of the States. If valid, it completely annuls for the time being the remedy for insurrection provided by the Constitution and substitutes a new and unprovided one. Or rather it takes that rather free force, strips it of its officers, despoils it of its organization, and reconstructs its elements under a different authority, though under some-

what similar forms. If this act is law, it is supreme law, and the States can have no militia out of the class usually called to militia duty, for the whole class is appropriated as a national force under this law, and no State can make any law that is inconsistent with it. The State militia is wiped out if this act is valid except so far as may be permitted by the Federal Government. If Congress may thus, under its power to "raise armies," constitute all the State militiamen into "national forces" as part of the Regular Army and make them "liable to perform duty in the service of the United States when called out by the President," I can not see that it may not require from them all a constant military training under Federal officers as a preparation for the greatest efficiency when they shall be so called out, and then all the State militia and civil officers may be put into the ranks and subject to the command of such officers as the President may appoint, and everyone would then see that the constitutional State militia becomes a mere name. The Constitution makes it and the men in it a national force in a given contingency and in a prescribed form, but this act makes them so irrespective of the constitutional form and contingency. This is the substantial fact, and I am not able to refine it away.

In the case we are now discussing the last Congress attempted to put in all between the ages of 18 and 45, which exactly covers the ages above provided for in the State militia, and exhausts the State militia entirely.

Every male citizen of the several States between the ages of 18 and 45 is subject to State militia duty, and by act of Congress is made a part of the militia, and the attempt now to take them bodily, or man by man, out of the State militia and compel them to serve in a foreign land would, in my humble opinion, be a clear violation of the Constitution.

Please remember I am not raising the question of the power of the State to demand military service by the conscription act; that is uniform in its application; but, on the contrary, I am pleading that the Congress of the United States, which has the sole power to make the laws and rules for the regulation of the armed forces of the United States, to amend the present law, so that we may have an Army under the Constitution which might be sent anywhere in the world in the interest of the country as Congress may decide. Please remember that the present act gives to the President authority to draft those men, and by section 7, using exactly the same language, the President was authorized to raise and maintain by voluntary enlistment four divisions known as the Roosevelt Volunteers.

Gentlemen will not forget the roll calls and the struggle made in Congress to secure the services of these men of experience above the age of 25 years who were ready and willing to go, and when that act was passed the people of the United States supposed that section 7 was just as binding on the Executive of the United States as was the other section, providing for conscription. I have no desire to criticize the President, who has enforced the conscript part of that act and refused to use the power given him by Congress to accept volunteers in section 7. The language used giving him power is exactly the same—"authorized" to conscript and "authorized" to raise volunteers—and whatever may have been whispered by those in conference with the General Staff and the administration that the Executive would not take advantage for this country of the volunteers, yet to every man on this floor and in the minds of the plain people section 7 authorizing volunteers was just as binding upon the President of the United States as were the other sections authorizing conscription. The desire to receive the volunteers was in the hearts of the American people; it became the will of the Congress of the United States; and if Congress will have the courage to enforce the will of the people and the will of Congress itself, it can amend section 7 by inserting the words "authorized and directed" to accept the volunteers.

But gentlemen seem to be timid for fear it may be an offense to the executive department of this Government. Gentlemen, it is no time for timidity. We are not questioning the honor or sincerity of the Chief Executive. That department has no power to make laws and rules governing the land and naval forces of the United States. That power was given to you—to Congress—and every power that the Executive may exercise as Commander in Chief is subject to the power given to the Congress of the United States. There is an honest difference of opinion between the Congress and the Executive as to the use of volunteers for foreign service. Congress says, and so expresses the sentiments of the people, that at least four divisions of volunteers should be accepted. The Executive declines to accept them for the present. No one doubts for a moment that if we would insert the word and "direct" the Executive to accept these volunteers, those four divisions would be made up of men who believe in assisting our allies in the trenches.

Why do we pursue the unconstitutional method of attempting to draft the militia into the service. Why not pursue the constitutional methods and raise your army by volunteers, and then, if your volunteers who are willing to go abroad fail, meet and solve that question when the time comes, under the Constitution we have sworn to uphold. Please understand I do not

contend that the Congress of the United States can not call the militia of the States, organized or unorganized, into the service of the United States, but I do insist that if the militia is so called into the service of the United States it can only be used for the three purposes which I have repeatedly set out in this argument.

Mr. Wilson is just as much my President as yours. I want him to be right. If I believe that his failure to enforce section 7 has done injury to the cause in this war with the Imperial Government of Germany, it is my duty to say so here and now. There is plenty of time to get a constitutional army; and while gentlemen have differed with me upon questions of war and conscription and taxation, I have never found it in my heart to believe that any gentleman on this floor had anything but one desire, namely, that when our country was in war it should be a successful war, and that we would fight to the end for the preservation of American ideals and ideas; but you can not shift your responsibility as a part of the law-making power by imitating Pontius Pilate and washing your hands and saying, let your Executive do it. [Applause.] I know we are talking about food control. Let us talk for a moment about food for thought and thought control and the right of the Executive to control legislative thought. There has been a constant letting up of legislative authority and a constant growth of executive authority. It is just as much the fault of the legislative branch as it is of the executive, and it is not more the fault of this present President than it was of those before him, who for years past have constantly encroached upon the legislative power, and to-day when we are in the midst of a war, when we offer you the very best thing that we thought we could, we are met with the cry of treason simply because we want to give you men who will fight instead of violating the Constitution by taking the State militia because some past Congress has authorized us to violate the clear provisions of the Constitution of the United States.

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

Mr. MASON. Mr. Chairman, I would ask the gentleman for five minutes, because I have lost about five minutes of time.

Mr. HAUGEN. Mr. Chairman, I yield the gentleman five minutes.

Mr. MASON. When the conscription bill of 1814 was before the Congress of the United States Daniel Webster, the great student defender of our Constitution, gave as one of his reasons for opposing conscription the fact that the bill then before Congress, just exactly like the present law, did not prohibit the Congress or the President from sending the militia out of the United States. But let me quote the language of Mr. Webster upon that point so there may be no misunderstanding:

But, sir, there is another consideration. The services of the men to be raised under this act are not limited to those cases in which alone this Government is entitled to the aid of the militia of the States. These cases are particularly stated in the Constitution, "To repel invasion, suppress insurrection, or execute the laws." But this bill has no limitation in this respect. The usual mode of legislating on the subject is abandoned. The only section which would have confined the service of the militia proposed to be raised within the United States has been stricken out; and if the President should not march them into the provinces of England on the north or of Spain at the south it will not be because he is prohibited by any provision of this act.

The law which we have passed for conscription has the same defect. It has no limitation as to what the Commander in Chief may do with the militia when drafted into the service of the United States, and, to paraphrase the statement of Mr. Webster, if he does not send them into England, France, or Italy "it will not be because he is prohibited by any provision of this act."

That fact alone should have caused the defeat of the present conscription act; and while we do not as a Congress limit the use to which this conscripted army could be employed, our great Constitution writes into every statute the living principles of human liberty, and, whether we like it or not, it writes into our last conscription act in words of fire that can not be extinguished, "The militia herein conscripted or drafted can not be sent out of the territory of the United States and can only be used to repel invasions, suppress insurrections, and enforce the laws of the Union." Mr. Webster, in the same speech, in replying to the Secretary of War, now known as the General Staff, said:

If the Secretary of War has proved the right of Congress to enact a law enforcing a draft of men out of the militia into the Regular Army, he will at any time be able to prove quite as clearly that Congress has power to create a dictator. The arguments which have helped him in one case will equally aid him in the other.

What becomes, gentlemen, of our constitutional requirements as construed by the court that our laws must be uniform? Under the law every man between the ages of 18 and 45 be-

longs to the Military Establishment of the United States; this is the unorganized militia you propose for selective draft, which means drawing by chance. Out of these millions of men you have protected yourself as Members of Congress, and while we have been hearing talk about slackers by your law you provide that three-fifths of the slackers may not even be exposed to the chances of your slacker's draft and hold that two-fifths, those between the ages of 21 and 31, must take their chance. It would be just as much within the keeping of the spirit of the Constitution to say that all black men or all yellow men or that all men belonging to certain schools or religion should be selected by the draft. I can not find words to express the abhorrence I have for this conscript law, especially when the spirit of the Constitution is so wantonly and ruthlessly violated by class legislation of this sort. But gentlemen say, suppose they do not volunteer? My answer is they are volunteering, but—please read Mr. Webster's answer:

But it is said that it might happen that an army could not be raised by volunteer enlistment, in which case the power to raise armies would be granted in vain unless they might be raised by compulsion. If this reasoning could prove anything it would equally show that whenever the legitimate power of the Constitution should be so badly administered as to cease to answer the great ends intended by them, such new powers may be assumed or usurped as any existing administration may deem expedient.

Will you allow me to insert the speech—or a part—of this same Daniel Webster as to one reason why he voted against conscription?

He was speaking in this House, December 9, in 1814, where free thought and free speech is guaranteed, and the American people have never believed him to be a traitor:

If this war should continue there will be no escape, and every man's fate and every man's life will come to depend on the issue of the draft. Who shall describe to you the horror which your orders of conscription shall create in the once happy villages of this country? Who shall describe the distress and anguish which they will spread over those hills and valleys where men have heretofore been accustomed to labor and to rest in security and happiness? Anticipate the scene, sir, when the class shall assemble to stand its draft and to throw the dice for blood. What a group of wives and sisters and mothers, of helpless age and helpless infancy, shall gather around the theater of this horrible lottery as if the stroke of death were to fall from heaven before their eyes on a father, a brother, a son, or a husband. And in a majority of cases, sir, it will be a stroke of death. Under present prospects of the continuance of the war not one-half of them on whom the conscription shall fall will ever return to tell the tale of their sufferings. They will perish of disease and pestilence, or they will leave their bones to whiten in fields beyond the frontier. Does the lot fall on the father of a family? His children, already orphans, shall see his face no more. When they behold him for the last time they shall see him lashed and fettered and dragged away from his own threshold, like a felon and an outlaw. Does it fall on a son, the hope and staff of aged parents? That hope shall fall them. On that staff they shall lean no longer. They shall not enjoy the happiness of dying before their children. They shall totter to their grave, bereft of their offspring and unwept by any who inherit their blood. Does it fall on a husband? The eyes which watch his parting steps may swim in tears forever. She is a wife no longer. There is no relation so sacred or so tender that by these accursed measures you do not propose to violate it. There is no happiness so perfect but that you propose to destroy it. In the paradise of domestic life you enter, not, indeed, by temptations and sorceries, but by open force and violence.

Mr. Speaker, I wish to be understood and I make the statement of my intentions in order that there may be a fair discussion as to the powers of Congress, and as far as possible free from malice or excitement. Unless there is shortly offered an amendment to the present conscript law which will insert the word "direct" in section 7, so that the President will be induced to call for and accept the volunteers for foreign service, I intend to present that amendment myself.

Second, unless the present conscript law is amended or suggested by some gentleman in the majority upon this question so that the law may comply with the Constitution, and provide that the conscripts shall not be forced against their consent into foreign countries, I intend respectfully to offer that amendment myself. Failing in that I intend to offer a bill which will repeal the entire conscription law and leave this or the next Congress to carry out the will of the people.

Mr. Chairman, I have made this statement so that we may have a fair discussion upon our constitutional rights. I have no pride of opinion. If Attorney General Wickersham is wrong, if we have that right, I have nothing further to say. I felt it my duty, after examining the constitutional debates, after having read the opinions of the Attorneys General of the United States, to call the attention of my colleagues to the fact that volunteers were ready to go, they offered to go, but by the action of Congress and the Executive, one is just as much to blame as the other, these men who are ready to go and give encouragement to the allies, these men over 25 years are told, "You can not go," and those men who do not want to go are told, "You must go." Our duty, gentlemen of this Congress, seems to be plain. It is to fight the enemy and at the same time keep our eyes upon our allies. My distinguished friend, the chairman of the committee, whose bill we were discussing yesterday, called attention to the

fact that the allies had been purchasing in this country, and he called attention to the fact, which is true, that you can buy American wheat and American bread and potatoes cheaper in Great Britain than you can in New York or Chicago, and when we see our people hungry and realize that the allies, through their agents, have been speculating on the boards of trade, it is not treason to call attention to the fact. We want our allies to do their "bit," but when we see American flour cheaper in London than it is in Chicago we feel that they are not only "doing their bit," but they are "doing us quite a bit." [Applause.] And I say it is not treason to call attention to a provision against sending State militia abroad when there are others ready to go; it is not treason to call attention to the fact that our allies, God bless them and help them in every way and let them do their share, with nearly 2,000,000 men in Great Britain, are insisting and pleading for us to send our boys to the trenches of France, and you know it is a good deal nearer from Dover to Calais than it is from San Francisco to Paris, and travel is a good deal safer for those people. It is only 55 minutes across the English Channel, when it may be two or three weeks or months, aye, it may be eternity, in crossing the Atlantic Ocean.

Gentlemen, we have plenty of time. Again I say, why pursue unconstitutional methods when there are constitutional methods open before us? Why should we violate the Constitution, the clear law and the spirit of the Constitution, by saying that we are going to draft the militia of the United States in violation of the opinion of the Supreme Court of the United States, of the supreme courts of the several States, in violation of the opinion of the Attorney General of the United States. Now, Mr. Chairman, in conclusion, I have had long experience in matters of this kind, and in all these years I have never found a man, either in the House or in the Senate, but that he wanted to do right as God gave him the light to see the right, and he wanted to do the best he could for his country. This is a friction point where gentlemen disagree, and I thank God upon this floor—in this forum—the right of free speech still exists. [Applause.] I remember once in riding to Mount Vernon I met a Confederate soldier and a Union soldier, who told me that at the tomb of Washington, even during war times, they met and left their guns upon the outside, and I thank God that there was one spot, the tomb of Washington, where the blue and gray could meet and fraternize, and that small piece of ground "leavened the whole lump" and made a united country. So, I thank God, upon this floor, in my association with you, gentlemen, most of whom are younger than I, you have been willing to grant me that right of free thought and free speech which you demand for yourselves, and in that freedom lies the safety of our Nation. [Applause.]

Mr. LEVER. Mr. Chairman, I yield 30 minutes to my colleague on the committee [Mr. DOOLITTLE]. [Applause.]

Mr. DOOLITTLE. Mr. Chairman and gentlemen of the committee, I shall not consume the 30 minutes, and before I speak the few words I am about to do I want to say a word concerning the action of the committee—the Committee on Agriculture—while we were considering this bill and the final action of the committee. While we were considering this bill we had no chart to follow, we had no blazed trail to go upon; we had to branch out and cover the best we could an unknown field and to meet emergencies which are confronting the country now by reason of the war in the way we have done, and which I hope and believe will meet with your approval. It has been my pleasure during the two and part of three terms that I have been a Member of this House to serve on the Committee on Agriculture under the chairmanship of the distinguished gentleman from South Carolina [Mr. LEVER].

I believe I state the exact fact when I say that not in the legislative history of this country has there gone forth to the country at large more big laws for the good of all the people bearing the name of a single man than of the laws bearing the name of "LEVER." I have in mind four in particular. We all know of the advantages of the Lever Extension Act and the warehouse act which also bears his name, and that great boon to the cotton farmer and to the cotton operatives of the country known as the Lever Cotton Futures Act; and then we have the Lever Bureau of Markets Act, which law is just now getting into full operation.

Gentlemen of the committee, the bill which we are now considering is a war measure pure and simple. It is a bill which will solidify and conserve and bring together in the most compact form that we know how all the food, feed, and fuel resources of our country in our endeavors to win a permanent and speedy victory against the common enemy. I am not going to discuss the details of the bill, because they have already been discussed here much better and more eloquently than I can dis-

cuss them. I simply want to call your attention for a moment to a few words that were spoken yesterday by my good friend from Texas [Mr. YOUNG], my colleague on the committee, who put himself in the attitude of defending the farmer. And, Mr. Chairman and gentlemen, I can not conceive that when it comes to a question of a war measure, and if this measure is one for the use of our country in winning the war, why any further argument should be necessary in behalf of it, why anyone should attempt or feel it incumbent upon him to defend a part of the country if the whole country requires this legislation. [Applause.] But just for a moment, gentlemen, I take sharp issue with my friend in his theory and in his statement regarding the welfare and the desire of that part of our country, that noble part, that part which we could not get along without, the farming communities and the farmers of the country.

The farmers have been anxious in past years in times of peace, and they are anxious in times of war, to get rid of the speculator who has been preying upon them. He has complained about the treatment that he has received at the packing houses, and he has complained about the injurious speculation and the machinations upon the boards of trade of the country. In this bill, H. R. 4961, we eliminate in this war measure all of those things which he has complained about so bitterly, and we give to the American farmer something which he has never yet asked before, namely, we give him a guaranteed profit for the things which he produces, but do not limit his profit to that guaranty. [Applause.] I simply mention that in passing.

As a matter of fact, I suspect, if it has not already been done, that when Representatives of manufacturing constituencies here take the floor, either to oppose or to speak in behalf of this bill, they will tell us we have favored the farmer and shown undue favor to him to the disadvantage of the manufacturing interests of the country. The bill is a fair bill to every legitimate business, calling, occupation, and enterprise. It is a bill which, in my opinion, will do what it is expected it shall do, and that is to help win a glorious victory for our armies and our country for the cause of human liberty and mankind.

Now, about prices; and I submit this to my friends from agricultural districts. It has been said that flour sold for \$17.50 a barrel, and that the farmer received only \$1.30 a bushel on the average for his wheat, showing that the spread in profit by the time that the wheat finally reached the consumer in the nature of flour had increased tremendously, and that some intermediary between the producer and the consumer made the enormous profit.

I want to give you a specific example, a small item, an incident which happened here in the city of Washington Sunday of this week—just two days ago. Although it is a small item, perhaps, it shows exactly one of the reasons why a bill of this kind should go into operation now. It is the matter of a roast chicken. If you will go to a delicatessen shop—and I am not talking about the highflying and expensive kind but the little modest delicatessen shop; and this was one out on Fourteenth Street—and buy a chicken, they will not price it to you by the pound. It will cost you 15 cents an ounce. That is the way they price it to you.

Mr. JACOWAY. Will the gentleman yield there?

Mr. DOOLITTLE. Yes.

Mr. JACOWAY. I want to ask him if it is not his idea, as well as the idea of the entire personnel of the Committee on Agriculture, that in passing this bill as drawn and as presented to this House it will bring about two results, namely, it will bring about a condition which on its face would seem like an anomaly within anomaly; that is, that it would give a higher and more generous price to the producer of foodstuffs and at the same time, by eliminating the unnecessary middleman, put that stuff before the consumer's table at a less cost than he has had before?

Mr. DOOLITTLE. That was the point I was about to make on this little item. The poultry man or farmer who sold that chicken probably received for it, live weight, something about 18 or 20 cents a pound, and it does not take a mathematician or an expert in the culinary art to know that we could not increase legitimately the price of it to the consumer to \$2.40 a pound as a cooked chicken ready for the table. Just as my friend from Arkansas said, one of the advantages of this bill is to eliminate the lost motion between the producer and the consumer. If the consumers of the country have to pay \$2.40 a pound for chicken, then somebody besides the middleman and the speculator ought to get the price.

Now, my friend from Texas also stated that in European countries the food dictatorship had been a failure, as he called it. In other words, insinuating that the food administration in this country would also be a failure. He cited Germany as an instance. It is true. But where the German dictator was

unsuccessful and where the German food dictatorship fell down, was in trying to set the price on the producer, which could not be done.

Mr. Hoover testified before our committee that the producer, if the price would not satisfy him, would look into other and additional channels and make his private contracts. But this bill in express words does not touch the producer. It recognizes the right of the producer on the farm of the necessities of life, the man who toils from early morn to late at night, to hold the fruits of his toil, but it denies to any middleman the right to hold that to the detriment of the consuming classes of the country. [Applause.]

My friend from Texas said something about the increased cost of implements and everything that the farmer uses on his farm or in raising cattle and other live stock. He is absolutely correct about that. They have increased enormously in price, but if it should become necessary to fix a minimum price in order to stimulate production, as is provided in this bill, there would be taken into consideration, as was testified to by Mr. Hoover—a very intelligent and patriotic citizen—that increase in the cost of production. The increase in the cost of farm implements and everything that the farmer uses in the production of those products would be taken into consideration and added to his cost of production, and a profit added onto that in fixing such minimum price.

So much for the argument of our friend from Texas, that because the cost of implements, etc., was not specifically mentioned in this bill it would not be taken care of. It is taken care of, and everything else is taken care of that goes into the production of a crop.

Now, gentlemen, I want to say in closing that the country is at war. That may seem like an unnecessary statement. But I am led to believe that there are some people who do not fully realize the fact that the United States is probably at this moment engaged in the most colossal war, even so far as our own country is concerned, that we have ever yet engaged in.

The thing for us to do is to win the war, and this bill is drawn on the theory of the war power of the Constitution, and that the winning of this war is an absolute necessity, and that all other things should stand aside and work toward the winning of the war as speedily as possible. [Applause.]

Whatever the criticism of the bill may be, it will not be said that the measure is not drastic enough. The bill is all teeth, and intentionally so, as a typical war measure. There are two sources of objections to this measure becoming a law. One is a misunderstanding of the provisions of the bill, or what the effect will be. The other source of opposition lies with the food speculators, and they are the ones who will get hit and smashed hard by this bill. Still other subtle forces working against this bill are pro-German influences. Producers the country over favor the bill, and the approval of the American consumer is universal. I have received not a single word of protest against this measure from any source. The producers of the country are for it unanimously, so far as I know, and the consumers are the same way. This is one time when the producers and the consumers are working together, hand in hand.

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

Mr. DOOLITTLE. I will.

Mr. DENISON. Is there anything in this bill to prohibit farmers or groups of farmers by agreement among themselves from holding wheat until they get a satisfactory price?

Mr. DOOLITTLE. Nothing whatever, so far as the individual farmer is concerned. If the wheat passes out of the farmer's hands into the hands of a third party, then it comes within the provisions of the bill.

Mr. DENISON. Then the question whether or not it will give the consumers cheaper foodstuffs is a matter of conjecture, largely, is it not?

Mr. DOOLITTLE. I do not think so. It does away with speculators and manipulators of the market, and that is one of the chief causes of high prices to-day.

Mr. JACOWAY. Mr. Chairman, will the gentleman yield there?

Mr. DOOLITTLE. Yes.

Mr. JACOWAY. I will ask the gentleman if the testimony does not show this fact, that it will cut off the middleman in most of the food products if this bill becomes a law?

Mr. DOOLITTLE. That is the purport of our testimony; yes. Two-thirds of the price of food—and I want to say that especially to my friend from Illinois [Mr. DENISON]—to the consumer is added after the food leaves the hands of the producer.

In other words, there is an increase of about 200 per cent. This measure will reduce very materially that spread in prices between the man who produces and the man who consumes;

the lost motion and added cost now directly attributable to the too numerous middlemen and the oppressive speculator is eliminated. The speculator and food gambler become impotent. Exchanges and boards of trade are properly regulated or become closed. The hoarder is required to disgorge; the meat packer and the distributor submit to Government regulation; fuel companies can not extort excessive prices; uneconomical manufacture of necessities is prohibited; foodstuffs may not be wasted in the manufacture of alcoholic or nonalcoholic beverages; manipulation of price and distribution is stopped; cold-storage concerns perform their proper functions.

One of the things that the cattle producers of this country have wanted for a long time is some sort of light on the operations of the great meat packers. This bill calls for that light, and it even goes further and gives them Government regulation.

Mr. CAMPBELL of Kansas. Mr. Chairman, will the gentleman yield?

Mr. DOOLITTLE. Yes; I yield.

Mr. CAMPBELL of Kansas. The gentleman has stated that this bill would reduce the margin between the producer and the consumer. Will the gentleman state what section of the bill he expects will bring about that result?

Mr. DOOLITTLE. Under the licensing section and also under the section giving the President the power to regulate and control boards of trade, the antihoarding section, and section 4.

Mr. CAMPBELL of Kansas. Now, in what way by granting license to a man to do business would that bring about the reduction so desirable between the producer and the consumer?

Mr. DOOLITTLE. If the licensee engages in practices prohibited by this bill, the fact will be known by reason of the supervision and the right of inspection given the President.

Mr. CAMPBELL of Kansas. Can not that man or concern now be prosecuted under the antitrust law for practices in restraint of trade if guilty of such practices?

Mr. DOOLITTLE. We might do that; but we are trying to avoid the condition that will make the prosecution necessary, because a prosecution presupposes that the evil already existed. We want to avoid that in order to save the producer and also the consumer.

Mr. CAMPBELL of Kansas. But you provide for prosecutions under this bill in each instance.

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

Mr. DOOLITTLE. Yes.

Mr. JACOWAY. If I remember the testimony of Mr. Anderson, who is district attorney for the district in which Boston is located, and who has had peculiar knowledge of these affairs, and who has prosecuted the parties under existing law, he said before the committee that the provisions of the antitrust law will not fulfill in detail the requirements of the situation.

Mr. CAMPBELL of Kansas. If men conspire in restraint of trade—

Mr. JACOWAY. That, looking at it in its entirety, the provisions of the antitrust law will not meet the situation.

Mr. CAMPBELL of Kansas. I venture to differ, then, with the district attorney.

Mr. NOLAN. How long does the gentleman think it would take to restrain the speculators and secure relief for the country from these tremendously high prices along the line suggested by the gentleman?

Mr. DOOLITTLE. I was going to answer that a little more fully, and I will answer it now. A prosecution presupposes that there has been an evil practice, a breach of law. You have got to wait until it happens before you can prosecute. We want to prevent its happening. It would probably take two years to bring a prosecution to a successful conclusion.

Mr. NOLAN. Does the gentleman remember that in the District of Columbia here a number of commission merchants were indicted and convicted in the United States court, but practically admitted to probation and fined only \$25 apiece after they had been found guilty of unfair practices in holding their products and conspiring to control food prices? We have waited a great many years to get relief under the Sherman antitrust law. This war will be over before any prosecution will be successfully concluded.

Mr. AYRES. Is it not a fact that the Sherman antitrust law will not reach an individual speculator?

Mr. DOOLITTLE. Of course it does not apply to farmers' organizations.

Mr. AYRES. The Sherman antitrust law will not apply to the individual at all.

Mr. DOOLITTLE. Not at all.

Mr. CAMPBELL of Kansas. Not if he conspires with others in restraint of trade?

Mr. AYRES. Can one individual conspire?

Mr. DOOLITTLE. He can not conspire with himself.

Mr. CAMPBELL of Kansas. He can conspire with others.

Mr. AYRES. Certainly it will reach him then, if he conspires with others, but it will not reach the individual speculator or gambler.

Mr. CAMPBELL of Kansas. I am not talking about the individual speculator or gambler. I am talking about what provisions of this bill will reduce the margin of cost between the producer and the consumer.

Mr. AYRES. I understood the gentleman to say that, in his opinion, the Sherman antitrust law would afford a remedy for the situation.

Mr. CAMPBELL of Kansas. Yes.

Mr. NOLAN. The gentleman probably recollects that a year or so ago a commission merchant in Chicago admitted that he had a million dozen eggs or so in storage. He was not conspiring with any other individual in doing that, because he was holding them off the market for a high price. Could he be prosecuted under the Sherman antitrust law for that?

Mr. DOOLITTLE. Not at all.

Mr. CAMPBELL of Kansas. Could he not be reached under the licensing clause of this bill?

Mr. DOOLITTLE. Absolutely; and there is another clause of the bill which provides that the food administrator or the President may go in and put those eggs on the market, which could not be done under any law now on the statute books.

Mr. THOMPSON. He could also be reached under the hoarding clause, could he not?

Mr. DOOLITTLE. Absolutely.

Mr. JACOWAY. In answer to the gentleman from Kansas [Mr. CAMPBELL] about prosecuting parties who conspire to raise the prices of food, I will remind the gentleman that Mr. Anderson stated that the day had long since passed when these conspirators would even write each other letters; that the day had long since passed when they would meet in the same hotel or send messengers from one to the other, but he said that the entire thing was done over the telephone, and that it was the most difficult matter in the world to get the evidence that would result in a conviction.

Mr. DOOLITTLE. These conspirators leave no tangible evidence. A successful prosecution is extremely difficult.

Mr. SCOTT of Iowa. I want to make a suggestion, that the Sherman antitrust law is confined to matters of interstate commerce, whereas this bill proposes to go further than that and to cover intrastate matters as well.

Mr. DOOLITTLE. Yes. The bill puts the necessities of the country on a war basis. Coupled with the first food bill, it guarantees sufficient food, protects the producer of nonperishable food products from loss from overproduction, and gives the consumer assurances of a greatly reduced cost of living. It will restore and retain contentment among our people, keep as a unit our determination to crush the menace of German imperialism, and lend a virile power at home and abroad to our allies and our armies, whom we must feed, to win a complete and speedy victory. [Applause.]

Mr. HAUGEN. Mr. Chairman, I yield to the gentleman from Ohio [Mr. EMERSON].

Mr. EMERSON. Mr. Chairman and Members of the House, when Roosevelt was President I used to feel that oftentimes he transgressed the constitutional rights of Congress by using the "big stick," but since I have been a Member of Congress I realize how little Congress would do if it were not for the constant prodding by the President.

At the second session of the Sixty-fourth Congress I introduced a resolution asking for an investigation of the food-storage warehouses, and the next day I received a telegram from a manager of such a warehouse in Cleveland protesting against my resolution, and asking me if I thought it would pass, to which I replied that he need not worry, as there was no danger of Congress doing anything that it should do upon that subject.

And Congress would not be doing anything to-day if it were not for the fact that the present war, public sentiment, and the President are forcing us to act.

There are apologists who believe that the country would be endangered if a few speculators in food and fuel, with instincts of ravenous wolves eyeing a defenseless flock of sheep, were to have their individual greed curbed in the interests of the public good.

We should fix the amount of profits that can be made upon the handling of food products by the middleman.

We fix the amount of profit that a person can make upon the loaning out of his money. We fix railroad fares and many other charges. What would there be wrong in fixing the price of food

in this crisis, or fixing the profits to be made out of the handling of food products.

This is a war of efficiency. It is to be won by the nations that are most efficient. It is a contest as to whether a democratic republic is more or less efficient than a monarchy. The war is going to be won through the efficiency of the victor.

Is the Republic of the United States more efficient than Imperial Germany? That is the question.

The efficiency of this Republic is to be determined largely by the kind of food-control bill the Congress of the United States passes.

Every great nation now at war has found it necessary to regulate the production, distribution, and the consumption of food.

It is a question of the greatest good for the greatest number. It is useless to waste any time discussing the cause of the high prices of food. One word answers that question. It is the "middleman."

The United States Government must act as the middleman during this war, and get the food from the producer to the consumer with the least possible expense.

Uncle Sam must deliver the food f. o. b. "kitchen door." The manipulation of prices while the food products are passing from the farmer or producer to the housewife is the cause of the high cost of living.

It is a question of scientific distribution by the Government. And as Congress is the Government, this question is up to us.

As I have stated, this is a war of efficiency. Men who fight and men who work must be fed, and the mothers of this country must be fed also, and well fed.

Under the present conditions it seems a great extravagance to allow food products to pass through so many hands before reaching the public. By this I mean that the ultimate consumer pays profit to each and every person through whose hands the goods pass.

Now, what must Congress do? Well, the first thing to do is to cut out this hot-air festival we are having in this Chamber every day, get down to business, and mix brains with legislation.

The trouble with this House is that there is too much of a marathon going on between the Members to see which one can put the most words in the CONGRESSIONAL RECORD.

If we would abolish the publication of the CONGRESSIONAL RECORD, we would transact the business in half the time.

There are several things that must be gone into in the consideration of this great question of food control:

First. The production of food has not increased in proportion to the increase of population.

Second. There must be no shipping of food products to neutrals, for fear they may reach the enemy.

Third. Freight rates must not be increased upon food shipments.

Fourth. Preference must be given food shipments, both as to cars and freight rates.

Fifth. We have drafted men to fight, and we must draft men to work in the fields. There are nearly 200,000 prisoners in our prisons who could be used in cultivating the soil. The larger boys could be used upon the farms during vacation time. School children must do their part.

I here quote a little poem that has the right ring:

PLANTING TO-NIGHT.

Many are the backs that are weary to-night
From using the spade and the hoe;
Many are the men who are straining their sight
Watching for the stuff to grow.
Planting to-night, planting to-night, planting
In the old back yard.

The Government itself has ably supported the food speculators, foisting upon the public the specter of shortage and famine, when in reality no famine existed.

Food manipulation and not shortage has taken possession of the whole country, resulting in the greatest food hysteria we have ever undergone.

We are now at war with the greatest military power in the world, and we must be just as efficient in handling the food question as Germany, for Germany has had a food shortage from almost the very beginning of the war, but she has handled the situation with the greatest of efficiency.

Sixth. Fear among the people is one of the greatest dangers we have. Fear causes hoarding and false increases in prices.

Seventh. The Government must teach people how to handle food and which foods are the most nutritious, as well as cheapest. For instance, the food value of corn is very high, and there is enough corn on hand in the United States to feed the people of this country and all of Europe until the next crop is harvested.

Eighth. Food products should be exempted from taxation during this war. To help the farmer get to the housewife is the duty

of this Congress, and it can be done if we work together with that end in view.

Ninth. The greatest patriot to-day is the one who makes 2 bushels of grain or potatoes grow where one grew last year, and especially if this Congress will see to it that those farm products are delivered to the kitchen door.

Simplifying distribution is the duty of Congress.

This bill appeals to me, and I shall support it, as it has some very excellent features. And while it may have some that Members may criticize, as a whole it is very good.

This Government is a government of compromises. Every bill that passes Congress has been compromised somewhere along the line.

Sections 3 and 4 contain some very strong language. They will prevent food hoarding and prevent the purchasing of food products by the enemy for the purpose of destroying same or keeping the same away from the market.

This legislation is to be administered by the President for the public good, and he is given unlimited powers in section 3, which make him practically a food dictator, and that is what we need in this crisis.

Section 4 prevents waste, hoarding, monopoly, manipulation, dealing, discriminating, or conspiring.

If the Government would do some of these things I have suggested, we could regulate the production, distribution, and consumption of food products for the benefit of all the people.

We certainly must do something.

The people will demand that we do something.

We have drafted men to fight, and we must draft the food supply of this country for the benefit of all the people of this country.

We are loaning millions of dollars to other countries. Why not spend some for the benefit of the folks back home here in the United States.

I have stood by the President in this crisis, and propose to stand by the Commander in Chief during this war.

I propose to stand by him by voting for this bill.

Let the people of this country who are to do all the fighting, let the people of this country who are to pay all the taxes, be given some consideration, and I know no better way than by passing this bill.

It protects the food supply from every angle.

In addition to the powers herein enumerated that are granted to the President, section 11 gives him power to regulate exchanges.

Section 10 gives him power to requisition any factory.

Section 9 gives him power to buy food products and hold them for the benefit of the people.

Section 12 gives him power to stimulate the production of food products if he finds it necessary.

Section 13 gives him the power to prohibit the use of food products in the production of alcoholic beverages.

Section 14 gives him the power to use every agency of the Government that may be necessary, and to create such agencies as he may deem necessary.

The law as a whole is well written, and I congratulate the chairman of the Committee on Agriculture and the whole committee for bringing out and reporting to Congress such valuable legislation at a time when it is so much needed.

The CHAIRMAN. The gentleman from Ohio yields back five minutes.

Mr. JACOWAY. I yield to the gentleman from Oklahoma [Mr. THOMPSON] 30 minutes.

Mr. THOMPSON. Mr. Chairman, in my opinion, we are considering the most important subject which has occupied the time of this Congress. We are overwhelmed as we look out on the struggling world. Things have happened and are happening which a few months ago we did not dream were possible. Mankind seems to have gone mad with the wild passions of war. We are engaged in the greatest struggle of all time. No one can forecast with any degree of accuracy when this contest will end or how it will result. Having put our hands to the plow, however, there is no looking back. Our duty is plain. We must win this war no matter how great the cost in blood and treasure. I very greatly fear our people do not realize the tremendous task ahead of them. We are engaged in a bloody struggle with a courageous, resourceful, and mighty people. During three years the soldiers of the German Empire have held at bay the armed forces of practically all Europe, a large part of Asia and Africa, as also Australia and Canada.

Russia, in the throes of internal revolution, was practically eliminated from the contest as we entered it. It will be a miracle if Russia is of future assistance to the allied cause. We should be gratified if she does not actually aid the enemy. It would be a hopeful mind indeed that would expect a vigor-

ous and efficient campaign by a people just released from the thrall of autocracy. It will reverse the verdict of history if these long-oppressed people are able to contain themselves in the presence of freedom. They are more likely to follow the example of all generations gone before and become intoxicated with their success. Liberty has never been born full-grown. Self-government is not an overnight development. They are plants of slow growth. I read from the dispatches ominous signs of civil strife and bloodshed. The people are divided into classes. There is suspicion and division in their ranks. Unusual and unheard of demands are made. The specter of revolution and anarchy looms before them. I trust they may succeed in establishing a just, an efficient, and a free democracy. I fear they may not. But one thing appears certain to me—we can not depend for final success on the strength of their arms.

The defeat of Germany presents no small task. It calls for the combined resources of our country in money, in supplies, and in blood. Those who in the past have dreamed—or now dream—that it is not a difficult enterprise, had better undeceive themselves. Germany and her allies have an army of more than 12,000,000 men, veterans of many sanguinary fields, splendidly equipped and provisioned. They represent the perfection of fighting efficiency of all time. The armies of our allies—for we are now full partners with those at war with Germany—are perhaps numerically stronger and equally as well equipped, but the larger part of them are fighting in strange countries and on foreign soil. We are also the attacking party. We have before us a long, a bloody, and an arduous contest. Many thousands of our young men, before the struggle is ended, will rest forever under strange skies.

Having said this much in a general way, I pass to a brief discussion of this bill. Why is this legislation necessary, and what does it provide? At this time England and France, Belgium and Italy, Russia and Roumania are doing the fighting for our side. We do not ask, we do not desire that they should continue to do it all. We know, however, that every blow they strike will be one less required of us. The nations engaged on the western front—England, France, and Italy—are bearing the greater part of this burden. They are doing it heroically. They will continue to do it so long as they are supplied with sufficient food. During normal times they import a large part of their food supplies—Great Britain about three-fourths and France about one-half. Now, after three years of war and the terrible devastation it has wrought they are compelled to look beyond their borders for the supplies to support their armies and their civil population. If we supply them with food, they can and will win the war. If we do not, we will be compelled to win it.

The question of a sufficient food supply is therefore of more immediate importance than putting men into the trenches. A proper food supply to our allies may render it unnecessary for us to send large bodies of men to the battle fields.

The question of a sufficient food supply at reasonable prices is not altogether a war question. It is a peace problem as well. For many years the American farmer has not been receiving a sufficient price for his products. On the other hand, the American consumer has been charged outrageous and exorbitant prices for these same products. The system of handling farm products between the producer and consumer has been uneconomical, wasteful, and expensive. It has also afforded opportunities to the evil disposed to manipulate the markets and levy conscienceless tribute on both producer and consumer. The result has been the impoverishment of both and the enrichment of a lot of pliratical parasites who toll not but always succeed in spinning. If this war results in destroying this system and establishing in its place an economic and just system of distribution, it will not have been fought in vain.

It is quite an easy matter to paint the evils of the present system. To invent and apply a remedy to those evils is more difficult. We know something is wrong when the farmer receives only one of every three dollars which his product finally costs the consumer; we know something is wrong when a lot of gamblers and speculators can raise and lower the price of farm products without reference to the amount of production or demand for that production; we know something is wrong when the people of the United States, where the food is produced, are compelled to pay more for it than the people of the warring nations of Europe are charged for the same products. When food products in America can be shipped by rail to our ports, unloaded and reloaded into ships and transported overseas, the freight and ocean insurance paid, and sold cheaper in England and France than at home, a wayfaring man, though a fool, knows there is a "bug under the chip" somewhere.

I read the other day a statement, which has since been corroborated by testimony before our committee. The statement reads:

Do you know that right here in Washington you are paying about 85 per cent more for food than you would in London?

An American arrived in Washington to-day from London and brought with him a menu from Simpson's Grand Divan Tavern, on the Strand, as the best argument he could find for a food-control bill in America.

Compared with the menu of the average Washington hotel, the prices were mild. And England has been in the war three years, while the United States hasn't realized that it is fighting.

Here's the way the tourist started to compare figures:

He went into a well-known downtown hotel for luncheon to-day and ordered Julianne soup, roast beef, a vegetable, a pudding, and coffee. The waiter brought him a check for \$2.05.

"Why, this is preposterous," he protested. "The same luncheon would have cost me \$1.50 in London, and London is on rations."

Then he sat down and made a comparison of London and Washington prices, using menus from restaurants of the same class. Here are some of the results:

In London Julianne and tomato soups cost 25 cents a portion; here 30 cents. Other soups compare proportionately in price.

In London mushrooms cost 37 cents and here 65 cents. Onions are 8 cents a portion in London and 35 cents in Washington. Comparison of other vegetable prices bring practically the same results.

Lamb chops cost 90 cents here and 72 cents in London. Puddings which cost 30 cents here are 9 cents in London. Jelly is 6 cents at Simpson's; here it is 21. Fruits are nearly 100 per cent higher here than in London. So are coffee and tea.

There can be but one explanation for a condition of this kind: Our system of distribution—handling of food products between the producer and the consumer—is too expensive. It permits too much tribute to be levied on the misfortunes of the people. The food question has for a long time been a most important one to the American people, the producing and consuming public. During normal times it has not been possible to arouse the people to a sense of impending danger. If this great war rivets their attention on the subject we may confidently hope for relief.

Mr. Chairman, the people are slow to anger, but when once aroused and made aware of the outrages they have suffered woe to the highwaymen who have held them up. Our system of handling farm products between the farm and the consumer has both reduced the price to the farmer and increased the cost to the consumer. The immediate effect has been to drive the farmer away from the farm, reduce the amount of production, and pauperize the consumer.

Heretofore I have had occasion to refer to this condition. In a speech on the good-roads bill, February 7, 1914, I said:

It is a demonstrated fact that consumption of farm products is increasing at a much more rapid rate than production. If this consumption continues to increase in proportion to the production during the next three decades as it has during the past three we will be face to face in this country with famine. If we, as we should, are willing to look into the future and face this problem we will begin at this time to encourage and promote every movement that looks toward making farm life more pleasant and agricultural pursuits more profitable. I do not believe there is any other one thing that would more promote "back-to-the-farm" movement than the building of good roads. It has been often said that we have in the United States the best railroads in the world and the poorest dirt roads, and this is true. We have been during all the history of this country neglecting the farmers of the country, the source from which originates all wealth, and giving our attention, governmental and otherwise, to the promotion of the interests of those engaged in other lines of business.

And again on May 13, 1916, in speaking on the rural-credit bill, I said:

The increase of population in the rural districts is not keeping pace with the increase in the cities. The ratio of increase during the decennium between 1900 and 1910 was 3 to 1 in favor of the cities. During the same decade the increase in population in the United States was more than twice as great as the increase in farm products. During the same 10-year period the supply of meat animals—sheep, swine, and cattle—decreased a little more than 7 per cent. The census figures for the same period further disclose that the number of tenant farmers also increased. The average profits of the farmer on invested capital is about 5½ per cent, and the fact that he is compelled to pay an interest rate greatly in excess of his profit explains why so many farmers are abandoning the farms and moving to the congested centers of population. More than 60 per cent of our population reside in cities and towns having a population of more than 2,500 and less than 40 per cent reside in the country and towns containing a population of less than 2,500, and there is actually residing on the farm not to exceed one-third of our population.

Farming is the most important industry in the world. Without the farm all other business would stagnate and die, the railroads would cease to run, the banks and mercantile establishments could no longer operate, and grass would grow in the streets of our cities. No other business can succeed without the farmer, but the farming business can succeed, if left un fettered, without the aid of any other business.

If this war results in remedying this condition, it will prove neither an expensive nor unholy contest. In my judgment the legislation we are now considering goes further toward correcting the evils of our middleman system than it would have been possible to advance during a half century of peace.

What does this bill propose? Many misleading statements of its provisions have been made. I read from page 2 of the minority report on this bill, filed by Mr. HAUGEN of our committee on the 15th of this month. He said:

House resolution 4961 contains many valuable provisions, but it would seem that if these fines, penalties, and hardships may be imposed upon the producer—

To which he raises no objection, provided they are extended to others—

the same control, fines, and penalties should be applied to others.

If Mr. HAUGEN, a member of the committee, who was present at all the hearings and helped to prepare the bill, so far misunderstands its provisions as to contend that the fines and penalties of its provisions are visited on the producer, the general public, who are unacquainted with its provisions, must be pardoned for misunderstanding it.

Mr. HAUGEN. Will the gentleman yield?

Mr. THOMPSON. Yes.

Mr. HAUGEN. Does the gentleman say that it is not the intention to reduce the price which the producer receives?

Mr. THOMPSON. There is only one section in the bill that applies to the producer, and that is section 8, page 8.

Mr. HAUGEN. If the gentleman had listened to the chairman and had read the statements of Mr. Hoover as reported in the press, he would know that the only object of this bill is to reduce the prices of products of the farmer. How can the farmer be benefited by that.

Mr. THOMPSON. I challenge the gentleman to show by the testimony of Mr. Hoover or anybody else, any statement of the President or anybody else, that it was the intention of anybody to reduce the price to the producer.

Mr. HAUGEN. Let the gentleman read the press.

Mr. THOMPSON. I challenge the gentleman to read from the press that it is the intention of anybody to reduce the price to the producer.

Mr. HAUGEN. I will procure a copy of the press and read it into the Record.

Mr. THOMPSON. Mr. Hoover was before our committee and the gentleman from Iowa cross-examined him at great length, and Mr. Hoover at no time stated that it was the intention to reduce the price to the producer.

Mr. JACOWAY. Will the gentleman yield?

Mr. THOMPSON. Yes.

Mr. JACOWAY. Did not Mr. Hoover say that before fixing the minimum price he would take into consideration the overhead charges?

Mr. THOMPSON. Of course, everything that entered into the cost of the farmer's products, and in addition to that at a liberal profit to the farmer, and guarantee that.

Mr. HAUGEN. I have no desire to take up the gentleman's time, but I want to call the gentleman's attention to a statement made in the press reporting Mr. Hoover, in which he said that his biggest task would be to reduce the price on flour to \$6.60, and that means a dollar a bushel for wheat to the farmer; and a gentleman heard Mr. Hoover say on another occasion that it was possible that it might put wheat up to \$1.50 a bushel. The price was then more than \$3 a bushel. Can the gentleman tell me where the farmer is to be benefited by having the price of his wheat cut in two? I say it is no benefit; I say it is a hardship.

Mr. THOMPSON. I am in favor of increasing the price of the products and everything of that kind to the farmer. The testimony shows that the farmer got \$1.30 a bushel for his wheat, and that was less than \$7 a barrel for flour; yet flour was bringing at that time \$17.50. Now, who got that other \$10?

Mr. HAUGEN. Now, it is proposed to cut the price in two.

Mr. THOMPSON. Nobody proposes that. The Farmers' Union, the National Grange, the great Northwestern Society of Equity, which reaches from Minneapolis to the Pacific coast, which elected a governor in North Dakota, were all in favor of the bill containing the provision for a maximum price. They said they would rather the Government fix the price than to have the speculator fix the price, which he had been doing in the past.

Mr. HAUGEN. Exactly as I stated in the minority report. No objection is made, and the farmers coming before the committee said that "we are patriotic. If it is necessary to make sacrifices we are willing to do so." But a number objected to being singled out and proposed that you shall include others.

Mr. THOMPSON. I do not want the gentleman to make a speech in my time. I will be glad to have the gentleman make a speech, because I heard a speech yesterday by the gentleman from Texas [Mr. Young], which did not touch, side, edge, or bottom of this bill. [Applause and laughter.] He talked about conditions that do not exist, he talked about fixing maximum and minimum prices, and no price is fixed here. We guarantee to the farmer a minimum price, and the farmer can take more than that if he can get it.

Mr. KINCHELOE. Will the gentleman yield?

Mr. THOMPSON. Yes.

Mr. KINCHELOE. I am much interested for the bill. The argument has been made inside of Congress and out that by establishing a minimum price it would eventually become a maximum price.

Mr. THOMPSON. We do not fix a minimum price.

Mr. KINCHELOE. If the President should fix a minimum price—

Mr. THOMPSON. He is not authorized to fix a minimum price. He is authorized to guarantee a minimum, and the farmer can get as much more than that as he can under the law of supply and demand. If there is nothing in the law of supply and demand, if it does not apply, then these gentlemen who have been talking about it are all wrong. Why, I am in favor of the farmer. All of my people are farmers; I am a farmer myself; that is all I know. I would not favor a bill that would rob the farmer; of course not.

Throughout the bill the farmer, the gardener, and other producers of farm products are specifically exempted from the provisions of the bill. In short, the bill is an attempt on the part of Congress to stimulate production by increasing the price of farm products to the farmer and at the same time reduce the high cost of living to the consumer.

Mr. SWITZER. Will the gentleman yield?

Mr. THOMPSON. Yes.

Mr. SWITZER. The gentleman is a member of the committee. I have had constituents who insist on having a maximum rate fixed for some unperishable food products. The gentleman says that that provision has been cut out of the bill. Will the gentleman state why it was eliminated from the original bill?

Mr. THOMPSON. I can only state my own opinion. I do not know whether this is the judgment of the committee.

Mr. SWITZER. I do not say that I am in favor of it.

Mr. THOMPSON. I am in favor of cutting it out. I would not be in favor of doing it if it robs the consumer. The theory of this bill is that if we provide a just system of distribution, so that the middleman shall receive a fair profit and nothing else, then the farmer's product will be increased in value and the cost to the consumer will be reduced at the same time. That is the exact idea, and that is the reason, in my judgment, that provision was cut out. That is the reason I voted for it, and I think that is the reason all members of the committee voted for it.

To do this we have not found it necessary to fix in the bill, or to authorize the President to fix, either a minimum, a fixed, or a maximum price for farm products. The bill seeks to accomplish the result by making it a crime for any person to willfully destroy any necessities which include food, feed, fuel, and articles required for their production, or to knowingly commit waste or willfully to permit preventable deterioration of any necessities in or in connection with their production, manufacture, or distribution; to hoard, monopolize, or attempt to monopolize, either locally or generally, any such products; to engage in any discriminatory and unfair, or any deceptive or wasteful practice or device, or to make any unjust or unreasonable rate or charge in handling or dealing with the same; to conspire, combine, agree, or arrange with any person (a) to limit the facilities for transporting, producing, manufacturing, supplying, storing, or dealing in any necessities; (b) to restrict the supply of any necessities; (c) to restrict the distribution of any necessities; (d) to prevent, limit, or lessen the manufacture or production of any necessities, or to enhance the price thereof; or (e) to exact excessive prices for any necessities. And it visits on those guilty of hoarding a penalty not exceeding \$5,000 fine and imprisonment for not more than two years.

Necessaries are defined to be hoarded when (a) held, contracted for, or arranged for by any person in a quantity in excess of his reasonable requirements for use or consumption by himself and dependents for a reasonable time; (b) held, contracted for, or arranged for by any manufacturer, wholesaler, retailer, or other dealer in a quantity in excess of the reasonable requirements of his business for use or sale by him for a reasonable time, or reasonably required to furnish necessities produced in surplus quantities seasonably throughout the period of scant or no production; or (c) withheld, whether by possession or under any contract or arrangement, from the market by any person for the purpose of unreasonably increasing or diminishing the price, with the following proviso:

Provided, however, That any accumulating or withholding by any farmer, gardener, or any other person of the products of any farm, garden, or other land owned, leased, or cultivated by him shall not be deemed to be hoarding within the meaning of this act.

In addition to making unlawful these acts and providing penalties therefor, the bill also confers on the President authority to license the importation, exportation, manufacture, storage, or

distribution of any necessities, and in connection with this licensing to prescribe rules and regulations governing the conduct of the business of licensees so as to prevent uneconomical manufacture, inequitable distribution, unjust, unreasonable, discriminatory, and unfair or wasteful rate, charge, or practice, and he is authorized to revoke the license if he should find his rules and regulations violated. The bill also makes it unlawful to engage in this character of business without a license and provides a penalty of not exceeding \$5,000 and imprisonment of not more than two years for its violation.

The authority conferred by this provision of the bill is far-reaching. It puts into the hands of the President an instrument which will enable him to drive out of business those who are illegally and unlawfully profiting at the expense of their unfortunate neighbors. They ought to be driven out of business. They contribute nothing to society; they derive their sustenance from contributions which they unlawfully levy on the public. Under this licensing provision it is possible to prohibit and eliminate from every character of business all unlawful, extortionate, unreasonable, unfair, discriminatory, and evil practices of every character and description. This ought to be done, and we ought not to have waited until the coming of this war to do it. The American people—both producer and consumer—should have had relief long ago.

The bill further authorizes the President, whenever any necessities are hoarded, to proceed against them in the district court of the United States, to condemn and dispose of them in such manner as to provide for their most equitable distribution, the proceeds of their sale to be paid to the owner. This provision gives the President a weapon to compel the disposition of hoarded necessities in the event the hoarder, in the face of criminal prosecution, should refuse to dispose of them.

Mr. CAMPBELL of Kansas. Mr. Chairman, will the gentleman yield?

Mr. THOMPSON. Yes.

Mr. CAMPBELL of Kansas. How is it to be ascertained under this bill when men are guilty of those practices?

Mr. THOMPSON. I will say this: The gentleman and I are just common, ordinary citizens of the Republic. The President of the United States is supposed to appoint an expert to go out and look after these matters, and if that expert finds that these practices are unreasonable, discriminatory, unfair, unjust, extortionate, then the President, upon the responsibility of that man, provides rules and regulations and they become part of the provisions of this license, and if a man is found to violate those provisions then he should not continue in business.

Mr. LEVER. Just like the Interstate Commerce Commission does.

Mr. CAMPBELL of Kansas. As I understand it, when this agent finds that this particular man is guilty of these unlawful practices, then on the recommendation of the agent the license to do business would be taken away from him?

Mr. THOMPSON. I do not take it that upon the recommendation of this agent that the license would be taken away. The President is elected by more than 100,000,000 people and he is supposed to be one of the greatest men in this Republic. The President when he gets these recommendations, if the man complained of is dissatisfied, can then grant to the man a hearing, and if on the hearing the President says that his practice is unfair or comes within the provisions of the rules the license is revoked.

Mr. CAMPBELL of Kansas. Of course, it is not the contention of my colleague that the President personally would hear complaints of that character?

Mr. THOMPSON. I think either the President would or he would have some man just as large as he is to hear them. I do not think the President would take the judgment of very small men on matters of that kind, because I would not do it myself. I do not believe there is a man in this Republic who would want to revoke the license of men who are doing a decent business in the country.

Mr. CAMPBELL of Kansas. I am asking for information.

Mr. THOMPSON. I understand.

Mr. CAMPBELL of Kansas. This license section has struck me as it has struck the gentleman from Oklahoma, as having a very far-reaching effect.

Mr. THOMPSON. That is true, and, in my judgment, it is the best section in the bill.

Mr. CAMPBELL of Kansas. I am not ready to agree to that until I know how it is to be operated.

Mr. THOMPSON. I am in favor of that section in times of peace, because our people have been robbed so much, the producers and the consumers, by a lot of parasites who operate between them that I want to cut out those parasites for all time. [Applause.]

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

Mr. THOMPSON. Yes.

Mr. DYER. When the gentleman was interrupted by the gentleman from Kansas [Mr. CAMPBELL] he was saying what conditions could be looked into by the President and regulated. I take it he means only food and fuel, or does the bill take in anything else?

Mr. THOMPSON. Food, feed, fuel, or the products necessary in their production. That is the definition of necessities in the first section of the bill.

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

Mr. THOMPSON. Yes.

Mr. SLAYDEN. If I understand the gentleman's contention, it is that a permit to do business or a license may be withheld from a citizen on the recommendation or by the determination of one man, nominally the President; but in point of fact, as the gentleman from Kansas [Mr. CAMPBELL] suggests, some one else, for the President is too much occupied with even greater matters; but does the gentleman want to confer by law the authority on any one citizen of the United States to deny any other citizen the right to engage in and prosecute any line of legitimate business?

Mr. THOMPSON. I would answer my colleague by saying this: I simply quote the testimony of all of the farmers' organizations. They said that they would rather submit this matter to the President than to submit to the fellows who are trying to make money out of it.

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

Mr. LEVER. Mr. Chairman, I yield 30 minutes more to the gentleman.

Mr. SLAYDEN. Is that the alternative? Have we reached a condition where one man or one man selected by one man shall determine these things? Are there no other tribunals? If the business is not legitimate, stop the business; but if it is legitimate, give the citizen the right to engage in it, and do not put him at the mercy of one individual.

Mr. THOMPSON. A little later on in my speech I shall answer that question, but I prefer to put a man at the door and guard the horse before the horse is stolen than to try to catch the thief after he has already stolen the horse. That is my position, and that is the position of this bill. We desire to protect the people before they have been robbed rather than try to prosecute a lot of criminals after they have robbed the people—both producer and consumer.

Mr. SLAYDEN. But the gentleman will not prosecute a man for a crime that he has not committed?

Mr. KING. Mr. Chairman, would the distinguished gentleman from Oklahoma yield for just one question?

Mr. THOMPSON. Yes; if the gentleman will cut out the "distinguished."

Mr. KING. Oh, I beg to differ with the gentleman. He is distinguished. I am strongly in favor of this bill and the principles enunciated in it, but why on earth were the packers left out of the bill?

Mr. THOMPSON. Why, it takes in everybody who is trying to rob the people; the packer and everybody else.

Mr. GOODWIN of Arkansas. The packers are in.

Mr. KING. Does it cover meat?

Mr. THOMPSON. Of course; feed and food. Is meat food? Of course it covers meat.

Mr. RUCKER. Not nowadays.

Mr. KING. Would it enable the commissioner to get after the packing interest in Chicago or elsewhere if they are engaged in depriving the farmer of his market?

Mr. THOMPSON. Of course.

Mr. CAMPBELL of Kansas. This is an important bill, and we must take plenty of time for its discussion. Do I understand a license would be granted Armour & Co., Swift & Co., to do business?

Mr. THOMPSON. Sure.

Mr. CAMPBELL of Kansas. If this inspector found that the concerns had been charging more than he thought was right, then their license to do business would be taken away?

Mr. THOMPSON. I would say that after a license had been granted, and it was found they had not complied with the conditions, that the license would be revoked and they could not do business any further.

Mr. CAMPBELL of Kansas. The license specifies the scope within which they must do business. Is that the idea?

Mr. THOMPSON. There is no doubt about that. The license requires them to do business in a certain way, and it would put an end to unfair and discriminatory practices.

Mr. CAMPBELL of Kansas. Will the license also extend to a man from whom I buy the chuck steak I get?

Mr. THOMPSON. The retailer?

Mr. CAMPBELL of Kansas. Yes.

Mr. THOMPSON. It does not.

Mr. CAMPBELL of Kansas. In what way am I protected, because the chuck-steak man is the man who gets my money?

Mr. THOMPSON. The gentleman would not want every farmer in his district restricted by the provisions of this bill, would he, because there are too many farmers there to combine, and these farmers are going to do the right thing? The retailers of the gentleman's district are not going to violate the provisions of the bill; it is the great middlemen, the men who have control of the vast capital of this country, that we are trying to get after in this bill.

Mr. CAMPBELL of Kansas. Why do not you say so?

Mr. THOMPSON. We are saying so just as plainly as we possibly can.

Mr. CAMPBELL of Kansas. What I am trying to find out is who are included in the bill, and I am asking one of the men who has made the bill.

Mr. THOMPSON. The retail men are not and the farmers are not. Is that satisfactory to the gentleman?

Mr. CAMPBELL of Kansas. Well—

Mr. THOMPSON. That is the truth about it.

Mr. HARDY. Exporters, importers, manufacturers, and those named in section 5 are included.

Mr. THOMPSON. There are special provisions for the exclusion of the farmer and the retailer. The bill further authorizes the President to purchase, provide for the production or manufacture of necessities, store them, provide storage facilities, sell them, and so forth.

It also authorizes the President to prescribe such regulations governing exchanges and boards of trade or other such businesses or institutions as he may find essential in order to prevent undue enhancement or fluctuation of prices, injurious speculation in, or in order to prevent unjust market manipulation or unfair and misleading market quotations of the price of necessities.

Mr. BLACK. Will my colleague yield?

Mr. THOMPSON. I have a very limited time.

Mr. BLACK. Only one question and I will be very brief. It is in reference to section 9, which gives the President power to requisition supplies where the other machinery of the bill does not exclusively operate. As I understand he can go to any holder of produce—

Mr. THOMPSON. Outside the producer.

Mr. BLACK. There is no exemption.

Mr. THOMPSON. The gentleman does not understand the bill.

Mr. BLACK. I call attention to the fact the only exemption is a natural person, and he may retain as much as he needs for the support of himself and dependents.

Mr. THOMPSON. The other sections of the bill take care of the farmer—the producer.

Mr. BLACK. We have no reference to that section and I think anyone who reads the section will agree that covers the farmers or anybody else.

Mr. THOMPSON. I do not think so.

Mr. DYER. Why would not the farmer be covered?

Mr. THOMPSON. There is only one section of the bill that applies to the farmer, and that provision of the bill is found in section 8, page 8, where he willfully destroys for the purpose of raising the price. That is the only section that applies to the farmer in this bill.

Mr. SLAYDEN. Prevents him destroying?

Mr. THOMPSON. For the purpose of raising prices, that is all.

Much has been said about abolishing exchanges, boards of trade, and so forth. If that were a remedy our task would be easy. But all the testimony before our committee disclosed that exchanges legitimately conducted are not injurious. On the contrary, they are beneficial to both the producer and the consumer. It is the evil practices that have grown up in the operation of exchanges—speculation, manipulation, false information, and other known and unknown methods—that have proven injurious. An exchange honestly conducted is a place where people meet to sell or purchase products for future delivery. The transaction is open and on the square. As actually conducted, only about 1 out of every 1,400 transactions are real; the other 1,399 are wind. The testimony disclosed that the sale of wheat for future delivery on the Chicago Board of Trade amounts annually to more than 70,000,000 bushels. The gross amount of wheat, which is practically the only grain dealt in, actually received at the Chicago market annually is less than 50,000,000 bushels. So there is practically 3,000 bushels of wind bought and sold every time 1 real bushel of wheat

changes hands. The incentive for this evil practice is the revenue which the commission men, the board of trade operators, secure. The minimum commission, one-eighth cent per bushel, on this enormous gambling in futures yields annually to these board of trade operators from seventy-five to one hundred million dollars, while the maximum revenue for handling real grain never exceeds \$2,500,000. Grain marketing, as carried on under the rules and regulations of exchanges and boards of trade to-day, is largely a matter of gambling and not of real trading.

Under this authority the President can eliminate from our distributive system future trading, short selling, and price manipulation without interfering in any way with the legitimate functions of these exchanges. The undisputed testimony before our committee was to the effect that it would not be wise to wholly abolish them. They have a legitimate function. If they were abolished, there would be no way to ascertain the market value of products; both seller and purchaser would be taking a leap in the dark, and, as the purchaser is the man with the money, the seller is the party who would get the worst of the transaction. This is exactly what happened in 1914 when the cotton exchanges were closed. The farmer took his cotton to town, and there were no market quotations. He was compelled to take exactly what was offered him, and to take that price in trade or other "chips and whetstones."

It is urged that the bill confers too much power on the President. It does confer vast power, but those who criticize the bill in this respect offer no substitute for its provisions. In the face of prevailing high prices to the consumer and the low prices which the producers have heretofore been receiving, I do not understand how those who criticize this bill can stand paralyzed and offer no substitute. The President says, "Give me this power and I will remedy the wrongs." Those who oppose conferring this power and offer no better method seem to be willing to permit the great producing and consuming masses of their countrymen to be robbed and plundered by a conscienceless bunch of speculators and extortioners because they object to conferring authority on some one to stop the robbery. A bill conferring no power would be a worthless instrument in a fight against speculators, hoarders, monopolists, manipulators, and various other species of parasites who grow rich on the misfortunes of others. If these nefarious practices are stopped, power must be given to some one to stop them. The individual robbed can not stop them. He does not know who they are. Their methods are so subtle and refined that it requires an expert to detect them. You can not enact a statute that deters them. They invent new methods as fast as the old ones are exposed and outlawed. The only effective way to handle them is to confer authority on some one to put them out of business and confine them in the penitentiary, and then hold that party responsible if they continue their outlawry. This bill confers such authority on the President, and if after it is enacted the people are not protected they will know exactly who to hold responsible.

The bill further authorizes the President, in order to stimulate production of nonperishable agricultural products within the United States, to guarantee to every producer a fixed minimum price in order to assure the producer a reasonable profit. It does not require the producer to sell at that price if he does not choose to do so. If the law of supply and demand fixes a higher price, the producer can dispose of his products at the higher price. If the law of supply and demand fixes a lower price, the Government must either take the products at the price guaranteed or permit the producer to sell them at the lower price and pay him the difference. The producer is not required to sell at any price. He is left entirely free to exercise his own judgment. The provision was inserted for the protection of the producer, and the reason it was inserted are these:

First. If this war were to close immediately, farm products might be reduced as a result from a quarter to a half in value.

Second. If Germany were to succeed in her submarine warfare and prevent the exportation of farm products from the United States, their value might be very largely, if not wholly, destroyed, as was the value of cotton in 1914.

Third. If the foreign Governments engaged in war were to combine and appoint one purchasing agent and refuse to purchase except through him, our producers would be at his mercy, and he could fix the price at which they would be compelled to sell their products.

In order to avoid any of these contingencies, and guarantee to the producer a profitable price under all circumstances and conditions, this provision was inserted in the bill.

The bill further authorizes the President, at any time he sees fit, to prohibit the use of food, feed materials, or feeds in the production of alcohol, alcoholic, or nonalcoholic beverages. I am sure that no one will assert that this is not a wise provision.

Food is more important than drinks of this kind. I tried to amend this provision of the bill so as to prohibit the use of these articles in the manufacture of alcohol, alcoholic, or nonalcoholic beverages during the continuance of the war, but my amendment was rejected.

The other provisions of the bill are largely administrative in character.

There are two ways of protecting the farmer and the consumer. One is to lock the stable door after the horse has been stolen—prosecute or attempt to prosecute the malefactor after the farmer and the consumer have been robbed. The other is to place an armed guard at the stable door before the horse is stolen and drive away the thief. This bill is along the lines of the last method. We confer power which will enable the President to drive the thief, the manipulator, the speculator, out of business, and reduce the overhead charges between the producer and consumer.

The Sunday Post contained an editorial which is in line with this thought. It said:

PROSECUTION V. CONTROL.

The Government has tried so frequently to reduce prices of various commodities by resort to legal prosecutions, and has failed so frequently to get results, that it must be admitted now that some other method is preferable. Invariably the suits have been against large combinations, which, when the facts were brought out in court, were shown to have reduced the cost of production and overhead expense to the point where lower prices were actually put into effect. The fault of higher prices, it was found, must be located elsewhere.

Prevention has always been more effective than an attempt to cure after the evil has developed. Control of food distribution will prevent higher prices, whereas if there is mere reliance upon Federal attorneys to prosecute those who engage in combinations to inflate prices all the legal machinery of the Government will not be effective in restoring quotations to a normal level.

Delay in enacting the pending bills is an incentive to higher prices. It is not merely the natural selfishness of individuals that produces this result. The fear of the consumers contributes to the competition for available supplies, and the result is that productive interests are hard put to it in supplying the demand for two or four months' stock in one or two weeks' time.

Control of food distribution will be an assurance of safety alike to the producer and the consumer. There need be no fear that it will be necessary to exercise all the power implied in the food-control bills. The mere existence of such power will act as a check against unfair practices, against hoarding, and against speculation. The moral influence of having such bills on the statute books will bulwark the educational and cooperative work which is proposed as a solution of the food and fuel problems.

Special interests may be opposed to the bills, but the public generally is for them.

WHY DID WE ENTER THIS WAR?

Mr. Chairman, this legislation is rendered imperatively necessary by the war in which we are engaged. I wish the necessity did not exist. I belong to that class of my countrymen who are commonly referred to as "pacifists." I regret that we found it impossible to remain disentangled from this conflict. I wish it were possible that the bitter cup might have passed from the lips of the American people. We tried in every way possible, short of ignominious, cowardly, and base surrender of our undisputed international rights, to remain out of this conflict. Germany willed it otherwise. She deliberately, in contemptuous disregard of international law, in defiance of the dictates of humanity, and in violation of the morals of God, destroyed our ships and murdered our women and children while in the pursuit of their peaceful missions on the high seas. She notified us that we could no longer travel on the highways of the world, and, when we went about our peaceful task, she sent, without warning, 15 of our vessels and 224 of our innocent men, women, and children to watery graves. She bade us fight or beat a cowardly retreat. She mistook our patience, our long suffering, our forbearance, for timidity. She thought we would not fight. We did not bring on the conflict. We sadly and reluctantly entered into a war which was cruelly and ruthlessly thrust upon us. We had to fight or become slaves. We had to fight or suffer the destruction of the products of our mines, our factories, and our farms. We had to fight or to suffer the universal bankruptcy of our people. We had to fight or show ourselves the cowardly and degenerate sons of inspired and heroic sires, who were ready and willing to die for the right. Had we quailed and accepted the path of ease instead of accepting the call of battle thrust high in our face by the Imperial German Government the days of the Republic would have been numbered. A people who are unwilling to fight and die for freedom will not long enjoy freedom. This has been the inexorable law of God in all ages. Had our forefathers been willing to surrender their rights the War of the Revolution could have been avoided. Had they submitted to taxation without representation; had they permitted the housing of British troops in their homes without their consent; had they submitted to foreign dictation, they could have continued slaves in peace. They did not choose to do this, and we honor them for their choice. They preferred to have a little party in Boston Harbor and spill the tea. They

went to war. They endured seven years of unspeakable hardships. They marched over frozen ground, crimsoned by the blood of unshod feet. They starved and fought and died that posterity might be free. They left us a glorious heritage of heroic deeds. We would not have it otherwise.

In 1812 they went to war to assert their freedom from search and seizure. They could have avoided that contest by a humiliating and cowardly submission, but they did not do it, and it is to our glory that they did not.

There was only one way that we could have avoided this war. We would to-day be at peace had we meekly retired from the sea and thereby confessed our degeneracy and degradation. Had we done so we would have admitted our craven cowardice and brought the blush of shame and humiliation to the face of posterity. We are engaged in a war from which there was no honorable escape—a war of self-defense.

I confess all this talk of our entering the war in order to free the peoples of other countries does not appeal to me. I was unwilling to enter this war except as a last resort and in the necessary defense of our freedom. Kaisers, kings, and czars all look alike to me. If their people are satisfied with their rule—or misrule, whichever it may be—we also should be satisfied. This is not a contest to free other peoples. It is a struggle to retain our own freedom. There has been too much talk in connection with this war about world democracy, the freedom of other peoples, and such like subjects. While we sympathize with those struggling for freedom and the right to rule themselves all over the world, we do not feel it our duty to enter every such war. We ought to be frank and let the American people know the truth. We are in this war not because of any desire on our part but because we were forced into it.

As a neutral nation we were in strict compliance with international law, selling our products to those belligerents who could come to our shores and get them. We sold to Germany the same as we sold to her enemies. The *Deutschland* made two trips to our country last year and returned laden with our products. We sold and delivered at our ports every character of goods—contraband as well as noncontraband. When our vessels carried contraband, they were liable to search and seizure under the well-known rules of international law. The allies blockaded the ports of the central powers and prohibited our vessels from entering them, but in doing so they complied with international law. They did not sink our ships and ruthlessly murder our men, women, and children. They took charge of the ship, took it into port, and subjected it to the judgment of a prize court. Germany did not have control of the seas and could not pursue the same lawful practice. She therefore, without possessing the power to lawfully enforce her orders, declared a blockade of the ports of the allies, and sought to enforce compliance with these orders by sinking without warning neutral vessels loaded with noncontraband and carrying citizens of neutral countries—men, women, and children. She sought by outlawry and terrorism to do what she was unable to do in a legal manner—to drive neutral vessels from the seas, paralyze neutral shipping, annihilate the prosperity of neutral countries, destroy their every industry—agricultural, manufacture, and mineral—throw out of employment the working people and plunge them into universal bankruptcy.

Submission to such conduct was unthinkable. Our fathers fought and died to give us freedom and independence. We would have been unworthy of them had we refused to fight and die to maintain that freedom and independence.

THE METHOD OF RAISING AN ARMY.

Mr. Chairman, I have cast a number of votes at this session of Congress which I would not have cast under ordinary circumstances. I cast them in the light of our surroundings. I did what I thought was the best thing to do to preserve this Government and the liberty of its people.

I voted a few days ago, at the earnest solicitation of the President, to permit him to raise the Army required to fight this war by the selective-draft method. My hostility to large armies and mighty navies in time of peace is well known and has not abated in the least. If this war results in the destruction of militarism, as we are wont to believe, the blood of its heroic dead will not have been shed in vain. If, on the contrary, it enthrones militarism and forever fixes in their places those who claim to rule by divine right, the pendulum of time will have been swung back many centuries.

I want to take a few moments to explain the reasons for the vote I cast. Modern warfare is not the warfare of the past—of history. Wars are no longer settled by a single battle. In modern warfare the men and women at home who supply the food, the clothing, the ammunition, and transportation for those in the trenches on the far-flung battle line, are just as

much a necessary part of an efficient army as those at the front. Formerly, this was not so. In the olden times men went into the fighting units or were considered slackers. But in these new days the men on the farm who grow the grain and meat, the men in the factory who produce the clothing and ammunition, the men in the forest and mine who furnish the raw material, and the men on the railroad and ship who transport these products are just as essential to the creation of an efficient fighting machine as the men who handle the guns at the front.

It would be fatal if all were engaged either on the farm, in the factory, the mine, on the railroad, the ship, or the firing line. Those who can render more efficient service on the farm, in the factory or mine, on the railroad or ship, must be left there while the others do the fighting.

I am unalterably opposed to universal compulsory military service in time of peace. I would not oppose universal military training, but I am opposed to large standing armies in time of peace, no matter how created, for they have ever been instruments by which kings and tyrants have enslaved the people. The measure we passed does not establish such a system. The measure, by its terms, is temporary and continues only during the period of the present emergency. I would have voted against it had it not been specifically so limited.

All, I take it, will agree that the war must be conducted in such a way as to insure victory and peace at the earliest moment and that every citizen who receives the protection of the flag should contribute, even to the extent of his fortune and his life, to the victory of his country. Those who do not so agree confess that slavery is to be preferred to freedom if freedom can only be purchased at the price of blood. If it be agreed that the war must be fought speedily, efficiently, and victoriously, it follows that this can not be done without men, and the only question that remains is the proper method to pursue in enlisting these men.

If they be recruited by the volunteer method, who will go? The flower of the country's young manhood, the brave, impetuous, and patriotic youths from field and factory, from mine and shop, from the avenues of transportation and commerce. Young men with widowed mothers to support, young men with wives and children, young men with aged parents dependent upon them. These will lay down their burdens and respond to their country's call. What will be the result? What was the result in England? Every line of industry was paralyzed. The farms lay idle, the factories closed, transportation was disorganized, and the army was helpless for the want of food and clothing, guns and ammunition. England was finally compelled in sorrow to admit her mistake and send thousands home from the front to take again their places in the ranks of industry.

Let us see who fight the wars under the volunteer system. Here is a letter written by the Commissioner of Pensions, the Hon. G. M. Saltzgeber, to the Hon. JOSEPH G. CANNON, on March 20, 1916, and published in the CONGRESSIONAL RECORD March 21, 1916:

DEPARTMENT OF THE INTERIOR,
BUREAU OF PENSIONS,
Washington, D. C., March 20, 1916.

HON. JOSEPH G. CANNON,
House of Representatives, Washington, D. C.

MY DEAR MR. CANNON: In compliance with your verbal request of to-day, I have the honor to hand you herewith what is believed to be a correct statement of the relative ages of the men who enlisted in the Union Army during the Civil War.

Trusting this will serve your purpose, I am,

Very truly, yours,

G. M. SALTZGEBER,
Commissioner.

Age at enlistment, 1861-1865.

Those 10 years and under.....	25
Those 11 years and under.....	38
Those 12 years and under.....	225
Those 13 years and under.....	300
Those 14 years and under.....	1,523
Those 15 years and under.....	104,987
Those 16 years and under.....	231,051
Those 17 years and under.....	844,891
Those 18 years and under.....	1,151,438
Those 21 years and under (these two classes make the total number of enlistments).....	2,150,798
Those 22 years and over (these two classes make the total number of enlistments).....	618,511
Those 25 years and over.....	46,626
Those 44 years and over.....	16,071

Total men enlisted, 2,778,309. The estimated number of individuals in service is given as 2,213,365.

Only 681,208 men 22 years and upward of age fought on the Union side in the Civil War, while 2,097,096 boys under 22 years of age fought, bled, and died in that mighty struggle. Does anyone, can anyone, think this the fair, the just, and the proper way to carry on war? Does anyone think these brave, patriotic,

immature, impetuous boys should do the fighting, while the rich, the idle, the habitués of pool halls, and the frequenters of the golf links, the members of riding and dancing clubs, and bachelors remain at home? In fixing the service age at 21 to 30 the bill enlists mature men and leaves the children at home.

It would be pleasing to all, I am sure, if this war could be fought without an army, without the loss of life, without the expenditure of gigantic sums; but such a thing is impossible. Somebody must go, and a number of those who go must die. Who shall these be and how shall they be chosen? That is the question. Shall it be the children who volunteer, or the mature men, the rich and the idle, the slacker and the bachelor. That the volunteer has always been a good soldier, that he has reflected imperishable glory on our country and its flag, on all the battle fields of the Republic, is not denied. It is affirmed. Those who opposed selective conscription did not propose the volunteer system as a substitute. They recommended a selective system just as in the bill as passed, with a provision permitting the President to call for volunteers while the selective system was being put in operation. The proviso was a sham, a delusion. If they believed the additional men required in this war and those already in the Regular Army and State militia should be raised by the volunteer system, why did they not submit that question squarely? Why did they sugar-coat the issue by submitting the selective-draft system with a permissive volunteer proviso?

The bill passed does not prevent volunteers. It provides for volunteers. It provides for increasing the Regular Army and the National Guard to war strength by the volunteer method. The Regular Army is short at this time 161,519 men of its full war strength. The National Guard lacks 206,349 men of having its full enlistment. Here is presented an opportunity for the enlistment by the volunteer method of 367,868 men. What is happening? From all over the country the enlistment, I am informed, is less than a thousand a day, and practically all of these are from the smaller towns and rural districts. The great cities are not furnishing their quota. The selective system will avoid this condition. No system can be devised which will provide an army without taking men, and no war can be fought without many of these men yielding up their lives. Whatever plan is adopted will be odious, for under its provisions the Army will be recruited, and those who must go to the front and their relatives will imagine that it would have been otherwise but for the system in effect.

It fills my heart with inexpressible sadness to think of those homes with vacant chairs and silent lips. But that is the price of war, and for that reason I have always exerted whatever influence I had in favor of peace.

The big overshadowing question which confronts us is how to successfully and efficiently conduct this war. The President is the Commander in Chief of the Army and Navy, made so by the Constitution. He is charged with the responsibility of conducting the war. For its success or failure the people will hold him to strict account. He said to us he wanted the selective system, that it was the only plan whereby he could conduct this mighty struggle. What was our patriotic duty under these circumstances? Should we have tied his hands and commanded him to bring us victory in the face of his warning? I was unwilling to do so. For these reasons I voted for the selective draft provision. It was not the bill favored and recommended by the Army Board. They recommended that the selective ages should be between 19 and 25. I could never have voted for a bill containing such a provision. I do not believe it consistent with the principles of democratic government to require boys to whom the right of franchise is denied to fight the battles of that Government. This was a matter of principle with me, and where principle is involved there can be no surrender. The President was willing, however, to waive this provision and accept the change in age.

The people elected the President Chief Magistrate of this Nation. They will hold him responsible for the conduct of this war—for its success or failure. If he conducts it successfully, the credit will be his. If there be failures, for these he will be condemned. In the face of the statement that he could not conduct the war successfully under any other than the selective draft plan, I felt it my duty, regardless of the consequences to myself, to give him my loyal support.

RAISING MONEY TO PAY FOR THE WAR.

Mr. Chairman, as I have already said, the real truth with reference to the manner in which this war was forced upon us has not been made plain to the American people; and another thing has also been bothering them, and that is the manner of financing this war.

The first question will take care of itself as soon as the facts are known. The financial question must be cared for by Con-

gress. Up to date all must admit that this war is not any too popular with the people. The fathers and mothers are a little bit hazy about sending their sons across the sea to fight for world democracy. They would much prefer to purify our democracy here at home. When all this talk about world democracy is cast into the scrap heap and the people understand that this war was forced upon us and we are fighting in self-defense, this feeling will largely disappear, but we must see to it in raising revenue that a feeling is not created that a larger part of the burdens are being placed on the shoulders of the common people. The young men, between 21 and 31, who will be called to do the fighting, will very largely come from the common, ordinary homes of the country. Now, if you go into these homes and take their boys—the idols of their hearts—and send them to the trenches to fight and die, and then reach into the pockets of the fathers and mothers left at home and levy a contribution to support the boys at the front, you are certain to create the impression that this is a rich man's war and a poor man's pay and fight. Nothing could possibly be more disastrous than the spread of such a sentiment.

There is but one way that this war can be popularized and that is to let the people know the facts and convince them that everyone is bearing his part of the burden, that there are no financial "slackers." This can be done in only one way—pay the expenses of this war as we go; do not unload it on posterity. If this is a just war, if we were right in entering it, we should be willing to pay its cost and not shift the burden to the shoulders of our children.

The credit system has bankrupted more individuals than all other causes combined, and it is as fatal to a Government as it is to an individual. Money obtained on credit comes cheap. Its burden is not felt; there is no sacrifice in connection with its collection and the people do not really know what is happening. There is no economy in the expenditure of borrowed money. Extravagance runs wild, the burden and mistakes are visited on posterity. Every dollar of this war's burden should be paid as it is incurred. If we are compelled to make sacrifices as we proceed, there will be more care exercised in what we do. I have been alarmed at what has already taken place in the way of expenditures. It seems that everyone connected with the Government is trying to secure some kind of an appropriation under the guise of national defense, and that as soon as the appropriation is secured its expenditure is proceeded with regardless of economy or efficiency. The surest way to call a halt on this mad hysteria of expenditures is to collect the money at the time the expenditure is being made.

Money should also be levied on the wealth of the country. It should be collected by a tax on incomes, on inheritances, and on profits. Those who enjoy incomes, who receive inheritances and collect profits can bear the burdens of this conflict without making any real sacrifice. Every other character of tax should be stricken from the revenue bill, for in the end they are shifted to the shoulders of the consumer.

The common ordinary people of the United States are not in a position to be further taxed, and they can not be without adding to the unpopularity of this war. The people are not blind. They know that the wealth of this country is being gradually concentrated in the hands of a comparatively few rich people. They know also that these rich people will not go into the trenches and fight this war. They are asking the question, "If my son can be conscripted to fight this war, why can not the money of the rich—those who will lose most if this war is lost—be conscripted to pay its cost?"

The incomes reported to the Treasury Department in 1915 were:

Classification of incomes.	Number of returns.	Mean gross aggregate taxable incomes.
\$3,000 to \$5,000.....	127,994	\$506,928,100
\$5,000 to \$10,000.....	120,402	903,015,000
\$10,000 to \$15,000.....	34,102	426,275,000
\$15,000 to \$20,000.....	16,475	288,312,500
\$20,000 to \$25,000.....	9,707	218,407,500
\$25,000 to \$30,000.....	6,193	190,190,000
\$30,000 to \$40,000.....	7,005	245,175,000
\$40,000 to \$50,000.....	4,100	184,500,000
\$50,000 to \$75,000.....	4,791	299,337,500
\$75,000 to \$100,000.....	2,054	179,900,000
	336,652	3,341,140,600

Let us look for a moment at the tremendous profits of corporations which an excess profits tax would reach. I hold in my hand a list of 44 corporations, showing the amount of incomes they received in 1914, before they commenced to receive

the huge war profits, and in 1916, after these profits began to come in:

[Figures shown are net profits earned for the stockholders after deducting cost of materials, labor, depreciation, overhead, interest, and all other charges. All figures are official, having been taken from the companies' annual reports.]

Corporations.	1914	1915	Amount of increase.
American Can Co.	\$2,916,339	\$7,962,892	\$5,046,553
American Smelting & Refining Co.	9,271,565	23,252,243	13,980,678
American Hide & Leather Co.	107,205	1,643,266	1,536,061
American Beet Sugar Co.	452,074	2,445,189	1,993,115
American Locomotive Co.	2,076,127	10,769,429	8,693,302
American Steel Foundries Co.	231,481	3,418,057	3,186,576
American Woolen Co.	2,788,602	5,863,819	3,075,217
American Writing Paper Co.	108,310	2,524,378	2,416,068
Armour & Co.	7,509,908	20,100,000	12,590,092
Atlas Powder Co.	294,150	2,899,790	2,605,640
Baldwin Locomotive Co.	350,230	5,982,517	5,632,287
Bethlehem Steel Corporation.	5,590,020	43,593,968	38,003,948
Barrett Co. (American Coal Products Co.)	1,280,476	4,247,888	2,967,412
Brown Shoe Co.	495,890	1,467,757	971,867
Central Leather Co.	4,876,924	15,489,201	10,612,277
Colorado Fuel & Iron Co.	905,968	2,210,171	1,304,203
Crucible Steel Co.	1,015,039	13,223,655	12,208,616
Cuban-American Sugar Co.	2,705,723	8,235,113	5,529,390
E. I. du Pont de Nemours Powder Co.	4,831,793	82,107,693	77,275,900
General Chemical Co.	2,857,898	12,286,825	9,428,927
Hercules Powder Co.	1,247,255	16,658,873	15,411,618
International Agricultural Corporation	160,022	1,279,792	1,119,770
International Nickel Co.	4,792,665	11,748,279	6,955,614
Lackawanna Steel Co.	1,652,444	12,218,234	10,565,790
Morris & Co. (packers)	2,205,672	3,832,213	1,626,541
National Enameling & Stamping Co.	548,756	2,417,803	1,869,047
New York Air Brake Co.	641,046	8,214,982	7,573,936
Phelps-Dodge Corporation	6,664,839	21,974,263	15,309,424
Pittsburgh Steel Co.	416,551	4,564,068	4,147,517
Railway Steel Spring Co.	374,454	3,710,805	3,336,351
Republic Iron & Steel Co.	1,028,748	14,789,163	13,760,415
Sloss-Sheffield Iron & Steel Co.	490,139	1,912,624	1,422,485
Swift & Co.	9,450,000	20,465,000	11,015,000
Texas (Oil) Co.	6,185,974	13,898,861	7,712,887
United States Steel Corporation	23,469,768	271,531,730	248,061,962
United States Cast Iron Pipe Co.	59,898	1,308,641	1,248,743
United Fruit Co.	2,264,911	11,943,151	9,678,240
United States Industrial Alcohol Co.	653,264	4,884,587	4,231,323
United States Smelting, Refining & Mining Co.	2,265,641	8,898,464	6,632,823
Westinghouse Air-Brake Co.	3,482,994	8,396,103	4,913,109
Westinghouse Electric & Manufacturing Co.	4,068,809	9,666,789	5,607,980
Wilson & Co. (packers)	1,511,528	4,913,873	3,402,345

Let us analyze for a moment these startling increases:

The American Can Co. from \$2,916,339 to \$7,962,892, a net increase of nearly threefold.

The American Woolen Co. from \$2,788,602 to \$5,863,819, a net increase of more than double.

Armour & Co. from \$7,509,908 to \$20,100,000, a net increase of nearly threefold.

Baldwin Locomotive Co. from \$350,230 to \$5,982,517, an increase of nearly twentyfold.

Bethlehem Steel Corporation from \$8,590,020 to \$43,593,968, an increase of nearly eightfold.

Cuban-American Sugar Co. from \$2,705,723 to \$8,235,113, an increase of threefold.

General Chemical Co. from \$2,857,898 to \$12,286,825, an increase of fourfold.

Lackawanna Steel Co. from a deficit of \$1,652,444 to a profit of \$12,218,234, an increase of thirteenfold.

Phelps Dodge Corporation from \$6,664,839 to \$21,974,263, an increase of over threefold.

Republic Iron & Steel Co. from \$1,028,748 to \$14,789,163, an increase of over fourteenfold.

Swift & Co. from \$9,450,000 to \$20,465,000, an increase of over twofold.

United States Steel Corporation from \$23,469,768 to \$271,531,730, an increase of nearly twelvefold.

United Fruit Co. from \$2,264,911 to \$11,943,151, an increase of fivefold.

United States Industrial Alcohol from \$653,264 to \$4,884,587, an increase of nearly eightfold.

United States Smelting, Refining & Mining Co. from \$2,265,641 to \$8,898,464, an increase of over threefold.

Westinghouse Air-Brake Co. from \$3,482,994 to \$8,396,103, an increase of nearly threefold.

Cost of materials, labor, depreciation, overhead, interest, and all other charges have been deducted to secure these figures.

In addition to income, excess profits, and inheritance taxes the only taxes that are justified are taxes on distilled and rectified spirits, fermented liquor, and wine, which aggregate \$151,000,000. The taxes on freight, express, passenger, pipe lines, seats and berths, electric light, gas, telegraph and telephone, advertising, and insurance aggregate \$212,500,000, and are taxes which would be shifted to the workers in the long run. A tax upon dissemination of information, through taxing postal

matter, is a deplorable admission of fear of general enlightenment. All these, together with all kinds of stamp taxes, should be eliminated from the bill.

A rapidly progressive income tax with an exemption of \$4,000 for married persons and \$3,000 for single persons, together with the excess profits tax, taxes on liquors, spirits, and so forth, would yield the total revenue which it is estimated is required, \$1,810,420,000.

Mr. Chairman, I hope when the revenue bill comes back from another body it will have placed the burden of this war, in a money way, where it should be placed. There is one other thing vital to the successful prosecution of this war, and that is to let the people know exactly what is going on. Do not conceal the truth. Do not keep them in the dark. They have been called upon to make great sacrifices, to send their sons to fight the war. They are entitled to know how those sons are being treated, whether they are fed embalmed beef as they were in the Spanish-American War.

They are also entitled to know how the tremendous sums of money appropriated are being spent—if there is any graft or stealing connected with the expenditures. The Government has already full power to prevent information from reaching the enemy. It has control of the post office, the telephone, the telegraph, the wireless, and the cable.

The Constitution defines a traitor as one who gives aid or comfort to the enemy. On conviction, a traitor is subjected to the death penalty. This affords sufficient protection against information being conveyed to the enemy. No law should be passed which prevents information from being circulated among the people at home whose money is paying the country's bills, and whose sons are fighting its battles. I shall never vote for a bill intended to suppress free speech and a free press.

Mr. Chairman, this war will not be over when the echoes of its hostile guns shall have sunk to silence on the blood-drenched fields of Europe. There will linger in its trail enmity and hatred, unspeakable sorrow and misery. But it has come, and we must meet it with hearts unafraid and councils undivided. In this way only can we hope for its speedy, victorious, and just termination. Those who hesitate, withhold, and oppose now are not contributing to their country's success in this conflict. They are but adding to the burdens of the brave boys who are bearing our flag in triumph at the front.

Speaking as one who contributed all he possibly could to avoid this conflict, with a full realization of what war means, and with sorrow, but not with faltering, I shall vote for a successful prosecution of this war until our flag is respected and American lives are protected the world around. [Applause.]

Mr. HAUGEN. I yield 30 minutes to the gentleman from Illinois [Mr. GRAHAM].

Mr. GRAHAM of Illinois. Mr. Chairman, this bill proposes certain measures leading to a regulation and control of food prices during the war with Germany. It prohibits waste, unfair practices, and monopolies in the production and sale of the necessities of life, prohibits hoarding, and provides for the regulation or closing of stock exchanges; but its principal distinguishing feature from all other legislation heretofore enacted is that it establishes a control of necessities—foods, feeds, fuels, and means for producing them—in the Government. To complete and elaborate this power it authorizes the President to license the business of producing and distributing necessities, to requisition, take over, and operate, when necessary, all or any mines, factories, or plants where necessities are produced, and confers upon the President two extraordinary powers: The right to establish minimum prices for farm products and the right to prohibit the use of foodstuffs for the manufacture of intoxicants.

This is radical and extraordinary legislation, and confers powers such as were never granted in this Government before. Such legislation is only justifiable in view of some conditions of vital character that require it. That such conditions exist I have no doubt, and in the time allotted to me I desire to state my reasons for such a belief.

It is very evident to anyone that the decision of this war is to go to the belligerent that best conserves its food supply. Practically the whole world is in arms. The vigorous man power of the nations of Europe is not producing, but is destroying, and now we, so long on the margin, are caught and swung out into the mighty maelstrom of war. To be brutally frank about it, it is now a question of something to eat. If we may believe reports in the press, the central powers—at least, the civilian population—are already half starving; the entente nations are on rations.

When we engaged in this war we went to war with the most powerful military nation on earth, with an army trained to all the arts of conflict by two and one-half years of intensive war-

fare. With war declared, we had one of two things to do: Disregard the entente powers and wage our war in our own way or assist the entente nations with money, credit, munitions, and food, and supplement their armed forces with such of ours as we could furnish. We wisely adopted the latter course. Every entente soldier that we feed and arm removes the necessity of an American soldier taking his place. But if we permit them to starve and lack the things that will keep their armies afoot and their navies afloat, the whole mighty burden will fall upon our untrained shoulders. If this is, then, our wisest policy—and who can doubt it—it is equally evident we must, as a very first war measure, take steps to increase, preserve, and properly distribute our food supply. It is absolutely futile for us to expect to do so under our present laws. We have absolutely no laws on the subject, except such as have been passed by this Congress. We have always gone ahead and raised what we pleased on our farms and bought what we wanted to and wasted what we desired and sold wherever and whenever we could get the best prices. There has not even been any State regulation of our food supply, except our new and imperfect pure food laws to prevent adulteration and impure foods. It must be manifest that we can, not long continue this policy. If we do not speedily adopt a policy of regulation we shall fail before the war begins.

Under the war clause of the Constitution we now have power to do what is necessary in the conservation and regulation of our food supply. The question now presented is whether we shall do so. There can be but one answer to that question, and that is a decided affirmative. But just how far we ought to go and what steps we ought to take to accomplish the desired end are mooted questions.

A lamentable condition of affairs exists in this country to-day. Since August, 1914, the people of this country have been systematically and in an ascending ratio exploited. There can be no doubt that men and corporations have been fattening at the expense of all of us. The man who speculates and traffics in the food supplies of this Nation and wrings his unconscionable profits from the toilers of the land is a more detestable scoundrel and traitor than he who gives open aid and comfort to the common enemy. [Applause.] For the traitor would only destroy the fighting force of the Nation, while the food speculator would rob the sick and starve the little child and weaken and sap the vitality of his own people. The cost of living has mounted sky-high, until to-day, before we have struck a single blow for the liberty of the world, before a single American soldier has faced the common foe of mankind, we find the necessities of life higher and more costly than almost anywhere else on earth. Before we go across the sea to put down Prussian autocracy and establish there the right of all men to live and enjoy social liberty and freedom, let us do a little fighting here at home, and abolish an autocracy here, the most offensive and indefensible monopoly and manipulation of prices of life necessities that ever existed anywhere.

I want to call your attention to the wonderful increase in the prices of some food necessities of life during the last six years. I quote the price of eggs, butter, cheese, poultry, potatoes, and beef on the open market on the 1st of May of each year at Chicago, as taken from quotations given by the Chicago Tribune. I shall extend this in a tabulated form in the RECORD, but shall content myself now with comparing the prices on May 1, 1914, before the war began, and May 1, 1917: Eggs, on May 1, 1914, sold for 19½ cents per dozen; on May 1, 1917, for 32 cents per dozen, an increase of 64 per cent. Butter, in the same period, increased from 22½ cents to 37 cents per pound, an increase of 64 per cent. Cheese increased from 16½ to 26½ cents per pound, an increase of 60 per cent. Poultry increased from 16 cents to 22 cents per pound, an increase of 37 per cent. Potatoes increased from 72 cents to \$2.75 per bushel, an increase of 282 per cent. Loin steak increased from 22 cents to 27½ cents per pound, an increase of 25 per cent; and round steak from 13 cents to 17 cents, an increase of 30 per cent. I might add parenthetically that these figures were taken on the 1st of May and since that time they have steadily increased.

This is a most remarkable and unusual increase in prices. When an increase of from 25 per cent to 282 per cent in the cost of some of the prime necessities of life occurs in such a brief period either some extraordinary conditions create this or the prices are being manipulated. Two reasons are ascribed for this great increase: First, that immense quantities of these foodstuffs have been exported on account of the war, and, second, that there has been a scarcity of production. These claims will bear investigation.

I have procured from the publications of the Department of Commerce and from the Agricultural Yearbooks issued by the Department of Agriculture certain statistics which I shall insert

in tabulated form in connection with these remarks, but which I shall not read here. In some cases production has been increased from 1914 to 1917. For instance, the total receipts of eggs at Boston, Chicago, Cincinnati, Milwaukee, New York, St. Louis, and San Francisco in 1914 were 13,150,018 cases, while in 1916 they were 15,820,207 cases, an increase in production of 15 per cent. This probably correctly gauges the egg production. Yet, irrespective of this increase in production, the price rapidly increased. The number of cattle inspected for slaughter increased from 6,724,117 in 1914 to 7,346,709 in 1916, an increase of about 9 per cent. The number of hogs increased from 33,289,705 to 40,287,692, an increase of about 21 per cent. And the total number of animals inspected for slaughter increased from 56,909,387 to 61,286,304, or an increase of about 9 per cent. But, nevertheless, the price soared skyward. Examine this subject and you will find that the price was not at all controlled by the amount produced. In some staples, such as rye and oats, the supply has slightly increased. But the surprising decrease in production has been in wheat, potatoes, and beans. In 1914 we produced 409,921,000 bushels of potatoes, and in 1916 only 285,437,000 bushels, a decrease of about 30 per cent. The production of wheat decreased from 1,011,505,000 to 639,886,000 bushels, a decrease of about 30 per cent. The production of beans decreased from 10,321,000 bushels in 1915 to 8,846,000 bushels in 1916, or a decrease in production of about 20 per cent.

In the same time our population has increased from 98,781,324 to 102,826,309, or an increase of about 4 per cent, which must be taken care of by increased production. If, however, production decreases we must either eat less or buy more elsewhere. With other producing fields cut off by the war the problem is one we must solve by the resources of our own country.

And while I am on this subject let me call attention to the amazing folly of the course of this House in the recent action on the revenue bill. Here, at a time when we are attempting to conserve every ounce of energy we have, we passed an act imposing a duty of 10 per cent ad valorem on food products imported from other countries. Why, no one seems to know. We ought to encourage imports of foodstuffs during this war, instead of discouraging it. Our farmers and producers are protected by a condition that excels any protective-tariff law ever devised, an almost total lack of production in Europe and Asia. If, perchance, we can procure imports of foodstuffs from South or Central American countries, even in limited amounts, every pound imported will aid in conserving our own products. As soon as the war is over then entirely different conditions are presented, and if this people is not to be overwhelmed in a flood of imports we must go immediately to a Republican system of high protective tariffs. But just now the 10 per cent provisions of the revenue bill are foolish, unscientific, and perfectly unjustifiable.

The price of labor has not increased proportionately with the astounding increase in the price of foodstuffs. Since 1912, to illustrate, in the city of Chicago, which is more familiar to me than other localities, there has been an increase of 6 per cent in the wages of bakers, 4 per cent in bricklayers, carpenters 3 per cent, hod carriers 3 per cent, plasterers 1 per cent, teamsters and freight handlers 3 per cent. The present union scale of wages is fixed, in many cases, by three-year contracts. Note the following telegram:

Congressman W. J. GRAHAM,
Washington, D. C.:

CHICAGO, ILL., June 16, 1917.

Bricklayers, carpenters, hod carriers, plasterers, and other building trades have received no increases in wages since May 1, 1915, their agreements being for three years, expiring May, 1918. Bakers received \$2 a week increase, but this increase was cut down on account of working conditions conceded to employers in settlement of strike. Some of the teamsters' unions have increases not to exceed 10 per cent. It was reported that the freight handlers received 5 per cent increase on piece-work; that is, by the tonnage. The freight handlers are not organized. The railway company succeeded in breaking up the union when about to be organized.

E. M. NOCKELS,
Secretary Chicago Federation of Labor.

And yet, while the laboring man has only had the advantage of average increase in his wage, the prices of the food he and his family uses and the clothes he and his wife and children wear have risen amazingly and beyond reason. Imagine, if you can, the position of a man who has a family of three or four growing children to support and educate and a salary of \$2 a day to keep them on. Do you say that there are not many such cases? There are millions of them. I imagine there is not a man in this House who saves anything from the salary he now receives. But suppose the salary were \$625 a year! The demands of the present-day civilization are greater than they were 50 years ago. Children require more care, more education, more expense than they did then. The wage earners of the country are suffering to-day from the extreme exactions of high prices. At a time when the country is requiring from its manhood the full measure

of devotion and sacrifice, it is incumbent upon us, whom the people have selected as their representatives, to see to it that the country, in turn, deals fairly with its defenders and secures them from conscienceless exactions. [Applause.] Hunger does not breed patriotism, nor does injustice and wrong engender love of country.

Now, while our production has been decreasing, we have those among us who have seized the opportunity to swell their profits by the gains they have made by selling to the allied nations. It has been entirely a cold-blooded proposition. The food supplies that have been bought by the speculator to sell to the allies have not included the producer of them in the profits. The farmer's prices are higher, but his profits have been infinitesimal compared with those of the food speculator. This speculation has not had in mind the necessities of this people but has totally disregarded everything but the profits involved. While production of our principal foodstuffs decreased exports increased. I now insert in my remarks a tabulated statement showing the exports on our food products, eggs, beans and peas, potatoes and meats. The exports of eggs increased from 16,184,849 dozen in 1914 to an estimated export for 1917 of 27,472,636 dozen, or an increase of 69 per cent. The amount of beans and peas exported in 1914 was 314,655 bushels, while in 1917 it is estimated to be 1,987,032 bushels, an increase of 533 per cent. In 1914 we exported 1,794,073 bushels of potatoes, while in 1917 it is estimated we shall export 3,022,644 bushels, or an increase of about 68 per cent. The export of meats increased from 904,000,000 pounds in 1914 to 1,917,849,702 pounds in 1916, or an increase of about 111 per cent.

I take it it does not take much far-sighted wisdom to see what this leads to. It leads to want and starvation and bread riots if it is not curbed. If some one who wants to make his profits can buy 100,000,000 bushels of wheat and sell it to agents of other countries whenever he pleases and without regulation, how long will it be before we in this storehouse and granary of the world, will come to dire want? Already it is commonly rumored Great Britain or agents of the British Government has or have entered into contracts for a considerable part of our wheat crop for 1917, and that our Government might ask some of the allied governments to cancel some of their contracts so that we may get necessary food supplies. Whether this be true or not I do not know. It has been stated to be true, as I understand it, on the floor of the Senate. The Department of Agriculture, in answer to my inquiry on this subject, says:

This bureau does not have any information as to the quantity of the 1917 wheat crop of this country that has already been contracted for by citizens of foreign countries and representatives of foreign governments, etc. I would express my doubt as to whether such information is available anywhere.

Very truly, yours,

NAT C. MURRAY,
Acting Chief of Bureau.

But I do know that such a state of affairs might exist and that our markets to-day are open to the competitive bidding of all the nations of the world; and I know, further, that so careful has been the management of Great Britain that in London to-day many of the necessaries of life are cheaper than they are here. I read from a letter received by me on this subject:

The Hon. W. J. GRAHAM,
House of Representatives.

BRITISH EMBASSY,
Washington, May 19, 1917.

DEAR SIR: I much regret the delay in answering your letter of the 7th instant, but you will understand that with the present mass of business delays are sometimes inevitable.

We have no official account of prices in England in the embassy, but I append a list which has been furnished to me by a person who has recently arrived from the other side. I hope that this may be of service to you.

I am, dear sir,

Yours, faithfully,

Cecil Spring-Rice.

Beef, sirloin, etc., about 1s. 10d. per pound.
Butter, 1s. 8d. to 2s. 4d. per pound.
Potatoes, old crop (maximum), 1½d. per pound (3½ cents).
Cured bacon, about 2s. per pound.
Onions, no recollection.
Dried beans, haricots, no recollection.
Flour, about 58s. to 60s. per 280 pounds.
Reduced to terms of American currency this would be:
Beef, sirloin, 44 cents per pound.
Butter, 40 cents to 56 cents per pound.
Potatoes, old crop (maximum), \$2.10 a bushel.
Cured bacon, about 48 cents per pound.
Flour, about \$8.20 per barrel.

Mr. GILLETT. Will the gentleman allow a question?

Mr. GRAHAM of Illinois. Yes.

Mr. GILLETT. Does the gentleman know whether those London prices were affected by Government control or not?

Mr. GRAHAM of Illinois. Well, I do not know. I know that in France, which I will come to in a moment, there is Government control, and I will allude to that when I get to it. But in

England I do not know whether there is governmental control that affects prices or not.

Mr. THOMPSON. If the gentleman will permit, there is Government control in England. The testimony before the Committee on Agriculture showed that there was.

Mr. GRAHAM of Illinois. I am glad to have that information. I will allude to the French matter when I come to that.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. GRAHAM of Illinois. I will.

Mr. GREEN of Iowa. Does the gentleman know what the freight rate on wheat now is across the ocean?

Mr. GRAHAM of Illinois. No; I do not.

Mr. GREEN of Iowa. I understood, counting the insurance and everything, it was somewhere in the neighborhood of 46 cents.

Mr. GRAHAM of Illinois. The war rate has been unusually high. I do not know what it is. I have not informed myself, I am sorry to say, on that subject.

On the same day I received this letter I asked the prices for the same articles in the public market in Washington. They were as follows: Porterhouse steak, 40 cents a pound; butter, 42½ cents a pound; bacon (sliced), 45 cents a pound; potatoes, \$3.75 a bushel; and Gold Medal flour, \$17.60 a barrel. Will any man here tell me why potatoes in London, after three and a half years of vicious war, and within waters infested with submarines, should sell for \$2.10 a bushel and for \$3.70 here? Will you tell me why flour should sell there for \$8.20 a barrel and for \$17.60 here? I now desire to read you a brief translation of an item in a French paper, L'Économiste Français, of April 28:

The situation does not change, as the mills are working but little. The official prices have been raised in the Department of Seine-et-Oise. In our market (Paris) the tendency is firm, and small purchases are made only at the price of 52 and 53 francs, ready for shipment, Paris district.

Mr. JACOWAY. I would like to ask the gentleman what he considers the remedy for that condition of affairs?

Mr. GRAHAM of Illinois. I will tell you. If I have not answered you before I get through I will pause and answer the question then.

Mr. JACOWAY. Does the gentleman think this bill if enacted into law will solve the situation?

Mr. GRAHAM of Illinois. It will, if it is properly administered, and, as to the administration, I want to say I will express my opinion in a moment on that subject. If this is properly administered it will solve all our troubles.

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

Mr. GRAHAM of Illinois. I would like a few minutes more.

Mr. HAUGEN. How much time does the gentleman want?

Mr. GRAHAM of Illinois. I think I will have to have about 15 minutes more.

Mr. HAUGEN. While I understood that there was an agreement this morning that there should be no extension, inasmuch as the chairman of the committee has extended time to others, I think I am justified in extending time on this side to those who desire it. I want to be absolutely fair to the chairman and Members on this side who desire time.

Mr. LEVER. I will say to the gentleman that I would like very much if he would extend the time to the gentleman who is speaking, because he has a very ably prepared statement.

Mr. HAUGEN. There are 20 Members on the list, and it will take 20 hours. If it is the purpose to close debate tomorrow night, I will be doing the other Members an injustice.

Mr. LEVER. I feel that we must close debate to-morrow night, even though we run until 12 o'clock. I am going to cut the list that I have very much, and I have extended time only to the members of the committee that I felt were entitled to time.

Mr. HAUGEN. Some of the members of the committee have asked for an hour's time. I do not feel that I am justified in yielding their time to any other Member. I want to be perfectly fair about it. It is immaterial to me.

Mr. LEVER. Let us go along. I would like the gentleman from Iowa to yield to the gentleman from Illinois, because the gentleman from Illinois is presenting a very carefully prepared argument, and we will try to get along somehow or other with the others.

Mr. HAUGEN. How much time does the gentleman desire?

Mr. GRAHAM of Illinois. I think I could finish in 15 minutes, if I am not interrupted.

Mr. HAUGEN. I will compromise with 10 minutes.

Mr. GRAHAM of Illinois. Now, gentlemen, flour is quoted by the 100 kilograms. Hence the prices that are quoted in this article would be equivalent to \$8.92 to \$9.09 per 196 pounds, taking the franc as equal to 19.3 cents. Thus it will be seen that flour sold in Paris on April 28 for \$9.09, and much of the wheat from which that flour was made necessarily grew in America,

Mr. CAMPBELL of Kansas. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. CAMPBELL of Kansas. How much did the wheat sell for?

Mr. GRAHAM of Illinois. In reply to the gentleman's question, I find that there was an act passed in France in July, 1916, which took effect on August 1 of that year, for the period of the year and for the period ending with the demobilization of the French armies, fixing a maximum price of \$1.73 a bushel for wheat, so that in France there is a maximum price, and there has been since August, 1916.

Mr. LEVER. It was selling here in April of this year at \$2.55 a bushel, and for about that much in England.

Mr. CAMPBELL of Kansas. Then the imported wheat sold for more than the domestic product over there?

Mr. THOMPSON. No, Mr. Chairman; the testimony taken before our committee was to the effect that they had found the maximum price to be absolutely incapable of enforcement and that they had abandoned it absolutely in all the foreign countries.

Mr. LEVER. I believe that is true.

Mr. THOMPSON. The gentleman from Kansas indicated that the imported wheat brought more than the domestic wheat.

Mr. LEVER. Wheat was selling at from \$2.45 to \$2.55.

Mr. THOMPSON. The maximum price was abandoned altogether.

Mr. CAMPBELL of Kansas. Then maximum price fixing was a failure?

Mr. GRAHAM of Illinois. Yes; that was the experience, and in my opinion it would be no good to try it here, basing my opinion on that experience.

Will you permit me to challenge your attention to the wonderful financiering displayed by our allies when they protect their home markets in this way. If it be true that agents of the allies, or of neutral nations, have contracted for large quantities of American foods or food products, then when our millers go upon the market they find the grain available for milling decreased in amount, and immediately the decreased amount available forces up the price to the miller, and hence the price of flour rises to the American consumer while other nations, protecting themselves by their American contracts, keep down the price to their own people. And to complete the circle, we loan them the money at 3½ per cent which they may use to control our market.

There is another reason why there should be immediate supervision and control of our food supplies. I have no doubt that we are, and have been since the beginning of this war, contributing to the food supply of our enemies, the central powers, through importations into neutral countries, from which countries these supplies get into Germany. To illustrate: We exported no barley to Denmark in 1914, but in 1915 we sent them 4,906,634 bushels; in 1914 we sold to the Netherlands 142,173 bushels and in 1915, 545,997 bushels; Norway, in 1914, imported from us no barley, but in 1915 took 617,744 bushels. We exported to Denmark in 1914, 118 bushels of corn, but in 1915 approximately 11,000,000 bushels and in 1916 approximately 10,000,000 bushels.

Mr. THOMPSON. Right there, if the gentleman will permit, the gentleman said 118 bushels of corn were exported to Denmark. Was it so many thousand bushels?

Mr. GRAHAM of Illinois. No. The Department of Commerce in its report shows 118 bushels, or practically none. I simply quoted it to show how insignificant the amount was. It rose last year to 10,000,000 bushels.

In 1914 we exported to the Netherlands 373,770 bushels of corn, and in 1915, 15,875,674 bushels; Norway, which in 1914 took no corn, in 1915 bought 613,996 bushels; and Sweden, having purchased no corn from us in years, in 1915 took over a million bushels. In oats and rye the same is true. I extend these exports in tabulated form in the RECORD, as follows:

Exports of food products to neutral countries.

	1914	1915
Wheat:		
Denmark.....bushels..	870,433	2,754,746
Greece.....do.....		8,768,549
Netherlands.....do.....	19,949,519	31,551,992
Norway.....do.....	71,895	2,504,051
Spain.....do.....	127,871	7,155,971
Sweden.....do.....	272,500	4,093,080
Switzerland.....do.....		520,720
Oats:		
Denmark.....do.....		314,847
Netherlands.....do.....	14,388	861,531
Norway.....do.....	5,920	706,425
Sweden.....do.....		3,340,728

Exports of food products to neutral countries.—Continued.

	1914	1915
Rye:		
Denmark.....bushels..	609,870	3,039,858
Netherlands.....do.....	621,290	1,204,257
Norway.....do.....		5,543,722
Sweden.....do.....		1,582,111
Barley:		
Denmark.....do.....		4,906,634
Greece.....do.....		623,928
Netherlands.....do.....	142,173	545,997
Norway.....do.....		465,665
Sweden.....do.....		617,744
Corn:		
Denmark.....do.....	118	11,169,550
Greece.....do.....		31,143
Netherlands.....do.....	373,770	15,875,674
Norway.....do.....		613,996
Sweden.....do.....		1,023,233
Wheat flour: Netherlands.....barrels	958,083	1,725,837
Bacon: Netherlands.....pounds	1,718,481	8,281,647
Pickled meats: Europe (except United Kingdom and Germany).....pounds	1,895,098	7,568,751
Lard: Europe (except Belgium, France, Germany, Italy, Netherlands, and United Kingdom).....pounds	4,221,230	138,523,515
Pickled pork: Europe (except United Kingdom, Belgium, France, and Italy).....pounds	1,929,640	11,643,215
Butter: All countries.....do.....	3,693,597	9,850,704
Cheese: All countries.....do.....	2,427,577	55,392,917
Cottonseed oil:		
Netherlands.....do.....	23,991,772	90,973,463
Norway.....do.....	6,958,493	25,442,250

Itemized statements of most of above exports are not available for 1915.

Mr. COOPER of Wisconsin. Where did those countries get their wheat and other products before the war began?

Mr. GRAHAM of Illinois. I think a great deal of it came from Russia and some from Germany and some from the Argentine and—

Mr. LEVER. And some from Roumania?

Mr. GRAHAM of Illinois. Yes; some from Roumania.

Mr. GILLET. And some from Belgium?

Mr. GRAHAM of Illinois. Yes; some from Belgium. In wheat Denmark's imports from us rose from 870,433 bushels in 1914 to 2,754,746 bushels in 1915. The Netherlands took of our wheat in 1914, 19,949,519 bushels, and in 1915, 31,551,992 bushels. Norway increased her purchases from 71,895 bushels in 1914 to 2,504,051 bushels in 1915. Spain increased her purchases from 127,871 bushels in 1914 to 7,155,971 bushels in 1915; Sweden from 272,500 in 1914 to 4,093,080 in 1915; Switzerland from nothing in 1914 to 520,720 in 1915. The same is true with practically all our food products.

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

Mr. GRAHAM of Illinois. Yes.

Mr. SWITZER. Does the gentleman know whether these countries have increased their importations as a whole? While they may have increased from the United States, has there been an increase on their importations of 1915 and 1916 over those of 1910 and 1911?

Mr. GRAHAM of Illinois. I can not tell you. That is the only weak link in my chain of argument. I do not know. I will say to the gentleman that I can not ascertain how much their total importation was. Perhaps the chairman of the committee can tell you. I was curious to see what they were doing with our food.

Mr. LEVER. I am sorry I have not those figures in my head. I have them somewhere in my notes.

Mr. GRAHAM of Illinois. I will tell you about other food products. In 1914 the Netherlands bought 1,718,481 pounds of our bacon, and in 1915, 8,284,647 pounds; in 1914 the Netherlands bought 26,994,772 pounds of our cottonseed oil, and in 1915, 90,979,466 pounds; in 1914 Norway bought 6,985,490 pounds of cottonseed oil, and in 1915, 26,442,259 pounds. The most amazing increases of sales to neutral countries occurred, leading, without question, to my conclusion already stated.

Mr. LEVER. Now, if the gentleman will permit, I think that statement rather answers the question asked by the gentleman from Ohio [Mr. SWITZER], because this country is practically the only country that exports cotton seed.

Mr. GRAHAM of Illinois. Yes. It is surprising to see what they did in the Netherlands, increasing from 36,000,000 to 90,000,000, and also in Norway. The fact seems to be that the Germans were getting it. Gentlemen, that is all there is to that. These most amazing increases of exports to neutral countries lead to that conclusion.

In addition to these drains upon our food resources, let me briefly call your attention to the crop situation. I have already called your attention to the fact that our wheat crop last year was 639,886,000 bushels. Let me read you the following portion of a letter from the Bureau of Crop Estimates:

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF CROP ESTIMATES,
Washington, D. C., May 29, 1917.

HON. W. J. GRAHAM,
House of Representatives, Washington, D. C.

DEAR SIR: I beg to acknowledge receipt of your letter of May 26 in regard to the prospects for this year's wheat harvest. The condition of winter wheat on May 1 was estimated by this bureau to be 73.2 per cent of a normal, and the acreage standing for harvest 27,653,000 acres. This condition and acreage was interpreted as forecasting a yield of winter wheat of 366,116,000 bushels, which compares with an estimated production of 482,000,000 last year, 674,000,000 in 1915, and 495,000,000 the average of the preceding five years. The first statement of this bureau in regard to spring wheat will be issued on June 8. The acreage in spring wheat last year was estimated as 17,956,000 acres, and the production 158,000,000 bushels; in 1915, 19,161,000 acres and 352,000,000 bushels.

Mr. CAMPBELL of Kansas. Does not the gentleman believe that these abnormal exports that have gone to the central powers are largely the cause of the increase of prices here?

Mr. GRAHAM of Illinois. I think so. If you can stop that drain on our resources we can feed our people and our allies, but we do not want to feed our enemies. Our people should not starve in this country, here in a land of plenty. We are the greatest producing country on earth. We ought to take care of our own people. I say put the power in somebody's hands. I am not responsible for the administration which shall have charge of it.

This letter from the Bureau of Crop Estimates shows that our winter-wheat crop will be 100,000,000 bushels less than it was last year. I know in my wheat country of Illinois, in the uplands, the winter wheat was killed and the farmers plowed it up and put in oats and other spring cereal crops. The same was not true on the lowlands of the Mississippi, but it was true on the uplands, and if the Bureau of Crop Estimates are correct, and there should be a shortage of 100,000,000 bushels, there will be only 539,000,000 bushels produced this year.

Gentlemen of the committee, the powers conferred by this bill are far-reaching. When once conferred, they may be used as instruments of oppression and injustice. I have heard it privately argued that those who must administer this law, if once written in the statutes, are incompetent and will show neither wisdom nor prudence in its administration. This may be true. But for that this Congress is not responsible. Congress can not legislate on every matter that may arise in the control of our food products from time to time. Legislation moves at best, and necessarily, but slowly through these two branches of Congress; there are the minds of many men here, and the majority must concur before bills become laws; this takes time. Many details will arise from day to day that will require quick action. Hence, Congress can do but one thing—confer the power on some representative of the Government for administration. On whom shall it be conferred if not on the President? If he fails or is unfair in the administration of this law, it is a matter that I am not responsible for. If this power was to be conferred on a man of my party, I would not hesitate; Congress is only responsible for the power granted; for the administration of it the people of this country will hold the President and his party responsible when they exercise their right of suffrage at the polls.

My conclusions are these: We are confronted with a great decrease in production of our principal food crop; our rural population has been rapidly decreasing and our urban population increasing; our exports of foodstuffs have greatly increased; our population has rapidly increased; we are involved in a war where we must not only feed ourselves but millions of other peoples. These are serious questions and such as may control the result of this war and they need our most careful consideration. The regulation and control of our food supplies is not only desirable but absolutely necessary. This can not be done by attempting to fix by proclamation or law prices for

farmers' products. Let the farmer alone; he is doing all he can to fill our granaries and win the war, and he will do it. Instead of foolish attempts to say by law what he shall get for his crops, encourage production by keeping hands off from him; he knows his business better than we do. The farmer has not been responsible for these high prices. The farmer sold his wheat for \$1.15 a bushel that is now selling for \$3 a bushel—someone else got the profit. But this Government should act at once, either by acts of Congress or through the President acting by delegated power, enact laws or regulations prohibiting exportations of necessaries except as we shall direct, prohibiting hoarding, providing that dealing and speculating in futures shall cease, and that all purchases and sales shall be bona fide, abolishing food speculation and monopoly by the most drastic laws, providing adequate facilities to move necessaries rapidly direct from producer to consumer, and providing stringent and drastic rules against the practice of keeping freight cars standing idle on sidings while the business of the country stagnates and the speculator grows rich.

I believe this bill provides much relief in this direction. There are many things about it I do not like, and I reserve the right to vote on amendments to it as I may think best. But in such a time as this it is essential that we do something, and that we do it soon. And for the reasons I have given I favor the general principles of this bill. [Applause.]

Exports (12 months ending June).

	1913	1914	1915	1916	1917 ¹
Eggs.....dozen..	20,409,390	16,148,849	20,784,424	26,396,206	27,472,656
Beans and peas, bushels.....	400,868	314,655	1,214,281	1,760,383	1,987,032
Potatoes...bushels..	2,028,261	1,794,073	3,135,474	4,017,760	3,022,644
Meats ².....pounds..	977,000,000	904,000,000	1,391,000,000	1,917,349,702	.....

¹ Figures taken from 1915 Yearbook and from Report Bureau Crop Estimate. No available figures for 1917.
² Estimated from first nine months of year.

Population.
[Estimated by Census Bureau.]

1912 (July 1).....	95,545,636
1913 (July 1).....	97,163,306
1914 (July 1).....	98,781,324
1915 (July 1).....	100,399,318
1916 (July 1).....	102,017,312
1917 (Jan. 1).....	102,826,309

Market prices of food products, Chicago, May 1.

	1912	1913	1914	1915	1916	1917
Eggs ¹.....dozen..	\$0.18	\$0.18	\$0.19 ^{1/2}	\$0.19	\$0.21	\$0.32
Butter ².....pounds..	.29	.28	.22 ^{1/2}	.26	.31	.37
Cheese ³.....do.....	.16 ^{1/2}	.15	.16 ^{1/2}	.15 ^{1/2}	.16 ^{1/2}	.20 ^{1/2}
Poultry ⁴.....do.....	.13 ^{1/2}	.16 ^{1/2}	.16	.14 ^{1/2}	.19	.22
Potatoes.....bushels..	1.10	.44	.72	.40	1.00	2.75
Beef, loin.....pounds..	.22	.18	.22	.16	.24	.27 ^{1/2}
Beef, round.....do.....	.11	.13 ^{1/2}	.13	.11 ^{1/2}	.13 ^{1/2}	.17

¹Firsts. ²Firsts. ³Young America. ⁴Fowls.

Prices of farm products, Chicago, May 1.
[Prices of wheat, corn, and oats for May delivery.]

	1912	1913	1914	1915	1916	1917
Wheat.....	§1.13 ^{1/2}	§0.91 ^{1/2}	§0.91 ^{1/2}	§1.62	§1.15	§2.78
Corn.....	.79 ^{1/2}	.55 ^{1/2}	.63 ^{1/2}	.76 ^{1/2}	.77 ^{1/2}	1.49 ^{1/2}
Oats.....	.56 ^{1/2}	.34 ^{1/2}	.36 ^{1/2}	.54 ^{1/2}	.45	.70
Rye.....	.95	.63	.62 ^{1/2}	1.18	.97 ^{1/2}	2.05
Barley.....	1.00	.54	.53	.76	.72	1.38
Cattle.....	7.90-9.00	8.20-8.80	8.40-9.40	7.80-8.25	9.80-9.95	12.25-13.35
Hogs.....	7.75-7.90	8.40-8.55	8.25-8.35	7.50-7.75	8.60-8.95	14.45-15.85

Production of food products.

	1912	1913	1914	1915	1916
Potatoes.....bushels..	420,647,000	331,525,000	409,921,000	359,721,000	285,437,000
Rye.....do.....	41,381,000	42,383,000	49,190,000	180,927,000	47,383,000
Barley.....do.....	178,189,000	194,953,000	237,009,000	180,927,000	180,927,000
Oats.....do.....	1,121,768,000	1,141,060,000	1,540,362,000	1,251,992,000	1,251,992,000
Wheat.....do.....	763,380,000	891,017,000	1,011,505,000	639,885,000	639,885,000
Corn.....do.....	2,446,980,000	2,672,804,000	3,054,535,000	2,583,241,000	2,583,241,000
Beans.....do.....	11,145,000	10,321,000	10,321,000	8,846,000	8,846,000
Eggs ¹.....cases.....	13,696,401	13,604,385	13,150,018	14,327,182	15,820,207
Cattle for slaughter ².....number	7,532,005	7,155,816	6,724,117	6,964,402	7,346,709
Hogs for slaughter ².....do.....	34,966,378	32,287,538	33,289,705	36,247,958	40,287,692
Total animals for slaughter ².....do.....	59,014,019	56,322,859	56,909,387	58,022,884	61,826,304

¹Receipts at Boston, Chicago, Cincinnati, Milwaukee, New York, St. Louis, and San Francisco

²Inspected for slaughter under Federal inspection.

Prices of food products in Germany.

[Figures furnished by Dr. A. E. Taylor, formerly an attaché to the Berlin Embassy.]

German potato price, 1916-17 (out of a short crop), \$1.75 per 100 pounds.

Amount received by grower, \$1.45 per 100 pounds.

Price of wheat to grower, \$1.77.

Price of rye to grower, \$1.35.

Price of bread, 78 pfennigs per 1.950-grain loaf (less than 5 cents per pound).

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

The committee informally rose; and Mr. RUCKER having taken the chair as Speaker pro tempore, a message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had approved and signed bills and a joint resolution of the following titles:

On June 15, 1917:

H. R. 3971. An act making appropriations to supply urgent deficiencies in appropriations for the Military and Naval Establishments on account of war expenses for the fiscal year ending June 30, 1917, and for other purposes;

H. R. 291. An act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, to punish espionage, and better to enforce the criminal laws of the United States, and for other purposes; and

S. J. Res. 70. Joint resolution relating to the service of certain retired officers of the Army.

On June 14, 1917:

S. 995. An act to authorize the issue to States and Territories and the District of Columbia of rifles and other property for the equipment of organizations of home guards.

CONSERVATION OF FOOD AND FUEL.

The committee resumed its session.

Mr. HAUGEN. I yield 30 minutes to the gentleman from Iowa [Mr. SCOTT].

Mr. SCOTT of Iowa. Mr. Chairman and gentlemen of the committee, the fact that we are at war has been mentioned with such frequency the last few days as at times to become provocative of a smile. It has been intimated that the American people are hardly yet conscious of that fact. When I look over the vacant seats in this House this afternoon and see about three score men I am almost constrained to believe that we ought to advertise the fact in order that it might be known to all Members of the House.

Mr. ROBBINS. Perhaps the fact ought to be recalled that over 100 Members of the House went to Valley Forge to-day to dedicate a monument, and they ought to be excused.

Mr. SCOTT of Iowa. They are excused from my remarks. I appreciate highly the patriotic mission and pilgrimage being made to that historic spot.

Mr. LEVER. But the best of us are here.

Mr. SCOTT of Iowa. And it is to be hoped the best of us are here.

Mr. HARDY. I want to suggest to the gentleman that the attendance, although small enough, is a little larger than he says.

Mr. SCOTT of Iowa. Perhaps a little larger, and I am grateful that the gentleman from Texas is here, and that the record now shows that fact. [Laughter.]

The debate heretofore has been fairly well attended, and I know that the membership of the House have approached the consideration of this bill with deep consciousness of their responsibility. No measure that has come before the House since this session convened is of greater or more far-reaching importance to the American people. In this debate it is our duty to discuss this measure fairly, candidly, and fearlessly. No Member not responsible for the present condition of the proposition before the House should hesitate to analyze its provisions or criticize its imperfections; and no Member through feeling of responsibility for its conduct should resent such criticism or defend the measure against any proposed change or modification which bears the impress of wisdom and practicability.

The bill as originally introduced in the House, if I may be permitted to assume its continued identity, was of much broader scope than in its present form. The former embraced a number of classes of very important necessities of life which are now eliminated. The bill is now confined primarily to foodstuffs and fuel. There are many who would have preferred that the other important necessities had remained in the bill. The bill was not reported in the form of the original bill referred to the committee with recommendations for amendments, but it is introduced as a new bill by the chairman of the committee and as such has not been referred to the committee. What the parliamentary situation will be in this respect I am unable to predict. If the precedent observed during the con-

sideration of other bills since this session opened is to be followed, it is quite likely that the scope of the bill will not be enlarged by amendment on this floor. The essential object of the measure, however, is not materially altered, and that object is a most laudable one. When a great Nation such as ours enters upon a great war it is confronted with many problems. In this instance one of our first tasks is to mobilize our national resources to the end that all of our national energy may be most effectively directed against our enemy; and that in the meantime the burdens and privations and hardships of our citizens may be reduced to a minimum and be justly and equitably laid and borne. This thought involves the consideration of maintaining an adequate existing and potential supply and an equitable and expeditious distribution of the necessities of life. It also presents the task of making it possible for all classes of our people to obtain those necessities at just and reasonable prices.

As I have suggested, the bill when originally introduced embraced foodstuffs, fuel, clothing, boots and shoes, and other necessities of life. The matter of clothing, shoes, and other necessities have been excluded from our consideration. The reason for so doing has not been made satisfactorily plain.

Mr. COOPER of Wisconsin. Will the gentleman permit an interruption?

Mr. SCOTT of Iowa. Certainly.

Mr. COOPER of Wisconsin. The omission from the new bill of what was contained in the original bill is very important. Is the gentleman able to assign any reason why these other matters were stricken out?

Mr. SCOTT of Iowa. I am unable to give any explanation. As I said a moment ago, the reason for doing this has not been satisfactorily explained.

Mr. LEVER. Will the gentleman yield?

Mr. SCOTT of Iowa. Certainly.

Mr. LEVER. If the gentleman will permit, I will say to the gentleman from Wisconsin [Mr. COOPER] that these matters were stricken out of the bill because it was suggested in the mind of the committee and also in the mind of Mr. Hoover that there was no one single brain in the world which could handle all that was contemplated in the first bill, and that he was particularly interested in the food proposition, and the committee felt that we ought to acquiesce in his judgment as nearly as possible.

Mr. SCOTT of Iowa. I shall assume, then, at this stage of the consideration of the bill that we have food and fuel only to deal with. It has been said heretofore during the debate that our country has wonderful capacity for producing, but that we are unorganized and have no market facilities, that we are confronted with the necessity of now organizing these things. It is true that we need more efficient and intense organization, but I am not ready to concede that we are exceptionally derelict in the organization of our markets with respect to foodstuffs. On the contrary, I believe we have the framework for the most efficient, systematic, and complete market organization of any nation in the world. A system of markets requires three elements of consideration: First, the ability and means of knowing the extent of our supply, where it is, and in whose hands; second, a marketing system adequate and efficient to handle and distribute the products; and, third, a transportation system reaching every section of the country and to deliver our surplus at ports of export. We have all of these things in a very highly organized state—a state of organization that has grown up naturally responding to existing conditions of our country. No nation in the world has so complete and efficient system of railways as the United States. Our great triple system of markets, beginning at local points, extending to the great primary markets at our centers, and from thence to the seaboard, comprises an aggregate storage capacity for grain of approximately 800,000,000 bushels. Our mills, located in 17 of our principal milling cities, have an aggregate daily capacity of 166,000 bushels. Our export markets have an adequate storage capacity if we will only keep the product moving with reasonable efficiency. New York alone has a storage capacity of nearly 12,000,000 bushels.

The trouble is not, gentlemen, with our market and transportation facilities. It lies with some of our methods and practices. Many of these practices ought to have been corrected long ago, but they have not been and the matter of their correction is now before the Congress for consideration, and I believe that this bill is designed, after proper amendment, to go far in the correction of these evils, so far as foodstuffs are concerned.

Mr. SWITZER. Will the gentleman yield?

Mr. SCOTT of Iowa. Certainly.

Mr. SWITZER. Does not the gentleman think those evil practices should be abolished not only as to food but as to shoes, clothing, and all other products?

Mr. SCOTT of Iowa. Certainly. I think the bill should go much further in that direction than it does since its revision, but I am assuming that we are not to go beyond the limits of the present measure.

In dealing with remedial legislation of this character one of the first problems which is presented to the legislative mind is. How far shall the subject be dealt with by prescribing specific rules of law and of conduct, and to what extent by delegating discretionary powers to the executive branch of the Government? The American mind intuitively prefers prescribing the rules which shall govern the conduct of the individual. We have always cherished the idea that ours is a Government of laws and not of men. We have been reluctant to commit to the arbitrary discretion of any man, however pure and however exalted, both the framework and executing of our rules of conduct. But I recognize that there are instances where the line of demarcation which separate the field of legislation from the field of administration is dim and shadowy, and that there is a twilight zone that requires some elasticity to accommodate.

This bill undertakes to deal with the subject on both of these plans. It not only prescribes specific rules and states specific prohibitions but extends and delegates great discretionary powers to the President to be exercised through instrumentalities responsible only to him. To what extent we are adopting the one plan and to what extent the other will never be known until we have finally construed and interpreted the complicated terms of this bill. It must be first determined whether the preliminary declarations of power and purpose are to be taken as substantive law overreaching the specific provisions which appear later in the bill, or whether the specific provisions of the bill are to be considered as limitations upon the general declarations of power. If we are to assume the first proposition, then the power of the President is almost without limit. In that case the business activities of the individual, the instrumentalities of production and distribution in their minutest detail, and all that pertains to this great subject are committed without restraint into his hands. I am not yet ready to give that construction to the bill. I believe that fair interpretation requires us to come to the conclusion that the specific provisions in the bill are limitations upon the general powers and purposes declared and that these specific provisions are intended as the guide and authority of the administration in the execution of law.

Mr. THOMPSON. Will the gentleman yield?

Mr. SCOTT of Iowa. Certainly.

Mr. THOMPSON. I presume that the gentleman refers to section 3.

Mr. SCOTT of Iowa. Sections 1 and 3.

Now, there are a number of matters that I want to touch upon in the bill, and I may have to ask a little extension of time. First, the question of license. I believe in the main that is a very good measure. The matter of license, however, is a little too limited to suit me. It does not give that extent of power to the President that has been suggested in some of the debate this afternoon. There is no intimation in the section that he can put a man out of business by revoking the license once issued. The license in the bill I believe to be nothing more than a system of registration. The penalty provided is a criminal one. I do not believe that it would be at all consistent with the idea of the bill that the President should undertake to put out of business any of the great institutions that are providing the necessities of life in this country. The purpose is the contrary of that.

But there are some things that ought to be controlled more effectively. I have in my mind fuel. Why was the miner left out?

Mr. THOMPSON. The miner of coal is not left out. Fuel is covered by this bill.

Mr. SCOTT of Iowa. The gentleman has not read the section with the degree of care that he should. The miner is not covered by the section, neither is the retailer covered. Right on that point I suggest that in the greater part of the consuming territory of our country the large dealers in coal, in large towns and cities, buy from the mines.

Mr. GREEN of Iowa. Will the gentleman designate the section?

Mr. SCOTT of Iowa. It is the license section 5.

Mr. LEVER. Will the gentleman submit to an interruption?

Mr. SCOTT of Iowa. Yes; certainly.

Mr. LEVER. The gentleman makes the statement that the coal miner is not provided for in section 5. Upon what theory?

Mr. SCOTT of Iowa. On the theory that he is not mentioned.

Mr. LEVER. It is mentioned in the language, line 8, where it says "to license the exportation, manufacture, storage, or distribution of any necessities."

Mr. SCOTT of Iowa. Yes; but you do not say production, and the miner produces; he is not a distributor at all. Your miner is left clear out of the section. The miner sells a great deal of his coal direct to the retailer and delivers it at the mine mouth. I looked this matter up a few days ago and I found the Federal Trade Commission reported a short time ago to Congress that white ash coal at the mouth of the mine was selling for \$3.61 a ton. I called up the Interstate Commerce Commission and they told me that the through all-rail rate on that product to the Missouri River was \$5.50. That is \$9.11 a ton laid down, and from personal knowledge I know that we have been buying coal for \$14 and \$14.35 a ton, showing a profit between the price at the mine and the retail price of 160 per cent on the total value of the product at the mouth of the mine.

Mr. LEVER. I am very much interested in the gentleman's criticism of the section, because I agree with him that aside from section 3 this section is the most important one in the bill. Would the gentleman construe the word "manufacture" to include the production of coal at the mine?

Mr. SCOTT of Iowa. I certainly would not.

Mr. LEVER. I am not familiar with mines; there are none in my district.

Mr. SCOTT of Iowa. The miner is not included under this section. The miner can sell to the retailer over the whole country and you can not touch the subject at all, notwithstanding the people are mulcted a profit 160 per cent on the total value of the product in one transaction.

Mr. LEVER. I know the gentleman's criticism is an earnest criticism of the matter, and I am trying to get together with him on the proposition. Would it be included in section 3, line 20. I will read the whole section:

Sec. 3. That there is hereby established a governmental control of necessities which shall extend to and include all the processes, methods, activities of, and for the production, manufacture, procurement, storage, distribution, sale, marketing, pledging, financing, and consumption of necessities, which shall be exercised and administered by the President for the purposes of this act; and all such necessities, processes, methods, and activities are hereby declared to be affected with a public interest. And in carrying out the purposes of this section the President is authorized to enter into any voluntary arrangements or agreements, to use any agency or agencies, to accept the services of any person without compensation, to cooperate with any agency or person, to utilize any department or agency of the Government, and to coordinate their activities so as to avoid any preventable loss or duplication of effort or funds: *Provided*, That none of the penalties of this act shall apply to this section.

Mr. SCOTT of Iowa. No; it could only to this extent, that under other sections of the bill the President could commandeer the mine and take possession of the mine, and mine the coal by Government action. That is all he can do under this bill. You can take the mine and run it as a Government concern, but you can not license him and regulate his conduct as can be done with other industries.

Mr. LEVER. I am very much in sympathy with the gentleman's idea, and I am try to get it fully in my mind.

Mr. SCOTT of Iowa. That is one feature of the bill that ought to be amended, and I shall offer such an amendment if the committee does not do so before I do.

I want now to touch upon the question of this guaranteed price. A provision for a guaranteed price to the farmer has been put forth as one of our greatest anticipated blessings. It is proposed to give the farmer the benefit of a guaranteed price higher than competitive conditions will warrant. That would be a very nice thing for the farmer if it would work out. Let us see what is the theory of this section. The President, when he deems necessary in advance of the seeding time, will prescribe a guaranteed price for the farmer's product available to everyone who desires to come within the conditions prescribed. But the section does not stop there. The section goes on to provide protective measures for the Government. If the President is of opinion that the Government of the United States is going to sustain loss or incur liability on a guaranteed price, his duty is to protect the Government by levying an import duty, if necessary, but principally by buying the crop, in the discretion of the President.

When you are exercising this guaranteed scheme the President may buy the crop and store it and sell it to anyone at war with any nation with which we are at war, or, in fact, sell it to anyone. Now, let us assume just for a moment that this guaranteed scheme goes into effect, that the President through his agency buys up three or four hundred million bushels of wheat. What are you going to do with it? You can not consume it or dispose of it locally right away. He is going to take advantage

of the storage facilities which you are authorizing him to construct and lease and procure and put the wheat there. What time of the year is he going to fill them? He is going to fill them from the crops of that class of farmer who sells early in the season when the price is low, lower than the guaranteed price would be, otherwise you could not use the guaranteed price. Time passes, one week, two, three, until that class of farmer has marketed his crop, and within these warehouses are stored three or four hundred million bushels of guaranteed wheat. How is the President going to protect the Government of the United States against liability for this guaranty as stated in the bill? He will have to sell it, will he not? To whom will he sell it? I will tell you to whom. We are in a northern latitude. We do not harvest as early as Argentina, as early as Australia or India. In the early part of the season in the foreign market the crop of those countries comes in and meets us in competition. That is why the price of our crop under normal conditions is at a low level during the early part of the importing season. When those harvests have been absorbed and when Europe becomes a little short, she then turns to the great American market, and then, if you gentlemen have observed, the upward trend of the price begins, which is late in the season and on through the winter. It is when we are getting the benefit of the competition of the European demand in our markets that the price advances. What is going to occur, then, with the Government having 400,000,000 bushels of wheat stored, bought earlier in the season at a guaranteed price? Will the Government sell it or hold it?

If the President is going to protect the Government as stated in the bill, he will sell, he will take advantage of that opportunity and the accumulated surplus will pour into the foreign market, taking advantage of the strong demand, and the result will be that the Government supplies the foreign customer and depresses the price. The result will be inevitably that your guaranteed minimum price will at once become your maximum price. There will be leveling influence all along the line. The guaranty will tend to raise slightly the price at the beginning, but it will tend to depress it in the end. Just to the extent that this Government buys and accumulates the cheap product of the American farmer and holds it and stores it and then meets the strong demand of the foreign market later in the season, to that extent you have made the Government of the United States the organized strong competitor of every farmer in the country.

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

Mr. SCOTT of Iowa. Yes.

Mr. SUMNERS. Suppose the 300,000,000 bushels of wheat had been purchased by private individuals and held, would not the same thing occur when the price went up? Would it not be put into the market?

Mr. SCOTT of Iowa. The price would go up if individuals were permitted to corner the product and manipulate the supply, one of the very evils that we are trying to avert here—the cornering and holding and accumulating—and it would not be held and accumulated to the extent it would if the Government of the United States should accumulate millions of bushels and be able to control the buying and the selling. Do not overlook the fact that all of the buyers of the European nations that are our allies are going to be organized and represented by one man, and he is going to meet Mr. Hoover representing the United States, and those two men are going to sit down at the table and fix the price of the farmer's product in this country so far as the surplus is concerned.

Mr. SUMNERS. Then if the Government did not go into this market and the representative of the nations had offered an agreement and we were buying together, would not this wheat have one less strong competitor, competing against the low price for the wheat?

Mr. SCOTT of Iowa. The gentleman means a competitor for our wheat?

Mr. SUMNERS. Yes.

Mr. SCOTT of Iowa. I have no fear whatever of our being without a buyer from abroad. They will want all of our surplus and more. There is no question about that. The only question is of our delivering it to them under equitable conditions. But the point I am contending for is that this guaranteed price will in fact be the maximum price. Whether we are going to give the farmer who purchases it the benefit of the competition of that market or whether we are going to take it away from him and put it in an organized system of elevators and then sit down to a table with the representatives of the allies and fix a price in a cold-blooded way is the question.

Mr. LEVER. On that point will the gentleman yield, as it is a very interesting argument the gentleman is making?

Mr. SCOTT of Iowa. Yes.

Mr. LEVER. Under present conditions I take it that the wheat business as in the cotton business is greatly distressed, cotton and wheat must be put upon the market at whatever price the market is bringing at the time. Now, if the Government fixes the guaranty of a reasonable profit, do we not in this bill put the farmer, who ordinarily is a distressed farmer, in a position where he is not in distress, and therefore can market his crop in accordance with his own judgment as to prices?

Mr. SCOTT of Iowa. I will answer that question in this way.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAUGEN. How much more time does the gentleman desire?

Mr. SCOTT of Iowa. Fifteen minutes.

Mr. HAUGEN. I yield the gentleman 10 minutes.

Mr. SCOTT of Iowa (continuing). That in my judgment there will be no dearth of a demand for the farmer's products during the continuance of this war. I believe the competitive conditions will be of more advantage to the farmer than the price that will be fixed by the representatives of the Government.

Mr. LEVER. But the gentleman concedes that there is a large class of farmers who are not now able to take advantage of competition. This bill by its guaranty of a minimum profit would put those farmers in a position to take advantage of the loss of competition.

Mr. SCOTT of Iowa. Well, I do not see it that way when we consider the season's range of prices.

Mr. LEVER. In the past who has been benefited by this competition where it has been free of any limitation as in this bill, the farmer himself or the speculator who stores it?

Mr. SCOTT of Iowa. The competition, as I would like to show a little later on, has redounded—that is, the foreign competition—more to the benefit of the speculator than the farmer, and for this reason, that, as I said a little while ago, the early deliveries of American grain are not exported primarily. They are held until the demand in Europe is strengthened by reason of the depletion of the harvest coming in from other countries, so that two conditions, as I believe, tend to an upward trend of prices in this country after the first rush of the grain from the farm: First, the manipulation of the speculator, who indulges in a multiplicity of sales, which naturally tend to raise prices artificially. Second, a strong demand from the foreign markets later in the season. That is true. Now, I want to be fair in this argument. I think the gentleman's idea is correct that a guaranteed price would help to some extent those farmers who were obliged to sell at the very beginning when the market is in a measure glutted and competitive conditions might bring wheat below the guaranteed point if the guaranteed price is high enough; but, as I say, a little later on it would be all equalized and more, in my judgment.

Mr. LEVER. The other class of farmer does not have to sell except as he gets ready to sell.

Mr. SCOTT of Iowa. Oh, it does not make any difference whether he holds or not. If the Government has a large supply, and all at once the foreign price goes down, it does not make any difference whether he sells or holds, he absorbs the loss. He may hold his wheat until December or January and then offer it, but if the President is there with four or five million bushels to meet the foreign demand he is going to absorb a share of the loss just the same.

Mr. THOMPSON. Will the gentleman yield?

Mr. SCOTT of Iowa. I will.

Mr. THOMPSON. Now, the testimony before our other committee showed that about 90 per cent of the farmers of the country were compelled to sell their products as they were harvested, and therefore these speculators who purchase and take advantage of that fact can purchase at a less price than the parties who held and got the increased price.

Mr. SCOTT of Iowa. I think the gentleman would betray no confidence if he would give the names of those who made that statement.

Mr. THOMPSON. Every representative of every farmers' organization who appeared before the committee—the Grange, the Farmers' Union, the Gleaners, the Equity Association—all testified to that.

Mr. SCOTT of Iowa. Within what length of time?

Mr. THOMPSON. Something like 90 per cent, at the time the crops are harvested.

Mr. SCOTT of Iowa. Why, such a statement is preposterous. We know that last winter, clear into February and March, we could not get cars to move the stuff, it was flowing in such great volume.

Mr. THOMPSON. I will say to the gentleman, if he will yield, that in my State of Oklahoma a greater per cent than 90 sells at the time of the harvest.

Mr. SCOTT of Iowa. What do you raise in Oklahoma that you sell from the machine?

Mr. THOMPSON. Wheat.

Mr. SCOTT of Iowa. How much?

Mr. THOMPSON. About 70,000,000 bushels of wheat.

Mr. SCOTT of Iowa. Less than 30,000,000, I think. And corn?

Mr. THOMPSON. I do not remember. But about 1,000,000 bales of cotton. We sell practically all of our products as they are harvested. There is a mortgage on practically all of it, and farmers are compelled to sell. Therefore the speculators take advantage of that condition and force the price down, purchase it and hold it, and get the increased price.

Mr. SCOTT of Iowa. That is an unfortunate condition in Oklahoma, and such a one as does not prevail in Iowa.

Mr. ELSTON. Does the gentleman believe that the competition should be unrestricted, then, so that the sky would be the limit for the farmers? Where would the consumer come in?

Mr. SCOTT of Iowa. I think the farmer should be placed on the same level as the man who produces clothing, shoes, agricultural implements, steel bridges, or engaged in any other business. I think there should be no discrimination.

Mr. SNYDER. Does the gentleman know of any manufacturer of clothing or shoes, or any other merchandise, that holds the goods for a price?

Mr. SCOTT of Iowa. They have held them for a pretty high price occasionally when I have undertaken to buy.

Mr. SNYDER. There is no such thing in the trade. All that class of goods is sold on a regular season basis. The prices are made, and they go out and sell their goods. As I understand your argument, you want every State to build storehouses so that they can hold this wheat until every man has got to pay \$3 a bushel or \$5 a bushel for it? I do not think that is the intent or purpose of this act in any way, shape, or form, and ought not to be.

Mr. SCOTT of Iowa. We have in this country storage capacity for 800,000,000 bushels, not counting the freight cars, not counting the farm storage. We have sufficient storage capacity now, if our rolling stock was in just a little better condition, to move any crop that we have ever produced properly and equitably.

Mr. MCKENZIE. Will the gentleman yield for a question?

Mr. SCOTT of Iowa. Yes.

Mr. MCKENZIE. You have stated that there will be a sufficient demand to take all the wheat of our country, and that if the Government goes out and buys from the farmer who is ready to sell early in the market, and gives him the guaranteed price, and takes this wheat in, then afterwards the farmer who is obliged to hold his wheat will suffer from the fact that the Government will have a great store of wheat to sell to the purchaser of wheat. Now, I want to ask, will the American farmer who has held his wheat and who can receive and must receive the guaranteed price, which means the cost with a reasonable profit, have any reason to complain?

Mr. SCOTT of Iowa. The farmer who holds the wheat?

Mr. MCKENZIE. Yes.

Mr. SCOTT of Iowa. He does not receive the guaranteed price under this bill. He sells under competitive conditions.

Mr. MCKENZIE. Is it your contention that he will have to compete with the Government?

Mr. SCOTT of Iowa. Yes, sir.

Mr. MCKENZIE. Is it the purpose of the Government to sell his wheat for less than they pay for it?

Mr. SCOTT of Iowa. No.

Mr. MCKENZIE. If he does not, he will have to receive the guaranteed price. If that is true, and he gets the cost of production and reasonable profit, has he any reason to complain? And would it not be well to let him complain a little bit if we did justice to the great majority of the wheat growers of the country by giving them what it costs them to produce the wheat? [Applause.]

Mr. SCOTT of Iowa. That depends entirely on whether this system is going to work as its friends anticipated. It seems to be understood that the price of the agricultural product is to be fixed in advance. Now, it is proposed to fix or control the prices of commodities generally, and it will be the relative price which the farmer gets which will determine his profit, and that relation will not be established until after the guaranteed price is fixed.

Mr. SUMNERS. Will the gentleman yield there?

Mr. SCOTT of Iowa. Certainly.

Mr. SUMNERS. If instead of the Government buying this wheat a private speculator had bought the wheat, would not he turn it loose upon the high European markets just the same,

and would not the effect upon the man who held be just the same?

Mr. SCOTT of Iowa. No private speculator would ever buy that quantity of wheat which it is proposed that the Government will buy.

Mr. SUMNERS. What would become of it if it remained on the market?

Mr. SCOTT of Iowa. It would be divided up among numerous purchasers. One of the purposes of this bill is to do away with the speculator, and if I can have a moment or two on that I will release you from further punishment.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAUGEN. I will yield to the gentleman five minutes more.

Mr. SCOTT of Iowa. I believe the board-of-trade section of this bill is one of the best sections in it, not that I would regulate the subject in that way, because I am perfectly convinced that we can get along in this country from now to the end of the war without the short sale.

I am firmly convinced that we can restrict dealings in futures to a very short interval. I know what the grain men say. I know what all of the writers say, because the writers on this subject, as a rule, have been without personal experience. They are college professors. They write scientifically, and they prove conclusively that we must have the short sale, we must have the hedge, we must have a long future delivery; and they also accompany their assertions with the proof, and the proof always comes from the speculator. When you read their books you find that they get their information from the men who are in the wheat business, from presidents of boards of trade, grain inspectors, men who are in the grain business for speculation.

They say that we must have a system in this country which enables men in the market to sell what they do not have. I believe we could do business successfully in this country selling only what we do have or expect to procure within a very short interval. [Applause.]

I would write into this bill a specific prohibition against the short sale, unless it was a delivery within three to ten days' time. That is what I would do. The next best thing, of course, if you can not legislate specifically, is to give some man the power to regulate. In other words, to give Mr. Hoover the power to prescribe the rule and regulation. If the membership of this House and the House at the other end of the Capitol are incapable of sitting down and writing a rule that will govern this subject, then abdicate your function, turn it over to Mr. Hoover, and say to him, "Write the rule." When you pass this bill in its present condition, my friends, you are saying just that thing.

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

Mr. SCOTT of Iowa. Yes.

Mr. SIMS. I wanted to suggest to the gentleman that I have a remedy that would be absolutely operative, and that would be to levy a tax upon every sale for future delivery, the tax to be refunded when the delivery was made, and then all this speculation would be stricken out. I have tried to get that legislation enacted, but have never succeeded.

Mr. SCOTT of Iowa. I hope the Congress of the United States will have the courage some time to sit down and write into the law a regulation that will put that class of men out of business. It is true Mr. Hoover will write a regulation, but we do not know what Mr. Hoover's views are on this subject. We do not know what kind of a regulation he will write. We do not know whether he is in favor of restricting speculation or whether he entertains the same opinion as those who do business on the Chicago Board of Trade. We must take him on faith, blind faith, gentlemen, when we pass this bill in its present condition. But if we can get nothing else, I apprehend we had better pass it, because we have got a condition now that is as bad as it could be. He can not make it very much worse, and he may help it some. [Applause.]

Now, there is one more feature of this bill that I want to call attention to. It is a matter that has neither been explained by the committee nor referred to in the debate. It will be observed that the first section, which declares the purpose of the proposed law, enumerates "foods, feeds, fuels, and articles required for their production" and then brings them all under one common expression "necessaries." From that point on we find the term "necessaries" in every section of the bill with the exception of the one dealing with the guaranteed price. Then suddenly the language changes. The term "necessaries" is not found in section 12. That section deals altogether with "nonperishable agricultural products." And this section being in its character quite independent of the balance of the bill and capable of standing alone, the expres-

sion "nonperishable agricultural products" is in no way limited by either the enumeration of particulars or the general term "necessaries" found in the first paragraph. "Nonperishable agricultural products" not only takes in food and feed, but it takes in everything that is the product of agriculture—cotton, tobacco, and hemp, for illustration. Now it seems to have been thought necessary to prohibit hoarding and inflict severe punishment upon the men who hoard and conspire respecting the necessities that are referred to in these other sections of the bill; it seems to have been thought necessary to regulate boards of trade and exchanges upon which necessities are dealt in and to have given the widest authority for regulation not only of production and manufacture but of consumption of these necessities. But when it comes to the enlarged class of nonperishable agricultural products no regulation is prescribed whatever. By simply changing the expression in a section from "necessaries" to "nonperishable agricultural products" you relieve such products as cotton, tobacco, and hemp from all the burdens and regulations of the bill and at the same time bring them in on the ground floor with respect to all of its benefits. I have not yet heard this matter explained or a reason given for the plan. Unless some adequate reason is given it seems to me that this bill ought to be corrected to reach every class that falls within the purview of its benefits, and this amendment is offered to correct that inequality in the bill. It confines the operation of this section to the same crops, to the same products, as the other sections of the bill apply to. [Applause.]

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

Mr. HAUGEN. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey [Mr. PARKER].

Mr. LEVER. I would like, Mr. Chairman, to yield at least 15 minutes. Certain gentlemen have been waiting all day to be heard.

Mr. HAUGEN. I suggest that other men over here have been waiting all day, and you have used more time than I. I will yield 10 minutes to the gentleman from New Jersey [Mr. PARKER].

Mr. LEVER. Before he does that I hope the gentleman will permit me to yield 15 minutes to the gentleman from Pennsylvania [Mr. KELLY].

Mr. HAUGEN. Very well.

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

Mr. KELLY of Pennsylvania. Mr. Chairman and gentlemen of the committee, we have all listened to the rather far-fetched fears, as I think they are, of my good friend from Iowa [Mr. SCOTT] regarding this measure and its possible interference with and disarrangement of world-wide markets; but while we are listening to fears like these the people of America are facing not fears but facts, and tragic facts. The people of America are presenting to this Congress a petition of grievances, and it is written not in letters but in hunger and hardship. The food question is the biggest problem confronting us, and it grows more serious with every passing day.

Mr. Chairman, always and everywhere there has been a close relation between governments and bread. From the days when Pharaoh built his granaries for storing food for Egypt's "seven lean years" down to the overthrow of the Romanoffs in Russia the bread question has been a vital one for the governments of mankind.

The French Revolution was caused by the refusal of royalty to recognize the people's need for bread. When Foulon jeered, "If corn is scarce, the people can eat grass," or Marie Antoinette innocently asked, "If there is no bread, why do they not eat cake?" they expressed both the insolence and the innocence which brought on the mighty catastrophe that changed the history of the world.

English records show many events determined by the food problem, from Wat Tyler's bread riots down to the present day. One of the greatest parliamentary struggles ever known was Peel's successful attempt to abolish the corn taxes. On his retirement from Parliament he said:

It may be that I shall leave a name remembered sometimes with expressions of good will in the abode of those whose lot it is to labor and to earn their daily bread in the sweat of their brow, when they shall recruit their strength with abundant and untaxed food, the sweeter because it is no longer leavened by a sense of injustice.

Time and again the course of history has been changed by hunger, just as the land of Holland was given over to the sea, when the great dikes were leveled so that the grain ships might bring food to the besieged cities of the Netherlands.

In this great war now raging the question of food is as important as the question of armies. In Russia autocracy was de-

molished when the bureaucracy, with bursting granaries on every side, told the hungry people that the stoppage of the export trade through the Dardanelles had resulted in a shortage of corn. In a fury the people demanded the bread that was theirs, and when the sudden, brief uprising was over the Czar of all the Russias was without a throne and a new democracy had joined the free nations of the earth.

If there comes a similar revolution in the realm of the Kaiser, it will be under similar circumstances and because the people have been deprived of food beyond human endurance.

In fact, the whole outcome of this war hinges on food supplies. If the allies can be kept from securing food by the activities of the submarines, they will be starved into submission and surrender. It is not too much to say that the future of the world, the course of its history and the direction of its development, depends upon which side can secure adequate supplies of bread.

Nor has America escaped this age-old, world-wide question. The food problem is the most serious which confronts this Nation. Upon the way in which it is met depends vast issues of weal or woe. There is no time to lose in dealing with it, for every hour is big with danger. The strain upon the American citizenship is rapidly reaching the breaking point and immediate action is demanded.

Mr. Chairman, what is the situation? Food prices so high that millions go hungry. The gaunt specter of famine frowning upon America in 1917. Flour at \$17 a barrel and a bushel of wheat bringing \$3.18 in a frenzied market. Bread selling at prices which spell suffering and want in countless families.

It may seem like a small matter to add a single cent to the price of a loaf of bread. But under certain conditions that one act may be full of menacing possibilities. Experts declare that the addition of 1 cent to the price of a loaf of bread in New York City alone means an extra expenditure of \$16,500,000. In America as a whole, that 1-penny raise will mean an increase in the Nation's bread bill of almost a billion dollars.

But it is more than the price of bread that has mounted to dizzy heights. There has been a steady increase in the price of all articles of food until they have become prohibitive as to quantities to maintain normal life and efficiency.

Recently I gave on the floor of the House a comparative review of retail food prices between April, 1914, before the war began, and April, 1917. That report showed such astounding increases as the following: Flour, 107 per cent; corn meal, 100 per cent; sugar, 125 per cent; beans, 185 per cent; lard, 100 per cent; meats, 80 per cent; potatoes, 291 per cent; cabbage, 400 per cent.

The average increase in the retail prices of 60 food items in common use was 85 per cent.

I have here a report covering the comparative prices for October, 1916, and May, 1917. It shows one unvarying trend upward, with prices which had before reached a point which spelled tragedy, mounting still further upward. The entire list of 79 articles shows an increase since last October of 54 per cent. Nor is the end reached yet, for almost every day sees announcement of still further increases in food products which are actual necessities.

What does this mean? It means that the dollar of the consumer will purchase but a meager portion of the food it formerly secured. Even with increased wages the income is in fact smaller than ever, for its purchasing power has been greatly lessened by these high prices.

The Labor Department in a bulletin states:

A workman who made \$3 a day in 1907, working 10 hours a day, in 1916 worked 9 hours and 36 minutes and drew \$3.48, but it cost him \$4.17 to buy the same quantity of food his \$3 bought in 1907.

Figure the enormous increases in food prices since those figures were prepared, and it is safe to say that it requires \$5 to-day to purchase the food that could be bought for \$3 10 years ago.

Mr. Chairman, there is neither time nor need to go further along this line. It is a universally admitted fact that food prices are higher than ever before in American history—so high that they form the greatest danger sign on the horizon.

Then what is the reason for such prices? Are they due to the great war now raging? Are they due to the increased production of gold or underproduction of food in this country? All these are given as explanations by theorists, as well as by those who profit from the situation. But, although each of these causes may have some effect, they do not explain the condition which confronts America to-day.

The fact is that even in the beleaguered and ravaged countries of Europe food prices have been lower than in America. If the war itself, or the world-wide influence of increased gold pro-

duction were controlling, these countries would witness the highest prices.

Mr. PLATT. Will the gentleman yield there? The gold has been sent from those countries to this country, and if gold has an influence on those prices, here is where it would be felt.

Mr. KELLY of Pennsylvania. Oh, the gentleman understands that the production of gold is world wide, and if it had a dominating influence it would have affected the nations engaged in war for the last three years, as well as ourselves.

Now, what is the reason? Is it because America, with her boundless territory and fertile lands, has not produced and can not produce sufficient food to supply her own needs? Is America too barren to support her own population? Such a contention is absurd. America has always been the garden spot of the world and it is more so now than ever.

It is stated that a quarter of an acre of ground, under the intensive-farming system of Holland, will support a family of six persons. The entire human race, all the population of this globe, could be divided into groups of six and set down in the center of the State of Texas, each on its quarter acre of ground. Then there would still be left an unoccupied fringe of ground greater than the area of England, Wales, and Scotland, with all the New England States, Maryland, Delaware, and New Jersey thrown in for good measure. The population of the United States, divided into groups of six, could be cared for in the country with an allotment of a 120-acre farm to each group.

And America has not been barren. She has been producing food sufficient to supply the world. From her fields of gold, her orchards, and her gardens she has brought forth the products needed for the sustenance of mankind in such colossal quantities that there is not the slightest legitimate excuse for hunger, or extortionate and oppressive prices anywhere in America.

We are producing more food than ever before and consuming less at the same time. Figures compiled by the Department of Agriculture show that the consumption of edible grain, meats, dairy products, and other foods has decreased during the past three years, even though their production increased.

No. Thousands of Americans have felt the pinch of hunger and suffering, but not because there was not enough food produced. Food riots have raged in many cities, but not because the land refused to yield its abundant harvests. "God give us bread" has been the cry of men and women and children with famished lips, but not because mother nature defeated the productive efforts of the husbandmen.

Then, Mr. Chairman, what is the reason for the exorbitant prices charged for food supplies in every market in America, prices which mean enfeebled life and health? The responsibility rests on the gambler, the grabber, and the grog maker. [Applause.]

I maintain that the main reason is that between the man who produces the food and the man who consumes it stand these parasites, levying enormous toll for their own enrichment. The American public is subject to criminal extortion by food pirates and monopolists and destroyers. Without performing a single act of service, these conspirators are exploiting an entire nation by cornering food supplies and juggling with the very things upon which life depends.

The primary question to-day is not whether sufficient food supplies can be produced to supply not only this country but the other nations dependent upon us. We have been doing that and will continue to do it. The real question is whether the producer and consumer of foods shall be held at the mercy of treacherable and criminal interests, bent solely upon robbing them both.

I am in hearty accord with the efforts of Government officials and others to increase production of foods by increased acreage, home gardening, and other methods. But I insist that the food to be raised shall be protected from the manipulations of pirates of commerce, who would use even this increased production to build unholy fortunes for themselves.

With the great river of food products flowing on its life-giving mission, these gamblers and speculators and monopolists dam up the stream and divert its flow, exacting extortionate prices for the supply as they choose to allow its passage.

We have grown familiar with many phases of the madness of money getting, but this juggling with food supplies is the most ruthless and alarming of them all. It is a return to the barbarism of the Dark Ages. Three times a day it comes to the table of every family in the land and exacts tribute. Through its iniquitous power it holds the lives of men in the hollow of its hand, and no set of men should have that power. I desire to confine my attention now to the gamblers and hoarders. Later I hope to have an opportunity to show the waste of foods in the manufacture of intoxicants.

It is not guesswork that attributes responsibility for high prices to food gamblers and speculators, for every investigation by Federal authorities has established that fact.

The District of Columbia food investigating committee, after a two months' investigation into the increased prices, has but recently made its report to the commissioners. This committee puts itself on record that the element of speculation in foodstuffs has been one of the most potent factors in the enormous increases in prices which consumers have been compelled to pay.

The grand jury investigation of food prices in Chicago established beyond a doubt that there is a manipulation in the handling of eggs in that market, which to a substantial extent sets the price of eggs for the country. Reports of the investigation state that the Chicago butter and egg board is a sham market. A session of a few minutes is held early in the morning. A few sales are made and these sales are marked up on the blackboard as establishing the market price. These prices are then telegraphed over the country and largely influence prices.

Doubt is expressed by the grand jury that even the sales made are bona fide and the prices made certainly do not depend on the supply. During one week in this month prices were 33 cents a dozen wholesale, with receipts of 173,000 cases. During the corresponding week a year ago, with receipts of 170,000, the price was 20 cents a dozen on the board.

Mr. Chairman, I maintain that even in time of peace every American has a right to demand that his Government protect him from the highwayman tactics of the food gambler and speculator. But in time of war, when the Nation is engaged in a mighty conflict, the Government must end such vampire-like activities as a measure of self-protection. [Applause.]

Any system that lays iniquitous tax upon a nation's bread in time of war is treasonable and must be exterminated. These gamblers and speculators not only rob the producer and exploit the consumer, but they are equally destructive in their effects upon the legitimate distributor. The small business men who serve an essential part in the distribution of commodities are nailed like dried beetles to the wall by these manipulators who put prices beyond the reach of possible buyers.

I noted in a Philadelphia newspaper the other day an article which describes a situation which has counterparts in every town and city in America. An excerpt is as follows:

Near Philadelphia a long-established bakery has supplied the wants of the citizens of a small town. A woman customer found the dispenser of bread, also a woman, in tears. A few sympathetic questions brought the explanation. It was simple. "I have just been obliged to pay \$18 for a barrel of flour. I don't know how much higher it is going, but at \$18 I am losing money. The price of a loaf of bread now is as high as anyone will pay. I must go out of business. My living is gone."

That same problem confronts every individual baker and retailer. The high prices that put commodities beyond the reach of the buyers, inevitably react disastrously upon the merchants who supply the wants of their communities.

Can anyone doubt that such despoilers are operating to defeat the Nation in war. I submit that the empty flour barrel, either in home or store, which can not be refilled save by paying a monstrous tax to greed, is not an incentive to patriotism. These gamblers in the people's food are making the liberty loan doubtful. They are impairing the taxable strength of the Nation. They are poisoning the patriotic impulse of many citizens. They are sowing bitterness and strife and enmity, and breeding discontent and anarchy. They are furnishing aid and comfort to the enemy. They are double-dyed traitors, for they are waging war on the United States as dangerous as the German submarines. [Applause.]

Mr. Chairman, I admit that I feel strongly on this question. During the Sixty-third Congress, the Rules Committee of the House, of which I was a member, held extended hearings on certain resolutions dealing with grain exchanges and boards of trade in this country. We had before us members and officers of the Chicago Board of Trade and similar organizations. I shall never forget some of the facts brought out at that hearing. Since then whenever I hear these food speculators referred to as gamblers I feel that an apology is due the poker players of the country.

Little bootblacks will shoot craps; lovers of the ponies will play the races; others like shaking dice or playing faro or roulette, and in any of these a man can limit his loss by stopping the play. He can choose his own companions, and has reasonable assurance that in the ordinary gambling den the cards are not marked nor the dice loaded nor the ponies doped. He also knows that if he keeps away from the game he will not lose his money.

But in the great gambling game in foodstuffs the men who have nothing to do with the gambling are the chief losers—the farmers who produce the food and the consumers who eat it.

It is said that there is an excuse for those who bet on horse races, since horse racing develops magnificent horses. But no such excuse can be made for those who bet on the price of the people's bread. That kind of gambling develops nothing but dangerous fortunes for the few and equally dangerous suffering and privation for the many. This gambling is with the farmer's load of wheat, with the flour barrel of the miller, and the loaf of bread in the poor man's pantry, and it has an oppressive influence upon them all.

It was stated at that hearing that more wheat is bought and sold on the Chicago Board of Trade than reaches Chicago in a year. That means that the price of food was being fixed by deals in "shadow" wheat, for the prices are fixed by the blackboard where the gamblers' quotations are posted.

Mr. YOUNG of North Dakota. Will the gentleman yield?

Mr. KELLY of Pennsylvania. Yes.

Mr. YOUNG of North Dakota. The investigation that the gentleman speaks of was an excellent one and furnished a great amount of valuable information. I was wondering if the gentleman believed that the Government in this instance in administering this bill will consider it necessary to begin a long investigation? I am hoping that under this bill we can get down to business with the facts that have already been brought out in the hearings without any further investigation.

Mr. KELLY of Pennsylvania. I agree with my friend, and I hope we are through with investigations and probes, and have reached the time to inflict the penalties and put these gamblers out of business. [Applause.]

The sacred "law of supply and demand" has no bearing upon their operations. In 1909 there was a bumper grain crop in this country, yet the price of grains averaged 10 cents more a bushel that year than in 1911, a year of greatly lessened production. The price was not fixed by the supply and demand, either of this country or the world. It was fixed by board of trade gamblers, who juggled figures on a blackboard in their gambling dens and thus levied tribute on every American family.

The extent of that tribute can be realized by the further fact brought out at the Rules Committee hearings, that every time these manipulators change the price of grain 1 cent a bushel they thereby change values to the extent of \$50,000,000. If they drop the price 1 cent they lower the value of the farmers' product by \$50,000,000, or a drop of 10 cents means \$500,000,000. Then, when the bulk of the grain has left the farmers' hands, they reverse the process and by every additional cent on the price they increase values to the consumer a full \$50,000,000.

Mr. Chairman, here is what S. H. Greely, of Chicago, a member of the Chicago Board of Trade for 20 years, said before the Rules Committee:

Although the board of trade deals in 25,000,000 bushels of wheat a day, Chicago does not receive on an average more than 25,000,000 bushels of wheat in a year.

I know what trading in grain is. I know what future trading is. I have been in it. I was brought up in it; bred in it from youth. No man on the board of trade that knows anything will deny that in the wheat pit alone, on an average, every day in the year the total amount of the purchases plus the total amount of sales in the futures will total at least 25,000,000 bushels a day, from 9.30 in the morning until 1.15 in the afternoon. There are those who have boasted that they have traded in 20,000,000 a day—a single firm. I, myself, although I have been a little dealer, what you might almost term an "insignificant trader," have many a day traded in 500,000 to 1,000,000 bushels and never thought much about it at the time.

I did not handle the wheat, and there are men in the business to-day, trading in millions upon millions of futures, tens of millions of futures, hundreds of millions of futures, firms that do it every year, that do not know what the color of a warehouse receipt is; they never saw a carload of grain. Mr. Canby the president of the Chicago Board of Trade is sitting here to-day, and I will challenge him to show by his records where he ever handled 10 carloads of grain since he has been a member.

Now, what does that testimony mean. It means that both producer and consumer are robbed by men who never perform a single act of service in handling food supplies. It means that prosperity is denied those who have toiled faithfully for it and is diverted to those who do not labor but destroy.

The entire system is built upon sham and false pretense. Look at the reasons given for fluctuations in the market. Here are a few headlines of news items that were given to explain rapid changes in the price of grains in the exchanges. "Hot winds in Kansas." "Rain in Argentina." "Crop outlook good." "Crop outlook poor." "Patten selling." "Patten buying." "Heavy snow coming." "Puts were good." "Calls were good." "Margins exhausted." "Cattle scarce." "Hogs plenty." "Money scarce." "Money plenty." "Cars scarce." "Cars plenty." "Armour says wheat a purchase." "Leifer thinks wheat a sale." "Steamer sunk." The headline "War declared" sends up wheat 40 cents. The headline "Peace probable" sends it down 25 cents.

And do not forget that every fluctuation of 1 cent was changing values in this country \$50,000,000. Can any man who studies such a system with a view to the common good say one word in

its behalf? Is it any wonder that its continued existence without interference by the Government has caused the speculator to turn the American hymn into a version of his own.

My country, 'tis from thee
I get the liberty
And right to sting.
Long may we work our blight
Neat's freedom's holy light;
Protect us by thy might,
Great Greed, our King!

Mr. Chairman, hand in hand with the gamblers on stock exchanges and boards of trade work the food cornerers and price boosters. Warehouses are filled to bursting with foods out of the reach of the people. Carloads of perishable products are left on the sidings until they rot, and in some cases great quantities of foods are deliberately destroyed in order to maintain high prices. The whole product of great orchards have been contracted for and then left to spoil untouched. Potatoes have been purchased in the ground and then never dug, simply because their entrance on the market would lower prices.

Both producer and consumer suffer by such vandalism. Here is an article clipped from the Cooperators' Herald, published in North Dakota:

According to newspaper reports a lady in Dayton, Ohio, purchased a bushel of potatoes at \$4. Among these potatoes the lady found one that had been hollowed out and upon examination found it contained a note stating that the farmer producing the potatoes desired to know the purchaser. The request being granted, the lady was informed that the producer had sold the bushel of potatoes last fall at 69 cents.

In Boston last week 88 corporations and individuals were indicted for conspiring to monopolize interstate commerce in onions. The indictments allege that the supply was hoarded in order to increase prices. United States Attorney Anderson stated that the producers received less than 2 cents a pound while consumers were forced to pay 10 and 15 cents a pound.

Under such circumstances the consumer is out on the firing line and without a gun. It is undiluted false pretense for these monopolists of food to tell housewives that food products are high because they are scarce, or the crops were poor, or the war is raging.

It is more than false pretense, it is treasonable. These greedy interests are breeders of anarchy. Their activities are dangerous to justice and the public safety. They are traitorous forestallers of bread.

We are told that among savage tribes if one finds a child who is hungry, it is absolute evidence that the chief also is hungry. To-day the hungry children in America simply prove that our gambling and cornering chiefs are fattening at the expense of the helpless. There is something horribly wrong in a situation where those who work hardest have the least of life's necessities, where honest toil is forced to eat a crust while infamous nonproducers pile up evil wealth by doling out small quantities of food at the top-notch price from their storehouses. [Applause.]

Mr. Chairman, I believe that such gambling in the Nation's food is a sin against God and man. It should be prohibited as a deadly crime. I remember that the Bible says that there are three sins that have cried to heaven. The first was the sin of Cain, "The voice of thy brother's blood crieth unto me from the ground." The second was the sin of Sodom, "The cry of it came up to God." The third was the exploitation of the laborers in their weakness, "Behold the hire of the laborers, who mowed your fields, which has been held by you, crieth out, and the cries of them that have reaped have entered into the ears of the Lord of Hosts."

Murder, iniquity, exploitation! All these are combined in the practice of those who gamble in the foods upon which life depends. Their names must be in the bluebook of hell. Their crimes have long gone unheeded and unpunished, but in the light of this world-wide conflagration of war surely this Congress will see the necessity of blotting out forever such a system, begotten in sin and conceived in iniquity.

It is going to take drastic action, but that action is sure from one source or another.

In Chicago, the other day, before an investigating committee, a dealer boldly declared that he had millions of eggs in storage, and that he proposed to keep them there until the price had reached the highest possible point. After giving this information he sneeringly asked, "What are you going to do about it?"

That question is going to be answered. If this Congress makes the craven acknowledgment that it can not or will not curb unscrupulous greed, the people will act for themselves. I believe that unless the Government places its hands upon these necessities of life and says, "Thus far and no farther," a breaking point will be reached by a vast majority of the people of this country. Widespread hunger is always dangerous. It is especially so when there is no legitimate reason for it. There

is hunger now in some places, and it will continue to become more widespread if a few gamblers are longer permitted to control the prices of those foods which every human being must have in order to sustain life. If there is no action here, the myriad monarchs of America will take that which is theirs.

Yes; the Chicago speculator asked a most pertinent question, "What are you going to do about it?"

Congress now has the opportunity to take up that sneering challenge thrown down by the Chicago speculator by ending the nefarious practices of every criminal like him in the United States. Congress will take such action, too, if it has one drop of red blood in its make-up, one spark of desire to do justice to millions of American citizens.

No appeal to inhuman greed, no fond reliance on the law of supply and demand, no hopes pinned to the play of free competition will avail. The entire control of food supplies, production, distribution, and price making must be placed in the hands of the Federal Government.

The ordinary processes have been proven utterly inadequate to meet the food situation. Manipulators have juggled prices and monopolists have cornered foods and gone unwhipped of justice. Prices have been forced by artificial means to a point where hunger and suffering is widespread and growing.

Mr. Chairman, we can not hope to pass details of legislation to deal with every phase of this situation, for such a process is too tardy and tedious to protect those who are suffering or to punish the guilty.

The great staples of food must pass into the hands of the Government—the wheat, corn, rye, oats, barley, sugar, beans, meats, and potatoes. The control must be as complete over the supply, distribution, and prices of foods as control over the Nation's Army and Navy. We want none of the law's delays which mean denial of justice, the necessity of going from one court to another, while the manipulator and monopolists retain their hunger hold upon the people. [Applause.]

Only through such absolute control can the situation be handled. Through it hoarding, monopolizing, and price boosting can be eliminated. Through it preference movement by common carriers can be effected in order to secure a steady and continuous supply. Through it regulations as to the use of food supplies can be enforced. Through it prohibition of the waste of food supplies in the manufacture of intoxicants can be secured. Through it both producer and consumer can be assured a fair price, no more and no less.

Mr. Chairman, gentlemen hold up their hands in horror at the thought of a food "dictatorship." We have had dictatorship by treasonable manipulators of the market long enough. Let us try putting the control in the hands of the Government which represents all the people.

They shout protests against "paternalistic legislation." The very word shows they do not understand the questions involved. There can not be paternalistic legislation save from a despot to a subject people. Laws such as this in a free government are based on the principle of self-help, the action by the people in behalf of the people, the American Government acting at the command of the American people for the common good.

They talk of this legislation being contrary to the principles of democracy. Think a moment. Does anyone deny that the very existence of democracy depends upon the overthrow of autocracy? Then I defy you to find a place on earth where the principle of autocracy is more firmly established than in the haunts of these food gamblers, who juggle heartlessly with the lives and health of men and women and little children. They boast of their "wheat-kings" and "egg kings" and "meat kings" themselves, using the very phraseology of autocratic rule.

The fact is that every principle of democracy demands the extermination of these autocrats of foods. Just food prices, untouched by the manipulation of parasites, are due to free men, not as a matter of benevolent kindness but as a matter of absolute right. I have noted in the newspapers recently the following item:

The settlement price for May wheat, wiped from the board of trade yesterday as a speculative option, was fixed at \$3.18 a bushel to-day. The price committee, of which James A. Patten was chairman, met an hour before the opening of the board and fixed upon \$3.18 as the proper price for the reason that this was the figure established by competitive bidding at the close yesterday.

There are in the Chicago elevators 219,000 bushels of wheat of the grade required for delivery on contracts. A rough estimate places the amount contracted for at perhaps a hundred times that quantity. Had not the board intervened, probably 99 per cent of these contracts would have had to be settled at any price, even \$10 a bushel, demanded by the holders of the contracts. In trade parlance known as the "longs," who held the sellers, or "shorts," absolutely at their mercy.

Mr. Chairman, shall the American people depend for fair food prices upon these monarchs of the pit, who call a halt only when frightened themselves at the dizzy heights to which their

manipulations have forced prices? Such a suggestion is an insult to Americans. It means that they must rely wholly upon the spirit of condescension and contempt in the breasts of gamblers, who would act toward the whole citizenship of this country as one would throw a bone to a dog. And they make sure that the bone they throw has been scrupulously cleaned of any particles of nourishment.

No. The American people are not asking favors from food gamblers. They are not supplicating, they are demanding justice. Justice means that the iron hand of a just Government shall be laid upon these evildoers in punishment for their crimes, and the power to repeat them taken away once and for all.

Let us hear no more of this prating that absolute control of food supplies in this crisis will destroy democracy. There can be no doubt but that the joint interest of 100,000,000 Americans in a common storehouse will be more inspiring support to democracy than the continued triumph of food speculators and monopolists whose activities endanger every man's right to life, liberty, and the pursuit of happiness.

Mr. Chairman, it is easy to stand here and talk about theories of government. You can quote stock phrases to prove that the Government should keep its hands off business and not interfere with prices. But what are all your axioms, mottoes, and aphorisms? Words, words, words. Is this a time to argue in froth logic against the Government control of foods, when without such control the Government itself may perish?

Here are the American people, facing widespread hunger and hardship. Yonder are the allies, fighting the battles of democracy and depending upon America for food. To refuse to take the necessary action now is either the malignest or the maddest course imaginable.

Those of you who counsel delay, how long will you wait? Will you wait until there are meal mobs in all the highways and byways? Will you stand inactive in a powder mill while fire is smoking and smoldering all around? Will you still hand out bread pills and milk and water remedies when solid food is imperatively needed?

I want to say to these apostles of the white corpuscle that no halfway measures will avail. The time demands radical and fundamental action. The whole principle of democracy is at stake, and this advocacy now of the "golden" mean is simply an argument for the meanest thing on earth. While it is true that there is no pain like the pain of a new idea to a "stand-patter," this is a time when even that excruciating agony must be administered by those who are not paralyzed by a new idea, in dealing with new conditions.

Out of this experience, enforced by war conditions, I am convinced that America will learn a lesson for peace—that the distribution of food supplies can never be justly left to the erratic manipulation of those whose sole aim is to exact the highest possible profit rather than to serve the public good.

Because a man possesses food supplies is not valid reason why he should demand and receive a price fixed by starvation. If a man with a life preserver throws it to a drowning person, has he a right to take all his victim may have to give? Shall he be upheld when he shouts, "A thousand dollars or I let you drown"? The very statement of such a repulsive proceeding is sufficient. Then, neither has the man who possesses food a right to offer starvation or piratical prices as alternatives to the American people in their hour of need.

But if possessors have no such right, what shall we say of the speculator who does not produce nor possess a bushel of wheat but fixes the price of every bushel in the country? Instead of having rights to be protected by government, there is a sacred duty resting upon government to prevent such destructive activities.

The Federal Government must now and in the future undertake and carry on the work of guarding the Nation's food and protecting the people from exploitation in its distribution. The great fundamental basis of our national wealth—our crops—must not be kicked about as a commercial football while values are regulated by gamblers. Grain should no more be subject to such juggling than the national currency.

We shall not need a "dictator" always, but we shall need to prevent manipulation and exploitation in the things upon which the very life of every citizen depends. We shall need to banish the day forever when warehouses burst with unavailable food; when cargoes of unspoiled tropical fruit are thrown overboard; when tons of sound vegetables are left to rot in cars on a siding; when fruits rot unpicked and unused; all because such dastardly tactics will maintain increased prices through an artificial scarcity.

Mr. Chairman, this great war is destined to mark a new era in international politics. May it also stand as a shining landmark in the social and economic life of America. Edward

Everett Hale once said, "There is much talk about abolishing war. Abolish injustice and war will abolish itself." It is a true word. This war rages around the world because of the injustice wrought by crowned irresponsibles, who dreamed of world dominion won by the mailed fist.

We shall go through with this war until that menace is removed from the world, and it is our sacred duty to do so. But no less sacred is it to strike down the injustice at home, the injustice of strong-armed greed. The twin gods of barbarism, Mammon and Mars, must be banished from the world together; they can not be banished separately.

The American Government, even in this storm and stress of war, perhaps because of the storm and stress, has an opportunity that comes but once in an age, to take a 7-league stride toward justice and the assurance of equal opportunity to every man, woman, and child beneath the flag.

May it take action now that will mean simple justice to all in regard to food supplies, and which will mean no injustice to any honest interest of producer, consumer, or merchant. Such action will mean the dawning of a new day for American business, wherein is recognized the truth that any business transaction where only one side prospers is an iniquitous one, when business itself will say:

I come no more in gray disguise,
With grasping hands and greedy eyes,
Living on larceny and lies.

No longer do my mighty hosts
Of ministers and servants boast
Of giving least and getting most.

But now, with eyes, greed can not blind,
With open hands and willing mind,
I live in service to mankind.

And hold him first among the rest
Who bears this motto on his breast:
"He profits most who serveth best."

[Applause.]

Mr. HAUGEN. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey [Mr. PARKER].

Mr. PARKER of New Jersey. Mr. Chairman, I shall not speak upon the details of this bill. I am chiefly anxious lest in providing for details we limit the general power to preserve the Nation which belongs to the Commander in Chief of the Army and Navy. We do not find legislation of this sort in our books, because our forefathers always recognized that in time of war the Commander had that power. When Washington wanted food during the Revolution, he did not stop at the rights of the States nor rules of law to go and get that food. If he could find food, he went and got it, or if he wanted sulphur or powder or guns and could find them, he went out and brought them to his starving army, and waited to pay for them with what they could. If a general is in charge of a city and it is in a state of siege, he declares a state of siege, which is a military declaration and not a legislative one, and he sees to it that every man in the city works as he wishes him to work, digging trenches or building up the battlements, and he will take the food, store it, and see that it is not wasted, and he will see to it that those who can make necessary articles make them. In olden times it was cartridges that would be made, while now it is everything, from automobiles to steamships. If we have come in these days to a state of siege, which now prevails not merely as to cities but as to whole nations, the same power belongs to the Commander in Chief, and it is a military power. If war is going on and we are short of food and he declares that we are in a state of siege and that food must be preserved, it is every man's duty to do it. In the Civil War we had no law for any such purpose.

The President of the United States ran the railroads. We know that Tom Scott ran the railroads under Stanton. It was not done by law, but done as a means of war. I remember a story in the newspaper, and a very good one, that in the middle of the war they wanted mortar carriages at New Orleans. They had the mortars, but not the carriages. Mr. Lincoln called a telegraph operator to his side at the White House and got in communication with Mr. Abram S. Hewitt, who had been out at a dinner. He told him by telegraph that they had just one mortar carriage. Mr. Hewitt asked where it was and he said at Springfield. Then Mr. Lincoln said that we wanted duplicates right away, so that within a month the mortar carriages could be used. Mr. Hewitt asked that the one carriage be sent immediately to New York and that he would see what could be done. It was sent, and by the time it got there Hewitt had arranged with different iron manufacturers in different places to make different parts by the hundreds, and the mortar carriages were made and every one of them was shipped in a single box car as near New Orleans as it could go, to be carried on passenger trains with the legend "This car not to be sidetracked under penalty of death," and Mr. Stanton meant that when he said it.

We do not wait in war for legislation, because legislation has no power to do what we want. Congress can not confiscate a man's goods. We can not confiscate a man's services. We can not tell him to come here and to go there. We can not order him arrested without warrant if he is suspected of aiding the enemy and is to be treated as an enemy. The soldiers and agents of the President in the conduct of the war must do it. I am only afraid as to this bill lest it limit the President too much. I think this bill, instead of saying "there is established a control" should say "there is recognized a control" when deemed necessary by the President in the conduct of the war. Instead of limiting necessities to particular things like food and fuel do not we know the military authorities had to seize every automobile manufactory in every one of the warring nations so as to get enough? Do we not know that cotton became to our great astonishment the only thing out of which they can make munitions? Do we not know that rubber had to be seized? Do we not know that at this present moment the bells of the churches of Hamburg are being pulled down by the Government in order to get brass and bronze and to get the component metal?

Do we not know that in the conduct of a war everything or anything may become necessary and that the Commander in Chief is not given the power by Congress, but it comes to him from the Constitution? We only recognize his power to commandeer necessities, and the only limitation in the whole Constitution upon any necessary that he can commandeer is one which says that soldiers shall not be quartered in a house in time of peace nor in time of war except by law. In that respect only have we the right to qualify the power of the military authority. If he says it is a state of siege he can make anything go, if there be necessity—make every power of the Nation go to the benefit of the Nation. Now, I could have wished under these circumstances that this bill had been confined to sections 3, 4, and 5. Take section 3, the first few lines. It says:

There is hereby established—

I say "recognized"—

a governmental control of necessities—

I would say "in the discretion of the President"—

which shall extend to and include all the processes, methods, activities of, and for the production, manufacture, procurement, storage, distribution, sale, marketing, pledging, financing, and consumption of necessities, which shall be exercised and administered by the President for the purposes of this act.

Pass that and Congress will recognize the President's military power to be exercised under his own regulations. That includes the power to license. That covers all the necessary articles you have left out, because this bill only mentions food and fuel, and there are plenty more necessities in time of war. Such a general provision will prevent the necessity of mentioning each article and bringing up the question of whether brewing and distilling shall go on. This is a matter to be determined by the Commander in Chief according to the absolute necessities of the particular time. Some people think that a mild beer is good for soldiers in the field. England has decided that rum is good to revive them after a night in the trenches. Congress can not determine these questions as to each individual case any more than it can tell what your physician must do for your family when you are ill. It must be determined by the military authorities and is not a proper thing in this bill. As I say, I am for the principle of this bill, and I would that it were shortened and that it simply said that the Congress of the United States recognizes and confirms the absolute power which exists in the Commander in Chief to protect this Nation in time of war, and that if he thinks it is necessary, if he declares a state of siege, he may seize, commandeer, and control all of our energies and all of our lives for that purpose. [Applause.]

Mr. LEVER. Mr. Chairman, I yield 15 minutes to the gentleman from Arkansas [Mr. TILLMAN]. [Applause.]

Mr. TILLMAN. Mr. Chairman, the supreme issue now is, What legislation shall be enacted to bring proud Germany to her knees and lift from a stricken world the somber shadow of Prussian imperialism? We are now in the great world conflict, opposed by the deadliest war machine of the centuries. The more vigor we put into our blows the sooner the struggle will be ended. England's greatest poet said:

In peace there's nothing so becomes a man as modest stillness and humility; but when the blast of war blows in our ears, then imitate the action of the tiger.

We are fighting the mad monarch of modern militarism, more of an imperialist than any purple-clad Caesar that ever bestrode the narrow earth. For more than 40 years this mad king has seen visions and dreamed dreams of world domination. We must give him blow for blow and shot for shot. Now that war is on, down with the dove and up with the eagle! If we fight as we should fight, with all the weapons at our command, we

will win. The cheering news reaches us that Italy, France, and England are facing the insolent foe like heroes, and the bear that walks like a man is pledging anew his determination to stand up and fight like a man. The young manhood of the Nation, choice brave spirits of this day and generation, 10,000,000 strong, has cheerfully registered for conscription. We are conscripting wealth in the revenue bill now pending; now let us pass this food bill desired by the President and Germany will know that we are in earnest.

This is no time for raising technical, constitutional questions utterly without merit. It is no time for threatening Members; it is no time for petty objections or small politics. Let us stand by the administration, led by the foremost man of all the world to-day, the great-hearted Virginian, Woodrow Wilson, pass this bill, and mobilize our food supply as well as the Army and Navy.

There are two provisions in this bill of paramount excellence.

First, it proposes to eliminate as far as may be the century-old noxious parasite, the far-away middleman; and it promises to dispense with the pernicious and sinister activities of the food grabber and gambler, the conscienceless price booster, and likewise it will regulate the grafting, greedy, dishonest commission man in the large cities. And hereon hangs a tale.

My district is in the fruit belt. Washington and Benton Counties, in this district, have more apple trees than any two counties in the world, Niagara County, N. Y., ranking as third. My people have been robbed by commission men for a quarter of a century. A few days ago there came to Washington from Bellefonte, in Boone County, a very intelligent farmer and shipper, Mr. J. F. Hawkins, who knows this subject better than any half dozen men in the House, and who presented to Mr. LEVER, Mr. JACOVAY, and myself an argument in favor of the section in this bill dealing with this subject, now section 5, and at our request reduced his argument to writing, which I will put in the RECORD. It follows:

STATEMENT OF MR. J. F. HAWKINS, OF BELLEFONTE, ARK.

Mr. Chairman, my name is J. F. Hawkins, of Bellefonte, Ark.; occupation, farmer. My object in coming before you is to make known to you certain existing conditions of national importance at this time and to make certain specific charges as to the cause thereof.

The great army of small producers of this country are languishing for want of protection by laws insuring them a square deal in the great market centers. The consumer is paying the price of the high cost of living, but the small producer is not reaping the benefit. There is a lack of confidence on the part of the producer in the wholesale distribution of fruit and produce, which has resulted in the falling off of production in these lines of endeavor, because it is not profitable to continue therein. The practice of unfair dealing on the part of a few dealers has caused loss of confidence in all. The large trade organizations, such as the Western Fruit Jobbers' Association and the National League of Commission Merchants of the United States, are in a way largely responsible for this condition, and to that extent it might be called combinations in restraint of trade. It has been my experience that these organizations give aid and protection to unfair dealers by refusing to give to the shipper or his agent information that will enable him to get a square deal on commission-shipped goods. As an example of this particular charge I submit the following statements of fact and evidences thereof:

In August, 1915, we, the Farmers Shipping Co., of Bellefonte, Ark. (of which I am a member), shipped to George E. Ford, a commission man in Chicago, who is a member of Western Fruit Jobbers' Association and the National League of Commission Merchants of the United States, 15 cars of peaches, relying on letters from him, and filed herewith, marked Exhibits 1 and 2. After receiving an unsatisfactory accounting for the 15 cars of peaches, early in September I wrote a letter of protest and received in answer to same letter filed herewith and marked Exhibit 3. Not being satisfied with this explanation, I made a personal investigation of all these shipments, and I herewith submit the sales and other documents showing the transaction in full on three cars:

Car No. 947, F. R. L., marked "Exhibit 4."
Car No. 1949, F. R. L., marked "Exhibit 5."
Car No. 1767, F. R. L., marked "Exhibit 6."

Other cars in these shipments showed the same unfair method. I later made an investigation for other parties shipping to the same man and found the same conditions throughout. To sum it up, I investigated 46 cars shipped to him. I found 52 separate and distinct frauds committed on same. Thirty in the form of cartage charge, where it was not paid by him, and a few items of refund on freight collected by him from the railroad and not reported to the shipper. Twenty-two cars showed they sold for more money than he reported them sold for. Total collections from him on these shipments, \$1,485, as shown by copies of releases held by me. As a further evidence of unfair methods of this most unfair dealer I herewith submit a copy of an affidavit of Ford's account sales clerk showing all the details of this fraud. Affidavit marked Exhibit No. 7.

During this investigation I got no assistance from any member of the Western Fruit Jobbers' Association or the National League of Commission Merchants, and some of them flatly refused to tell me the price they paid for these goods. I got the information in spite of their refusal in one case, and as a concrete example of how this shipper loses I hand you the sale on car No. 7358, S. F. B., marked Exhibit 8.

After a careful study of statements and exhibits filed herewith, it will be evident that we were defrauded in the original sale, and that a second fraud was committed in subsequent settlements, and that there is more money yet due the shippers of these goods.

As an illustration of other methods of unfair dealing, I submit a collection of papers representing 29 cars of peaches shipped to the Voelker Product Co., of St. Louis, Mo., in July and August, 1915, by the Hardy Fruit Growers' Association, Hardy, Ark. These papers, taken as a whole,

show a studied attempt on the part of the commission company to deceive the shipper and keep them blind as to the real facts attending the shipments and disposal of same.

The sales on this business were all made up to show St. Louis sale and delivery, whereas no such thing occurred. The goods were all re-consigned by the Voelker Product Co. to other commission merchants and by them sold on a commission basis, and all charges made thereon paid by them, and the net return made to the St. Louis company. They then made up and sent the shipper a St. Louis account sale, showing amount sold for, amount of freight paid, and commission, which sale is both false and fraudulent. It is false for the reason that it is not the correct price paid; it is not the correct amount of freight and commission paid. It is fraudulent for the reason that it conceals from the shipper the fact that he has paid another commission to the party who really did sell his stuff and thereby earned a commission, enabling the St. Louis company to collect another commission for which they rendered no service. I submit these papers marked "Exhibit 9."

I have in my possession papers covering 85 cars of peaches shipped by Pope County Produce Co., Russellville, Ark., July, 1915, to the same company and handled in the same way. I have papers covering 17 cars shipped by other parties and handled in the same way, making a total of 131 cars shipped to this company for which a selling charge was made and practically no valuable service rendered by them, and depriving the grower of a sum of money approximated \$4,000. This practice is widespread and growing and is generally done by keeping the shippers blinded as to real facts.

A form of contract is sometimes used that carries a joker in it, which, if the shipper is kept hoodwinked, is never needed, but in case the shipper gets wise, and makes a "kick" he is referred to this clause: "Sample contract is herewith submitted marked 'Exhibit No. 10.'"

There are some commission merchants now bold enough to uphold and openly advocate the practice of charging double commission, notwithstanding the fact that the highest courts, without exception since 1851, have held that the practice of commission merchants reconsigning goods to other commission merchants and charging for both services is contrary to common reason and justice.

Three reputable commission merchants of St. Louis made the statement that this was a common practice in St. Louis, and that it is now being done regularly.

Under this system of business it is possible to reconsign the shippers' goods clear out of existence. It is an endless chain and a dangerous one to the producer. I know of a case of this kind where the producer paid three commissions, two to the commission merchants and one to the home man. There are many other forms of unfair dealing by middlemen, but I cite these two, as I have absolute and positive proof to back these statements.

I am not sent here by anyone, and yet in a way I represent many who may not be able to produce the truth along these lines, and I make these statements and present this proof, in the hope that justice may be assured the producer in the future and many be profited thereby.

In my opinion section 6 of House bill 4630 will, if enacted and enforced, remedy a good many evils now existing, and also stimulate the production of fruit and produce. When the small grower finds that he can get a square deal, he will exert himself as he never has before.

In some fruit-growing sections of Arkansas the growers have been cheated out of their fruit year after year and many orchards have been abandoned, especially peach orchards, and unless some legislative protection is given them, peach growing will decline to a point of home consumption.

Mr. Chairman, I hope that I have been enabled to serve you and my people in some small way, and I thank you for this opportunity.

Respectfully submitted,

Exhibit 1 was a letter addressed to me soliciting shipments of peaches and setting forth the advantages to be gained by shipping to him, and saying he was going to give the Arkansas peach deal his own personal attention, and when you can get a commission man to do this you have nothing to fear at this end of the line.

Exhibit 2 was to farmers shipping company and about the same line of hot air.

Exhibit 3 among other things, said, "I think your peaches were sold well. I did the best I could with them and you were extremely lucky to get as much as you did for them."

Exhibit 4 shows Ford's account sale, showing peaches to be sold at 65 cents f. o. b. Also a letter from Bunn Bros., of Rockford, Ill., stating they paid 75 cents f. o. b. In settlement Ford claimed he didn't sell to Bunn Bros., but sold to Will H. Peck, who sold to Bunn Bros., and I lost the \$46.90 due me on sale price. Later I wrote to Bunn Bros. asking who they bought this car from and they answered "George E. Ford."

Exhibit 5, car 1915, shows Ford claimed to have sold this car at 50 cents f. o. b., and wrote across the face of the sales account these words, "Tell your shippers this car originally sold for 70 cents, was rejected and resold for 50 cents, and letter from buyer says car arrived in good condition and cleaned up around \$1.50, averaged that, and could have been reshipped."

Exhibit 6 contains Ford sales on 1767 at 45 cents f. o. b., and says car sold at 70 cents, rejected and resold for 45 cents. Letter from buyer says it was rejected and rebought at 65 cents.

Exhibit 7 shows Ford accounts sales sheets were fraudulent and were made so on every order and that it had been going on for a period of three years and with reference to all shippers from all points. Also that other commission companies furnished bulk account sales and same were made out by order of Ford to conform to crooked account sales sheet. Also that duplicate sales tickets were made, cars sold in Chicago to show all cash sales and that duplicate cash sales slips and bogus account sales forms were presented in settlement made with me for the purpose of misleading me; also contains other damaging statements of like nature.

Exhibit 8 shows account sales as sold in Chicago. Also statement of Glass Fruit Co., showing they sold in Wausau, Wis. Letters of Glass Fruit Co. (members of the Western Fruit Jobbers Association) positively refusing to tell me the price paid. Upon threat of action they rendered duplicate account sales showing a difference of over \$50 and two commissions paid.

I think Exhibit 9 is explained in my typewritten statement of which you have a copy. Hoping I have made myself intelligible to you, I remain,

Respectfully,

J. F. HAWKINS.

Mr. Hawkins said that old section 6, now section 5, will prove a boon to farmers, producers, and shippers, and asks me to

urge Members to vote for it. I respectfully do so. The bill nowhere compels the farmer to sell any product, but allows him to hold as long as he wishes.

Mr. THOMPSON. Will the gentleman yield?

Mr. TILLMAN. I will.

Mr. THOMPSON. Oftentimes, I am satisfied, down in the gentleman's district, where they ship fruit he has observed that after they pay the freight the shipper does not get anything. Oftentimes he has to pay part of the freight.

Mr. TILLMAN. That is very true.

Mr. THOMPSON. And this bill seeks to remedy that.

Mr. TILLMAN. It does, and Mr. Hawkins is of the opinion that the publicity required in section 5, and the licensing of these commission dealers will give the producer a fair show and prove an effective barrier to fraud on the part of commission men given to unfair practices.

Referring to the remarks just made by my friend, the gentleman from Oklahoma [Mr. THOMPSON], I beg to present the actual figures of two or three real transactions showing how producers suffer at the hands of unlicensed and unregulated commission men and transportation companies:

ANOTHER CITATION OF PECULIAR DEALINGS.

Three years ago a farmer shipped to an eastern city 1,050 water-melons, for which he received 5 cents each, net \$52.50. The city consumer paid 60 cents each for them, or a total of \$630—an advance over the producer's price of \$577.50. This is quite too much to go for freight and commission. The man who sweats in the sun and produces this wealth gets next to nothing for it, while the nonproducer gets an immense profit.

The farmer sells his eggs at 20 cents a dozen. The consumer in a dining car or in a first-class hotel pays 12½ cents each for these eggs.

During the peach season a farmer picked 41 baskets of peaches and delivered them to the express company to be sold in New York City at the best market price obtainable. In due time the company accounted. They said the shipment was three baskets short at the destination. For the remaining 38 baskets they accounted as follows:

28 baskets, at 50 cents.....	\$14.00	
10 baskets, at 37½ cents.....	3.75	
		17.75
Less express charges.....	\$13.09	
Telegram.....	.50	13.59
		4.16 net.

"We inclose \$4.16 for the amount," wrote the express company. Now, this gives the farmer between 10 and 11 cents a basket for the fruit, which would hardly pay for the labor involved in picking the peaches. Obviously the farmer was not satisfied, and would do better to let his peaches fall to the ground and rot. And yet there were a great many million people in the eastern cities who were not able to buy all the peaches they wanted.

BREAD RATHER THAN BOOZE.

Another wholesome and commendable feature of this measure is the section giving the President authority to prevent the use of grain for the manufacture of beverages. In this bloody war bread will count for more than beer.

Congress may be criticized for many things, but it will have to its credit the fact that it has driven liquor out of the District of Columbia, out of Alaska; it has curtailed the red king's privileges in the matter of advertising his wares in dry States, in the matter of shipments into dry territory. Whereas hundreds of liquor joints followed our soldiers to the Mexican border, under the present Army bill neither drinking places nor their side evil, social impurity, can exist any longer near where our boys are quartered.

Speaking of war measures against intoxicants, I want to take off my hat to the late Czar of Russia. He made a bid for immortality which ought to be recognized by the world—and will be. They make a strong alcoholic drink in Russia, called vodka. During the war between Russia and Japan—Russia having 200,000,000 people and Japan being a little island in the sea—in a very short time Japan triumphed over that great autocracy. The Japs were sober; the Russians were drunk on vodka. Up there close to the Arctic Circle they are very fond of vodka, a strong alcoholic drink which tastes like fire and smells like hair oil. The Russian soldiers drank much of it. They were brave and numerous, but in a short time the vigorous and brave Russians, drunk on vodka, were compelled to yield to the little sober Japs. This time when the war came on the Czar and his people knew they had to fight against the greatest military power in the world, the greatest war machine on earth; and Nicholas, with a stroke of his pen, wiped out every vodka joint in Russia, and in this war, barring the last few months of inaction, the Russians have made the second best showing of any of the allies against the central powers.

They have a strong liquor in France, called absinthe. It makes a man forget his joys and sorrows for hours at a time. The Frenchmen knew they were going up against that deadly German war machine, which rapidly rolled to Paris in 1870, and so the Government authorities prohibited the use of absinthe in France. And the game little Frenchmen at Verdun, and now

fronting the Hindenburg line, have made the very best showing of any of our allies against that wonderful German machine. Why? Because they are sober. [Applause.] When England got into this war her rulers found that they were not getting munitions fast enough. Lloyd-George, that splendid Welshman, one of the great world figures of to-day, began to make inquiries to ascertain why it was that they could not get munitions fast enough, and found that it was because the English workmen were drunk. Lloyd-George remedied that evil, and he gave to the world this great classic. He said:

England is fighting Germany, she is fighting Austria-Hungary and Turkey, and she is fighting alcoholic beverages, but the most powerful and dangerous enemy she has is alcoholic liquors.

Mr. RANDALL. Will the gentleman yield?

Mr. TILLMAN. Gladly.

Mr. RANDALL. I notice the gentleman stated that one of the acts of Congress was to prohibit the advertisement of liquors in dry States. Permit me to call the gentleman's attention to the fact that the Post Office Department has ruled that under the advertising law adopted by the last Congress advertising is not only driven out of dry States but is driven out of dry towns in all wet States.

Mr. TILLMAN. I am very glad the gentleman reminded me of that fact. I know he is a thorough student of this subject. I commend the Post Office Department for that decision. [Applause.]

We have 26 States that are now dry. I will ask the gentleman from California [Mr. RANDALL] if that is not true?

Mr. RANDALL. Twenty-six.

Mr. TILLMAN. Yes; 26. Now, it is time, as a war measure, to put into the hands of President Wilson—and I know that he will invoke it—the power to eliminate the further making of liquors during this emergency. [Applause.] May God speed the day when the red plume of King John Barleycorn will wave no more in all the world. That day is coming as swiftly as the flight of an arrow. Our mothers and sisters, soon to be invested with the regal right of suffrage, will hasten its coming.

Liquor subtracts from our bread supply annually 107,000,000 bushels of grain, 11,000,000 pounds of bread a day—daily bread for 22,000,000 men.

King Alcohol will have but few real mourners when he abdicates his throne. He has been destroying men and women at the rate of 100,000 a year. This haughty red ruler demands of his subject more than any potentate on earth, and when he has stripped him to his foolish hide he kicks him into the street. If one of King John's followers, after paying tribute to him for many a weary year, finally yields to delirium tremens and dies a pauper's death, King John does not even give him swift burial in the potters' field. Generous governments and fair-minded princes pension their soldiers and sailors when they become old and disabled and often provide for their widows and orphans if they fall while serving the state. Individuals and corporations are likewise generous in this way, but you may serve this hard master until money, character, happiness, and life are gone, and King John Barleycorn will not even provide a poorhouse to shelter your helpless wife and babies. [Applause.]

Mr. YOUNG of North Dakota. Mr. Chairman, the gentleman from Iowa [Mr. HAUGEN] requested me to take charge of the time at this point. I will ask the Chair to notify me when I have spoken 30 minutes.

The CHAIRMAN. Very well.

Mr. LEVER. Let me say, Mr. Chairman, that the committee will rise at the conclusion of the gentleman's statement.

The CHAIRMAN. The gentleman from South Carolina states that the committee will rise at the conclusion of the remarks of the gentleman from North Dakota.

Mr. YOUNG of North Dakota. Mr. Chairman and gentlemen, I desire to express appreciation first of all for the courtesies of the chairman of the committee [Mr. LEVER], and also of the Democratic members of the Committee on Agriculture, extended throughout the entire consideration of this bill, and also throughout the period when we were having hearings. In some of the committees of this House I understand the majority members hold executive sessions. That does not happen to be the practice in the Committee on Agriculture. The Committee on Agriculture during the period that I have had the honor to serve upon it has been one where politics has no place. The consideration of this bill has been nonpartisan. I was not able to notice on either side any disposition to seek party advantage.

Mr. Chairman, this great war, this titanic struggle between giant nations, has blotted out the ordinary distinctions between the various classes of society, and to-day, when the Nation is confronted with a peril which the average man has only begun to comprehend, in its imminence and fearfulness, there is but one impulse which actuates all classes—the passion of patriot-

ism. There are distinguished Members upon the floor who represent great metropolitan, great manufacturing, and great commercial interests. I come from a constituency which is almost exclusively agricultural, am a grain grower myself, and therefore speak from the standpoint of the farmer. But I bring to you no less of that spirit of passionate patriotism and eagerness to serve the country from the fields and firesides of the farmers of the Northwest than any that may be voiced by the representatives of commerce. The bugle which calls the boys from the workshops and the farms is that which roused the "embattled farmers," whose first shot at Concord in defense of democracy and liberty was "heard round the world." The Nation whose foundations were laid by farmers has become two-thirds commercial and one-third agricultural. The safety, the prosperity, and the happiness of the people still rest to a supreme degree upon those who produce its food, its wool, and its cotton.

We are not a military nation—yet we are confident of our latent military power. We are in no fear for our Navy nor for the Army to be organized, but there is the greatest peril in the possible shortage of our food supply, due to the fact that the fighting world is making increasing demands upon us for food, and the war is robbing our farms of their vigorous manhood and will continue to take from the furrow and the plow, for the trench and the cannon, the best of our young farmers. Gentlemen, I speak in all seriousness of the embarrassment of our farmers through the taking away of farm help to the Army, and especially to the highly stimulated industries of the cities—the munition factories and allied manufactories where high wages are paid even to unskilled workers.

My mail is loaded with letters from alert, intelligent, and patriotic farmers protesting against conditions which make them powerless to carry on their farm operations for lack of help. Farm wages must be increased in competition with the inflated wages of other lines or we shall see perforce decreased acreage. All other elements of production as well as wages—the cost of farm implements, the cost of clothing, groceries, the cost of everything that farmers must have has greatly increased. The situation as to farm help, already acute, will grow more desperate when the organization of the Army reaches out to take from the farms their proportion of willing, patriotic young soldiers. Those administrative officials charged with the responsibility must give to the situation earnest consideration from the standpoint of broad national necessity.

It is a trite quotation to refer to Napoleon's dictum, that "An army fights on its stomach." Yet common sense teaches us it is true. It is of greater importance to provide increased food supplies than it is even to increase munitions and armament. It is equally important to enlist farmers in agriculture as it is to enlist soldiers in the army, for a hungry nation is a defenseless people, and this war will ultimately be fought to a finish over the dinner tables of the world rather than behind the cannon. Whether the individual farmer realizes the tremendous importance of the part he plays in preserving liberty by the food he produces or not, it is up to Congress and the administration to make no mistake in appreciation of the fact that our chief defense is the American farm. Let us see to it then that conditions are such that will keep the hand as steady at the plow as at the trigger.

I have a letter, Mr. Chairman, that just came in this afternoon from a farmer living near Velva, N. Dak., and I want you to give more than an ordinary hearing to this letter, because it gives an insight into the conditions on many of the farms of North Dakota. My mail has been heavy during the last few weeks, and I have not attempted to abstract these letters or even reflect them in this address; but I am going to read this letter, which, I think, will give you a real view of the problem on the farm, and if it is a problem there that is going to mean decreased production, it is a problem that you, representing other and consuming portions of the country, should take into account. I read:

THE GRANVIN STOCK FARM,
Velva, N. Dak., June 16, 1917.

Hon. GEORGE M. YOUNG,
Washington, D. C.

DEAR SIR: It is quite a while ago since I have written you, and I am going to take the liberty of bothering you once more to assist me in carrying out my farming business. I guess, perhaps, it is not necessary for me to tell you our troubles here in North Dakota with the hired-help proposition. Skilled farm labor is at a premium. According to what I have been reading in the newspapers, a good share of the Representatives in Congress seem to have an idea that you can farm with cripples and fools or practically any kind that can walk on two legs. But this is not so. It takes a man with brains to farm, practically more so than a great many other forms of business. Now, for instance, a banker can possibly use unskilled labor, for the reason that they can give them a close supervision, whereas a farmer operating extensively can not watch each man, for the reason that they must variously be at great distances from one another.

Coming to the subject of which I wish particularly to mention it is this: I have a hired man by the name of Julius A. Hauge, registered under the draft laws as No. 18, precinct 45, McHenry County, N. Dak. This man has been working for me for about eight years, and if he is taken away from me I would not be able to do my bit to carry on my farming business. He has also got a farm of his own. He is unmarried.

Now, I will tell you, Mr. Young, the last crop I had was in the year 1915. At that time I raised 23,000 bushels of wheat, and I sold the bulk of it for 84 to 86 cents per bushel. And in 1916 I raised no crop, and for a fact I do not know what the 1917 crop will bring, as it looks rather dry at the present time. Would there be any chance that this one man that I have got could be left with me to superintend my work? I really think it would be wise for this Government to look into the matter. Furthermore, do you think that he is a subject of this country, being he took out his intention papers eight years ago, and has not taken out his second papers?

Kindly let me hear from you relative to these matters of which I have written, stating what your opinion is, and it will be very much appreciated.

Yours, very truly,

H. L. SPILDE.

N. B.—Mr. Hauge, of whom I have made mention, is a very loyal citizen, and will serve for his country if he shall be needed.

Now, I do not pretend to say for a minute, gentlemen, that farmers as a whole should be exempt. That would be preposterous, to take any great class and say that they should all be exempt. But I think that the officers representing the United States who look after this matter of exemptions ought to be men who appreciate at least the need of the production of food, and that they should act with wisdom, caution, and discretion.

The food bill gives a wide control and almost limitless power to the President to be exercised by the food administrator, which will extend to and cover the farmers of the country. The exercise of these powers will affect the business of these farmers in an arbitrary way. They are for the most part men of comparatively small incomes. They are usually called producers, but they are in fact also consumers. The prices upon all things which they buy have gone up. Their expenses of living have increased. Farm implements have also greatly advanced in price. We passed recently in this House a revenue bill which is now being considered in the Senate. This bill provides for the raising of a huge amount of money by taxing the citizens of our country in various ways. It is a fact, however, that much, if not nearly all, the taxes upon the manufacturing and jobbing industries will be passed on to the consumers. In other words, the amount of the tax will be added to the cost of the article sold. Among these consumers are the farmers. Upon them the burdens of war taxation will rest heavily.

Many measures to increase production have been discussed in committee. Representatives of farmers' organizations have appeared before the committee with their well-thought-out recommendations and practical suggestions and their views have been carefully considered, especially by those Members who through years of close association are naturally in close sympathy with the farmers' standpoint.

I am satisfied that the farmers are ready to sacrifice their own conclusions in many respects and to make great concessions to the verdicts of men high in the councils of the Nation. But before we set aside the traditions and teachings of such organizations as the Grange, the Nonpartisan League, the American Society of Equity, and practically every other agricultural unit as to the personal profits of increased acreage and increased production it behooves us to give the experience of men in the business of farming, to experts in agriculture, the same respectful attention that we would accord to experts in medicine if we were seeking the remedy of a bodily disease, or to experts in finance if we were considering banking, or to experts in armament and navigation in connection with the Navy.

The teachings of all farm organizations and practically of all agricultural papers and other agricultural economists is that increased production of farm products, however beneficial it may be to consumers and especially to middlemen handling the crops on a commission per bushel basis, is quite as likely to lower the profits of the farmers as to increase those profits.

A good illustration of this was given to our committee by Dr. Russell, of the Agricultural College of Wisconsin. He said that they ordinarily grew 30,000,000 bushels of potatoes in Wisconsin and usually got 40 cents per bushel, or \$12,000,000. He said last year they grew about 14,000,000 bushels and got \$1.50 a bushel. In other words, for a half crop they got 75 per cent more than they ordinarily receive for a whole crop. Instances of this kind might be multiplied indefinitely. The farmers had taken such conditions into account and were long prior to this war attempting to obtain reforms in marketing machinery and methods rather than attempting to increase grain production. So when the Government said, "Raise more farm products and we will make you a guaranteed price," they replied, "We haven't asked for a guaranteed price; we want open markets freed from monopoly, from gambling, from dishonest practices, and the

selfish control of those who purchase our products." They said, "We want public storage houses made public not only in name but in fact." Gentlemen, if you want to stimulate the farmers, if you want to send a pleasurable sensation down their spinal columns, give them something they want, not what some self-constituted guardian thinks they ought to have.

Now, what are we giving them by this bill? Government officials assured them that they would have a price for their commodities sufficient to cover the cost of production and a reasonable profit. This bill does not do that. It simply authorizes the President, if he deems it advisable, to establish prices for nonperishable farm products. It is an open secret that the man whom the President is to name for that position has no notion of fixing prices generally for farm products, and that no prices whatsoever will be fixed for the crop of 1917. So that so far as the crop of 1917 is concerned the Government is making no effort to redeem its pledges of fixed, indemnifying prices. But the farmers, accustomed to tribulations, and in spite of the fact that they have patriotically increased their acreage, come up smiling, with the statement that they will accept the legislation with good nature, because they see in it promise of free markets and elevator storage freed from monopoly.

Having failed to make good as to a guaranty of prices in 1917, will the farmers be fooled also as to the character of this legislation in other respects? It is to be noticed that there is nothing mandatory in the provisions in respect to the control of grain exchanges and of elevator storage. The food controller may exercise such control. I hope that all Members of the House anxious to see fair play extended to the farmers will at least see to it that no amendments are permitted to these sections just referred to designed to weaken the measure in case the food controller shall desire to deal vigorously with the grain exchange and storage abuses.

If there ever was a trust, an ironclad combination, it is that existing between the members of the Minneapolis Chamber of Commerce, the owners of big storage elevators, and the owners of flour mills.

The bill contains a provision to punish with heavy penalties any person guilty of destroying food necessities or withholding them from consumption. But if we are guilty of permitting conditions to exist which lessen production the effect is the same as to destroy what has already been produced, and I intend to point out some of the conditions in the marketing of grain, which to a scandalous degree robs the farmers of the legitimate rewards of their labor; even in times of normal production, but more particularly in case of increased production, and unless we can assure the farmers that those conditions will be regulated and controlled we have no right to ask them for increased acreage and increased yield.

Section 4 of the bill under consideration makes it unlawful to hoard, to monopolize, or attempt to monopolize any necessities; to engage in any discriminatory and unfair or any deceptive or wasteful practice or device, or to make any unjust or unreasonable rate or charge in handling or dealing in or with any necessities; to conspire, combine, agree, or arrange with any other person (a) to limit the facilities for transporting, producing, manufacturing, supplying, storing, or dealing in any necessities; (b) to restrict the supply of any necessities; (c) to restrict distribution of any necessities; (d) to prevent, limit, or lessen the manufacture or production of any necessities, or to enhance the price thereof, or (e) to exact excessive prices for any necessities, or to aid or abet the doing of any act made unlawful by this section.

If the farmers of the Northwest could be positively assured of the strict enforcement of that paragraph they would feel confident of getting a full measure of the reward for their effort, and they would not hesitate to increase their grain acreage to the full limit of their labor capacity, for it would be impossible to enforce that clause without closing the doors of the most unmerciful and greedy monopoly that ever held a strangling hand upon the arm of the producer and the throat of the consumer.

Between the grain raisers of the Northwest and the bread eaters of the world there exists in the greatest grain market and milling center in the world a monopoly uncontrolled, so powerful that it practically dictates what every farmer may receive and what every consumer must pay for the food produced on the broad prairies of the West, the bread basket of the Nation. This is the Minneapolis Chamber of Commerce, unrivaled in the world in its volume of actual grain, and with scarcely a rival in its volume of speculative gambling in fictitious grain.

It is a hydra-headed monster that dominates the finance of the Northwest, dominates the transportation facilities, dominates the press, and dominates agricultural production. It controls the great flour mills of the city, the greatest flour milling

center in the world. The alleged public grain elevators of Minneapolis are no more public than is the door of a bank vault whose combination is known only to the officials of the bank. For many years the farmers have been struggling to free themselves from the deadly grasp of this monopoly. It is superior in its decrees to any court; it has the power to fine its members, and by the word of its board of control any member, no matter how powerful or how wealthy, may be put out of business as a penalty for violating its rules, and there is no appeal to any court of law or equity whereby the disciplined member may secure redress. The Constitution of the United States provides that a citizen may not be deprived of his property without just compensation and due process of law. But the Constitution itself is supine in the presence of the Minneapolis Chamber of Commerce, which can deprive and has deprived its members of thousands of dollars and of their established business when they have dared to offend its ruthless power. The greatest military autocracy in its utmost recklessness would blush to exercise the drastic power of the Minneapolis Chamber of Commerce when its members dare defy its edicts.

I know that I am using strong language, but there is not a northwestern farmer who has ever attempted to break the shackles with which he is bound who will not bear out and verify every word I say. I am not making loose statements; I am not standing here for the purpose of heaping abuse upon a great organization; but I am here to say that if we will give to the northwestern grain raisers only what they well deserve and have a right to claim, a free and unmonopolized market for their grain, they will ask no Government guaranty of price; they will ask no artificial stimulation; they certainly will not ask for any favored treatment, for all that they demand is justice and the free operation of the fundamental law of markets, the law of supply and demand. They have never had that for their grain, and the grip of the grain monopoly, in spite of all of the struggles of the farmers, grows stronger year by year.

Nominally there are 550 seats in the Minneapolis Chamber of Commerce. This number has not been increased since the chamber was organized, some 30 years ago. The seats originally cost \$100. They have grown in value, so that they are now selling for over \$5,000, and many of these seats are held as an investment by retired and inactive members on account of their continual increasing value. That reduces the number of active memberships very materially.

Then some of the larger commission and milling firms own from 2 to 20 seats apiece. In short, instead of their chamber being made up of 550 independent dealers in grain, all of its seats are owned by less than 100 different firms.

Further than that, these 100 firms include their subsidiary companies. There is one group of 13 supposedly separate grain commission companies, all owned by one parent company, and that same parent company has so loaned money to two or three other commission firms as to be able to dictate to them. In short, the Minneapolis Chamber of Commerce is a monopoly controlled by seven powerful firms or companies. Seven men hold the power of a czar over the greatest milling and grain-producing region in the world. This has been testified to in court and uncontradicted, but the courts have no jurisdiction. It has been sworn to in a thorough investigation by the Minnesota Legislature, but the legislature failed to take action. Naturally these seven dictators are men of wealth and power in business circles. Their voice is heard in bank directorates. Their representatives are found in all lines of business throughout the Northwest.

Country banks are encouraged to send the notes of country merchants for rediscount to the Federal reserve bank located in Minneapolis, but has there ever been a farmers' elevator note accepted for rediscount by the Federal reserve bank, even though it bore the individual personal indorsement of every farmer in the township or county? If you think there has been fair treatment accorded by the Federal reserve banks to the farmers' elevators, ask the United States Treasurer, whose correspondence with Gov. Wold, of the Minneapolis Federal Reserve Bank, about a year ago, disclosed a discrimination against the farmers in the interests of the grain monopoly at the terminal markets which was simply scandalous. United States Treasurer Burke went even to the extent of declaring that if conditions were not remedied he would use his influence toward abolishing the Minneapolis Reserve Bank and transferring its business to another. So far as I have been able to learn there has been no change in the discriminating policy against which he complained. The dealers, so long as they behave themselves toward the dictators of the chamber of commerce and of the banks of Minneapolis have no trouble in financing their purchases of the farmers' grain. The dealers are thereby enabled to take over the grain soon after threshing, when the great

volume of shipments depresses the price received by the farmers, and the dealers thereby are enabled to hold their purchases until later in the season, when they can get the benefit of a spread in the market. I have been referring to the Federal reserve bank. Many of the local banks have helped to finance local elevators of farmers.

In recent years farmers have been organizing and building country elevators, but except in a few cases they have not been strong enough financially to finance and hold their grain in their country elevators, and as soon as they ship it to the market it passes out of farmers' hands, for there is no real public terminal elevator in the Northwest, excepting the one-half million bushel elevator of the Equity Cooperative Exchange at St. Paul. There are so-called public elevators, but let a farmer present a carload of grain, or a trainload of grain for that matter, for storage in one of these alleged public elevators, and he is invariably informed that the elevator is full; or if he chances to know of empty bins he is told that they are out of order and must be repaired, and that therefore his grain can not be taken in.

If he goes to the great flour mills to sell his wheat direct to the millers, he is told that the mills confine their purchases to the "regular channels," namely, the chamber of commerce. The individual farmer can neither get storage nor a valid sale for any grain in the greatest grain market of the world. He is at the mercy of the chamber of commerce.

The CHAIRMAN. The gentleman has consumed 30 minutes.

Mr. YOUNG of North Dakota. In the absence of the gentleman from Iowa [Mr. HAUGEN], who left me in charge of the disposal of the time on this side for the remainder of the day, I ask for 30 minutes more.

The CHAIRMAN. The gentleman is recognized for 30 minutes more.

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

Mr. YOUNG of North Dakota. Yes.

Mr. PLATT. Does the gentleman know of any farmers in North Dakota who mortgage their crops and have to sell them the minute they are harvested, as told by the gentleman from Oklahoma [Mr. THOMPSON] a little while ago? It is not the usual practice in North Dakota?

Mr. YOUNG of North Dakota. There was a time when pretty nearly every crop in North Dakota was mortgaged. That period has passed, but there is still quite a percentage of farmers who mortgage their crops. I will say this, though, that ordinary notes, ordinary debts of farmers, come due usually October 1, November 1, or December 1 of each year. Those debts, while they are not probably in many cases secured by mortgages on the crop, are such that still, when they become due, there is a little pressure brought to bear upon them to pay them.

Mr. PLATT. Surely.

Mr. YOUNG of North Dakota. I imagine that there are very few farmers in North Dakota who are not in debt during the crop season. When their crop is harvested they haul it to the market, or at least the great bulk of wheat is marketed either from the machine or within, say, two or three months afterwards.

Mr. PLATT. There is no restriction on the farmers of North Dakota in the way of using their land as a basis of credit, as there is in Oklahoma, is there?

Mr. YOUNG of North Dakota. Not at all, that I know of.

Two of my neighbors in Barnes County, Louis Noltmier and Charles J. Lee, three years ago went into Minneapolis to sell four carloads of wheat. I want you to take note of the fact that this is not the case of a farmer who has driven into Minneapolis with a wagonload of wheat, where the great mills might not have the facilities to elevate wheat in those small quantities. This is a case where a couple of my neighbors went to Minneapolis with their wheat contained in the same identical form that wheat is sold to those mills by dealers who belong to the chamber of commerce. They went from mill to mill, asking them to buy this wheat, and they were invariably met with the reply that they bought their wheat through the ordinary channels; that is to say, the chamber of commerce. One of the millers, who was a little bit more frank than the others, said, "We do not care to buy wheat through anybody outside of the chamber of commerce members, because next summer when the wheat supply gets short they might close up our mills."

Now, it would seem, gentlemen, that if there was any place on earth where a farmer ought to be able to sell his wheat to a flour mill it would be in the great city of Minneapolis, the greatest flour-milling center in the world. There is a gentleman sitting here on the floor who is in the flour-milling business, and I do not doubt that he buys wheat from every man who comes to his door and wants to sell it; and in passing judgment on the flour millers and this combination or trust in Minneapolis,

I do not want to indicate that I wish to make similar charges against flour millers the country over. The people with whom we have to deal at our terminals where our wheat goes happen to be controlled by that kind of combination. The flour mills refuse to buy our wheat. If we want to sell it to them, we have got to go to some member of the chamber of commerce and give him a rake-off.

If we say, "Well, we will store our wheat in one of these elevators and keep it," we are met with the same wall of opposition. They say, "No; we have not got any room here." They never have any room except when a member of the chamber of commerce asks them to put something in the elevator. So that with absolutely all of the storage, about 55,000,000 bushels of it, under their control, with all the flour mills there in on the arrangement by which they will not buy excepting from the chamber of commerce, they are enabled to form an ironclad combination or trust.

Mr. JAMES. Will the gentleman yield?

Mr. YOUNG of North Dakota. Certainly.

Mr. JAMES. Does the average elevator man belong to the chamber of commerce?

Mr. YOUNG of North Dakota. No; not in the country. They have got to pay a commission to some member of the chamber of commerce to handle their grain. I presented the situation to the Attorney General, and other Members from the Northwest also did so, and later the Attorney General of the United States promised me he would prosecute the Chamber of Commerce of Minneapolis for violations of the Sherman antitrust law. Afterwards he went back on his word.

Now, we are all hoping in the Northwest that under this law we are going to get some relief which we have not been able to get under the Sherman law, and that is why, in spite of the fact that we are not enthusiastic about price fixing, we are going to give our support to this bill.

Mr. PLATT. Will the gentleman yield?

Mr. YOUNG of North Dakota. Certainly.

Mr. PLATT. Is that the case merely with the small farmers, or does that prevail with the big bonanza farmers? Every once in a while I hear a man say—I have heard Members of the House say—"I sold my wheat last week and got \$2.50 a bushel for it." What did they mean?

Mr. YOUNG of North Dakota. There is absolutely no farmer in the Northwest big enough to sell his grain to the Minneapolis mills unless he joins the chamber of commerce.

Mr. PLATT. No matter how many bushels he has or how many thousand acres?

Mr. YOUNG of North Dakota. It makes absolutely no difference. It may be that there are one or two men in North Dakota who belong to the chamber of commerce who are big farmers. I doubt, however, if they took out their membership simply for the purpose of selling their own grain, because a membership costs \$5,000, and any man who takes out a membership of that kind expects ordinarily to trade actively on the board, or else he could not afford to have the membership. [Applause.]

Now, to refer again to the failure of the Attorney General to prosecute the Minneapolis Chamber of Commerce after he had promised to do so. Have the malign influences which were strong enough to defy the courts of law in the Northwest and influential enough to make the Minnesota legislative investigation a mockery, and to bar country banks from financing farmers through the Federal reserve bank, even power to silence the Department of Justice of the United States? And if so, what reliance can our farmers put upon the enforcement of the provisions of this pending bill?

It is optional with the President, who will act through the controller of foods; but unless the controller, through study or the advice of trusted men, becomes familiar with the operation of the grain market will he comprehend and appreciate the ramifications of this monopoly in time to smite it and demonstrate the sincere enforcement of the law before next year's acreage shall be decided by the farmers? Any wavering, any temporizing, any failure to take tangible action in protecting the farmers from the monopoly prior to next midwinter will make the entire law futile and vain as a remedy for the reducing acreage devoted to food production. During the last census decade the acreage devoted to food production decreased 8 per cent per capita. The farmers have been so often fooled with specious promises, high-sounding phrases, and threats that they are likely to do some thinking for themselves next spring. I wish to say, however, that I have great confidence in the honesty and ability of Mr. Hoover. This view is shared by the delegation of northwestern farmers who were here recently, and whose testimony may be found in No. 9 of the hearings. Upon the return of the delegation a member of the party—the editor of the Courier-News—made a report in which he quoted certain

statements made by Mr. Hoover. As these statements made by Mr. Hoover were very important to the producers of North Dakota and their correctness was questioned, I am glad now to have the confirmation made by Mr. Hoover himself. A copy of the Courier-News is just at hand, in which is this statement:

STATEMENTS CORRECTLY QUOTED IN THE COURIER-NEWS INTERVIEW, SAYS HOOVER.

On Friday morning, June 1, the Courier-News printed a dispatch from Washington signed by Herbert E. Gaston, reporting an interview given by Herbert C. Hoover, the new Federal food administrator, to a delegation representing farmers of the Northwestern States. The material contained in this interview was so important that versions of it were telegraphed to the leading eastern newspapers by correspondents in the West. A garbled form of the interview was printed in one or more eastern papers and caused Mr. Hoover to issue a denial that he had made such statements. An eastern correspondent then telegraphed to a St. Paul paper the statement that Mr. Hoover had characterized the interview in the Courier-News as a "wild dream."

Knowing that he had quoted Mr. Hoover absolutely correctly and doubting that Mr. Hoover ever had given out any denial of the Courier-News story, Mr. Gaston sent Mr. Hoover a copy of the interview as printed in the Courier-News, asking him to make such comment as he cared to make. The letter printed below is Mr. Hoover's answer:

Mr. HERBERT E. GASTON,

Care of the Courier-News, Fargo, N. Dak.

DEAR MR. GASTON: I am very much obliged to you for the interview which you inclosed with your favor of June 7. It puts quite a different light on the interview which was telegraphed to the eastern papers. The brief extracts given there conveyed a definite plan and policy in regard to grain and elevator control which I see from the original was not justified.

I set forth a series of hypothetical plans and you so reported in your interview. The eastern version caused much criticism and comment unfavorable to us, and my reply was in answer to this version. Naturally I did not characterize the report in the Courier-News as a "wild dream," for I would not criticize any article without first reading it.

Your cooperation will be exceedingly valuable to us, and as soon as we are officially organized I shall not hesitate to call upon you for assistance. As soon as Congress gives us an official status we shall have many messages for the farmers of the Northwest, and I know of no better way of reaching them than through the publications which cover that region.

Yours, faithfully,

HERBERT HOOVER.

The section of this bill which provides for the requisition of storage and also for the construction of storage is exceedingly important, not only because it will take these elevators out of the hands of monopolists, who have denied elevator space to all excepting those to whom the chamber of commerce gave its consent, but more particularly because the taking over by the Government and the pooling of all such storage will facilitate the movement of grain. There was a short crop in the Northwest last year, but even under such conditions there was bad congestion at the Minneapolis terminals. By the pooling of the present elevator capacity by the Government and the possible construction of another elevator or elevators, there can be effected a great saving upon cars. In other words, the cars can be received and released very much more quickly, and cars which may be loaded for eastern shipment can also be loaded and assembled more quickly. At present a train, we will say, coming in on the Great Northern Railroad, may have cars which must be delivered at several different elevators in various portions of the city. In war times like this, if the Government undertakes to take over these elevators, it is probable that certain elevators will be designated to take care of the grain which comes in on the Great Northern and certain other elevators for the grain which comes in on the Northern Pacific, the Soo, the Milwaukee, and so forth, making it possible to deliver an entire trainload at an elevator, thus making a saving on trackage and switching and releasing the cars quickly for reuse. This would be an arbitrary proceeding, but governments must be arbitrary in time of war. The acreage in the Northwest is considerably larger this year than last year, and if there is anything like a normal crop there will be great danger of congestion at the terminals, even under the most favorable conditions.

Section 11 provides that whenever the President finds it essential, in order to prevent undue enhancement or fluctuation of prices of, or in order to prevent injurious speculation in, or in order to prevent unjust market manipulation, or unfair and misleading market quotations of the prices of necessities, hereinafter in this section called evil practices, he is authorized to prescribe such regulations governing, or may either wholly or partly prohibit operation, practices, and transactions at, on, in, or under the rules of any exchange, board of trade, or similar institution or place of business as he may find essential in order to prevent, correct, or remove such evil practices.

There is one thing which above all others the grain producers hope will not be inflicted upon them, and that is an investigation. As a matter of fact, astute grain dealers thrive on investigation. They are long-practiced experts in beclouding investigation, and anyone who suggests that the law is likely to result in any tangible action through an investigation of the

manifold evil practices of grain markets in time to affect next year's acreage displays an ignorance and innocence that is both sublime and childlike. There have been investigations enough; there is evidence enough to justify the Government taking over the grain markets of the country and the public elevators, and making both the markets and the elevators, in fact as well as in name, public institutions under Government direction. If that were done to-day, without any guaranty of price, but with a guaranty of a square deal to the farmers under the law of supply and demand, I venture to predict that the grain acreage of the country for 1918 would almost double that of 1917.

What is a fair price for a bushel of wheat? This is a reasonable and proper question at this time when we are asking the farmers to produce more. A few years ago the United States Department of Agriculture made an investigation of the time and labor required in different parts of the country in growing and harvesting wheat. Careful statistics were kept of the man time and horse time upon a large number of farms in different States. It was found, for example, that an acre of wheat in New York State averaged 20 hours of man and 30 hours of horse labor. In the State of Washington, 17 hours of man and 58 hours of horse labor. Minnesota was the lowest in labor cost, but there it averaged 10 hours for the man and 23 hours of horse. In other words, about one good full day of a man and team per acre of wheat, and that is not on the basis of union hours either. A man and team at that time could be hired for a day for \$5. Now, the cost would be at least \$7 for a 10-hour day. An acre requires a bushel and 3 pecks of seed, and at \$2.50 per bushel, which is less than the market price at seeding time this year, the seed cost per acre is \$4.37. If the land is worth \$50 per acre—the average value—the interest at 6 per cent amounts to \$3 per year. In those days it required about \$1,600 for equipment, including horses, for 160-acre farm, or \$10 per acre. The cost at present market prices will be nearly double that. The equipment will wear out every five years on most farms, but we will figure it on the basis of seven and a half years, showing a depreciation of 15 per cent, amounting to \$3 per acre each year, with an interest cost per acre on the equipment of \$1.20. That makes a total cost for these items alone amounting to \$18.57. But we have not yet included the largest item of cost, which is the item of the fertility elements taken out of the soil by every crop.

I am aware of the fact that there is a school of modern scientists which persists in shutting its eyes to soil robbery and denies that a crop takes away from the soil nitrogen, potash, and phosphoric acid, although they must concede that these elements are found in the grain when it is examined. These scientists in some way undertake to claim that 4 less 2 still leaves 4. But there is another school of scientists of at least equal standing which recognizes that when a bushel of wheat carries off the farm a pound and a quarter of nitrogen that farm contains a pound and a quarter less nitrogen than it did before, and we find that to-day's market value of the chemical constituents taken out of the soil amounts to not less than 63 cents per bushel of wheat. The average yield in the United States is about 15 bushels per acre, although it is less than that in the Northwest. On the basis of 15 bushels, the average crop reduces the soil wealth of the farm by taking out potash, phosphates, and nitrates worth now \$9.45 per acre. This is at present market prices for nitrogen, potash, and phosphoric acid, which of course have greatly increased on account of the war. At prices prior to the war, the loss of fertility, according to agricultural colleges, ranged from \$4 to \$5.40 per acre. Potash then was valued at \$38 a ton. Now it is worth \$300 to \$500 a ton, and other prices have risen greatly. I am not undertaking to estimate the persistent losses through insect and other pests, or through hail or frost, flood or droughts, but simply figure the large and indisputable items of cost of production.

Now, taking \$18.57 as already found to be the cost of labor, interest, and depreciation in producing an acre of wheat, and adding \$9.45—the fertility loss per 15 bushels—we find the farm cost per acre is \$28.02. To that the farmer must add his haul to the railroad, at 6 cents per bushel or 90 cents per acre; average freight to the terminal market 12 cents per bushel, or \$1.80 per acre; commission 1 cent per bushel, or 15 cents per acre, making a marketing cost of \$2.85, which brings the total cost of a 15-bushel crop up to \$30.87 per acre, or \$2.06 per bushel.

But in the Northwest, with an average of 11 bushels, the cost per bushel is still higher. The labor, seed, and depreciation items remain the same—\$18.57 per acre. The fertility at 63 cents a bushel for 11 bushels is \$6.93, and the marketing at the same scale per bushel as in the previous case, is \$2.09 per acre, making a total cost per acre of \$27.59. Divide by 11 and we

find the cost per bushel delivered to the terminal market is \$2.51. And the figure we have heard as a reward to be guaranteed to the farmers for producing wheat costing \$2.51 was \$1.50 per bushel at the market—so that the farmers' penalty for patriotism would be a loss of a little over \$1 a bushel for every bushel produced.

These figures are indisputable. Is it any wonder that official statistics show that in the last census decade, while there was an increase of population amounting to over 20 per cent, the increase of wheat yield was less than 4 per cent, in spite of better farming, and that there were 8,325,982 fewer acres devoted to wheat in 1909 than in 1899—an acreage decrease of 15.8 per cent. Is it any wonder that the cost of wheat to the consumer is increasing? Gentlemen, if we are going to increase the farmers' food production we must make it worth while for the farmer to grow more. We can not accomplish it by patting the farmers on the back and saying how patriotic a thing it is to grow wheat. We do not expect the munition factories to make shells at a loss because the owners are such good patriots. Why should we reward farmers with buncombe?

In making this computation I overlooked the item of twine, which will probably cost the farmers this year about 40 cents per acre, although nobody can tell what the real cost will be. The task of fixing the price this year, if it is attempted by Mr. Hoover, whom the President has announced he will appoint as food administrator, will be an exceedingly difficult one, and the work should be done with exceedingly great care. I have never known anyone to make an estimate of the cost of growing grain who did not fail to include some one item of cost. After preparing the estimate of the cost of growing wheat per acre the item of twine came to my mind. I concluded not to disturb the figures, but to make the open confession here that I overlooked the item. It is possible that I have also overlooked other items, and if so it emphasizes the need of having about Mr. Hoover at the time the prices of farm products are made actual producers of such products from the farms. The farmers of the Northwest have never asked for a price guaranty. The idea of guaranteeing an indemnifying price to the farmers evidently came to the brain of some one in the Agricultural Department at Washington. However that may be, it was never suggested by the farmers or by any farm organization. But that does not mean, since the system is to be imposed on them, that they have not a very decided interest in how the work is to be done. When the committee of northwestern farmers came to Washington recently to appear before the Committee on Agriculture, one of their first requests was that they might have the opportunity of talking with Mr. Hoover. They wanted to see and converse with the man who was to pronounce their doom next fall. I am glad to say that these farmers were well impressed with Mr. Hoover. He looked good to them. He promised them full representation and that they will be fully consulted before a minimum price is fixed. Among those who called on Mr. Hoover at that time were State Senator Thomas Pendray, of Jamestown, N. Dak.; State Senator Charles E. Drown, of Page, N. Dak.; Samuel J. Aandahl, president of the State board of railroad commissioners, of Litchville, N. Dak.; Herbert E. Gaston, editor of the Courier News, Fargo, N. Dak.; J. M. Anderson, president of the Equity Cooperative Exchange, Minneapolis, Minn.; F. A. Bennett, of Great Falls, Mont.; C. A. Holman and Charles Lyman, of Madison, Wis. I am glad that these gentlemen saw and talked with Mr. Hoover and that they also saw and had a 25 minutes' interview with the President, and that they expressed themselves before the committee, for it is a big responsibility to pass judgment upon this legislation giving such extraordinary powers to the President of the United States. When these men left for home they assured me that this bill ought to be supported, not because it contained promises of price-fixing, for which they had not asked, but because it promised a control of the markets, a control of the great exchanges, and the establishment there of a free, open market, and also the opening to the public without discrimination of public elevator storage. These are the things which they have fought for during recent years and which if given to them will do more to stimulate crop production than all other things combined which Congress might do. [Applause.]

I yield 10 minutes to the gentleman from Missouri [Mr. DYER].

Mr. DYER. Mr. Chairman, I am in favor of this bill and intend voting for it, notwithstanding the vast power it confers on the President of the United States. I hope the bill will be passed substantially as it has been reported from the Committee on Agriculture. I will not support any amendment to prohibit the use of grain, and so forth, in the manufacture of alcoholic liquors. We give in this bill the power to the President to pro-

hibit same if he finds it necessary to conserve the food supply. That is ample for all purposes and needs, so far as this situation is concerned, and that is and ought to be the test, so far as this legislation is concerned, if our object is to win the war and furnish our people ample food at reasonable prices. Prohibition has no part in this bill.

Mr. Chairman, there is no reasonable excuse for all the complaints we have regarding high prices and scarcity of the necessities of life. In my judgment it is due to the gamblers on the stock exchanges in foodstuffs. If for no other reason I would support this bill in order to get rid of them. They are the worst criminals in all the land. They rob the people and starve the children to fatten the purses in this nefarious, wicked, and sinful business. They ought to be subjected to the severest punishment possible and that we can provide for in this bill.

Then, Mr. Chairman, there is the fuel situation. It is inexcusable to see the high prices being paid for coal and other fuel. I have been after these robbers for some time. On May 9 I introduced a resolution—H. Res. 78—asking the Attorney General why conditions were so horrible regarding coal prices, and so forth, and I received a letter and copies of correspondence from him upon the subject, which I include in my remarks, to wit:

OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., May 17, 1917.

Hon. L. C. DYER,
House of Representatives, Washington, D. C.

DEAR SIR: I beg to acknowledge receipt of your letter of the 16th instant inclosing a copy of a resolution which you have introduced in the House in relation to the high price of coal.

Chairman WEBB, of the Judiciary Committee, had already sent me a copy of the resolution, and I inclose herewith a copy of my letter to him. If you wish any further information I will be glad to supply it if I can.

Yours, very truly,

T. W. GREGORY, Attorney General.

MAY 17, 1917.

Hon. F. Y. WEBB,
Chairman Committee on the Judiciary,
House of Representatives.

DEAR MR. WEBB: I have your letter of the 15th instant transmitting for the information of the department and such reply as it may desire to make for the use of your committee, a copy of House resolution 78, introduced by Mr. Dyer, relative to the coal situation.

This department has been especially active in the investigation and prosecution of alleged combinations of both anthracite and bituminous coal producing companies.

The control of anthracite coal has become centered in a few railroads. The backbone of the combination is the Reading Holding Co., which controls two of the great railroads from the anthracite field, namely, the Philadelphia & Reading and the Central of New Jersey, and two great coal mining companies, namely, the Philadelphia & Reading and the Lehigh & Wilkes-Barre, which together possess about 63 per cent of all the unmined anthracite coal. A suit to dissolve the Reading Holding Co. was instituted under the antitrust laws and the commodities clause in September, 1913. The decision of the lower court was in part favorable and in part adverse to the Government. Appeals were taken to the Supreme Court, where the case was argued early in October.

Suits have also been instituted under the antitrust laws and the commodities clause against the Delaware, Lackawanna & Western Railroad Co. and its affiliated coal companies and the Lehigh Valley Railroad and its affiliated coal companies, branches of the combination.

In the case against the Lackawanna companies the decision of the lower court was adverse to the Government, but on appeal to the Supreme Court the decision of the lower court was reversed and the relief asked by the Government granted. In the suit against the Lehigh Valley companies the decision of the lower court was also adverse to the Government. An appeal was taken to the Supreme Court, where the case was argued early in October.

In addition to these proceedings under the antitrust laws and the commodities clause, the Attorney General, in a letter to the Trade Commission, after the recent advance in wages but before the increase in prices, called the attention of the commission to the fact that on three prior occasions when wages were increased, namely, in 1900, 1902, and 1912, the price of anthracite coal was increased out of all proportion to any increased cost of production due to the higher wages; and in view of past history he recommended to the commission that, in the event the recent advance in wages should be followed by an advance in price (as subsequently it was), a thoroughgoing investigation be made for the purpose of ascertaining whether there was any justification for the increase in the price.

Subsequently Senator Hitchcock brought this matter before the Senate, calling attention especially to the letter of the Attorney General, and the Trade Commission was directed by resolution of the Senate to conduct such an inquiry as the Attorney General had recommended. A copy of the Attorney General's letter is attached hereto.

In the course of the investigation into increases in prices generally, the several United States district attorneys and an investigating force of the department have been inquiring into conditions in the anthracite and bituminous coal markets. As regards anthracite coal, no evidence has thus far been found which would warrant any proceedings in addition to those heretofore instituted. As regards bituminous coal, the investigation thus far made has resulted in the return of three indictments in the southern district of New York against alleged combinations to increase the price of so-called smokeless coal, produced largely in the State of West Virginia.

I also call your attention to the following recommendation contained in my last annual report:

"In United States v. Delaware & Hudson Co. (213 U. S. 366), the Supreme Court construed the commodities clause as prohibiting a railroad from transporting articles produced, mined, or purchased by it only where it has an interest in the articles in a legal or equitable sense

at the time of transportation. It further held that a railroad does not necessarily have an interest in a legal or equitable sense in articles produced, mined, or purchased by a bona fide corporation, of which the railroad is a stockholder. In a later case (*United States v. Lehigh Valley Railroad Co.*, 220 U. S., 257) the court held that if the corporation owning the articles transported by the railroad was so identified with the railroad as in fact to be but an arm of the railroad, then the railroad would have an interest in the articles in the sense of the statute. The following plan was devised to meet the requirements of the statute as thus construed:

"A railroad engaged, say, in mining coal, either directly or indirectly, through a controlled corporation which is but a part of itself, will organize a new corporation, the stock of which is distributed ratably amongst the stockholders of the railroad, and the management of which will be dominated by officers of the railroad. Thereupon the railroad will sell to the new corporation at the mouth of the mines its production of coal under a contract which puts the new corporation largely, if not completely, within the power of the railroad.

"This plan was challenged in the case of *United States v. The Delaware, Lackawanna & Western Railroad Co.* and the Delaware, Lackawanna & Western Coal Co. The Government lost in the district court, but an appeal was taken to the Supreme Court, which, in an opinion handed down on June 21, 1915, unanimously reversed the decision of the lower court. (238 U. S., 516.)

"I stated in a previous report that even should the Government be successful in this case in the Supreme Court, the commodities clause would still fall short of accomplishing its purpose—the divorce of transportation from production. This is not less evident now that the case has, in fact, been decided in favor of the Government, since railroads are still able to claim that the clause does not prohibit them from engaging in production along their lines, provided only that they sell the articles produced before transporting them.

"I therefore urge an amendment which will prohibit a railroad from transporting in interstate commerce articles which it manufactured or produced, or which were manufactured or produced by any corporation controlled by it or affiliated with it by having the same controlling stockholders, irrespective of whether such railroad or such controlled or affiliated corporation has an interest in the articles at the time of transportation. It is also necessary, if transportation and production are to be completely divorced, that Congress prohibit any railroad owned or controlled by a producing or trading corporation and not operated merely as a plant facility, from transporting in interstate commerce articles produced or owned by such corporation.

"A bill to carry out this recommendation was introduced in the Sixty-third Congress, third session, by the chairman of the House Committee on Interstate Commerce (H. R. 20470)."

Yours, very truly,

T. W. GREGORY,
Attorney General.

MAY 6, 1916.

THE FEDERAL TRADE COMMISSION,

Washington, D. C.

GENTLEMEN: It has been stated in the public press, with apparent authority, that, having agreed to an advance in wages, the railroad coal companies will now use that as an excuse for materially increasing the price of anthracite coal to consumers.

It has been brought out in the various legal proceedings against the anthracite railroads that on similar occasions in the past when wages have been advanced the railroad coal companies, on the pretext of increasing prices for the purpose of meeting the increased cost of production resulting from the higher wages, have made much greater increases than were necessary for that purpose.

Since January 1, 1900, there have been three general advances in the wages of mine workers in the anthracite regions, exclusive of the present advance.

In October, 1900, wages were advanced approximately 10 per cent. In the fiscal year immediately preceding this advance (July 1, 1899–June 30, 1900) the cost of production of the Philadelphia & Reading Coal & Iron Co., whose mines are amongst the most expensive to operate, was \$1.67 per ton. In the fiscal year immediately following (July 1, 1900–June 30, 1901) its cost of production was \$1.826 per ton—an increase of \$0.156 per ton, which includes not only the increase due to the advance in wages but the increase due to all other factors. On the other hand, the same company (the others following suit) increased prices by \$0.232 per ton on all sizes, making the excess of price increase over cost increase \$0.076 per ton.

On November 1, 1902, there was another general advance in wages of approximately 14 per cent. In the fiscal year immediately preceding this advance (July 1, 1901–June 30, 1902) the cost of production of the Philadelphia & Reading Coal & Iron Co. was \$2.066 per ton. In the fiscal year immediately following (July 1, 1902–June 30, 1903) its cost of production was \$2.199 per ton, an increase of \$0.133 per ton, which includes not only the increase due to the advance in wages but the increase due to all other factors. On the other hand, the same company (the others following) increased prices by \$0.494 per ton on all sizes, making the excess of price increase over cost increase \$0.363 per ton.

Undoubtedly the prices immediately following the wage increase in 1902 were abnormally high, due to the scarcity of coal in consequence of the long strike. It will be fairer, therefore, to take the prices prevailing in the fiscal year ended June 30, 1904, as the basis for comparison. This would show an excess of price increase over cost increase of \$0.245 per ton.

In 1912 another advance in wages took place amounting to about 5.6 per cent net. Again, prices were increased on the pretext of meeting the resulting increase in the cost of production. On this occasion the House of Representatives directed the Bureau of Labor to make an investigation. The bureau found that whereas the advanced wages increased the cost of production only \$0.09 per ton, prices were increased \$0.25 per ton, making the disparity between price increase and cost increase \$0.16 per ton.

The report of the Bureau of Labor states:

"Following the agreement of May 20, 1912, the wholesale price of anthracite coal was advanced by the mining companies about 25 cents per ton when all sizes are taken into consideration. The advance in miners' wages under the above agreement and the increase in wages granted to men not specifically covered by the agreement was equivalent to an increase of between 8 and 10 cents per ton in the cost of labor, or an average increase of about 9 cents per ton for the anthracite region as a whole. Deducting this increase in labor cost from the increase in the selling price per ton it will be seen that the prices realized by the coal mining companies were increased about 16 cents per ton more than was required by the new scale of wages alone. (H. Doc. 1442, p. 33.)"

As the total consumption for some years past has been in the neighborhood of 75,000,000 tons, this excess of price increase over cost increase following the advance in wages in 1912 meant a surtax upon consumers of about \$12,000,000 annually.

In view of these facts, I take the liberty of suggesting that if the advance in wages just agreed upon shall be followed, as in the past, by an increase in the price of coal to consumers, the Federal Trade Commission, under the authority of section 6 of the act creating it, institute a searching investigation into the operations and accounts of the great producing companies for the purpose of ascertaining all the facts upon which such increase in price may be based, including the relation between any increase in the cost of production due to advance of wages and the increase of profits caused by the increase in price.

Very truly yours,

T. W. GREGORY,
Attorney General.

This all shows, Mr. Chairman, that the laws are not sufficient apparently to meet these robbers and gamblers, so I am for giving arbitrary power to the President to cure the situation. It is the only thing to do if we are not to starve for food and freeze for want of fuel during the coming winter. Food is not scarce, neither is coal to the extent of the high prices prevailing. It is the food gamblers, the hoarders of food, the coal barons, and such enemies of our country. Let us put an end to them. [Applause.]

Mr. LEVER. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and Mr. FITZGERALD having taken the chair as Speaker pro tempore, Mr. HAMLIN, 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. 4961 and had come to no resolution thereon.

EXTENSION OF REMARKS.

Mr. RANDALL. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the subject of war-time prohibition.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

RECESS.

Mr. LEVER. Mr. Speaker, I ask unanimous consent that the House stand in recess until 8 o'clock to-night.

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

There was no objection.

Accordingly the House stood in recess until 8 o'clock p. m.

AFTER THE RECESS.

At 8 o'clock p. m., the recess having expired, the House was called to order by Mr. FITZGERALD as Speaker pro tempore.

FOOD CONTROL.

Mr. LEVER. 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. 4961) to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel.

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. 4961, with Mr. HAMLIN in the chair.

The Clerk reported the bill by title.

Mr. LEVER. Mr. Chairman, I yield 30 minutes to the gentleman from Missouri [Mr. HAMLIN].

Mr. RANDALL assumed the chair.

Mr. HAMLIN. Mr. Chairman, I take advantage of this opportunity to submit some observations, not especially upon this bill, but refer to it incidentally as a type of the character of legislation which we have been passing for some time and perhaps will continue to consider until the end of this session. Some weeks ago I became very much interested in the question of the constitutionality of this character of legislation. I have examined some of the authorities, and I desire now to submit my views for what they may be worth.

Mr. Chairman, we are seeking to pass bills which give to the executive department of the Government autocratic powers to deal with certain things during the war. Powers not to be thought of in times of peace. It seems to me, therefore, that the first thing we ought to determine is, Have we authority under the Constitution to enact such legislation; and if so, does the present situation warrant us in taking a step which we all concede is a radical departure from our time-honored customs? If so, why?

We are now face to face with grim war. War means large and often profligate expenditures of money. Large expendi-

tures mean inflation of values. Inflation always means extravagances. War also means increased necessities. Increased necessities mean increased opportunities for speculation. Increased speculation means increase in prices, and increase in prices means increased hardship, in fact, often increased misery and distress. In a word, war is an abnormal condition and abnormal conditions require abnormal and radical remedies to neutralize and control inevitable abuses. Therefore, I, as a natural Democrat, not in a partisan but in the broadest sense, am willing to adjust my conduct to meet existing conditions and necessities, provided always that I am convinced that we have a right to take such action and stay within the limits of the Constitution.

We have already passed several drastic measures and are contemplating the passage of others. It is not necessary for me to stop to mention all these bills, but I think that it will suffice to call attention to the espionage bill, the ship bill, the explosive bill, and I might mention others, all of which give to the President large and ample powers to act during the war.

Only a few days ago we passed through the House what is known as the explosive bill, by the terms of which, during the war, the President is practically given control of the manufacture, possession, storage, and distribution of powder, explosives, blasting supplies, etc. I realize that this is giving him great powers, but I feel as every one else must, that in times of war when men's minds are inflamed and prejudices run high, they are liable to do things that they would not do under normal conditions, and it is the part of wisdom for us to make it as difficult as possible for them to do harm to their fellows. I think that it is necessary to give some one person authority to act in such matters so as to promptly meet any unforeseen emergencies.

There are two things, especially in times of war, which ought to be safely guarded, regulated, and controlled. I refer to the two opposing agencies, to wit, the one which sustains life and the other which destroys it. The one you must have to sustain your friends and the other is indispensable in the destruction of your enemies. Food and firearms ought therefore, to be under the control of the Commander in Chief of the Army and Navy.

I realize, and feel that everyone else must, that an effective war can not be carried on without the most perfect teamwork, and that you can not have this teamwork unless the power to direct and control is centered in one place. No one who reads history will doubt for a moment that the secret of the success of the Napoleonic armies was Napoleon.

We have now taken up for consideration the bill known as the "Lever food-control bill," and which, I think, easily ranks as among the most important measures to be considered by Congress at this session. The bill as drawn gives to the President practically unlimited powers during the war to control the supply, distribution, and movements of foods, feeds, fuel, and other necessities of life. I am not going to discuss the merits of this bill except in a general way, but I am impressed with the wisdom of passing legislation of the character sought to be enacted by this bill, and I also am impressed with the fact that the things treated of in this bill are of such vital importance to every individual in the United States that we ought not to hesitate to provide for the most effective and rapid means of accomplishing the things which this bill seeks to have done. If that effective way is to delegate to the President full authority to act, then I favor it, and I believe that we ought not to hesitate to do it, because no one doubts for a moment the good intentions, patriotism, and intelligence of the President.

Whatever may be our opinions as to the merits of this bill or the wisdom of passing it at this time, I think that we will all agree that, under the circumstances, the Committee on Agriculture, and especially the chairman thereof, who comes, as many of the members of his committee do, from a section of the country where the "shibboleth" of the people is "States rights" and a "strict construction" of the Constitution the only passport into polite society, have demonstrated rare courage born of real patriotism in reporting a bill which gives broad powers to the Federal Government to deal with a vital situation which is so critical as to well-nigh appall us all. It is just such unselfish patriotic statesmanship as this that will save the situation and help to win this war.

Among other things which the bill seeks to accomplish is to prohibit waste, destruction, hoarding, storing, or holding by any individual, firm, or corporation, or of any person or combination of persons, other than the individual farmer or gardener, of any of the necessities of life beyond the amount reasonably required for the individual use or business requirements of persons engaged in the production or handling of such necessities.

The evident purpose of this bill being to prevent the possibility of rendering inadequate the food supply of the country by any artificial means whatsoever, and to prevent the enhancement of the price thereof to the consumer, and also to see that the opportunity to buy is available to all on equal terms.

If the enactment of this law will accomplish these things, it will surely be a godsend, and we ought not long to delay its passage.

How true I do not know, but we too frequently hear of willful and criminal storage and sometimes actual destruction of food products after they have passed out of the hands of the producer into the hands of the speculators. The purpose of this evidently is to render scarce this vital necessity in order to enable them to receive large and inordinate profits. If these reports be true, then the lamp-posts of the cities where these criminals reside have not yet been utilized in the most needful way. Every mother's son of them ought to be hanged.

The handling of the necessities of life offers one of the most fruitful fields for speculation and oppression. The person or persons who will take advantage of his fellow man and rob him by increasing, by artificial means, the price in dollars and cents, or by short weights or measures, in the handling of these vital necessities is a criminal and ought to be punished. It is hardly necessary for me to point out the class who engage in this nefarious business, as we all know them. As a rule, it is not the farmer, who produces the raw material, nor, of course, the people who ultimately consume it, but it is the fellow through whose greedy hands the products must pass on their way from the producer to the consumer. Unfortunately this condition is not a result of the war. We have all realized that this nefarious business has been going on for years, but the somewhat chaotic condition incident to the war only increases the opportunity for this infamous practice, and accentuates the importance of us taking some steps to put an end to this thing. I repeat, if autocratic power placed in the hands of the President is the most effective way to deal with this situation, then let us do it, provided, of course, we have authority under the Constitution to do so.

The bill to which I have referred covers many other activities incidental to the production and handling of the vital necessities of life, all of which are undoubtedly of the greatest importance. Whether this particular bill should pass or not is a question upon which we will not likely all agree, but, after all, I am persuaded that the disagreement, if any will come, will be on the plan rather than on the principle.

I think we ought not to overlook the fact that at this session we are having to legislate under conditions and in the face of circumstances different from any which have confronted the Members now composing the American Congress. This session is destined to go down into history as one of the notable ones in the life of our Nation. The work of this Congress will be to the credit of those of us who are Members, or else the mere mention of it will be a sufficient condemnation of those of us who are responsible for its work.

We have been and are dealing with grim war—real war—to last how long, God only knows. If the inventive wizards of our country, or of the countries with which we are allied, can find a way to destroy the deadly submarine, then I believe that this war will soon be over. If not, then the end is not in sight, and the crimson stream which is now flowing through northern France will be swollen by the blood of thousands of our American boys.

In this session nothing common or ordinary has been considered. In appropriations we have dealt only in billions, in international matters we have done nothing less than to declare war, in the raising of armies we have provided for the conscription of millions of men; but after all I predict that the food and fuel question to which I have referred will overtop all else in importance and interest, for it forms the very basis of all our activities. It affects every man, woman, and child in our land—and in every other land, for that matter, throughout the world. Modern implements of warfare may be destroyed, and yet men could go on fighting with stones, staves, and pickaxes, as they did of old; but if the food supply should be destroyed or exhausted, both sides and all people would suffer and die. I plead, therefore, that in the consideration of this character of legislation we throw aside all preconceived ideas and notions which may have been formed under the influence of peculiar environments, and demonstrate our real statesmanship and patriotism by finding a solution to these most vital questions, not only for our own salvation but for the salvation of the world.

Of course, whatever we do must be done within the power granted to us by the Constitution. That brings me to the point of making a few observations on the constitutionality of the kind of legislation about which I have been speaking. Certainly I

would not presume to impose my limited knowledge of this question upon the House, among the membership of which are so many eminent lawyers, but I only dare do it in justification of my action in supporting this character of legislation. I know that there are some Members who affect to believe that some of us think that when the country is engaged in war the Constitution, or some portions of it, is suspended.

I think a sufficient answer to that criticism will be to paraphrase a statement made at one time by Chief Justice Marshall, when he said, in effect, that no legislative dreamer was ever wild enough to think that there has been a moment of time since it was first declared in effect down to this good hour when the Constitution, and every part thereof, was not in full force and effect as the supreme law of the land. If, indeed, the time should ever come when a majority in Congress should ignore that bulwark of human liberty, it will be the beginning of the end of this Republic.

May I suggest that perhaps the trouble with some Members who doubt our right to enact this character of legislation is that they seem to be unable to differentiate between the purposes for which certain authority is given in the Constitution and under which Congress must perform its functions. For them all authority granted for any end or purpose is of equal importance. So far as that authority is the voice of sovereignty I agree with them, but when we come to consider the effect and purposes for which certain authority is granted we can readily discover very great differences. Let me illustrate: The Constitution gives to Congress the right to prohibit—in fact, to make it a crime—to do certain things and to fix a penalty for a violation of the same. In the natural order of things it frequently occurs that this regulatory power affects but a small percentage of the people, because only a few in comparison ever violate the law, and the enforcement of that law is quite simple.

But the authority to declare war, while not any more of an authority under the Constitution than the other, is infinitely more far-reaching and important, for a declaration of war vitally affects not a few only, but every citizen, whether law-abiding or criminal, sane or insane, mature or immature. The things necessary to be done in order to carry that declaration of war into effect are multitudinous and of necessity drastic, and, as compared to peace times, well nigh revolutionary. Therefore no thoughtful person, it seems to me, can fail to realize that Congress is authorized to do things after it has exercised its authority under the Constitution to declare war that it could not do before that declaration was made, because without the declaration there would be no basis or necessity for the doing of these other things.

The Constitution, I think, clearly recognizes this difference. For instance, no soldier shall in times of peace be quartered in any house without the consent of the owner, but this may be done after Congress has declared that a state of war exists.

No property may be taken in times of peace without the consent of the owner or just compensation made, but in times of war the President as Commander in Chief of the Army and Navy may, without the consent of the owner or without the ordinary condemnation proceedings familiar to peace times, certainly when authorized by Congress, commandeer private property for the use and in aid of a successful prosecution of the war.

While Congress, I am inclined to think, would have a right to compel enlistments in the Army in time of peace—before war has been declared—yet I doubt that any Congress would have the temerity to attempt such a thing; yet it will not hesitate, and frequently in the interest of public safety ought not to hesitate, to provide for conscription in the times of war.

While the Constitution is just as effective in times of war as in peace times, the purpose always being to insure domestic tranquillity, provide for the common defense, and promote the general welfare, and thereby make secure the blessings of liberty, not only to the present generation but to the generations of those who are to live after us, yet I maintain that there is a vast difference as to the duty of Congress in making effective this splendid purpose in times of war as compared to that of peace times.

The legislation which we are enacting is not only drastic, but radical; but I believe it reasonably necessary to a successful prosecution of the war, and if it is, then, in my opinion, there can be no doubt of its constitutionality.

Mr. YOUNG of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. HAMLIN. Yes.

Mr. YOUNG of North Dakota. Does the gentleman believe the constitutionality of this act is likely to be attacked in the court?

Mr. HAMLIN. Of course, I can not tell. It may be. It has been attacked on the floor of the House and very likely will be attacked again before it is finally passed.

Our Supreme Court has repeatedly said in unmistakable terms that Congress has authority under the Constitution to do anything which is necessary to make effective the authority given it under the Constitution. I think the language of our Supreme Court in the case of *Cobens against Virginia*, in Sixth Wheaton, pages 264, 413, from which I quote, is significant:

That the United States, for many and for most important purposes, is a single Nation, has not yet been denied. In war, we are one people. In making peace, we are one people. In all commercial relations, we are one and the same people. In many other respects the American people are one; and the Government, which is alone capable of controlling and managing their interest in all these respects, is the Government of the Union. * * * The people have declared that in the exercise of all powers given for the objects it is supreme. * * *

In One hundred and thirtieth United States, page 606, this significant language is used:

To preserve its independence and give security against foreign aggression and encroachment, is the highest duty of every nation, and to attain these ends nearly all other considerations are to be subordinated. It matters not in what form such aggression and encroachment may come, whether from a foreign nation acting in its national character or from vast hordes of its people crowding in upon us. The Government possessing the powers which are to be exercised for protection and security is clothed with the authority to determine the occasion on which the powers shall be called forth; and its determination, so far as the subjects affected are concerned, are necessarily conclusive upon all its departments and officers.

By the way, that comes pretty nearly answering the question which was injected yesterday into the debate to this effect, that our declaration that certain kinds of legislation is a war necessity will not bind the court. If the constitutionality of this question should arise before the court, I believe they would be bound by the decision of Congress expressed in its enactment.

In the case of *Miller against the United States*, in Eleventh Wallace, page 305, the court says:

The Constitution confers upon Congress, expressly, power to declare war, grant letters of marque and reprisal, and make rules respecting captures on land and water. Upon the exercise of these powers no restrictions are imposed. Of course—

Says the court—

the power to declare war involves the power to prosecute it by all means and in any manner in which war may be legitimately prosecuted.

Language could scarcely be stronger or broader than that.

But some may say this clearly refers to the things expressly mentioned in the Constitution and does not include the right to control the manufacture, handling, and distribution of such things as explosives or the control of the foodstuffs of the country. But I think it does. War can not be successfully prosecuted in these times without the use of modern implements of warfare. The Government must have them. Neither can war be prosecuted unless food, feed, and fuel are furnished to the soldiers and the noncombatants as well, and I do not believe for a minute that the framers of the Constitution were silly enough and short-sighted enough to intend to limit the power of Congress to a simple declaration of war and the granting of letters of marque and reprisal; and the making of rules respecting captures on land and water. That very authority carried with it, of course, the right to do anything else necessary to make the declaration of war effective. But we are not left to speculate on that. Again, the Supreme Court, in the case of *Nishimura Ekiu against the United States*, in One hundred and forty-second United States, page 659, said:

That there is granted Congress under the Constitution certain powers, among which is one "to declare war and to provide and maintain armies and navies; and to make all laws which may be necessary and proper for carrying into effect these powers and all other powers vested by the Constitution in the Government of the United States, or in any department or officer thereof."

This, you will readily recognize, is a literal quotation of the eighteenth paragraph of section 8 of the Constitution.

In the case of *Logan*, in One hundred and forty-fourth United States, page 283, we find this same article quoted, and then the court says:

In the exercise of this general power of legislation, Congress may use any means appearing to it most eligible and appropriate which are adapted to the end to be accomplished and are consistent with the letter and spirit of the Constitution.

Although the Constitution contains no grant, general or specific, to Congress of the power to provide for the punishment of crimes, excepting piracies and felonies on the high seas, offenses against the laws of nations, treasons, and counterfeiting the securities and current coin of the United States, no one doubts the power of Congress to provide for the punishment of all crimes and offenses against the United States, etc.

The Constitution must be construed in the light of reason.

Mr. SMITH of Michigan. Mr. Chairman, will the gentleman yield?

Mr. HAMLIN. Yes.

Mr. SMITH of Michigan. What does the gentleman think about the power of Congress to fix the prices of food products or other commodities of manufacture, both minimum and maximum prices?

Mr. HAMLIN. If the fixing of the price of things absolutely necessary for the maintenance of our armies or our people in time of war, I believe that we would have a right under the Constitution to do so. My study of these decisions leads me to believe that after all is said and done, it depends upon the one central fact—is it necessary to do this particular thing in order to make effective the declaration of war? If so, then we have the authority to do it.

Mr. SWITZER. Does the gentleman believe that the court would have the right to set aside our declaration of necessity?

Mr. HAMLIN. Whether they would have the right to declare it not a necessity? I very seriously doubt that they would have that right. I think the quotation from the court's decision I called attention to a moment ago indicates that our conclusion on this matter is final. I do not believe the Supreme Court would go back of the opinion of Congress on the question of what is necessary to prosecute the war.

Perhaps the case of *McCulloch v. State of Maryland*, reported in *Fourth Wheaton*, 316 et seq., can well be regarded as a leading case, and in which case the opinion was rendered by Chief Justice Marshall. I shall refer to only such parts of this opinion as I think directly affects the questions now confronting us. I want to say for the benefit of our "strict constructionist" that in this elaborate opinion the court did not overlook that phase of the case. There were those arguing that the Federal Government had only such powers as were "expressly" granted to it by the people. Chief Justice Marshall calls attention to the fact that the tenth amendment was evidently framed for the very purpose of negating the contention just referred to. He calls attention to the fact that the amendment provides that the powers "not delegated to the United States nor prohibited to the States are reserved to the States or to the people," and emphasized the fact that the word "expressly" was left out of the amendment, and he reasons, and I think correctly, that it was purposely left out. In other words, that the powers granted to the Federal Government are to be considered and construed in a reasonable, sensible way, with the view of giving to Congress power to do anything reasonably necessary to carry out the things which the Constitution gives it permission to do and the conditions require should be done. He says:

But it may with great reason be contended that a Government intrusted with such ample powers, on the due execution of which the happiness and prosperity of a Nation so vitally depends, must also be intrusted with ample means for their execution. The power being given, it is the interest of the Nation to facilitate its execution. It could never be their interest, and can not be presumed to have been their intention, to clog and embarrass its execution by withholding the most appropriate means.

Also—

It is then the subject of fair inquiry how far such means may be employed. It is not denied that the powers given to the Government imply the ordinary means of execution. * * * But the Constitution of the United States has not left the right of Congress to employ the necessary means for the execution of the powers conferred on the Government to general reasoning. To its enumeration of powers is added that of making all laws which shall be necessary and proper for carrying into execution the foregoing powers, and all other powers vested by this Constitution in the Government of the United States or any department thereof. * * * The subject is the execution of those great powers on which the welfare of the Nation essentially depends. It must have been the intention of those who gave these powers to insure, as far as human prudence could insure, their beneficial execution. * * * The result of the most careful and attentive consideration bestowed upon this clause is that if it does not enlarge it can not be construed to restrain the powers of Congress or to impair the right of the Legislature to exercise its best judgment in the selection of measures to carry into execution the constitutional powers of the Government. * * * We admit, as all must admit, that the powers of the Government are limited and that its limits are not to be transcended. But we think the sound construction of the Constitution must allow to the National Legislature that discretion with respect to the means by which the powers it confers ought to be carried into execution, which will enable that body to perform the high duties assigned to it in a manner most beneficial to the people.

That pretty nearly answers the question of the gentleman from North Dakota [Mr. YOUNG].

I do not hesitate to say that if I did not believe it is necessary to enact legislation such as is provided in the pending bill in order to successfully and properly conduct this war, I would not vote for it. I would not vote for it in time of peace; but believing, as I do, that it is necessary now, I do not hesitate to vote for it, because I believe it is constitutional. [Applause.]

I could go on almost ad infinitum, adding citation upon citation to this same effect, but I feel sure that no lawyer after careful and serious investigation will doubt the authority of Congress to enact such legislation, though drastic, as may be necessary to a successful prosecution of the war viewed from every possible corner and angle.

Mr. Chairman, I presume there never has been a war fought when there have not been those who hesitated, criticized, and objected to the doing of the things which were necessary to a successful prosecution of the war and otherwise hindered rather than helped to bring about the very victory which they so much desired. I presume it will ever be thus. Unfortunately we have in this country now those who are willing to be the beneficiaries of the Government's insurance of "life, liberty, and pursuit of happiness," but who are not willing to pay the premiums. They are willing to delegate to the other fellow the sole and exclusive right to represent them in the trenches in the face of the enemy, but are not willing to delegate to the President authority necessary for him to care for and provide for those who are there defending with their lives that liberty which these critics so much desire.

Some go so far as to contend that Congress has no constitutional right to grant to the Executive the power to make and promulgate rules and regulations for the carrying into effect the general laws which we enact, and I suggest that the difficulty perhaps is that they fail to appreciate that a law may be complete within itself, so far as declaring what may or may not be done, and yet leave to the Executive, whose duty it is to enforce it, the working out of details in the way of rules and regulations for the convenience in its enforcement.

In the *Stranahan* case, reported in *One hundred and ninety-second United States*, 470, the court seems to hold that Congress may leave to the Executive the duty of providing certain details in the execution of the law, which details involve certain independent action in the nature of discretion to the Executive. In that case Congress had passed a law giving the Secretary of the Treasury a right to appoint a board to consist of seven members, whose duty it should be to recommend to the Secretary certain uniform standards of purity, quality, and fitness of certain teas being imported into the United States, and upon said recommendation the Secretary should establish and promulgate a standard, and so forth.

The validity of this statute was contested on the ground that it was unconstitutional, because it granted to an executive official of the Government legislative power. The court said in that case that the contention was without merit; that the duty devolved upon the Secretary of the Treasury was merely an executive duty to effectuate the legislation as declared in the statute. The court then cites the case of *Field v. Clark* (143 United States, 649), where it was contended that the third section of the tariff act of October 1, 1890, was repugnant to the Constitution as conferring legislative and treaty-making power on the President, because it authorized him to suspend the provision of the act relating to the free introduction of sugar, molasses, coffee, tea, and hides. The court goes on to say that—

We may say of the legislation in this case as we said of the legislation considered in *Field versus Clark*, that it does not, in any real sense, invest administrative officials with the power of legislation. Congress legislated on the subject as far as was reasonably practicable, and from the necessities of the case was compelled to leave to the executive officials the duty of bringing about the result pointed out by the statute. To deny the power of Congress to delegate such a duty would in effect amount but to declaring that the plenary power vested in Congress to regulate foreign commerce could not be efficaciously asserted.

It seems to me that this effectually covers this question. I think that we must all realize that it would be a physical impossibility for Congress, in these stirring, changing, kaleidoscopic times to provide in the law every minute and necessary detail for its enforcement. We know that conditions are changing constantly. What may be necessary to be done to-day may not be necessary to be done to-morrow, or vice versa. Therefore, we recognize and the court recognized that the only practical thing for Congress to do is to legislate generally upon these subjects and then delegate to the Executive authority to make such rules and regulations for carrying out the law as may be necessary for its intelligent and effective execution.

To the same effect is the holdings of the court in *One hundred and forty-second United States*, page 651, to which I have referred in another connection. In the matter to which I now refer, Congress had, by law, in a general way, regulated the admission of aliens into the United States. The first section of that law simply declared that certain kinds of aliens should not be admitted, and section 8 thereof provided:

That the Secretary of the Treasury may prescribe rules for the inspection along the borders of Canada, British Columbia, and Mexico so as not to obstruct or unnecessarily delay, impede, or annoy passengers in the ordinary travel between said countries, etc.

The right of the Immigration Commissioner under appointment by the Secretary of the Treasury to enforce certain rules and regulations which had been promulgated, based upon that law, was challenged. In the course of the opinion on this

point the court after first quoting paragraph 18 of section 8 of the Constitution, said:

The supervision of the admission of aliens into the United States may be intrusted by Congress either to the Department of State, having the general management of foreign relations, or to the Department of the Treasury, charged with the enforcement of the laws regulating foreign commerce; and Congress has often passed acts forbidding the immigration of particular classes of foreigners and has committed the execution of these acts to the Secretary of the Treasury, to collectors of customs, and inspectors acting under their authority.

So in the food-control bill, to which I have been referring, it is proposed by Congress to prohibit preventable waste or deterioration of foodstuffs or to prevent the hoarding of the same, or discriminatory, unfair, or deceptive methods in the handling of the same; to do anything which is necessary to conserve the foodstuffs of the country and fixing a penalty for the violation of these inhibitions but of necessity leaving to the President the making of such rules and regulations as shall be necessary for carrying out in the most effective way the will of Congress thus expressed. I can not believe that in doing this we in any sense transcend our authority.

What is the final test? War has been declared. Is the doing of these things to which I have just referred necessary to a successful prosecution of the war and for the general welfare of all the people? If so, there can be no doubt in my mind of the right of Congress to enact such laws.

In the language of the court—

Let the end be legitimate, let it be within the scope of the Constitution, and all powers which are appropriate, which are plainly adapted to that end, which are not prohibited but consistent with the letter and spirit of the Constitution, are constitutional.

Mr. Chairman, we all love liberty, and in times of peace we may enjoy to the fullest that freedom of thought and action which can be had only in a democracy. But when the sovereignty of our Nation is challenged, when the very freedom we love is in danger, when the sacredness of home, of liberty and of ideals are imperiled, when to maintain and defend them we must fight, then every loyal, true patriot should not hesitate to forego that individual freedom of action and thought incident to peace times but lay that right, together with his life, upon the sacrificial altar of his country to the end that a concerted and united effort, under the Commander in Chief, may be made, so that the enemies of that liberty and freedom may be driven from the face of the earth. [Applause.]

The CHAIRMAN. The gentleman yields back five minutes.

Mr. HAMLIN resumed the chair.

Mr. YOUNG of North Dakota. Mr. Chairman, I yield 20 minutes to the gentleman from Oklahoma [Mr. MORGAN]. [Applause.]

Mr. MORGAN. Mr. Chairman, in considering this bill we should, of course, keep in mind the fact that we are engaged in war and that this bill is a war measure, and I have no doubt that this one thing will be very important in securing votes for it, as it should, because this bill is intended to strengthen our country, to bring this war to a successful conclusion at the earliest date possible with the least possible sacrifice on the part of our people.

It is intended to safeguard our citizens at home, but that is not all; it is intended also to aid our allies and their people. But it is not simply ourselves and our allies that this bill is intended to aid; but, as I believe we recognize, it has a world-wide scope, because through this measure and others we hope to bring this war to a successful conclusion, and if we do so all the nations of the earth and all the people of the earth will be benefited and blessed by the result. [Applause.]

I intend to support this bill. I intend to vote for it. There are some things about it that do not satisfy me. There are some things about it that I feel like criticizing, and I shall make some of those suggestions here to-night.

Now, this bill, according to its title, is designed primarily to encourage the production of foodstuffs and fuel; it is designed to carry out three things, namely, to encourage the production, to conserve the supply, and facilitate the equitable distribution of foodstuffs and fuel. But the encouragement of production is the chief object and purpose of this bill, as indicated by its title. Production is placed first in the title, in the first section, and in the third section; and I submit that the production of food is the great purpose and object of this bill. I do not want to underestimate the importance of conserving the supply of food or facilitating its equitable distribution. Certainly those things are of the very highest importance, and yet I think the increase in production is still the most important problem that we should deal with in this bill.

And yet here is a bill covering 18 pages of printed matter and a little over two pages devoted to the section which provides for the stimulating of food production. There are 21 sections and only one section relates in any way to provisions which are

designed to stimulate and encourage the production of food. In other words, those who had charge of this bill, those who have had much to do in the discussion of this measure outside of the committee, those who are to have charge probably of its administration, have placed too much prominence, too much stress, too much emphasis upon the control of foodstuffs and not enough upon the increase of production.

Take the distinguished gentleman, Mr. Hoover, a gentleman whom I have never met but for whom, of course, I have great respect and admiration, as I know him by reputation, and his work has been largely not upon questions relating to the increase of production of food but in the distribution of food. That has been the great problem in Belgium, while the increased production of food for the next year, it seems to be, is a question of the very highest importance.

Now then, take the discussion of this matter in the public press, take the hearings before the Committees on Agriculture of the two Houses, take the speeches made by the distinguished chairman of this committee and other distinguished members of the Committee on Agriculture, and they tell us there is a shortage of food products; they tell us that our allies and our own country must have a largely increased amount of food or else somebody must go hungry. They emphasize the fact in introducing their discussion of this bill that we need so many hundred million bushels of wheat and corn, and so on and so forth, and yet here is your bill which I contend does not give any assurance that it will increase the production of food to any material extent.

Mr. LEVER. Will the gentleman permit a question?

Mr. MORGAN. I certainly shall be glad to yield to the distinguished chairman.

Mr. LEVER. Has the gentleman any suggestion which would more encourage farmers to produce than, in the first place, to guarantee to them a free and open market for the sale of their goods as against the market now manipulated by gamblers and speculators on the one hand and, in the second place, to guarantee to them a reasonable and fair profit upon that which they produce? Can the gentleman suggest any way by which we can increase production other than that, except by conscripting men and putting them on the farm?

Mr. MORGAN. That is a fair question. And, of course, I shall do my very best to answer that question, because that is the very thing I wish to discuss.

Now, then, the free and open market to which the gentleman refers, I think, is somewhat indirect and indefinite. I do not see how the farmers will comprehend that in a way that will induce them to enlarge their production in any manner. It may have some effect and may be of some benefit to the farmer, but on the other hand, it may be some detriment because the speculator sometimes serves the interests of the farmer. It is true the farmer usually sells a greater part of his grain early after it is harvested and the farmer does not get the benefits of the advanced price, but sometimes the speculators play in the hands of a large portion of our farmers. So it is not altogether an evil, this speculation, so far as farmers are concerned. But there is danger with this large control that you place in the hands of the Government or the man who has control of these matters; that when the Government controls large amounts of wheat or corn or any other product it will tend to depress prices rather than to enhance them.

Mr. SWITZER. Now will the gentleman yield?

Mr. MORGAN. Yes.

Mr. SWITZER. Is it not true that with the enormous supply of coal, with the mines in this country open and profits on coal greater than ever before known, the production of coal has not been greatly stimulated in the last year, or the quantity enhanced, rather?

Mr. MORGAN. I am not so familiar as the gentleman is with that question, but I am inclined to think that is true.

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

Mr. MORGAN. Yes.

Mr. HOWARD. The gentleman is talking about wheat?

Mr. MORGAN. Yes.

Mr. HOWARD. Does the gentleman know that the farmers of the United States got for the 1916 wheat crop, by actual statistics of the Agricultural Department, an average price of \$1.22, and to-day it is selling for \$2.15 a bushel?

Mr. MORGAN. That may be perfectly true, and yet I know that last November, just before the election, as I went over my district my farmers were hauling their wheat to town and getting \$1.75 a bushel. I know also that I read in my local papers only a few days ago that some of my farmers hauled their wheat into town and got \$3 a bushel for it.

Mr. SWITZER. Is it not also true that some of that \$1.22 wheat made flour that sold for \$8 a barrel?

Mr. MORGAN. That may be true. Now, what is the effect of this provision which gives the President the right to fix a reasonable guaranteed price? That is the term used, "a reasonable guaranteed price."

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

Mr. MORGAN. Yes.

Mr. BLANTON. Along the line of the gentleman's argument, is it not a fact that the farmers of our country through necessity are forced to market their product within 60 days?

Mr. MORGAN. That is true to a large extent.

Mr. LEVER. And for that reason is it not true that if you guarantee to these farmers a reasonable profit you will increase the stimulus of production?

Mr. MORGAN. That is a question I want to discuss in a little while.

The bill gives the President the power to fix a reasonable guaranteed price, and that is the one thing that is intended to stimulate production. Now, then, who can tell me, except by conjecture or opinion, what will be the effect of that? My friend from South Carolina says it will stimulate production. That is only an opinion; that is only a conjecture. I have heard a farmer say, talking to him personally in Indiana a few days ago, that that would discourage production. He said: "We want no price fixing. We want to be let alone. We are willing to take our chances." I repeat, it is only a matter of conjecture and opinion whether that will increase production or not.

It is too general also. How much will it increase production? I will ask that question. Would it add 10 per cent, will you say—is that your opinion—to last year's production? Will it add 20 per cent? Is that your opinion? Will it add 25 per cent or 50 per cent? There is the question. No man can tell. One man will say one thing and another man will say another thing. But no man living can tell what stimulating effect that will have on production. It is a matter of absolute conjecture on your part.

Mr. LEVER. The gentleman and I will agree, I presume, that we do want to stimulate production.

Mr. MORGAN. Yes, sir.

Mr. LEVER. The committee has tried to provide two methods of doing it, one by guaranteeing a free market and another by guaranteeing a reasonable profit.

Mr. MORGAN. We have in the United States nearly 3,000 counties—about 2,850 counties altogether. We have, I think, now something like 2,000 county agents. I would put a county agent in every one of those other counties, as I believe the other bill we passed authorized. I would immediately put those agents to work making contracts with farmers to increase their production in wheat and corn and other products such as are wanted. It would be absolutely a practical way. I would put 3,000 men to work, and, if necessary, let them appoint deputies in the counties, and within 30 days you can contract for any additional amount of acreage of wheat or corn or other products within the power of the farmers to produce. You could go at it in a systematical and plain and practical way. If you want an extra million acres of wheat, you can contract for that. If you wanted 2,000,000 extra acres of corn, you can contract for that.

Is not that the practical way? You would know then just about how much you would have, taking in the possibilities of failure, and so forth. You would at least know what additional acreage you would have. I insist if one of our great business corporations had this proposition to handle that is the way it would handle it. It would send out its agents and make contracts for so much additional acreage of corn or wheat or potatoes.

But under this provision it is absolutely indefinite. This provision may bring 50,000 additional acres of wheat or a million additional acres of wheat. You can not tell. It is only conjecture. There is no head, no knowledge about it at all. When the time is over for planting wheat, you know then what you have got, but then it is too late for the next season.

Mr. LEVER. The gentleman's theory is very nice and interesting, and it is that you just put folks out in the field and hook up with the farmer and make a contract with him for so many acres of wheat. But on what basis? What price?

Mr. MORGAN. Right there, the gentleman says, "At what price?" The question of price is not the most vital thing, so far as this Government is concerned, and so far as our allies are concerned. The question of price to the consumers at home, the great masses of our people, is supremely important, but to this Government and our allies it is unimportant and insignificant. Whether it is \$1 or \$2 or \$3 a bushel, is not the essential thing. It is the food that we want to sustain life and to sustain our armies until we can win a victory. Did we talk about price

when we proposed to make a loan to our allies? Oh, no; we voted to loan \$3,000,000,000. We did not higggle with our allies. We said to them, "How much do you want? Here it is, and there is more to come if you want it." Three billion dollars in a gift, so to speak, or for 40 years' time. But when you come to deal with the farmers of the country, then you higggle with them and higggle with them and higggle with them about the price. The price is unimportant. It is our national life that is at stake, and the question of price so far as the Government is concerned is a secondary matter. I know the farmers would respond with patriotic hearts. They would not hold up this Government in this great cause. They would contract to plant that wheat at reasonable prices, and do their utmost to produce the food necessary to feed our people and our allies.

Mr. LEVER. Is it the gentleman's idea that we should call upon these farmers to produce millions and millions of bushels of wheat, and run the risk of an increase in submarine warfare to such an extent that prices would go far below the cost of production to the farmer? Is the gentleman absolutely ignoring the proposition of a reasonable and profitable price to the farmer in this matter?

Mr. MORGAN. There is danger, gentlemen, that when the Government decides what is a reasonable guaranteed price, when the Government decides what will give the farmers a reasonable profit, what is sometimes called the minimum price or reasonable price will become largely the maximum price that the farmer gets for his grain. It will go out over the Nation to dealers, millers, and everybody that the Government has said, "So and so is a reasonable price to the farmer," and it will be difficult for the farmer to get anything in excess of that. I am expressing my honest conviction, as well as my fear, that that so-called "reasonable price" will be a price that will tend to depress the natural and fair price to the farmer.

Mr. WASON. Will the gentleman yield?

Mr. MORGAN. I am glad to yield to my friend from New Hampshire.

Mr. WASON. Does the gentleman think that a reasonable profit in fixing this guaranteed price would be prejudicial to the interest of the producer on the land?

Mr. MORGAN. Just as I have said, the farmer certainly is not any more selfish than the rest of us. He naturally magnifies the increased cost of production. As has been said here frequently, everything the farmer uses in producing this grain has increased, especially the price of labor. Our munition factories and other great demands in the cities are paying labor what might be called excessive wages and taking the farm labor away from the farm, so it has largely increased in price. It is natural for the farmer to take these things into consideration, while it is natural for the nonfarmer to think that what the farmer gets is all profit.

The CHAIRMAN. The time of the gentleman has expired.

Mr. YOUNG of North Dakota. I yield to the gentleman 10 minutes more.

Mr. SWITZER. I should like to ask the gentleman from Oklahoma a question, because I have been having some correspondence along this line. Suppose it costs \$1.50 a bushel to produce wheat. In some parts of the country it costs on an average this year certainly \$1.25. What would the gentleman call a reasonable profit where it costs \$1.50 to produce wheat, taking into consideration that this year you may not have any, that you may not have any wheat on that land next year, although you plant it, and you may have a crop the third year? What does the gentleman call a reasonable profit?

Mr. MORGAN. That is hard to tell. I have a letter from a grain dealer in one of my counties, in the extreme western part of my district. He said, "Last year we had a good wheat crop, but this year it is an entire failure, so the farmers this year will make nothing."

Mr. WASON. In your contract that you speak of, made by the Government and the farmer, what would be the consideration expressed in that contract?

Mr. MORGAN. I would say in consideration that the farmer did so-and-so, the Government of the United States agrees to do so-and-so, or, if necessary, I would put in the nominal consideration of \$1. There would be no trouble about the consideration.

Mr. WASON. When you have done that, would you provide in the contract which you are talking about that the price of the product the farmer will raise under that contract shall be so arrived at that he shall receive a reasonable profit for his labor?

Mr. MORGAN. I am not going into details. I would give him a reasonable profit; pay him \$1.50 or \$2; but that is a detail. I would make some contract with the farmers that would be reasonable.

Now, I want to present this proposition: You propose to give a reasonable price as the best way to encourage production. It seems to me that if you are in earnest that is not the proper way to do it. The proper way is to say to the farmer, "We will give you a bonus of 10 cents or 15 cents or 25 cents a bushel if you will produce so many additional bushels to what you produced last year, or if you will produce so many bushels we will give you 10 per cent or 15 per cent or 25 per cent above the market price for your stuff. That would encourage production. That would be an inducement to the farmer to increase his crop. That would be an encouragement, because then he would know that we were giving him something extra for his labor, but under this proposition the farmer does not know but that the effect will be to depress the regular prices. So if you want to encourage the farmer to increase the production, give him a bonus above the regular price. That would be fair. Or the two propositions might be combined. Let the guaranteed price stand and, in addition, give the farmer a bonus or premium on his increased production.

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. MORGAN. Certainly.

Mr. SMITH of Michigan. Suppose the crop was an entire failure, like it is in some States in the West, and the man did not raise anything, what would be the basis of the reasonable profit in that case?

Mr. MORGAN. Like what it is now; he would make nothing.

Mr. SMITH of Michigan. But the Government says it will guarantee a reasonable profit.

Mr. MORGAN. Yes; on what he produces.

Mr. WASON. Suppose the market price was away below the cost of production. You would give the farmer a bonus which might not under some circumstances amount to the cost of production plus the reasonable profit. Would he not be better off under this bill?

Mr. MORGAN. If the supposition is true, but the gentleman is assuming that the price will be below the cost of the reasonable profit. At any rate, under this bill you do not pretend to give the farmer anything extra, you give him a reasonable price and make him believe he is going to get something higher. To this reasonable price you can give him a bonus.

Mr. WASON. How does the gentleman construe this language, "And fix and to give public notice of what under specified conditions is a reasonable guaranty price for any such product"?

Mr. MORGAN. I do not think that will encourage production. If you want to encourage production, the way is to give the farmer a premium on the ordinary price he would get in the regular trade. Then there would be some inducement, but under this there is no inducement.

Another proposition that is practical and that would tend to help the farmer is the question of credit, and I want to close on that point. You know I have talked about that a good deal, but it is a subject that ought to be talked about a good deal. If the farmer is to increase the production he must have increased facilities, better tools, better machinery, better equipment for the farm, and he must have more labor. One-third of the farmers of the United States are tenants; they do not own the farms. One-third of the farmers of the country who own farms have mortgages on them. So that two-thirds of the farmers, over 4,000,000 of them, either have their farms mortgaged or they are men who have no farms and have little credit. To enlarge the business of the farmers means you must enlarge their credit, and you can not increase that business unless the farmer does have increased credit. It can not be enlarged on cash. The farmers do not have the cash.

It takes money to put in wheat; it takes money to buy seed wheat; it costs money to prepare a farm for seeding and sowing wheat, and there is a large percentage of farmers who have not the money and neither have they the credit. So the bill ought to provide some way that the farmer may secure personal credit and increase their farming operations at a reasonable, if not a nominal, rate of interest. Remember that the fate of the Nation, remember that the destiny of the world depends on this proposition, whether we can feed ourselves and our allies and the people inhabiting these great nations. The fate of the Nation is hanging on that, and here you higgie and haggle over a few dollars and cents. Why not extend to the farmers of the United States ample personal credit; authorize the Secretary of the Treasury, through the Federal Farm Loan Board and the Federal land banks, to go to the farmers of the Nation and see if they need credit, and give it to them on reasonable terms so that they may be equipped and ready to do this work. That, then, would be along the right line. I repeat that in my honest judgment, certainly without any partisan spirit, as I study this bill, so far as it is a measure to increase the production of food products I regard it a comparative fail-

ure, and it ought to be amended. We ought in some way to put propositions in here that would insure that during the next season we shall produce all of the foodstuffs necessary for ourselves and for our allies, for our armies and navies, to the end that this great conflict in which we have entered so unselfishly shall be carried to triumph and victory, that all of the nations of the world shall be blessed through our efforts and sacrifices. [Applause.]

Mr. LEVER. Mr. Chairman, I yield 15 minutes to the gentleman from Georgia [Mr. HOWARD].

Mr. HOWARD. Mr. Chairman and gentlemen of the committee, I do not know that I can add anything to this debate beyond what has already been said, and ably said. I do not want to say anything in criticism of this committee; I would not say it. I think the able and distinguished gentleman who is the chairman of the Agricultural Committee has done as much, if not more, in the time that he has been chairman of this committee in this House, with the assistance of his able associates on the committee, the gentleman from Georgia, my able colleague, Mr. LEE, and others, for the agricultural interests of this country as has ever been done for the country by any committee in the history of the country. [Applause.]

If I were to make any criticism of this bill at all it would be upon the ground that it is not drastic enough. For instance, take these gentlemen who hail from the North Atlantic States, the great industrial centers of the country. They have, in many instances, been paying their labor liberally. Their labor comes to them day after day and week after week with the plea that upon the wage they are now receiving they can not exist, and some of these great manufacturers and owners of these great industrial plants have been granting increases to the wage scale until they have about reached the breaking point, where they can not give these poor fellows any more, under the circumstances, because they have existing contracts for future delivery. Yet in 90 days, from the 1st day of March until the 1st day of June, the principal commodities consumed upon the average American citizen's table daily have increased 51 per cent. Let us take the statement of my good and very able friend, the gentleman from Oklahoma [Mr. MORGAN]. He thinks this bill will be prejudicial to the farmer's credit. What does this bill do? Let us see how it affects the farmer. You are talking about credit. What could stimulate the credit of the farmer more in this great crisis, when no man can look beyond the day, than for the banking interests of the country to know that the farmer was planting his crop on a certain reasonable-profit basis? It would give him a credit he never had before in his life, and the thing that he has been dreaming of under the shade of the apple trees while the June bugs and bumblebees were playing among the clover blossoms, would come true—a reasonable rate of interest from the banks to meet his financial demands.

Mr. Chairman, there are a lot of tender-footed people, I know. I have some colleagues here that I am very fond of, but I know some of them who weigh as much as 180 pounds who could walk on eggs and never crack a shell. [Laughter.] They are absolutely afraid to take the bridle off of their intellect or give it free rein. My friend YOUNG, of Texas, is afraid that his little yearlings down in Texas will not sell for a dollar a pound on the hoof if this bill passes. He raises 2,000 bushels of wheat, so I understand, in his whole district.

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

Mr. HOWARD. Not now.

Mr. BLANTON. Just for one question?

Mr. HOWARD. Very well.

Mr. BLANTON. The gentleman spoke of contracts existing.

Mr. HOWARD. Yes.

Mr. BLANTON. Does not the gentleman from Georgia know that right at this season of the year the cattlemen of the South are making their contracts for their calves, and the purchasers who pay them are expecting to get a certain price for them after developing them?

Mr. HOWARD. Yes; I know that; and I know that these very men who are producing these calves you are talking about would make my wife and yours pay 60 cents a pound for round steak if they could do it, and I am against them on that proposition. [Applause.] There is a limit to this extortion in food, and you might as well meet this proposition manfully. You need not think that the farmers of the United States are less patriotic than any other class of men. They are not. What the farmer has been asking for 50 years of this Nation is not for any false profits, not any get-rich-quick schemes, not extortionate profits. He has been asking nothing on the face of the earth but justice, and that is all he expects—a fair and reasonable profit on his toil and sweat. What is the farmer making

out of this? Take them in my section of the country, as good a section of country as God's sun ever smiled on.

They are paying two prices for fertilizers. They are paying 100 per cent increased prices for farm implements. They are paying and buying back this minute the wheat on which they averaged \$1.25 a bushel on a basis of \$3.80 per bushel, and the miller retains the shorts in the bran. It is all wrong to be approaching a great question in a tender-footed manner, afraid you are going to offend some farmer friend back home. I will tell you what the farmers of Georgia want, irrespective of what some people that have some legislative functions to perform may think. They want the great President of the United States to have in his hands in this crisis the power to relieve him of every burden it is possible to relieve him of in bringing this war to a speedy and successful conclusion, and they are willing to trust this great and just man implicitly in this war. All the demagogues under the sun can not shake their confidence in him or their affection for him. They are no longer his critics, they are his sympathizers. [Applause.] Now, what have you got? You have got a whole lot of mink-eyed, conscienceless speculators in this country that are squeezing the lifeblood out of the citizens of the country by exacting outrageous and unheard of prices for the commodities they get their hands on. Why, if this thing keeps up, if some regulation is not speedily enacted, the ordinary workingman's child that sees a biscuit six months from now will be so unaccustomed to the sight of one that it will put a coal of fire on it to see if it will not crawl like a terrapin. [Laughter.] And, talking about biscuits, why everybody has quit eating biscuits except the millionaire. We commenced to eat corn bread. And it is mighty good when you know how to make it; but I never saw a Yankee in my life that did know how to make it. [Laughter.] The minute we commenced with corn bread, corn that these speculators had cornered went to \$2 a bushel. If you go to eating round steak and abandon porterhouse, these beef barons will put up the round steak and allow the porterhouse to stand where it is. There never was in the history of this country as much high-handed robbery going on as there is to-day in the United States without any justification for it on the face of this earth, and yet gentlemen say they are afraid of vesting the President with plenary power to take these speculators by the scruff of the neck and shake them loose from their hoardings. Take my friend HAUGEN'S great dairy folks up there.

The greatest philanthropists that ever lived are the dairy people of the Northwest. Elgin, Ill., fixes the price of butter every morning. Let us see what they are doing for their dear patrons at this time. Right at this time the production of milk and butter can be made cheaper than at any other season in the year. Grass is the best balanced ration on earth for the production of milk and butter. Milk and butter are being produced this month cheaper on an average all over the United States than during any other month of the year; but yesterday morning I paid 60 cents for 1 pound of Elgin butter.

Now, you talk about being tender-footed about this thing. You are talking about offending the farmer. This bill starts after the product leaves the farmer. It does not touch food in the hands of the actual producer. It formulates an effective marketing system, it regulates the price between the farmer and the retail merchant, and I can understand readily why my good and distinguished friend, the chairman of this committee, did not reach out and get the retailer. I would like to drive a few pegs around him in this bill if I could get at him. But there are about 250,000 of them in the United States, and we would have to employ an army of employees to run around and catch them.

Now, getting back to this foodstuff, I want to leave the farmer just a minute. We want to leave him sitting under the June apple tree and not worrying, like my friend Morgan is, about what is going to happen, but perfectly contented with provisions of this bill, because I tell you right now, and you mark my prediction, it will be 10 years after this war before the products of the farm will reach anything like the normal prices of the spring of 1914. I will not take time to go into it, but a man that has enough brains to fill a mustard seed can see it is a physical impossibility for the farmers, not only of this country but of the world, to produce enough in the next 10 years to meet the demand occasioned by the great devastation that has taken place because of this war, if the war did not last another minute.

There is another class of gentlemen I want to pay my respects to. I do not know of but two or three prosecutions have taken place against these coal operators in the country. You are all jumping onto the manufacturers and saying that they are exacting outrageous prices. Yes; they have been doing so. They have exacted them, and some of them are robbing

the folks in their prices, but there is a great number of these honest manufacturers in this country that have had their overhead charges increased by a 100 per cent increase in coal in the last six months, that is as unjustifiable as the murder of an innocent babe, so far as the circumstances surrounding this increase are concerned.

I know of one coal-operating company—I will not name it, but I will state it authoritatively from the inside—that declared a 54 per cent dividend in 10 months on a \$14,000,000 capitalization, and on the 1st day of June divided in their office in the city of New York \$9,000,000 net profits. The people in the great city of Atlanta, the labor organizations and the poor people and the manufacturers have been appealing to me for relief in the region where the increased cost of producing a ton of coal now over the cost in 1915 has been only 12 cents per ton, and that has been paid to an underpaid crowd of nine workers.

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

Mr. HOWARD. Yes.

Mr. SWITZER. Have you ever heard anyone say what methods or means are to be employed to bring about a reduction of coal prices? That is one thing I have not heard discussed at all.

Mr. HOWARD. Just suppose for a minute—it is a violent presumption; but just suppose—that I was President of the United States for 20 minutes. [Applause and laughter.]

Mr. SWITZER. Along that line please state, if you know—

Mr. HOWARD. It seems as if I would get all the Democrats and a good many Republican votes. [Laughter.]

Mr. SWITZER. I think you would. Please state just who is looking after that on this Council of National Defense?

Mr. HOWARD. I do not know. But let me tell you about the Council of National Defense. Do not condemn the Council of National Defense too quickly. There are a lot of good, patriotic gentlemen on that council that are down here trying to serve their country patriotically and without compensation. They may not all be in that class, but the great majority of them that I have met I have found to be conscientious, alert business men who are patriotically attempting to drive good bargains for their country, and I am glad to say they are driving many good bargains for Uncle Sam. [Applause.]

And right here I want to say I had received some information from my district, and I made a statement here on the floor of this House about contracts that were let in the South, and after I had made a thorough and sifting investigation of it I found out that the Council of National Defense did not let that contract, but that it was let by other parties in authority, and that the statements made about high prices paid were made about two or three thousand feet of lumber instead of the great bulk of lumber that was used in that construction. That was simply bought to finish up this job, which was one of emergency. Probably this statement should be made at another time, and I shall, if the opportunity presents itself, tell the House what I know of the splendid service being rendered the country by these gentlemen comprising this Council of National Defense.

Mr. SWITZER. I wanted to know what they are doing. I was not trying to discredit them. I wanted simply to know what they were trying to do.

Mr. HOWARD. Let us see what they are trying to do. They are trying to drive a bargain for coal for the Government of the United States, and they are in this position—here is what the coal operators say: They say, "We have not been making any money. We have got a chance to make it now. We have got the coal. You need this coal badly, and you have got to pay for it." That is their attitude.

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

Mr. HOWARD. Yes.

Mr. JACOWAY. I would like to ask the gentleman from Georgia if he thinks the coal operators and the men who have the coal now in their possession and now hoard it would at once double the price of coal and make it twice as high as it was this time last year?

Mr. HOWARD. Of course. That is what I am telling you. The people of the United States will suffer, and do not you fret about the President of the United States. I have as much confidence in him as any living man, and I am not by myself. The people of this country believe that he has got the courage to do anything he believes is for the preservation of this Nation and to see to it that the common people get a square deal; and as soon as this bill becomes a law, under it he can go to these coal operators, and if they will not run the mines on a reasonable profit basis he will and he will give the people coal at a reasonable price. That is what will happen, and that is what ought to happen. [Applause on the floor and in the galleries.]

The CHAIRMAN. The Chair wants to admonish the occupants of the galleries that they have no right to express approval or disapproval of anything that is said on the floor. The people in the galleries will kindly pay attention to that.

Mr. HOWARD. The coal fields near my great city and in the surrounding territory, from which all the surrounding manufacturers get their supply of coal, have increased, as I said a little while ago, their cost of production 12 cents a ton, and yet that coal has risen in price from \$4 a ton to \$8 a ton, and the retail coal dealers in the city of Atlanta have notified their regular customers that if they do not get their winter supply by the 1st of September they will have to pay between \$9 and \$11 a ton for it.

Mr. ROBBINS. Will the gentleman permit a question there?

Mr. HOWARD. With pleasure.

Mr. ROBBINS. Are there not some elements in this coal situation that are peculiar—for instance, lack of transportation and lack of labor? I admit the gentleman's argument, but I want him to consider those things.

Mr. HOWARD. Good. I can answer that. I see both the gentleman's questions now, and I will answer both. In the winter of 1916 the coal operators said there was a shortage of coal cars. The people believed it, and they said that if there was a shortage of coal cars and the railroads could not get the cars to transport the coal, they would pay the price. That was when coal cars were supposed to be used to their utmost capacity in the transportation of coal. But here it is in June, in the summer time, when the great quantity of coal to keep the people from the shivering blasts of winter is not being used or moved, and yet these conscienceless coal operators in the month of June, when they can get plenty of cars, are saying to the American people, "Pay the price or freeze next winter."

Mr. GALLAGHER. Is it not a fact that it was established that hundreds of cars were loaded and kept on sidetracks last year?

Mr. HOWARD. Why, certainly. I saw hundreds of cars of coal in the month of December away out on a spur track 4 miles from the city of Atlanta.

Now, I want to answer the other question about labor.

Mr. ROBBINS. Before the gentleman goes on I want to say this, that conditions are different in different parts of the country.

Mr. HOWARD. Yes. You have been congested up in your country; I will admit that. Congestion brought about by lack of storage facilities at the great ports for the supplies of our allies.

Mr. ROBBINS. For instance, in the Pittsburgh district there is the lake trade that takes the coal in the summer.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HOWARD. Will you give me five minutes more?

Mr. YOUNG of North Dakota. If the gentleman will tell us what he will do when he becomes President, I will give him five minutes more.

Mr. HOWARD. I appreciate that courtesy. I said that was a very violent presumption, and as I am so well satisfied with my President now, I must refrain from saying all that I would do.

Mr. PLATT. I should like to ask the gentleman whether it is not a fact that people who are not in any danger of freezing to death are buying coal?

Mr. HOWARD. Why, certainly. It is being delivered all over the country. People are panic-stricken, and I do not blame them. I do not know any more uncomfortable condition than to be nearly frozen to death, especially when we know that there is plenty of coal in the ground and willing hands to dig it, but a lot of operators who will withhold the normal output and make coal scarce so as to exact blood money from the people.

There is enough coal in the United States to furnish plenty of coal for the people on the basis of past increase in population and consumption for over a thousand years. God Almighty gave this country that fuel for the protection of our families from cold and to furnish power for our industries. We are entitled to this God-given product at a reasonable price, plus cost of transportation and labor. If these men who have these properties continue to rob us, then the only alternative is given in this bill. The President can commandeer these mines and operate them for our people.

There is one subject dealt with in this bill in which I am deeply interested, and I am always ready to talk about it. It is this: You have in section 13 in this bill, which provides for the conservation of grain in the manufacture of alcoholic and nonalcoholic beverages. I do not think I will support that section in its original form, and I will tell you why I will not do it. I am going to offer an amendment, and I think my amend-

ment is going to be adopted. I believe it will be adopted when that part of this bill is reached. I want you gentlemen to think about that phase of it between now and the day when that section is reached. There never was a more important or greater economic question than the liquor question in this country, and there never will be until we get rid of it.

You are fixing to conserve the grain for the manufacture of distilled spirits and the grain for the manufacture of malt liquor—beer. Now, what do you do? In five months every drop of beer in the United States will have been consumed. Then you will have these delightful friends of the people, the liquor distillers, in possession of between 300,000,000 and 500,000,000 gallons of distilled liquor, and the men who are inclined to consume alcoholic beverages will be forced to drink distilled liquors or liquor. And if this war lasts three years, by the enactment of that very section of this bill you will create more drunkards than have been created in a decade before, because you will force every man who has a craving for alcohol to drink distilled liquors. My friends, I believe that the President of the United States is expecting this Congress to assume some of the responsibilities and some of the burdens of the Government. I believe firmly that the President is waiting for this Congress to initiate some legislation along that line. We have no right to go out and ask the mothers and the fathers of this Nation to give their sons to us and move them into an atmosphere of immoral influences. I will admit that we took a long step when we said you shall not sell this stuff to an officer or a private in the uniform of this country. But we are going to make a mistake if we adopt this section 13 and stop there. I am as good a prohibitionist as any man; I am mighty near as good a prohibitionist as the gentleman from California [Mr. RANDALL]. I am bone dry; I am as dry as a bone in the Desert of Sahara. [Laughter.] But I am not going to vote to give these liquor people a monopoly on alcoholic beverages in this country and enhance the value of their liquor from \$3.50 or \$4 a gallon to \$8 or \$9 or \$10 a gallon. Of course, they will pay the additional tax of \$1.10; of course, the patriotic gentlemen who have defrauded the Government out of not less than \$150,000,000 in the last six or eight years on all sorts of schemes and conspiracies to defraud the internal-revenue office will pay this additional tax.

Mr. SABATH. Will the gentleman yield?

Mr. HOWARD. Yes.

Mr. SABATH. Will the gentleman enlighten the House as to who would pay \$8 or \$10 a gallon for this liquor?

Mr. HOWARD. Did the gentleman ever see a man who wanted a drink right bad? If he has, he will see one who will give his soul, let alone his money, for a drink.

Mr. SABATH. I did not know that we had any people who wanted a drink so badly as that.

Mr. HOWARD. The pawnshops have been run from time immemorial by men who loved liquor better than the most esteemed and revered heirloom. Talk about enhancing the value of liquor; of course it will. The man that does not know that it will do it—I can put the brains of that man in a mustard seed, and it will have as much room as a bat in a meeting-house. [Laughter.] Of course it will do it. It will give them a monopoly unless the President of the United States steps in and fixes the maximum price of liquor.

Mr. SABATH. Would the people of the gentleman's State pay an exorbitant price for this liquor?

Mr. HOWARD. I do not know; it is bone-dry now. If they could get a gallon to-day, I suppose they would give \$10, and they might give \$20. I expect you could get \$1 a drink for it right now in some quarters of my State.

Mr. SABATH. Does the gentleman want to say to this House that none of it can be secured in his State?

Mr. HOWARD. Of course, it can not legally be bought. I will tell the gentleman the result of prohibition in my State. I got a letter last week from a gentleman in my district. He stated that the city was now forced to hire free labor to work the streets. Since the Reed amendment was made the law of Georgia by a session of the legislature, drunkenness and crime in the entire State has been reduced 75 per cent. That is the effect of prohibition in Georgia. The reason we have never been able to enforce it is because the liquor men polluted our territory by setting up blind tigers and financing them and shipping liquor into our State, debauching the people with the meanest kind of liquor at that. This is a serious problem during the war. If I can not get absolute prohibition during the war, for which I pray most earnestly, then between the two give the people the less harmful and the more wholesome—beer. But for the sake of the country let us have war prohibition, and after the war peace prohibition. [Applause.]

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

Mr. YOUNG of North Dakota. Mr. Chairman, I yield 15 minutes to the gentleman from California [Mr. OSBORNE].

Mr. OSBORNE. Mr. Chairman, I support and shall vote for this bill. Why?

I admit that it is the most drastic, the most restrictive, and the most far-reaching bill in its application to what are ordinarily considered the rights of citizens ever introduced into the American Congress.

The gentleman from Texas [Mr. Young] and the gentleman from Indiana [Mr. Wood] are fully justified in their scathing criticism of the bill but for one supreme fact—the fact of war.

That supreme fact changes and revolutionizes the ordinary and accepted rules of society and the laws governing human rights that prevail in times of peace.

None of us like these drastic laws and autocratic interferences with the freedom of action of the individual.

When we voted the resolutions declaring a state of war on the 5th of April, however, we took the supreme and irrevocable step, and removed ourselves from the orderly rules and sensitive protection of a condition of peace.

Speaking for myself, the great struggle of mind and heart was over the question of declaring war. I realized that all these other distressing things would follow—the raising of a great army; the voting of vast sums of money for war purposes; unusual and burdensome taxation in a war-revenue bill; restrictions upon the freedom of individuals in many ways, to render more effective our own efforts in war, as well as those of our allies.

When I voted for war I voted for all these things, and I knew it then. The great struggle with me occurred before and when I cast that solemn vote. I speak for no one but myself, and I judge none other; but when I voted that there was no path of national safety and honor except that of war and placed the conduct of that war, so far as my own vote was effective, in the hands of our Chief Executive I felt in honor bound to extend to the President as Commander in Chief of our forces all the power that may be necessary to bring the war to a successful issue. [Applause.] In good conscience I can not escape that responsibility if I would. However objectionable might be the measure under consideration in time of peace, in time of war, and especially in the present terrible and unexampled war, which it seems more than likely finally will be decided upon the question of food supply, it appears to me to be necessary and desirable, and I shall vote for it as a war measure without hesitation.

In discussing the emergency military bill on this floor on April 26 I used the following language:

The United States has been at peace for more than 50 years, with the exception of the brief War with Spain in 1898. Two generations have come into the world since the close of the great Civil War in 1865, who have no knowledge of the grim character of war except as they have gained it in their reading of history. It is difficult for them to realize that the necessities of war demand repressive and restrictive rules of conduct and a concentration of the entire power of the Nation in ways that are unusual, harsh, and sometimes even cruel, in order that war may be effectively carried on.

From the moment the President signed the resolutions declaring a state of war, conditions were fundamentally changed. The Congress by its own act had placed upon the President the responsibility of successfully conducting that war. In the performance of that great duty he was entitled to receive from the Congress the widest latitude of power and authority, and this extraordinary power must be extended throughout the entire period of the war. Congress having delegated this extraordinary task upon the President should accompany it with the utmost degree of confidence that justly, wisely, and considerately it will be exercised, and that at the conclusion of the war these extraordinary powers conferred for the accomplishment of a great purpose will be returned to the Congress and to the people by whom they have been conferred.

For my own part, as the Representative in Congress of a constituency of a half million American people, I do feel and I do extend that confidence, and in good faith it is my intention to carry out upon the floor of the House of Representatives the mandate which was given the President when the resolution declaring war was passed by voting him in principle and in detail every power necessary to a successful outcome of the great adventure of liberty and freedom of the peoples upon which our country has thus been launched.

The rapidly increasing prices of foodstuffs growing out of the rivalry of the powers engaged in war in their efforts to obtain food for their own armies and peoples, combined with a diminution of crops in this country, present an emergency which must be met immediately and by extraordinary exercise of national power. In whom shall that power be placed? Who can we trust with greater confidence than the chosen representative of the entire people—the President of the United States. [Applause.]

It was truthfully said on this floor that this is a greater exercise of power than was ever given to a President throughout our history. But we were never involved in a war so vast as the present war, and no combination of circumstances has ever before arisen like that which confronts us to-day—the whole world in war and an extremely limited food supply. That the

President desires this power for any other purpose than that of the welfare of the Nation, I can not conceive and do not believe. That he will exercise this power with justice and moderation and with an eye single to the welfare of the people and the success of the great cause in which we are engaged I do firmly believe.

Within our history more than one President has been charged by opposing partisans with a desire to exercise the powers of a dictatorship and, in fact, to become a dictator. Such charges were freely made against the grim victor of the Battle of New Orleans—President Andrew Jackson. During the Civil War our beloved President Lincoln was continuously assailed with charges of exercising tyrannical powers and of desiring to be the dictator of the country. When Ulysses S. Grant was a nominee for President of the United States and after he became President he was accused of an ambition to be the dictator of the country, and was constantly referred to in ribald print as "The man on horseback." One of our living ex-Presidents, whose devoted patriotism to-day none denies, was similarly charged. The same charge will probably be made against the present President of the United States.

It is to the everlasting honor, however, of every man who has ever held the exalted place of President that not one could ever truthfully be charged with such unholy ambitions. Every President, from Washington to Wilson—holding a commission of higher honor than that of any king, emperor, or dictator—has arisen to the high altitude of his exalted position in human society and has exercised his great power and authority in a conscientious discharge of his duties to the highest and best interests of the American people. I look for no less devotion and integrity in the present distinguished incumbent of that great place. I speak as one who is not a member of the political party of which the President is the head and who did not vote for him for President, but I accept the judgment of the American people and honor and trust him as the freely chosen head of the Nation and worthy of the great place. [Applause.]

I shall support the President by voting for this bill for these reasons:

First. I believe that some extraordinary power must be exercised to conserve the food supply of America and provide for feeding the world.

Second. I believe that this extraordinary power is necessary to stabilize the cost of food and, without injury to the farmer and producer, keep the price from being inflated by groundless alarm and the manipulation of speculators, so that the poor shall not go hungry and the working man and woman shall be able to secure food at reasonable and moderate cost.

Third. Because this is one of the most effective measures proposed for successfully prosecuting the war.

Fourth. Because its exercise will be confined to the war, and will close by its own provisions when the war is over.

During the long Civil War of four years there was a stalwart body of patriots on the floor of this House and in the Senate who differed with President Lincoln on political questions, but who accorded him the most unreserved and absolute support in all his war measures. They were known as "war Democrats." They were honored then and ever will be honored by their political opponents and by the press for their unswerving loyalty. On the other hand, there was a small body of Representatives in Congress, generally known and generally despised, who were denominated as "Copperheads." I sincerely hope that during this great war, which is still before us, we will have no counterpart in Congress of the men of the Vallandigham type.

For myself, I would desire that in the future, when this war shall be over and the victory won, if mention should be made in history of the actions of this Congress in prosecuting this war, I might have a humble place among those who shall be recorded as composing the body of war Republicans of the House of Representatives. I trust that their record shall be that they gave invariable and loyal support to the Commander in Chief of the Army and Navy in such legislation as was necessary for the conduct of the greatest war in history.

In conclusion I shall say that I gladly give my support and vote to this bill. [Applause.]

I ask unanimous consent to extend my remarks in the RECORD by adding the following telegram received this morning from the American League of California:

SAN FRANCISCO, CAL., June 18, 1917.

HON. HENRY Z. OSBORNE,
Washington, D. C.:

At a meeting of the executive committee of the American League of California, held to-day, the following resolution was unanimously adopted:

"Resolved, That the Senators and Congressmen of the State of California be urged to do everything in their power in support of the food-

administration bill and the appointment of Herbert C. Hoover as director of food supply and control. Mr. Hoover is personally known to many members of the American League, many Californians, and to many officials of the league. We not only believe, but we know that Mr. Hoover is eminently endowed to serve his country and the world in the administration of such a bill, and we believe that the fullest powers should be given in the bill, knowing that the more power he is given the more wisely and the less he will use it. We also believe that prompt action on the above administration bill, with the appointment of Mr. Hoover, will satisfy and stimulate the American people."

W. B. BOURN, Acting Chairman.

Mr. LEVER. Mr. Chairman, I yield 20 minutes to the gentleman from Alabama [Mr. BANKHEAD].

Mr. BANKHEAD. Mr. Chairman, on the 5th day of April last this House by an overwhelming vote, exercising its constitutional function, declared a state of war to exist between this Government and that of Germany. It was the final and determined, though reluctant, protest of a proud but patient people against a series of outrageous and indefensible aggressions against our citizenship and our national sovereignty. To have longer endured them without a resort to arms would not only have righteously subjected us to the contemptuous scorn of our national contemporaries, but would inevitably have hopelessly cankered and mildewed our own self-respect, without which no free people can aspire or hope to endure. [Applause.]

By the fateful resolution of April 5 we as a Nation put our hands to the plow; and what man is there here who would turn back? By that resolution the Congress pledged all the resources of the Government to carry on the war to a speedy and successful conclusion. We have so far, despite clamorous disputation here and at the other end of the Capitol, held resolutely to a legislative program to make available and to scientifically mobilize the resources of the people for an effective prosecution of the war. We have voted unlimited credit; we have made it possible to call to the colors unnumbered soldiers; the people have oversubscribed an unparalleled bond issue; legislation will be enacted to raise ample revenues; the shipyards ring with the clamor of construction, building a great host of ships to carry commerce and supplies to our brethren in arms across the sea; and, better than all else, there lives in the hearts of the people of this Republic a suppressed but nevertheless a stern and unconquerable resolution to win, and to win gloriously, this fight. So, I say, we are making headway in making preparation for the grim business which lies ahead of us, for God alone knows how many, many months. But we have not completed the task.

We will have made a miserable failure if we do not provide for the safeguarding of the food supply of our people under the most adverse conditions that may be visited upon them, for that is necessarily the ever-present and always paramount problem of economics; it is so brutally persistent that it is inevitably compelling.

We all recognize that it is a legislative problem fraught with many difficulties. An absolutely unique and most heavy burden was laid on the Committee on Agriculture to conceive and construct this bill, and likewise a grave responsibility rests upon this House to consider it; to correct its defects, if they exist; to nullify its dangers, if any appear; to modify its harsh or unjust operation, if argument here points out such effects; but when those efforts are made and their benefit obtained, then, gentlemen, we must pass the bill. [Applause.]

Candor compels the admission that there is contained in this measure the delegation of plenary powers to the President or his selected agents which in ordinary times would be regarded as repugnant to every conception of a democratic government and subversive of individual freedom of action and management of one's affairs. But these are not ordinary times.

The conditions of the world require, at least temporarily, a readjustment of preconceived standards. If essential results are to be obtained by new means or by traveling uncharted courses, we must not and we will not in this tremendous issue be too tenderfooted or hesitant about adopting them. [Applause.]

Gentlemen here have invoked the limitations and the inhibitions of the Constitution against this bill. I am not disturbed at the prospect of doing violence to that sacred document by an affirmative vote for this measure. The legal aspect has been ably presented by gentlemen who have preceded me, showing ample warrant for constitutional favor under the war power and the general welfare clause to justify the provisions of the bill as framed. It is amazing to what lengths some men will go in constitutional interpretation to conjure up fictitious objections of organic violations in order to make Representatives hesitate as to the propriety of voting for a measure the validity of which might be assailed. This is always a persuasive and sometimes insidious weapon of forensic attack, for no Member is willing deliberately to violate that instrument which he has sworn to uphold; but I challenge any lawyer here to produce one single decision or even a fragmentary dictum handed down

by John Marshall or Chief Justice Taney or any other of our great juridical luminaries to the effect that the Constitution, a great covenant for the preservation of the liberty of the people, in time of war can stand in the way of any measures necessary for the saving of the life and very sovereignty of the Government itself when in desperate peril. To take that view would be tantamount to saying that our supposed ark of the covenant of safety may be used by our enemies as the inviolable agency of our own destruction.

I repudiate the doctrine that the Kaiser of Germany can invisibly but potentially assail us in the most vulnerable part of our autonomy behind the mask of our own organic law.

And we have heard much in this debate concerning a dictatorship for the free people of this Nation. Great apprehension has been expressed that we are on the threshold of disaster and that the iron hand of despotic regulation is the precursor of total destruction of personal liberty among our people, and we are solemnly admonished that the ghastly apparition of a new and unbridled autocracy will soon stalk abroad, and that liberty will soon lie dead in the street.

Over against that imaginary fear I catch the vision of a real and sinister calamity. Already there comes to this Congress from the weltering beehives of concentrated populations the ominous appeal "We can not live upon what we make." As already shown here, in the last 10 years, while union wages in the country have increased 19 per cent the cost of living has risen over 60 per cent. There is no reason to expect during this war that the conditions will be improved, but upon the contrary that they will become more harsh and unbearable. They will inevitably become so unless by sumptuary and drastic legislation now we forestall the possibilities of actual famine and a rebellious people.

For one, I am not afraid of the application of healthy power, equally and humanely administered, to crush and destroy an existing power that is rooted in iniquity and has no longer an excuse to live. [Applause.] I am not afraid of a war-time dictatorship to help and to save our people and our Government, but I am deeply apprehensive of the continuance of an existing dictatorship, which by manipulation and jugglery and secret connivance and sinister cupidity feeds and fattens upon the substance, if not upon the souls, of helpless people. I am not afraid of a so-called food dictatorship, counseled and dominated by that best loved and most trusted of all Americans, who now presides in large measure over the destiny of this Nation, Woodrow Wilson, who has no ambition to lure him and no inducement to oppress. [Applause.] But, sir, I shiver at the possibility of a dictatorship directed by the morals and inspired by the conscience of that "imperial impersonation of blood and murder," called William the Second.

It is to save us against such a contingency that this bill is urged. Primarily, it is a domestic problem, but incidentally a community enterprise with our allies.

We must not attempt to cure the cancer of food speculation, exorbitant middle profits, and secret compacts with salves and blisters; we must cut it out by the roots, and this measure confers the power to apply the knife.

I represent a district composed very largely of men whose occupation is farming. For two years, on account of floods, droughts, and the depredations of the boll weevil, there has been an almost total failure of crops. And though the opponents of this bill argue with great zeal that it means the destruction of the farming interests of this country, practically all the letters I have received from home urging me for the love of God to try to do something to reduce the price of meat and bread are from farmers themselves. If a temporary crop failure by farmers can so deeply disturb their condition, what must be the fate of the 70,000,000 of our people who never produce anything?

But can we who represent farming districts in this hour of national peril afford to fail to consider the interests of the millions who toil in other industries and occupations, and out of a sense of territorial greed be mindful only of our own household, and let our fellow citizens at a distance go starve? Speaking for my people, I am unwilling to certify to that as the measure of either their humanity or their patriotism.

I shall vote for the bill, because it is urgently requested by our Commander in Chief as a war measure of tremendous importance. I shall vote for it because I believe that in its conservative administration it will assure and insure a reasonable food supply for domestic consumption and a surplus for our needy allies. I shall vote for it because I believe that it will bring the producer and the consumer into more equitable and just relations of profit and understanding; because it will encourage production by a guaranty of a minimum price insuring a fair profit to the producers of foodstuffs, if such guaranty be found necessary; because it will tend greatly to reduce the cost

of living to millions of our fellow citizens, now so sorely pressed to make tongue and buckle meet; because it affords an absolute curb to the ruthless and merciless gambler and manipulator; and because it finishes our program of national defense.

And then America mobilized; America ready for all eventualities; America conscious of the justice of her cause and the righteousness of her quarrel, calling upon the God of battles and the God of our fathers to witness the integrity of her high purpose and the unselfish motives which impelled her action in accepting the gage of battle, will strike with her full power. And we will win.

If need be, soon upon the far-flung battle line of France, touching elbows and in gracious comradeship with the descendants of the fellow citizens of Lafayette, will stand a million Americans of the iron blood and race type of the men who, drunk with the liquor of battle, whirled around the dragon standard at Senlac; who fought with Richard Grenville; who rode to immortality at Balaklava; who went down with the Cumberland at Hampton Roads; who charged to deathless fame and martial glory with Pickett at Gettysburg—the Anglo-Saxon race, unconquered and, please God, unconquerable. [Applause.]

And some day, after the captains and the kings depart—when “the pomp and circumstance of glorious war” shall be known no longer in the land—then peace. A temporary truce? No. Just a time for recuperation, then another and more tremendous Saturnalia? No. My countrymen, let me here and now adjure you, in the name and by the token of the sacrifices this war will entail upon us, not using it as a pretext but seizing it as an opportunity, make common purpose to see to it that before this bitter business is concluded arrangements shall be made and covenants signed and sealed which will insure that hereafter war as a recognized human institution shall perish from the face of the earth. [Applause.] And when that deliverance shall happily come the people of this great Nation, God's last and best experiment in human freedom, shall go about their business of rebuilding in their national life the music and the dream of having given back to them the upward looking and the light and of being retouched with civic immortality. [Applause.]

Mr. YOUNG of North Dakota. Mr. Chairman, I yield 20 minutes to the gentleman from Indiana [Mr. FAIRFIELD].

Mr. FAIRFIELD. Mr. Chairman and gentlemen, there is no legislation that has come before this body in this session in which I have been more intensely interested, save in that legislation on that fateful night when we declared war against Germany. No thoughtful man but could have seen that that declaration would carry with it much legislation different in kind from what we had had before and strange to our people. It is not my purpose to speak to any constitutional questions, because I am not competent to do so. Reared in that political school which believes in the implied powers of the Constitution, believes that any government in its organic capacity has a right to take whatever means are necessary for its perpetuity, I can have no hesitation in supporting this bill on the ground of its constitutionality. Very little of correspondence has come to me in connection with this bill. When the first bill or possibly the second draft was prepared—I understand that this is the third draft that has been prepared—I read the bill very carefully and sent it to a number of men in my own district and said to those men, competent men, business men, professional men, lawyers, “Study it and report to me if you have objection to any particular part of it,” because I assured them that it is a character of legislation, in part at least, too long delayed. One of them replied, “I have waited for four long years, wondering if the Department of Justice in this great Nation of ours had gone to sleep and left the people of this country to be robbed at will by the most conscienceless body of men that ever had to do with business in a free government.”

Then, too, upon the coal question, which the gentleman from Georgia [Mr. HOWARD] so pointedly discussed. We have had recently in Indiana an investigation of coal operations. Some time prior to that a gentleman who is at the head of large business interests wrote me and said, “I tell you that the situation in our town of only 4,000 people is becoming dangerous.” Hitherto the people of the Middle West, in the northern part, have been able to go to the forests and get their fuel, but the towns and cities and even the villages in these country districts now depend absolutely upon coal to keep them warm in winter. This letter came from no alarmist. It came from no man who was in the habit of complaining, whose attitude of mind was unfriendly to business. Another letter came from my own town, saying that that town in the middle of summer was out of coal; that it could be secured only by paying two and three times the price that was charged only a year ago. So the matter was taken up by the governor of the State and investigated. The coal men took a lofty, independent attitude with regard to it,

but it was discovered upon investigation that not only 100 per cent but 200 per cent and 300 per cent and 400 per cent had been charged for the delivery of coal. Not only that, but the local dealers, gripped by those who were producing it, would make no contracts. We face danger in this country, Mr. Chairman, unless there is some control over fuel. In the centers of population we face danger unless there is something done with regard to food control. No man believes that this bill is perfect. It is said to be a war measure, but, gentlemen, some legislation, drastic in character, would have had to come, peace or war, for those who have controlled are willing selfishly to let people freeze and starve—crushed under economic power.

Talk about a dictatorship, talk about dangers to freedom! Already too long have we permitted men to almost crush out the poor in the great cities.

Then, too, a letter came from a farmer to me, which illustrates the essential difficulty of the legislation. He told me in this letter that in 1915 he planted 40 acres and reaped nothing; that in 1916 he planted 40 acres of wheat and reaped a half crop, about 400 bushels; and now he says, “My crop bids fair to be a good one, and what is a fair price to me under these circumstances?” I recognize, Mr. Chairman, the essential difficulty involved in this legislation, but I want to call your attention to this fact, that this legislation is framed in a right attitude of mind. The men who are responsible for the bill are honest and earnest in their desire to do for this country what ought to be done.

I want to say to you that the American people when they have set themselves to the solution of a problem have never been discouraged.

May I digress a moment? We hear much of efficiency in this day, and no doubt the German Government has been very efficient in its organization; but we have in this country subdued a continent, we have organized a Government, we have had the evolution of a Nation. That is general and not specific. But, men, when you want to think of the efficiency of our people do it by concrete illustrative example. The German Empire has 208,000 square miles of territory, and into that territory they have crowded all their thought power, all their man power, all their money power, and they have wrought wonderfully.

The State of Texas has 276,000 square miles. In its extent it would accommodate the population of the United States without greater crowding than has been done in the German Empire, and if you want to know how efficient the American people have been, crowd every railroad into Texas, dig every canal through Texas, including the Panama Canal, put every trolley line into Texas, put the great cities of New York, Chicago, Boston, and Philadelphia, and all the other great cities, within the confines of Texas, put every hamlet and every town into Texas. Ah, men, no people on the face of the earth have ever wrought as we have wrought in the subduing and development of this continent. [Applause.] And I am not afraid that a people like that, earnestly and honestly desirous of solving this problem, will fail.

This bill undertakes to control food and fuel; it did include clothing, boots, and shoes, and I was very glad this afternoon to have it explained why they were eliminated at this particular time; but men, this legislation is a warning to godless men and unprincipled men that, if need be, we shall go further—if they will not take the warning—in the control of these essentials of fuel and food. [Applause.]

There is no desire to cripple the farmer. There is no protest, except in this letter, so far as I know. And I do not believe that every man who criticizes the bill is the opponent of such legislation. Many things have come to my mind as I have listened to the discussion to-day that I otherwise could not have thought of. Many suggestions have been made, and when the bill is taken up in regular order and amended, much that has been objected to will be taken out of it. But, men, if there were only one provision, and that for the control of the fuel of this country, I should gladly support this bill. [Applause.] It undertakes to control the fuel and the food, and in the controlling of that we shall have friction, we shall have difficulty. Solutions of that kind are not easily arrived at. But I have faith in the ability of this people to solve the problem. So far as the Members of Congress are concerned, this little audience here to-night is no indication at all of the profound interest that every man in this House has in this subject. Each of the men is studying and desiring, earnestly and honestly, to do the right thing. The law will succeed if it is efficiently administered. After all, government finally in its efficiency depends upon who is to execute it. Those in power have asked that we give them this responsibility. It is up to them to make good, and it is up to us to see that every safeguard is thrown around the bill that will make it possible for them to do the work efficiently and with the least possible criticism. [Applause.]

Mr. LEVER. Mr. Chairman, I yield 10 minutes to the gentleman from Connecticut [Mr. LONERGAN].

Mr. LONERGAN. Mr. Chairman, on April 16, 1917, I introduced in the House of Representatives the following resolution:

Resolved, That the Secretary of War be, and he is hereby, directed to furnish to the House of Representatives copies of all regulations and orders pertaining to the inspection of food supplies for the Army in time of war, and to state whether or not the present regulations and orders for the inspection of such supplies are applicable and feasible in time of war.

On the same day I also introduced a similar resolution, requesting that the Secretary of the Navy furnish to the House of Representatives like information concerning the inspection of food supplies in the Navy in time of war.

These resolutions were referred, respectively, to the Committee on Military Affairs and to the Committee on Naval Affairs, and in accordance with the stipulations therein the Secretary of War forwarded through the proper channels to the Committee on Military Affairs information concerning the inspection of food supplies in the Army in time of war; in a letter written under his direction to the chairman of the committee, the Hon. J. HUBERT DENT, Jr., and signed by Assistant Secretary of War William M. Ingraham.

Also Secretary of the Navy Josephus Daniels forwarded to Chairman L. P. PAGE, of the House Committee on Naval Affairs, complete information as to the inspection of food supplies in the Navy in time of war.

In these days when the Navy and the Army, as the fighting arms of the Nation, must at all times be maintained at the highest point of efficiency, it is proper to inquire into the method of supplying and inspecting food intended for both branches of the service. If every precaution to safeguard the health of the men, as far as the food supply is concerned, obtains, it will be reassuring to know this: If there are certain points which can better be looked after, the responsibility lies with us to make such changes as will effect the results desired.

The Navy, recognized as the first line of defense, might properly be first considered. There are two general classes of provisions purchased for the Navy—perishable provisions such as fresh and refrigerated meats, fresh vegetables, fresh fruits, bread, butter, eggs, and the like; and nonperishable provisions such as tinned meats, tinned vegetables, coffee, sugar, flour, rice, and other articles sometimes designated as groceries.

Owing to the difference in the keeping qualities of these two classes of provisions and the fact that the Navy does not own any cold-storage plant, the two classes are necessarily purchased under different conditions. The nonperishable provisions are purchased in large and specific quantities for storage and subsequent supply to the fleet, whereas the perishable articles are purchased for monthly and quarterly deliveries—the quantities being estimated only and the contract being in effect merely an agreement on the part of the contractor to supply such quantities of the articles contracted for as may be required by the Navy during the life of the contract.

All provisions are covered by leaflet specifications, and provisions delivered must be strictly in accordance with these specifications—no deviation whatever being allowed.

All bidders are required to submit samples of what they propose to furnish with their bids. The contract is awarded to the lowest bidder, whose articles are in accordance with the standard samples.

The greatest danger from inferior quality, of course, lies in tinned meats. In looking after such supplies, inspection is made by a representative of the Bureau of Animal Industry at the plants where these meats are put up. Specifications require that such meats shall be United States inspected and passed in accordance with the regulations of the United States Department of Agriculture. Upon delivery, samples are taken at random from the quantity delivered, and a rigid inspection made at the provisions and clothing depot to see whether or not these samples are in strict accordance with the specifications. If they are not, the delivery is rejected. All inspections of nonperishable provisions, without regard to where these provisions are delivered, are made at the provisions and clothing depot at New York, thus insuring uniformity of inspection.

Tinned butter is inspected at the factories where made, by inspectors of the Bureau of Animal Industry, and every process in its manufacture and packing is carefully watched.

Fresh and refrigerated meats and meat products are also inspected by Government inspectors at the packers' plants, in addition to which they are inspected upon delivery at the navy yard by a representative of the Bureau of Animal Industry stationed at the yard for this particular purpose. This also applies to fresh vegetables, fruits, and dairy products, final inspection of these articles being made according to the Navy Regula-

tions by the medical officer of the ship to which they are delivered.

Reviewing these regulations, it is well to recall here the statement of the present Paymaster General of the Navy in one of his first intrabureau orders issued by him after taking office, in which he said:

Enlisted men have no choice as to what they shall eat, being compelled by the very necessities of the service to take whatever is served out to them. For this reason and because adequate and satisfactory subsistence is the very foundation not only of real efficiency but of discipline itself, there is no class of purchases for the naval service that needs to be more constantly watched than provisions, our men being no "poison squad," but human beings and American citizens for whom we stand in the relation of trustees in so far as relates to the question of food.

As a result of this statement there were uniformly good reports from the medical officers submitted to the Surgeon General in 1915, and in turn passed on by the Surgeon General of the Navy to the Paymaster General. Again in 1916 similar gratifying reports were made, to which the Surgeon General added in his official report:

I can assure you that no navy in the world is as well fed, as well clothed, its general welfare so thoroughly looked out for, as that of the United States; and I am glad to offer you and the entire personnel of your corps my heartiest congratulations for the large share you have had in producing this well-being and its resultant contentment.

The food supply of the Army is similarly safeguarded. Due to the passage of the food and drugs act of 1906, and amendments since, as to the sale of poisoned or deleterious food, and also the meat-inspection law of 1906, and amendments since, against the use of meat that is "unsound, unhealthful, unwholesome, or otherwise unfit for human food," the supply is carefully watched.

Meat for the use of the Army is rigidly inspected at the packing houses, the inspection beginning with the animal before it is killed and all through the afterprocess, by inspectors of the Agriculture Department stationed at the various packing houses throughout the country. In addition to this, meat inspectors and experts of the Quartermaster Corps are also stationed at the great packing houses in such centers as Chicago, Kansas City, Omaha, Buffalo, and elsewhere where meat is prepared or cured for the Army, and they also watch it through the whole process from the killing of the animal until turned over to the Government.

With regard to other food articles or stores purchased for the Army, trained experts at depots and purchasing stations carefully inspect all supplies purchased, and at stations where troops are actually located, inspections are made by the officers who procure the supplies.

All provisions, of whatsoever nature, must measure up to the specifications and conditions imposed by the Quartermaster Corps for subsistence and supplies. Beef, for instance, which is perhaps the principal item of the soldier's fare, must be fit for immediate use, and equal numbers of fore and hind quarters must be delivered, including all the best cuts; no carcass to weigh less than 500 pounds when trimmed; the difference in weight between fore and hind quarters not to exceed 25 pounds per carcass. Every article is specifically covered, including mutton, canned beef, bacon, ham, and the like.

All trade labels on provisions and other articles must conform to the requirements of the meat-inspection and pure-food laws, and rulings thereunder, and also to the laws of the State in which delivery is made. All packing-house products canned after date of award must have the required labels stamped in the can. Authority from the Secretary of Agriculture has been obtained for a stamped-in-the-tin label on containers of canned meats or meat food products, in lieu of the trade label, but in order to prevent the appearance of misleading statements on containers of food products, it is required that copies of all labels be submitted for the approval of the Department of Agriculture prior to the making of the dies.

All these regulations govern the furnishing of supplies up to the time of delivery to the Army. Thereafter, when the provisions have been received at the various Army posts and camps, care is taken that the food is properly handled. In addition there has been printed by order of the Secretary of War a "Manual for Army Cooks," prepared under the direction of the Quartermaster General of the Army and approved by the Major General, Chief of Staff. This is for the information and guidance of the Regular Army and of the Organized Militia of the various States, and covers the handling, care, and preparation of food for the table in an admirable manner. A similar manual has been prepared for Army bakers, and both, besides being replete with information and instructions, are well illustrated.

The costly errors that have been made in the past in regard to the inspection of food supplies for our fighting forces must in the present war be avoided. Strict enforcement of the regulations just cited will aid materially in this. If other steps should, from

time to time appear best to be taken we should be ready at all events to take them, to the end that our men in the field and at sea shall have every guarantee of health that we can possibly give them. [Applause.]

Mr. YOUNG of North Dakota. Mr. Chairman, I yield 20 minutes to the gentleman from New Jersey [Mr. LEHLBACH].

Mr. LEHLBACH. Mr. Chairman, this bill is avowedly a war measure. Otherwise its advocacy would be wholly indefensible. In normal times, vesting in the Executive of our Government such complete powers over the every-day activities of a large proportion of the people, and further over the very means of subsistence of all, is repugnant to the genius of American institutions. It is asserted that the need of control over the necessities of life and the activities of those engaged in their production and distribution arises out of the war which has engulfed not only our country but also all civilization.

The present exercise of such control is in reality consonant, not repugnant, to American institutions and the Constitution, which is their index. America always has and can adapt herself to every emergency, and her Constitution has adjusted itself to every crisis. The right and privileges of the American citizen in times of peace and safety are subject to the minimum of interference and limitation consistent with the public weal. But in times of stress and danger, when we are forced to unsheathe the sword to preserve undiminished our right as a free people to live and move and pursue our destiny among the nations of the world, then it behooves our Government to emphasize the duties and obligations of the citizen rather than his rights and privileges, and to exercise such control over him and his as may be necessary for the national defense. The spirit of America demands it, and the Constitution permits it.

The continual destruction of supplies in transit, the shadow of the specter of famine already creeping over the peoples with whom we have made common cause in the fight for mutual self-preservation, the barometer of market prices presaging the gathering of the storm clouds of need at home must necessarily convince the reasonable mind that a real emergency exists. Hence the normal ways of peace regarding the raising and distribution of food products must be suspended, and the wisdom and power of the Government must temporarily control, if we are successfully to ride the storm. The power of such control must of necessity be vested in that branch of the Government solely adapted for its exercise—the Executive. Such power should be given freely, measured by the exigencies of the case out of which the need for its exercise arises. While the power that may be necessary should be given without stint, it should be limited absolutely to meet the emergency. It is always the duty of the legislature, as the guardian of the liberties of the people, not only, in a case like this, to grant the Executive the necessary power to protect those liberties but to guard against, under the guise of necessity, wanton and unreasonable interference with popular rights.

The purposes to be attained by this bill are twofold. To eliminate waste and confusion which the production and distribution of food by unguided and uncontrolled individual initiative would in these abnormal conditions entail, and second, to prevent the conscienceless depredations of food speculators, price manipulators, and the rest of the evil crew, who always seek to prey upon the necessities of the people. Such purposes are set forth in the first section of the bill.

Section 3 of the bill provides that there is hereby established a governmental control of necessities, including in terms every conceivable activity in connection therewith from the planting of the seed to the eating of a piece of bread, which shall be exercised and administered by the President for the purposes of this act. Manifestly a power so absolute as to be practically inconceivable is far beyond the necessities of the situation, far beyond the necessities of any plight in which our country could within human probability ever find herself. This language makes of the remainder of the bill a work of supererogation, for greater than such power can not be vested in mortal man. The fact is that subsequent provisions of the bill set forth with particularity all conceivable powers necessary to be exercised by the Executive to fight the evils apprehended, and this section should either be stricken out in its entirety, or at least so amended that by it there is established such governmental control of necessities as hereinafter set forth in this act.

Section 4 makes it unlawful to do any and all of a series of acts, specifically enumerated, which would tend to interfere with an adequate supply and the equitable distribution of necessities. This catalogue of crimes is so exhaustive and complete as to cover every nefarious scheme that an ingenious malefactor could devise. With these proposals I find no fault, but there is inserted in the section a clause making the following unlawful:

To engage in any discriminatory and unfair, or any deceptive or wasteful practice or device, or to make any unjust or unreasonable rate or charge, in handling or dealing in or with any necessities.

It has been the curse of American business in recent years to have prohibited alleged practices in vague and uncertain language susceptible of as many constructions as there are many minds. This has resulted in the indulgence in practices, pronounced legitimate in certain jurisdictions, by the more unscrupulous or venturesome spirits in business who thus obtained unconscionable advantages over their more scrupulous or fear-some competitors. Our soundest authorities, in dealing with the subject of antitrust legislation, have repeatedly declared that unlawful and unfair practices ought to be defined specifically in statutes, and then the perpetrators punished. Here we have a splendid example of how the American business man is hampered, harrowed, and harassed by unwise and ill-considered legislation. He is afforded no star or compass and must steer his course by guess. In consequence he may wake up some morning and find himself a felon in a prison cell, or else he may wake up and find a receiver in charge of his affairs.

If any possible necessity for this provision could be pointed out, its presence in the bill might be defended, but the rest of the section so completely covers the evils sought to be prevented that its incorporation is inexcusable.

Evidently the bedevilment of men engaged in useful and necessary pursuits was not sufficiently thorough by creating a class of unascertainable crimes, but the guilt of such a hapless offender is not to be established by the ordinary judicial process. Under section 5 the President, and that may mean in reality one of hundreds of uncompensated volunteers, may, by order, after the commission of the act, decide it a crime, and such order shall be prima facie evidence in any court of competent jurisdiction even in a criminal trial. Here we have ex post facto legislation by imperial ukase.

Section 13 provides for the limitation, regulation, or prohibition of the use of foods or feeds in the production of alcohol or beverages, when essential to assure an adequate and continuous supply of food. The inclusion of alcohol in this provision is unfortunate, as its use in the arts, particularly in war time, is of much greater value than the food material consumed in its manufacture could possibly be. With reference to beverages, it includes both alcoholic and nonalcoholic kinds. However, the section draws an unwise distinction between the two kinds of beverages.

It provides for the elimination of nonalcoholic beverages, or such nonalcoholic beverages as the President shall determine, and expressly omits the authority to exercise such discrimination between various kinds of alcoholic beverages. Manifestly this differentiation would seem to compel the construction that the President was not authorized to make such discrimination between various kinds of alcoholic beverages, but must apply whatever regulation or limitation is deemed essential to all such beverages alike. The restriction of the President's right to discriminate may easily result in harmful consequences neither contemplated by Congress nor desired by the President, and which could easily be forestalled by him if this distinction between alcoholic and nonalcoholic beverages were removed.

I intend to support this bill. I believe the exercise of the control therein provided in an emergency is compatible with American institutions and permissible under the law of the land. I believe the emergency is here.

I have endeavored very briefly to point out wherein certain provisions of the bill transcend the need of the emergency and consequently do violence to the principles upon which such legislation should be framed. I sincerely trust the bill will be perfected and, when so perfected, passed. [Applause.]

Mr. YOUNG of North Dakota. Mr. Chairman, I yield 15 minutes to the gentleman from Pennsylvania [Mr. ROBBINS].

Mr. ROBBINS. Mr. Chairman and gentlemen of the committee, the bill now pending before Congress for consideration is known as House bill 4961 and is entitled "A bill to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel."

This bill has been rightly characterized as the most far-reaching and drastic of any of the extreme legislation that has been enacted or proposed in this Congress. The law passed for the purpose of contracting national indebtedness by the bond issue, after all, affects only a portion of the people. Those without property, those under age or disability are free entirely from its provisions.

The law passed to conscript soldiers affects less than one-tenth of our people, and the law we have passed to raise revenue by taxation to prosecute the war does not concern a very large portion of our population.

But this act proposes to deal with the necessities of life, and affects every man, woman, and child in the Nation, and, indeed,

extends its influence directly to our allies by attempting to relieve them from high prices and give them constant supply of food.

In the enactment of any law the lawmaking body should consider—

1. The evil to be corrected;
2. The old law; and
3. The proposed remedy and its effects.

Considering these briefly in the order suggested:

1. The evil to be corrected is, as I view it, a serious situation that is universally admitted. Everyone agrees that the necessities of life are to-day at such high level in price as to make it impossible for many of our people, especially those who are working for a day's wage or at a fixed salary, to enjoy the essentials and, in many instances, the actual necessities of life. But even more appalling than this present situation, which is bad enough, is the conditions which confront us of the probable danger of a famine in the near future unless some action is taken to, if possible, avert it. And it may also be admitted that there is no action that can be taken that will bring any relief except congressional action, and that action when taken must be such as will meet the emergency.

The only law we have on the statute books now that deals with this situation in any way is the Sherman antitrust law, which has been amended by the Clayton Act and the Federal Trade Commission act. Under these acts an unlawful combination in restraint of trade is punishable by indictment; but these laws have proved ineffectual and are entirely too slow to meet the existing emergency that confronts the people of the United States. Hence it is universally admitted that new legislation is required, and the present bill is the answer of Congress to this popular demand.

It has been charged, especially concerning the war-tax bill, that Congress gave no hearings or investigations, but simply hurriedly framed a bill because "we needed the money." Such can not be charged against the present bill. The committee have given many hearings and have rewritten and reprinted the bill at least five times, as has been asserted during the argument by the members of the committee, so that this legislation comes from the committee bearing evidence of careful investigation and preparation, and it therefore ought to command the respect of the House. It certainly must command its most careful scrutiny because of its importance, its drastic provisions, and its telling effect upon the production and distribution of food and fuel.

To those of us who come from the eastern and more populous section of the United States this bill comes with an appealing purpose. Our people have felt the oppression of high prices and hardship of the diminishing purchasing power of money. Throughout western Pennsylvania, where it can confidently be asserted the highest wages are paid to the working people and usually the greatest contentment and prosperity prevails, they have been singularly met with and shocked by the rapid advance in the price of the necessities of life.

For instance, in Greensburg, Pa., my native city, which can be taken as fairly indicative of the whole section of western Pennsylvania, eastern Ohio, and West Virginia, the prices of necessities within the last two years have changed thus:

Flour in 1915 sold for \$5.50 a barrel; in 1916, \$7.50; 1917, \$15, an increase of 100 per cent in the last year.

Sugar in 1915 sold for 6 cents per pound; 1916, 7 cents per pound; 1917, 9½ cents per pound, an increase of 36 per cent.

Potatoes, 1915, \$1 per bushel; 1916, \$1.40 per bushel; 1917, \$4.50 per bushel, an increase of over 250 per cent.

Meat of all kinds advanced from 33½ per cent to 80 per cent.

Shoes and clothing have advanced from 40 per cent to 100 per cent, and in fact it is difficult to procure shoes, even at that price, such as workmen and the people generally wear. The advance in prices is further shown by the following table:

Comparison of retail prices of foods during April, 1914, before the war, and April, 1917.

[From Government reports.]

	April, 1914.	April, 1917.	Increase.
Groceries:			Per cent.
Sugar, granulated, pound.....	\$0.04	\$0.09	125
Flour—			
Gold Medal, barrel.....	7.25	14.00	93
Hecker's, barrel.....	6.50	13.50	107
Milk—			
Condensed, can.....	.09	.15	67
Evaporated, tall can.....	.07½	.12	65
Evaporated, small can.....	.03½	.06	70
Tomatoes, standard 2½'s, can.....	.07	.17	142
Corn, standard 2½'s, can.....	.07	.13	85
Peas, E. J.....	.07	.10	45
Baked beans.....	.08	.13	65
Corn meal, pound.....	.02½	.05	100

Comparison of retail prices of foods during April, 1914 and 1917—Contd.

	April, 1914.	April, 1917.	Increase.
Groceries—Continued.			Per cent.
Hominy, pound.....	\$0.03	\$0.05	66
Rice, best, pound.....	.08	.09	12
Oatmeal, pound.....	.03½	.06	70
Prunes, small, pound.....	.05	.08	60
Salmon, chum, can.....	.08	.14	75
Beef:			
Rib, roast, pound.....	.20	.25	25
Chuck roast, pound.....	.17	.22	30
Plate (soup meat), pound.....	.13	.16	23
Porterhouse steak, pound.....	.28	.37	30
Sirloin steak, pound.....	.24	.34	42
Round steak, pound.....	.20	.32	60
Pork:			
Fresh hams.....	.15	.27	80
Fresh shoulders.....	.13½	.22	58
Fresh pork chops, lean.....	.16	.28	80
Fresh pork chops, loin.....	.18	.32	80
Fresh pork roast, lean.....	.16	.28	75
Fresh pork roast, center.....	.18	.30	66
Butter, first grade, pound.....	.30	.55	83
Eggs, fresh, dozen.....	.21	.38	80
Vegetables:			
Potatoes, peck.....	.23	.90	291
Spinach, peck.....	.20	.40	100
Onions, yellow, pound.....	.04	.13	250

Comparison of retail prices of foods, January, 1917, and May, 1917.

	January, 1917.	May, 1917.	Increase.
Groceries:			Per cent.
Granulated sugar, pound.....	\$0.07	\$0.10	43
Gold Medal flour, barrel.....	9.60	15.20	58
Pride of Columbia, barrel.....	8.00	13.20	65
Standard tomatoes, No. 3 can.....	.12	.18	50
Maine corn.....	.13	.17	30
Wagner's baked beans, No. 2.....	.10	.15	50
White corn meal.....	.04	.06	50
Broken rice.....	.04	.06	50
Oatmeal.....	.04	.06	50
Macaroni, bulk.....	.08	.13	62
Prunes, small.....	.05	.08	60
Beef:			
Rib roast.....	.24	.25	4
Plate beef.....	.15	.16	7
Porterhouse steak.....	.32	.37	16
Sirloin steak.....	.28	.34	22
Round steak.....	.25	.32	28
Butter, extra creamery.....	.43	.55	28
Pork:			
Fresh hams.....	.21	.27	23
Fresh shoulders.....	.18	.22	22
Fresh pork chops, shoulder.....	.22	.28	27
Fresh pork chops, loin.....	.26	.32	23
Fresh pork roast, blade.....	.22	.28	27
Fresh pork roast, loin.....	.25	.30	20
Vegetables:			
Potatoes, peck.....	.60	1.00	66
Onions, pound.....	.08	.10	25
Sweet potatoes, peck.....	.45	.75	66
Cabbage, pound.....	.19	.15	50
Fruits:			
Apples, peck.....	.40	.60	50
Bananas, dozen.....	.20	.25	25
Lemons, dozen.....	.08	.20	150

The wages, while they have been advanced in all our mills, at our mines, and in our factories, they have not been increased commensurate with the increase in the cost of the necessities of life. Those who work by the day and those who work for a fixed salary and those who work on the farms and in small factories have had comparatively small increase, in many instances none at all, as in case of the salaried employee, and yet they are confronted with this arbitrary and extraordinary increase in the cost of living. The advance in wages is not equal to the advance in the cost of living.

Comparison of wage rates of labor, 1907 to 1916, and of price of food, 1907 to May, 1917 showing difference in advance in wages and food.

[From record of committee, filed by its chairman.]

Year.	Rates of wages per hour.	Retail prices of food.
	Per cent.	Per cent.
1907.....	100	100
1908.....	101	103
1909.....	102	108
1910.....	105	113
1911.....	107	112
1912.....	109	119
1913.....	111	122
1914.....	114	125
1915.....	115	123
1916.....	119	139
January, 1917.....	156	156
February, 1917.....	162	162

I now assert that the situation, so far as my district is concerned—the twenty-second district of Pennsylvania—is critical and demands and requires at the hands of this Congress some relief.

Which proviso safeguards the farmer in the ownership and pressing and demands correction, which answers the first matter to be considered.

In the second place, in considering the pending proposition, I further assert that the old law—that is, the antitrust law above referred to—is entirely inadequate, and that we must enact some other law to meet the existing, imminent, and pressing emergency.

This bill is leading us into a new and untried legislative field. Never before in the 141 years of our history has Congress been called upon to appoint a food dictator or to place in the hands of the President the arbitrary and unlimited power contained in this bill to control the food supply of the Nation. We might well consider it in its extreme aspect, because our people will feel its operation and criticize us if we pass an act the full force and probable effect of which we do not comprehend. Therefore I characterize this bill as the most extreme, arbitrary, and unlimited piece of legislation ever proposed in the American Congress, and the only justification for even considering such legislation is to avert a condition which will be far more terrible on our people than can be brought about by its extreme enforcement.

If I did not believe that we are in danger of a famine, to be brought about by the shortage of the food supply, not only in America but in Europe, and that our food shortage is so extreme and the demands on it are so great that unless we enact this law, which in its first section declares "is to prevent monopolization, hoarding, injurious speculation, manipulations, and private controls, affecting the supply, distribution, and movement of such food supplies"—we can not prevent hunger and distress among our people, and especially among the poor, I would not support this bill at all; but, believing that these conditions are imminent and will exist more and more during the coming fall and winter, I am going to support this bill and vest in the President all the power and authority that it confers, with the hope that this dreadful foreboding and these coming conditions of suffering and distress may be averted. [Applause.]

This bill provides in a general way for control of the food and fuel supply of the Nation and arranges that the price thereof be kept upon a reasonable basis, and that the supply be conserved in every possible way and neither wasted nor hoarded.

The third section of the act provides as follows:

SEC. 3. That there is hereby established a governmental control of necessities which shall extend to and include all the processes, methods, activities of, and for the production, manufacture, procurement, storage, distribution, sale, marketing, pledging, financing, and consumption of necessities, which shall be exercised and administered by the President for the purposes of this act; and all such necessities, processes, methods, and activities are hereby declared to be affected with a public interest. And in carrying out the purposes of this section the President is authorized to enter into any voluntary arrangements or agreements, to use any agency or agencies, to accept the services of any person without compensation, to cooperate with any agency or person, to utilize any department or agency of the Government, and to coordinate their activities so as to avoid any preventable loss or duplication of effort or funds: *Provided*, That none of the penalties of this act shall apply to this section.

This section is the one that contains the declaration of the power and purposes of the whole act, because if the intendments of this section are carried out the whole purpose of the act will be accomplished.

The act has been attacked vigorously, because it is held to be unfriendly, in its effect, on the farmer and producer. It has been asserted by members of the committee who attacked it that it fixes the prices of farm products but fails to fix the prices of the articles that the farmer must buy. This is not my understanding of the bill at all. It fixes the price of every manufactured commodity in section 10 and controls the method of production and distribution. Hence, under this bill the President, through the proper bureau, ought to fix the price of shoes, sugar, flour, clothing and all the articles that are covered by the general terms used in this act. It would be manifestly unfair that the President could fix the price of corn, wheat, oats, cotton, which the farmer produces, and not be able to deliver to the farmer agricultural implements, shoes, clothing, sugar, and coffee at a price also controlled and fixed by him through the same bureau. This act has no such narrow purpose in view and will not be administered to produce a result so unfair and arbitrary.

The farmer is the one that enjoys the immunity of this act and for that reason it has been styled "class legislation." Section 6 contains this proviso:

Provided, however, That any accumulating or withholding by any farmer, gardener, or any other person, of the products of any farm, garden, or other land owned, leased, or cultivated by him shall not be deemed to be hoarding within the meaning of this act.

Which proviso safeguards the farmer in the ownership and supply of his own products, and he ought to be so protected. There is no espionage provision in this act. The granary and cellar are the farmers' storehouses, and they are secure and their contents are not to be considered under its terms, but when the farmer wishes to sell, he will, of course, be met by a price, that is established by law, under the provisions of this act for his protection and benefit. In the same market in which he sells his grain and buys his supplies, he will find the same law protecting him, as to the price he received for his product and the price he must pay for the necessities of life, which he must buy in the same or other market with the money received for his own products.

This law also protects the wage earner and the poor by allowing the President to fix the prices of the necessities of life to them also.

This appears to me to be equitable and fair. It may, it is true, modify the fixed law of supply and demand, but the law of supply and demand as we have it to-day is fixed by artificial war conditions, and they are leading us into an abyss, not the result of the legitimate law of supply and demand but the result of war and its evils, which we must meet by the extraordinary legislation that this bill proposes. It is only because of war that we, of course, justify this proposed law. It must be discussed and considered always with that thought in view.

This bill concerns especially western Pennsylvania, where coal mines and factories exist, such as abound in the district, which I have the honor to represent. It vests in the President power to requisition and take possession of coal mines or factories "in which any necessities are or may be manufactured, produced, prepared, or mined" (section 10). The price of bituminous coal to the poor has increased from \$1.50 to \$2 a ton in 1915 and from \$4.50 to \$5.50 at present, and the increase in anthracite is greater than bituminous.

This increase in the cost of coal has been brought about by car shortage, lack of labor supply. In other words, failure of both production and distribution. There is just as much coal and as many mines, and the facilities are just the same as when the coal was at the normal price. The fault is with the production and distribution, and it is difficult for one, who is familiar with the situation, and I claim some familiarity with these conditions, to see how this bill is going to bring about the relief desired in coal prices.

This industry is met with another difficulty. The Government has taken control of the railroads, has given preference to the movement of its freight, and thereby preventing coal operators from handling the amount of coal they can produce, even with the short supply of labor. Indeed, the coal situation is more critical than the people are willing to admit, and unless there can be some loosening up in the distribution of coal, the poor people of our cities will be great sufferers from cold in addition to hunger during the next winter.

I wish to now and here sound the alarm to those controlling car distribution to coal mines, and movement of coal traffic to its destination, and warn them that they are during this good weather pursuing a course that will cause intense suffering to the poor and humble in all our great cities during the cold days of the coming winter for lack of coal to warm their homes.

Mr. Chairman, I have gone over very carefully the voluminous reports of the hearings before the Agricultural Committee on this bill, and they disclose a startling state of facts, with reference to the grain crop and visible supply of wheat, corn, and oats on hand in the United States. It seems to me from the arguments made by the members of the committee here on the floor they have either purposely or unintentionally neglected to disclose these facts. Whether it is because there are astonishing, alarming, and fear producing, in their effect, on the American people or whether it is because there is a hope that we can "just muddle through," as we generally do somehow, I do not know.

Now, Mr. Chairman, the statement has been authentically made by those who know that on the 12th of May, 1915, the visible supply of wheat in the United States was 102,000,000 bushels; in May, 1916, 62,000,000 bushels; and in May, 1917, 33,000,000 bushels; and at the present time less than 15,000,000 bushels. Why conceal these facts? If this law is to accomplish its full purpose, it must have the hearty support and endorsement of the American people, and certainly this statement of facts, which come from authentic sources, calls for immediate action by Congress and for universal support toward the conservation of our grain and food supply from the American people.

Last year's crop was short, and last year's demand from abroad was unprecedented, hence the low visible supply of wheat at this time and the visible supply of corn is practically exhausted.

This year's estimated crop of wheat will be 750,000,000 bushels, which is much below normal. It requires 600,000,000 bushels to feed the United States and furnish seed for the new crop. Thus we will have but 150,000,000 bushels for export. This will not supply one-fifth of the foreign demand, because the United States must feed the armies of the allies that are fighting at the front, for the reason that they are now fighting our war. They stand between us and German invasion. The liberty of the United States is at this time only protected by the armies and navies of our allies. We must feed these armies and support them in the field, even if we deny our own people bread by doing so.

It does not require much of an imagination to see our American people living on corn meal and our poor people going hungry next winter. Why, therefore, at this time, when we can do something to alleviate this coming calamity, should we hesitate, discuss constitutional questions, or argue about vesting arbitrary power in the President?

If there are those who believe that the Constitution is being transgressed by this legislation, it ought only to be necessary to cite them to the words of the Constitution itself and to some of the well-known decisions of the Supreme Court thereunder:

Provisions of the Constitution authorizing the legislation. The preamble to the Constitution, among other things, states the purpose of government as follows: "To promote the general welfare—to provide for the common defense." These purposes are carried out by the legislation authorized in the Constitution.

Section 8 of Article I of the Constitution provides: "The Congress shall have power to declare war, to raise and support armies, to maintain a Navy, to provide for the common defense and general welfare." "To make rules for the government of the land and naval forces, to make all laws necessary and proper for carrying into execution the foregoing powers, and all other powers vested by the Constitution in the Government of the United States."

The tendency of the Supreme Court has been to construe the powers contained in this section of the Constitution most liberally. During the Civil War new vitality was given to this section when considering the legal-tender acts and other war legislation.

Thus the Supreme Court has expressed itself in considering the power of Congress under this section of the Constitution:

It is not indispensable to the existence of any power claimed for the Federal Government that it can be found specified in the words of the Constitution, or clearly and directly traceable to some one of the substantive powers expressly defined, or from them all combined. It is allowable to group together any number of them and infer from them all that the power claimed has been conferred. Such a treatment of the Constitution is recognized by its own provisions.

It is absolutely essential to independent national existence that government should have a firm hold on the two great sovereign instrumentalities of the sword and the purse, and the right to wield them without restriction on occasions of national peril. In certain emergencies government must have at its command not only the personal services, the bodies, and lives of its citizens, but the lesser, though not less essential, power of absolute control over the resources of the country. Its armies must be filled, and its navies manned by the citizens in person. Its material of war, its munitions, equipment, and commissary stores must come from the industry of the country.

I deem further citation of authority as to the constitutionality of this proposed legislation entirely unnecessary.

The bill itself provides that should any section be stricken down the remaining sections shall retain their original vitality. We need not worry about the Constitution, it is safe in the hands of the courts of last resort. Our concern, and serious concern too, is the conditions which confront our people.

This is no time for talking about preserving our liberty. Our liberties are in much more danger from German aggression than from the President. And our liberties are only being temporarily suspended and authority vested in the President of the United States during the stress of a foreign war.

Mr. Chairman, the same indomitable love of liberty that characterized our fathers and has been our lamp and guide for almost a century and a half will, when this crisis is past, assert itself and take back, if need be, our liberties from the President or any other authority in whose hands arbitrary power has been temporarily placed pending this emergency.

A republican form of government, where liberty is universally enjoyed by all its citizens, can not carry on a war without halting and turning about and forming an efficient national organization, whereby its strength and power may be concentrated in the hands of one man, who is necessarily the President, so that it can be effectually used to carry on such war.

In the present war we are endeavoring to accomplish this result by centering in the President the full power and strength of the Republic by acts of Congress enacted for that purpose, but all of these have a limitation in them that when the war is over the power they have taken from the people and vested in the Chief Executive shall cease.

This present bill has a specific provision in it to cover this, in section 21, which provides:

This act shall cease to be in effect when the national emergency resulting from the existing state of war shall have passed, * * * which shall not be later than one year after the termination of the war.

Why, then, should any Member of this House, or any citizen, claim that this bill deprives our citizens of their liberty, or creates a dictator, or vests in the hands of one man arbitrary, unlimited, or unreasonable power permanently? Such is not the case.

There is another important feature in this bill that should not be overlooked. The provision relating to the storage of food and food products and the prevention of speculation therein.

During the month of May the allies in Europe were bidding against each other and the price of wheat ran up to \$3.50 per bushel. To remedy this they centered all their purchasing power in one agency. This eliminated competitive bidding against themselves, but this has not cured the evil. Private speculators were buying up wheat on the exchanges of the country—in Chicago and New York—by dealing in what is known as "futures"; that is, buying wheat for future delivery. The result was all stock exchanges have closed entirely or restricted that branch of their business, and wheat men can only buy wheat to-day like coal or brick or sand—cash on delivery, at a price fixed when the deal is made.

Speaking of the market conditions, the secretary of the Chicago exchange stated on May 15 last:

At the present time they contract to purchase in a market where there is really no wheat to sell. I think that practically all the wheat in this country is sold for delivery for export. I think that this Congress might well consider the question of controlling exports. I think it would be the part of wisdom to have a food-control commission who would, so far as exports are concerned, have the absolute control and who would allow grain to go out only by permit.

Thus indicating that those who know most about the wheat situation regard it as most critical and favor this bill.

What has brought about this great transformation in the method of conducting the grain business? Two causes—short crops, which made speculative control possible, and excessive foreign demand, which made a market in excess of the supply.

This created a condition whereby the speculator had absolute control of the food supply, and I assert it on the authority of one of the largest grain men of the country that if the New York and Chicago Exchanges would open and permit dealing in wheat for future delivery unrestricted wheat would sell at \$5 per bushel within a week and flour would go to \$20 or \$30 per barrel in the same time.

Thus we see that the food situation of the country is resting on a dangerous basis. We are at the mercy of speculators. What could be more terrible than a corner in wheat or a corner in bread? An event of this kind would try the strength of popular government.

This bill provides for summary conviction of the food speculators who buy up our food supplies and hold them in warehouses, cold-storage depots, and force up the prices, thus causing great distress among our people, especially among the people of moderate means and the very poor. These speculators are the enemies of the people. They are the highwaymen of commerce. They sail under the black flag of treason and leave in their trail misery, suffering, and death. Let us pass this act and exterminate them as we would exterminate smallpox and filth from our midst. I have no patience with delay or waste of time in discussing a law that proposes to remove from the body of our people these leeches upon the commerce of our country.

The existing law is helpless to meet such an emergency. It is cumbersome and slow and it has no application to the individual, because it requires more than one party to be guilty of conspiracy.

The Federal Trade Commission law confers authority to investigate, but has no power to punish the guilty corporations or individuals.

For instance, last February when there was a Federal investigation of Wentz, the so-called egg king of Chicago, who had bought millions and millions of dozens of eggs during the summer at a price of from 10 to 15 cents, and placed them in cold storage and was selling them during the winter months at a price ranging from 40 to 80 cents per dozen, a great human cry went up all over the country against this man. At the investigation he simply stated the facts, that he was making enormous profits, amounting to millions of dollars, and that he did not like to be investigated because "it made him laugh and cracked his lips," and that is all that came of it.

This bill proposes to reach not only such cases but all other cases where men speculate in food supplies. The purpose, in the first place, is that no one can deal in food supplies except by the

license issued by the President, which if abused will be revoked; and it proposes, in the next place, to prevent dealing and speculating on any exchange whereby the cost of food supplies is thereby enhanced. Section 11 specifically sounds the death knell to the food speculator, in these words:

That whenever the President finds it essential in order to prevent undue enhancement or fluctuation of prices of, or in order to prevent injurious speculation in, or in order to prevent unjust market manipulation or unfair and misleading market quotations of the prices of necessities, hereafter in this section called evil practice, he is authorized to prescribe such regulations governing or may either wholly or partly prohibit operations, practices, and transactions at, on, in, or under the rules of any exchange, board of trade, or similar institution or place of business as he may find essential in order to prevent, correct, or remove such evil practices.

It also prevents the accumulation of foods by hoarding either in cold-storage houses or elsewhere as a means of enhancing the prices, and for the violation of its provisions severe and certain penalties are provided.

Under this law it will not be possible to bring about a condition of facts such as exist in the potato market at present and for the last three months. Last September potatoes were selling in Aroostook County, Me., the chief potato-producing district in New England, at \$2.50 per barrel. In January and February speculators bought up the supply and forced the price up to \$10, \$12, and in some instances even \$15 per barrel. The farmer did not benefit by this enhanced price, only the speculator and the middleman, but the consumer was compelled to pay this outrageous and exorbitant price for this necessary article of food.

Onions, during the same time, were forced up in price from 1½ cents to 15 cents per pound by pure manipulation of the market. Some 50 dealers were indicted under the Sherman law, but those of us who eat onions know that the prices are still up, and that the cases are still pending and likely to pend for several years in the courts.

Bituminous coal, which ordinarily sells at from \$1.50 to \$2.50 per ton with freight added, is now selling at from \$5 to \$6 per ton, and the supply unequal to the demand.

The fact is that when we talk about the economic law of supply and demand controlling prices, these three staple commodities conclusively prove that such is not the case. Manipulation controls the prices largely in the United States to-day, and this law proposes to abolish this artificial, unlawful, and unjust situation, and give to the consumers—to the plain people, to the people of moderate means, and to our poor and helpless, who need relief—the necessities of life at reasonable prices. If this Congress can bring about this result, it will be entitled to go down in history as the people's Congress, as the just Congress, as the righteous Congress, and receive and be entitled to the grateful plaudits of all the people. [Applause.]

Mr. LEVER. Mr. Chairman, I move the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker pro tempore, Mr. FITZGERALD, having resumed the chair, Mr. HAMLIN, 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. 4961) to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel and had come to no resolution thereon.

— HOUR OF MEETING TO-MORROW—11 O'CLOCK A. M.

Mr. LEVER. Mr. Speaker, I ask unanimous consent that when the House adjourns to-night it adjourn to meet to-morrow at 11 o'clock a. m.

The SPEAKER pro tempore. The gentleman from South Carolina asks that when the House adjourns to-night it adjourn to meet at 11 o'clock to-morrow morning. Is there objection?

There was no objection.

— ADJOURNMENT.

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

The motion was agreed to; accordingly (at 11 o'clock and 5 minutes p. m.) the House adjourned, pursuant to its previous order, until to-morrow, Wednesday, June 20, 1917, at 11 o'clock a. m.

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 copy of communication from the Secretary of War submitting a supplemental estimate of appropriation for the rental of a two-story fireproof warehouse at Washington, D. C., for the use

of the medical department from October 1, 1917, to June 30, 1918 (H. Doc. No. 190); to the Committee on Appropriations and ordered to be printed.

2. A letter from the Secretary of the Navy, recommending that House bill 292 be amended so as to exclude the purchase of the special character coal necessary for the Navy and fuel-burning equipment for the Navy (H. Doc. No. 191); to the Committee on Mines and Mining and ordered to be printed.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

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

By Mr. JONES of Texas: A bill (H. R. 5098) to provide for the suspending of statutes of limitations as to all crimes and offenses against the United States during the war with Germany; to the Committee on the Judiciary.

By Mr. COOPER of Wisconsin: A bill (H. R. 5099) to provide for the erection of an addition to the Federal building in the city of Kenosha, county of Kenosha and State of Wisconsin; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5100) to provide for the purchase of a site and the erection of a public building thereon at Whitewater, Walworth County, Wis.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5101) to provide for the purchase of a site and the erection of a public building thereon at Lake Geneva, Walworth County, Wis.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 5102) to provide for the erection of an addition to the Federal building in the city of Janesville, county of Rock and State of Wisconsin; to the Committee on Public Buildings and Grounds.

By Mr. TAYLOR of Colorado: A bill (H. R. 5111) to draft into the military service all citizens who leave the United States to evade registration or selective draft; to the Committee on Foreign Affairs.

By Mr. RAKER: A bill (H. R. 5112) to relieve homestead and desert entries of alien entrymen until termination of existing war and for a reasonable time thereafter, and for other purposes; to the Committee on the Public Lands.

By Mr. RANDALL: A bill (H. R. 5113) to provide further for the national security and defense by conserving the supply of foods, food products, and feeds; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS.

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

By Mr. COOPER of Wisconsin: A bill (H. R. 5103) granting an increase of pension to Leannah Bullis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5104) granting an increase of pension to Mrs. F. B. Ward; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5105) granting an increase of pension to Levi L. Beers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 5106) for the relief of the city of Racine; to the Committee on Claims.

Also, a bill (H. R. 5107) for the relief of Charles Akerlund; to the Committee on Claims.

Also, a bill (H. R. 5108) for the relief of William A. Persons; to the Committee on Military Affairs.

By Mr. FERRIS: A bill (H. R. 5109) for the relief of Jacob Osterhus; to the Committee on the Public Lands.

By Mr. TALBOTT: A bill (H. R. 5110) granting an increase of pension to Oliver Sutor; to the Committee on Pensions.

PETITIONS, ETC.

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

By Mr. COOPER of Wisconsin: Memorial of Wisconsin Association of the Women's National Service League, urging that all contaminating and debauching influences be removed from the vicinity of encampments of the Army; to the Committee on Military Affairs.

Also, petition of dairy farmers of Jefferson and Waukesha Counties, Wis., concerning the feeding of so-called balanced rations; to the Committee on Agriculture.

Also, petition of business men of Kenosha, Wis., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. DALE of New York: Petition of National Association of Game and Fish Commissioners, urging the passage of the bill to give effect to the migratory bird treaty between the United States and Great Britain for the protection of migratory game and insectivorous birds in the United States and Canada; to the Committee on Foreign Affairs.

By Mr. DICKINSON: Petition of 112 citizens of Montrose and Belton, Mo., in favor of legislation prohibiting the use of foodstuffs in the manufacture of alcoholic liquors; to the Committee on the Judiciary.

By Mr. FITZGERALD: Petition of citizens of the Borough of Brooklyn, N. Y., protesting against national prohibition; to the Committee on the Judiciary.

By Mr. GREGG: Petition of Missionary Society of Lowington and Woman's Missionary Society of Palestine, Tex., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. HENSLEY: Petitions of Mrs. S. M. Ivy, secretary Farmington district, St. Louis conference, and Mrs. William Court, secretary Woman's Missionary Society, St. Louis conference, favoring prohibition; to the Committee on the Judiciary.

By Mr. HILL: Petition of Connecticut Branch of the Association of Collegiate Alumnae, relative to the creation of prohibitive zones around the military camps of the United States Army; to the Committee on Military Affairs.

By Mr. KING: Petition of William A. Whyers and others, of Quincy, Ill., favoring increase in pay of men employed in the Federal buildings under control of the Treasury Department; to the Committee on Appropriations.

By Mr. KINKAID: Petition of members of the American Society of Equity of Nebraska and South Dakota, protesting against the passage of the bill to change the name of oleomargarine to butterine; to the Committee on Agriculture.

By Mr. LONERGAN: Petition of Shell Fish Commission of the State of Connecticut, favoring law regulating the discharge of commercial and other waste into streams and tidal waters; to the Committee on the Merchant Marine and Fisheries.

By Mr. LUNN: Petition of George Blood, J. D. Losher, Cyrus Blood, Ernest Knablauch, Victor Huddleston, and Charles McCreary, asking for the prohibition of the manufacture, sale, and transportation of intoxicating beverages for the period of the war in conservation of the man power, military and industrial efficiency, and the food supply of the Nation, and that all liquors now in bonded warehouses and elsewhere shall be commandeered by the Government and be redistilled for undrinkable alcohol, to be purchased by the Government for war purposes; to the Committee on the Judiciary.

Also, petition of Edgar B. Moyer and citizens of the town of Root, Montgomery County, N. Y., asking for full national prohibition of the manufacture, sale, and transportation of intoxicating beverages for the period of the war, and opposing an increase in tax on intoxicating liquors as a means of raising revenue to prosecute the war; to the Committee on the Judiciary.

Also, petition of Charles L. Travis and citizens of Schnectady, N. Y., asking full national prohibition of the manufacture, sale, and transportation of intoxicating beverages for the period of the war, and opposing an increase in the tax on intoxicating liquors as a means of raising revenue to prosecute the war; to the Committee on the Judiciary.

Also, petition of H. C. French and citizens of Amsterdam, N. Y., asking for full national prohibition of the manufacture, sale, and transportation of alcoholic beverages during the period of the war, and in opposition to an increase of tax on intoxicating liquors as a means of raising a revenue to prosecute the war; to the Committee on the Judiciary.

Also, petition of C. R. Osborn and citizens of Schnectady, N. Y., asking for full national prohibition of the manufacture, sale, and transportation of intoxicating beverages during the period of the war; to the Committee on the Judiciary.

Also, petition of Albert S. Thorn and citizens of Amsterdam, N. Y., asking prohibition of the manufacture, sale, and transportation of intoxicating beverages during the period of the war; to the Committee on the Judiciary.

Also, petition of John F. Miller and sundry citizens of the town of Root, Montgomery County, N. Y., asking prohibition of the manufacture, sale, and transportation of intoxicating beverages during the period of the war; to the Committee on the Judiciary.

Also, petition of W. J. Davus and sundry citizens of Rotterdam, N. Y., asking prohibition of the manufacture, sale, and transportation of intoxicating beverages during the period of the war; to the Committee on the Judiciary.

By Mr. MORIN: Petition of the Central Trades and Labor Council, Mr. Fred J. Domard, secretary, of Allentown, Pa., urging Congress to immediately take steps to care for soldiers' families while they are in service; to the Committee on Military Affairs.

By Mr. MOTT: Petition of Baptist Church of New Woodstock N. Y., and Home Economics Club of Clayton, N. Y., favoring national prohibition; to the Committee on the Judiciary.

Also, petition of Clayton (N. Y.) Grange 647, favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. NOLAN: Petition of Philip Banwarth and John Burns, of San Francisco, Cal., praying for the passage of House joint resolution No. 88, introduced by Hon. W. E. Mason, of Illinois; to the Committee on Foreign Affairs.

By Mr. O'SHAUNESSY: Petition of the Catholic Total Abstinence Union of the diocese of Providence, R. I., favoring prohibition as a war measure; to the Committee on the Judiciary.

By Mr. OSBORNE: Petition of Asbury Bible Class and others, of the Pico Heights Methodist Episcopal Church, of Los Angeles, Cal., in favor of House bill 2308, and asking that a bill for nationwide prohibition be put through Congress; to the Committee on the Judiciary.

By Mr. RAKER: Petition of Frank B. Peterson Co., of San Francisco, Cal., in re advance in letter-postage rate; to the Committee on Ways and Means.

Also, petition of the Frank B. Peterson Co., protesting against any advance in letter postage; to the Committee on Ways and Means.

By Mr. RANDALL: Petition of George Bradbeer and 25 other citizens of Los Angeles, asking immediate prohibition as a war measure instead of drawing revenue from much larger liquor expenditures of our people; to the Committee on the Judiciary.

By Mr. REED: Resolutions of C. W. Bell, of Zeia, W. Va., president; J. Tyree Wells, of Mount Cove, W. Va., secretary; and the delegates to the Hopewell Baptist Association Sunday School Convention, urging the enactment of a national prohibition law and the conservation of foodstuffs; to the Committee on the Judiciary.

By Mr. SANDERS of New York: Petition of representatives of the Epworth League of the 65 churches of the Rochester (N. Y.) district, favoring the prohibition of the manufacture and sale of intoxicating liquors for beverage purposes; to the Committee on the Judiciary.

Also, petition of the 16 ladies of the Sons of Veterans' Auxiliary of Batavia, N. Y., favoring national prohibition of the use of food products in the manufacture of intoxicating liquors; to the Committee on Agriculture.

Also, petition of the S. L. Miner Co., of Rochester, N. Y., favoring national prohibition as a war measure; to the Committee on Military Affairs.

Also, petitions of 113 residents of Rochester, N. Y., favoring national prohibition as a war measure; to the Committee on Military Affairs.

Also, petition of the Alexander Campbell Bible Class of the First Church of Christ Disciple, Rochester, N. Y., with 62 men present, favoring national prohibition as a war measure; to the Committee on Military Affairs.

By Mr. SMITH of Michigan: Petition of Mrs. Hugh Kennedy, of Albion, and W. S. Pullen and others, of Hillsdale, Mich., favoring prohibition; to the Committee on the Judiciary.

By Mr. TIMBERLAKE: Petition of Young Woman's Auxiliary of the First Congregational Church of Colorado Springs, Colo., urging the creation of effective zones around all military camps; to the Committee on Military Affairs.

By Mr. WARD: Petition of 250 citizens of Cobleskill, N. Y., urging the enactment of national prohibition, to continue during the war; to the Committee on the Judiciary.

Also, petition of citizens of Hensonville, Big Hollow, East Jewett, Clintondale, Gilboa, and Forest Glen, N. Y., urging the enactment of a law to prohibit the manufacture and sale of alcoholic liquors as a war measure; to the Committee on the Judiciary.

By Mr. WOODYARD: Petition of Central Woman's Christian Temperance Union of Huntington, W. Va., favoring the passage of a law prohibiting the manufacture of grain into alcoholic liquors and also asking for the purity of cantonnments; to the Committee on the Judiciary.

Also, petition of Sussana Wesley Bible Class of the First Methodist Episcopal Church of Parkersburg, W. Va., favoring the passage of a law prohibiting the manufacture of grain into alcoholic liquors and the sale of intoxicating liquors; to the Committee on the Judiciary.