1939 CONGRESSIONAL RECORD—HOUSE

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. MICHENER]?

There was no objection.

Mr. MICHENER. Mr. Speaker, I arise for the purpose of assuring the gentleman from Illinois [Mr. ALLEN] that I shall enthusiastically support the resolution which he has introduced and to which he has just referred.

This resolution sets up a committee of the House to make investigation as to the facts upon which the President based his recent statement to the press concerning the purchase by our Government of Argentine beef to be used by the Navy.

The press advises us that "President Roosevelt has directed the Navy to accept a bid on Argentine beef in place of American beef, because," he said, "the foreign product was found to be cheaper and superior in quality." The press also says that "the President expressed himself with considerable feeling on the subject."

It is stated the President further strengthened his position, in recommending the selection of foreign produced beef by the Navy in preference to American beef, by adding that "it was a question of feeding the Navy men with the best quality of food." And pursuing his excuse further, the President said, "A careful examination of all samples furnished with the bids showed the Argentine beef was far superior in quality."

It appears that the President concluded his statement by advising that he had written a letter to the Secretary of State approving the purchase of the Argentine beef and asserting "that in doing so he felt certain that the intent of 'Buy American products' had not been violated."

The country should be especially interested in this position taken by the Chief Executive, because his statements do, and should, carry weight throughout the world. If it is true that Argentine beef is cheaper and superior to our American beef, and that the United States Government is buying Argentine beef to feed to our own Navy because it is better for their health, the American beef producers should know about it.

I am advised that this statement by the President has been given world-wide publicity. I heard a radio commentator make the statement that the President had written the best possible advertisement and publicity for Argentine beef to be used in every country in the world where the United States and Argentine beef are sold on a competitive market. This commentator stated further that in some of the countries of Europe advantage was already being taken of the President's recommendation to buy the "cheapest and the best" beef in the Argentine. I am wondering what the cattle producers of the country will think of such an attitude on the part of the President. The district in which I represent in the Congress is a large beef-feeding district. We purchase the steers from the western range in the fall, feed up the corn and alfalfa raised on our farms, and furnish to the market in the spring the best corn-fed beef cattle in the world—that is, we have always believed that this was the best quality of beef. Therefore we are naturally vitally interested in ascertaining the truth. If it is true that the quality of our beef is inferior to such an extent that our President does not want to feed the beef to our Navy and our soldiers, then the producers of this beef have a right to know about it.

The Allen resolution will create a forum where the truth can be ascertained. If the President is correct, he will have no difficulty in bringing in his experts and those who are advising him. In view of the seriousness of this matter I can hardly see how the House leadership and the administration
can object to this resolution. All we want is the truth and the facts. The natural presumption is that the President has stated the facts and the effect of the transfer of the quality of our beef. However, I challenge the truth of any such statement. Therefore, I challenge the fairness to the President and to the American farmer and beef producer, speedily action should be had on the resolution.

Of course, if the President interprets that “buy American products” refers to the Western Hemisphere, that is one thing. That may be, and probably is, the basis of his treaty-making and good-neighbor policy. I am sure, however, that the people of the United States interpret this phrase to mean to buy in our own country.

The Army and the Navy are maintained by the tax dollar, much of which is taken from the pockets of the farmer and the livestock producer. As a result, every time our Government buys beef or other supplies for our Army and Navy from foreign countries it heaps insult upon injury so far as our taxpayers are concerned. It is pretty tough to ask our farmers to pay the taxes they do and then have this money used to purchase foreign products, the effect of which is to put out of business, or at least cripple, these very taxpayers.

When the people understand just what the President has said, and just what the effect will be, there will be a justifiable protest from every quarter section of land in the Nation. This whole thing just does not make sense.

In view of the President’s statement about Argentine beef, may I ask what chance in the world has our trade in other countries? We will buy from other countries, but we will sell our goods to foreign countries. It makes a farce of the program for the farmers. Millions are appropriated to assist them, and then the foreign trade is taken away from them.

It stands to reason that the commercial attaches and trade commissioners can go much further in assisting industry and agriculture in exploiting its products abroad than can the diplomats, who are told by the administration they must be very careful not to interfere with the reciprocal trade agreements program. Reciprocal trade is fine, but is very harmful at the cost of our own trade. The President’s statement certainly indicates we are well on the road to free trade.

The President’s recommendation with reference to Argentine beef. One can readily see that as goes the Argentine trade, so goes the rest of our trade. The President will most earnestly protest against the taking over by the State Department of the commercial and agricultural attaches, the people who are supposed to sell our agricultural and commercial products in other countries. The President has proposed such a transfer under the reorganization plan. I voted against the reorganization bill because I felt just such a thing would happen.

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. MARCANTONIO]?

There was no objection.

Mr. MARCANTONIO. Mr. Speaker, it was not my intention to make any comment on the appointment of a new Governor for Puerto Rico, nor was it my intention to comment on the removal of Blanton Winship as Governor of Puerto Rico. My reason for not making comment, as well as for my not publishing the charges I had made against him with the President, is that it is not my policy to kick a man when he is down. However, since the Resident Commissioner from Puerto Rico has just stated that Mr. Winship had “intended to resign,” thereby conveying the impression that Mr. Winship quit of his own volition, I call the attention of the House to the fact that Mr. Winship was requested to resign by the Secretary of the Interior. Instead of resigning, he saw the President on May 4. Upon arriving in Puerto Rico, he bragged that he had defeated Mr. Icke and conveyed the impression that he had satisfactorily disposed of my charges against him. In fact, before leaving Washington, in the presence of newspapermen, he invited people to visit him during the summer in Puerto Rico. On May 12, at a press conference, the President announced that Admiral Leahy would succeed Mr. Winship as Governor of Puerto Rico. Up to then and never before this announcement had Mr. Winship resigned. The conclusion, therefore, is inescapable. Winship was removed. Notification of one’s successor without one’s resignation constitutes removal.

I am not surprised to see the gentleman from Puerto Rico [Mr. Icke] apologize for Mr. Winship and try to convey the impression that Mr. Winship left of his own free will. The role of official apologist for removed Governor of Puerto Rico on the part of Mr. Icke is not new for him. When Mr. Gore, Mr. Winship’s predecessor, was forced out, Mr. Icke played the same identical role for him, that of official apologist.

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to revise and extend her own remarks in the RECORD. [Here the gavel fell.]

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to revise and extend her own remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts [Mrs. ROGERS]?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, the entire membership of the House, I believe, is very much shocked at the President’s recommendation with reference to Argentine beef. One can readily see that as goes the Argentine trade, so goes the rest of our trade. The President will most earnestly protest against the taking over by the State Department of the commercial and agricultural attaches, the people who are supposed to sell our agricultural and commercial products in other countries.

I am informed by reliable sources that because the reciprocal trade agreements are handled by the diplomats, many of the consuls are doing only minor jobs, instead of trying to sell our goods to foreign countries. It makes a farce of the program for the farmers. Millions are appropriated to assist them, and then the foreign trade is taken away from them. The President’s statement certainly indicates we are well on the road to free trade.

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. MARCANTONIO]?

There was no objection.

Mr. MARCANTONIO. Mr. Speaker, since the Republicans have now finished eating up all the Argentine beef, may I take the time of the House to ask the gentleman from Georgia [Mr. Cox] some questions about the parliamentary procedure?

The SPEAKER. Is there objection to the request of the gentleman from Georgia [Mr. Cox]?

There was no objection.

Mr. RANKIN. Mr. Speaker, since the Republicans have now finished eating up all the Argentine beef, may I take the time of the House to ask the gentleman from Georgia [Mr. Cox] some questions about the parliamentary procedure?

The gentleman from Georgia made certain statements awhile ago which I should like to have clarified. As I understand, when a bill is taken up under suspension of the rules there has to be a second from somebody.

Mr. COX. Not necessarily, unless someone moves for a second.

Mr. RANKIN. Mr. Speaker, I understand that, if the motion for a second is voted down, the bill cannot be taken up under suspension of the rules. It follows, then, that the尖叫 of the Rules Committee would give us a rule which would enable the Members to offer amendments to the bill. Is that correct?

Mr. COX. I made the statement that in the event a motion to suspend the rules is voted down the Rules Committee and I think I speak advisedly—would grant a rule upon an application coming either from the chairwoman of the Labor Committee or any member of that committee or any Member of the House, and that rule would provide for full debate and the right of Members to impress their influence upon this type of legislation.

Mr. RANKIN. Would that give individual Members the right to offer amendments?

Mr. COX. Of course.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. Martin]?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, may I have the attention of the majority leader for a moment. There is a general demand throughout the country for a tax revision which will help business and enable the American
fused or are they still to be kept separate with one man
over them with assistants who know nothing about it.
Mr. DIRKSEN. They are all going to be consolidated
in the Coast Guard. That is my understanding from my
reading of the language of the reorganization proposal, and
to me it is rather singular that the President says in his
message that he pulls the Inland Waterways Corporation in
the Commerce Department because it is a part of the trans­
portation system and he wants to coordinate such activities
there. Well, what in the name of Heaven is the Bureau of
Lighthouses except an aid to water-borne commerce in the
country, both along the coast and in the larger lakes regions.
Mr. GIFFORD. I want to remind the gentleman that I
feel, as I am sure many others here feel, we have had no
opportunity to find out about how they are going to fuse these
agencies or what they are going to do.
Mr. DIRKSEN. My good colleague on the committee will
recall that we were reproached somewhat for having rushed
in a disavowal program when the first bill came along; but
this plan came up on the 9th of May, and the very day it came
up a disavowal resolution was introduced by the Senator from
South Carolina, and they disposed of it in 5 minutes on the
12th day of May, ostensibly on the theory that all the great
and learned legislators are presumed to know everything that
was in it.
Mr. GIFFORD. I want to remark here that for 2 long
years I was on that committee before the gentleman came on
the committee.
Mr. DIRKSEN. Yes.
Mr. GIFFORD. And we listened day in and day out and
could get no information whatever as to what would be the
effect if we created the sort of house they desired. They
wanted a 12-room house, and at no time could we get anybody
to say what they would put in the various rooms. We finally
had to say that we would not build those rooms until they had
at least some things to put in them, and lost our interest and
enthusiasm. It was this gentleman from Illinois (Mr. Dirksen)
who came in toward the end from the Committee on
Appropriations, who has finally aroused in himself the en­
thusiasm and ability to tell you something. I could not.
Mr. DIRKSEN. I thank the gentleman.
Mr. HINSHAW. Mr. Speaker, will the gentleman yield?
Mr. DIRKSEN. Yes.
Mr. HINSHAW. Do I understand the gentleman from
Illinois to also intimate that if the N. E. C. were not in
existence, these people would necessarily have to be hired
by the Democratic National Committee?
Mr. DIRKSEN. I have heard that intimation.
Mr. HINSHAW. And I have heard it intimated also that
the birthday balls were being run by the N. E. C.
Mr. DIRKSEN. That has been stated. It is a most
interesting development.
Mr. TAYLOR of Tennessee. Mr. Speaker, will the gentle­
man yield?
Mr. DIRKSEN. Yes.
Mr. TAYLOR of Tennessee. Getting back to the Argen­
tine incident, it seems to me that the most reprehensible
thing about that transaction was the statement of the Presi­
dent that that foreign beef is superior to the American beef.
Mr. DIRKSEN. Exactly.
Mr. TAYLOR of Tennessee. I would like to know if the
gentleman knows by what process the President arrived at
that conclusion?
Mr. DIRKSEN. I have not the slightest idea, but the
thing that has been going through my mind is that the
American people have been eating this American beef and
have found it palatable and wholesome, and I wonder why
we must put the “gobs” of the Navy in a separate class
and pamper dainty stomachs, and if that is the fact, let us find
dainty food in other corners of the earth, to see that their
nautical energies are preserved.
Mr. TAYLOR of Tennessee. No doubt the gentleman from
Illinois is aware of the fact that in 1937 we imported over
41,000,000 pounds of canned corned beef into this country
and that last year we imported more than 78,000,000 pounds
of canned corned beef, and at the present time more than
90 percent of all of the canned corned beef consumed in this
country is being imported in direct competition with the
American producer.
Mr. DIRKSEN. Paying direct and indirect benefits to
help farm commodities, and then letting in these products
in competition reminds me of the man who got caught in a
mudhole with his automobile down near Atlanta some years
ago. A farmer came out with his boy and a team and helped
him get the machine out of the mudhole and at the end of
that time he said, “How much?” The farmer said, “$3.”
The automobile man then asked the farmer whether he
pulled lots of people out of this mudhole, and the farmer
said, “Oh, yes; 12 or 15 every day.” Then the man said,
“And do you also pull them out at night?” And the reply
was “No,” because at night the boy and himself were too
busy filling the hole up with water again, and that is the
way this program seems to work.

Permit me a final note by way of recapitulation. Of
many things in the reorganization plan No. 2 every Member
will heartily approve, even though they give no hint of sub­
stantial economies. One or two proposals seem a bit il­
logical, such as transfer of Lighthouses to the Treasury and
Rural Electrification to the Department of Agriculture.
However, these do not adversely affect the public interest very
seriously and their transfer to these various departments is
a matter of opinion. I have no quarrel with these.

But I deem it necessary to assert and reassert my oppo­
sition to the transfer of our foreign-trade functions to the
Department of State. It would have been better to have
transferred the functions incident to foreign trade and the
negotiation of reciprocal trade agreements to the Depart­
ment of Commerce and kept them entirely free from diplo­
macy and international politics. Finally, the President could
done infinitely better by abolishing the N. E. C. and then
requesting a modest appropriation for the actual work of
coordination that it might undertake instead of converting it
into a propaganda agency.

The SPEAKER pro tempore (Mr. ALLEN of Penn­sylvania). The
time of the gentleman from Illinois has expired.

Mr. HARRINGTON. Mr. Speaker, I ask unanimous con­
sent that at the conclusion of the next special order I be
permitted to address the House for 10 minutes.

The SPEAKER pro tempore. Is there objection?
There was no objection.

The SPEAKER pro tempore. Under previous order, the
Chair recognizes the gentleman from Texas (Mr. PATMAN) for
20 minutes.
DISHONEST NOT TO USE THIS GOLD

Now, it occurs to me as being not only wrong but absolutely dishonest for this Government to continue to borrow money and issue tax-exempt, interest-bearing bonds for the purpose of obtaining that money when it has sufficient gold and silver reserves to pay off the entire national debt.

So I, for one, am opposed to any more bonds until we use this gold. There is no reason why it should not be used. If you owned a railroad and you had thousands of extra idle box cars, would you be buying more box cars? If you needed $100,000 in your business and you had $100,000 in the money and issue tax-exempt, interest-bearing bonds absolutely dishonest for this Government to continue to borrow this situation?

and for other purposes that money is needed by the Government, there is no danger in the world of an excess amount of money or inflation. We can change the reserve requirements from 10 to 1, it was, to 8 to 1, as it is now with some banks, and, as the Government puts out more money, 6 to 1, 5 to 1, 4 to 1, or 2 to 1, and the time will come when 100-percent reserve requirements could be required in order to prevent any inflation of the currency.

Mr. VOORHIS of California. Mr. Speaker, will the gentleman yield?

Mr. PATMAN. I yield.

Mr. VOORHIS of California. There would have to be an amendment to existing legislation in order to permit raising those requirements in accordance with the need if the plan the gentleman has outlined were carried out. Am I not correct?

Mr. PATMAN. The gentleman is correct in the statement that it would require a change in existing law.

Mr. PATMAN. The gentleman is correct in the statement that it would require a change in existing law.

Mr. VOORHIS of California. Oh, Mr. Speaker, would the gentleman pay them back in gold? What would the gentleman do with them? What is the amount of these certificates?

Mr. PATMAN. We have in gold certificates outstanding today $2,858,000,000 actual gold certificates issued to the Federal Reserve Bank in the denomination of $100,000, because they are not in general circulation. I presume the banks decided it was too much trouble even to print those gold certificates, so they commenced the policy of just accepting a credit on the books and have a make-believe transaction of a gold certificate's passing.

Ten billion three hundred and eighty-three million dollars of gold is tied up in a credit to the Federal Reserve Bank. Not even a gold certificate is issued on it. As for the remainder, some is in the gold redemption fund as a backing for the United States notes, with which the gentleman is familiar; $1,800,000,000 is in the stabilization fund; and some is in the general fund of the Treasury.

The argument is made that the Federal Reserve banks have title to this gold. They do not. They have no title in the world. It is a fictitious transaction entirely, it is a subterfuge. The Federal Reserve banks cannot get their gold unless the gold is needed to pay off or liquidate international balances, or unless it is to be used in the arts, trades, or sciences. These are the only reasons for which this gold can be obtained, and the Federal Reserve Bank has no title whatsoever to this gold.

GOVERNMENT SHOULD OWN THE 12 FEDERAL RESERVE BANKS

Now, here is the way this gold can be used: The national banks of the country and a few of the State member banks own $134,000,000 of stock in the 12 Federal Reserve banks. There is no reason why they should own it, it just gives them a right to receive 6 percent on an investment of that much. It does not help the Federal Reserve Bank, it is too insignificant to cover the billions of dollars of transactions handled by these banks. It is not needed for any reason whatsoever. The Government should reimburse those banks this $134,000,000 and should take charge of these 12 Federal Reserve banks. I know the argument will be made that the
The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Dakota (Mr. CASE)?

Mr. MURRAY. Mr. Speaker, I object.

Mr. CASE of South Dakota. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. CASE of South Dakota. The Chair asked, in answer to my unanimous-consent request, if there was objection. I did not hear any objection.

The SPEAKER pro tempore. The gentleman from Wisconsin (Mr. Murray) objected to the gentleman’s request to return to the bill.

Mr. Pittenger asked and was given permission to extend his own remarks in the Record.

Mr. GREEN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include a memorial of the Florida State Legislature.

Mr. PITTENGER asked and was given permission to extend his own remarks in the Record.

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to revise and extend the remarks made by me this morning.

Mr. COFFEE of Washington. Mr. Speaker, I ask unanimous consent to include therein two brief editorials on the Chamber of Commerce convention.

Mr. MURRAY. Mr. Speaker, I object.

There was no objection.

Mr. WARREN. But may I add one thing? The last time the gentleman spoke he was accorded the unusual privilege of the House to speak for over the customary hour. He delivered, as he always does, a very entertaining and enlightening address. The first 55 minutes of that hour he used in a very fine analysis of the bill, and I think he had all of the Members of the House believing he was going to support the plan. Then in true justice of the peace fashion, in the last 5 minutes he decided in favor of the plaintiff and voted accordingly. I hope, now that the Senate has already acted, the gentleman will certainly approve of plan No. II.

Mr. DIRKSEN. Mr. Speaker, gentlemen of the House, you souls of rare fortitude who do me honor to stay here this afternoon while you might be engaged in far more pleasant and felicitous pursuits, let me say at the outset that I do not want to discuss the reorganization plan which was approved by the Senate of the United States in a period of about 6 minutes, as nearly as I could estimate by the Congressional Record. It is a very clear and patent violation of the rules of the House for anyone to criticize or overly comment upon the actions of another body. There is, of course, no restriction or inhibition on thinking, so I shall not violate the rules of the House, but I have been doing some thinking since the reorganization plan received approval.

In the course of my remarks I wish to say something this afternoon also on the subject of Argentine beef, because, oddly enough, it figures in very beautifully in connection with reorganization plan No. II.

It is estimated that this plan will save about $1,250,000, and it applies to an aggregate of $25,000,000 in salaries or wages. The President assures us there will be no other plan at this session of Congress. I entertain a sense of regret that this plan was passed so quickly. Certainly it could not have been examined by members of another body in the space from May 9, when the message came to the Congress, until May 12, when the resolution of disapproval was acted on in another body. I have been devoting myself to it for the last 3 or 4 days almost exclusively and thought that it was a rather herculean task. So it is rather interesting to pick up the Congressional Record and observe that someone says there, “Of course, everybody is familiar with it.” I was in the part that is not blocked out as indicated on page 7726 of the Congressional Record for May 12 is how the reorganization plan went through another body. You go back and read the Record. I had to spend an hour to find it in the Record. It indicates pretty well what attention was paid to it by the members of another body.

You cannot pass off these reorganization matters so lightly, as a matter of fact, because there is more than usually meets the eye. I see in this last plan lots of good things, I will say to my distinguished friend from Missouri, who is the able chairman of our committee. I see a number of things that are illogical, and then I see one or two things that, in my judgment, are not in the public interest, and to those I shall address the major portion of my remarks this afternoon.

The first thing I want to call to your attention under the reorganization plan is the transfer of the functions of the Bureau of Foreign and Domestic Commerce in the Department of Commerce to the State Department, also the transfer of the functions of the Agricultural Foreign Service to the State Department. It is rather singular that we should concentrate our foreign-trade activities entirely in that department of government which is charged with diplomatic negotiations for the country; and the one thing that will result, inevitably result, and it is the reason why, in my judgment, the State Department has been making this drive,
Is to predicate the considerations of foreign trade upon the ground of diplomacy and international politics. The very first evidence that we have of it is the letter the Secretary of State sent to the President advising him to buy this foreign Argentine beef for the Navy.

There are some exhibits that I can take from the current press to indicate that that is the case. First, let me show you a telegram that has come to almost every Member signed by Cathrine Curtis, national director of Women Investors in America, Inc., protesting the fact that this consolidation of our Foreign Service should be made in the State Department for the very good reason that it is going to mix diplomacy and foreign trade.

We heard a great deal about “dollar diplomacy” some years ago, and I am wondering whether we are going to see a revival of that kind of philosophy, which, in my judgment, is inimical to the best interests of this country; yet how are you going to escape it when all the functions that have been discharged by the Bureau of Foreign and Domestic Commerce are now vested in the Department of State? We have been for years—in fact, for 25 years—building up that arm so we could develop foreign trade, foreign contacts, and almost overnight, by reorganization plan No. II, that all that work is undone. I do not say that Harry Hopkins would do a better job, Mr. Speaker, of the Secretary of State, but I am of the opinion, as we evaluate the effect of the reciprocal trade agreements, that the job could not have been a lot worse in the interest of many lines of endeavor in this country and in the interest of American agriculture. But now all the eggs are in one basket and so diplomacy and international politics shall be mixed up with our efforts to revive and rehabilitate some semblance of substantial foreign trade.

I do not share all the confidence that a great many people have in the trade efficacy of the State Department. In the United States Daily, which appeared this morning on the Members’ desks, was this little item to show that all the prescience and all the wisdom is not compounded in the State Department. Under “Washington Whispers,” which you can read, you will find this statement:

Important officials in the State Department are quietly grumbling over what they described as “sensationalized” reports coming to the White House from at least one of this country’s Ambassadors in Europe. The dope is that American diplomats have been making some terribly bad guesses and have been caught badly off guard in recent diplomatic maneuvers.

If they have been caught off guard in some of these maneuvers, what assurance have we that they will not be caught off guard in some of the trade maneuvers that are needed for this purpose?

Another thing:

Word is going the inside rounds that American diplomats abroad had a hand in arranging a radio talk by the Duke of Windsor as part of the plan to mobilize public sentiment against war.

Now, if our State Department officials are out playing with the Duke of Windsor to bring about an international radio speech in the field of international diplomacy, I wonder how safe they will be to be entrusted with all of the foreign trade relations of this country? This question, in my judgment, can be ended with a question mark.

One other item from the United States Daily:

The word “blackmail” is being used by very responsible and excellently informed Government officials to describe the tactics being employed by a few Latin-American nations to tap the United States Treasury for loans. The technique is said to be to suggest that the loan will be needed to be forthcoming or else concessions will be made to Germany and Italy and Japan. This technique is said to be proving very effective even where past borrowings from this country are in default.

Now, we have made it possible for the State Department, without restriction whatsoever, to employ that kind of technique as they go on pursuing foreign trade for this country. These borrowings have been of it.

Here is a clipping from the morning Post. There was a dinner at the Willard Hotel last night—I believe it was last night—for the Brazilian Ambassador, and one of the speakers at the dinner was Dr. Maurice S. Sheehy, of a local university, and here is what he is quoted as having said:

Appropriating the President’s purchase of Argentine beef for the American Navy, Mr. Sheehy, who is an authority on diplomacy, last night warned that Senate opposition would lead to retaliatory demands by Argentina and drive this country into closer associations with totalitarian nations.

What more proof do we need to show that now there will be an admixture of foreign trade, of diplomacy, of mysticism, of secrecy, of cloistered covenants, and of all the things that have been associated with diplomacy, and on that basis the American trade is to be predicated from here on out, as a result of reorganization plan No. 2, that was approved by the Senate in the space of 5 or 6 minutes. They say they knew what was in the plan.

Much more might be said about this matter, but here comes this little incident of Argentine beef that has already been ventilated on the floor this afternoon.

What was the purpose of buying this 48,000 pounds of beef and announcing to the country it was superior and that it was cheaper? Well, when I read that language, I will tell you what I was thinking. I thought of the first Agricultural Adjustment Act in 1933, and I see my friend Averness, Chairman of the House Committee on Agriculture, smile with approval over there. I thought of the first effort that was made to raise the price of farm commodities. I thought of dollar devaluation, taking grains of gold out of the dollar so as to make dollars cheaper in order to make prices higher. I thought of all of the marketing agreements. I thought of all of the efforts that had been made, even including the purchase with relief funds of millions of cattle from the drought-stricken areas of the West. I thought of a sustained and consistent program designed to aid and assist the farmers of this country to build up prices, and then I see the ultimate results thrown into the discard when the President of the United States says that we ought to buy 48,000 pounds of beef from the Argentine to satisfy the delicate stomachs of the gobs, because it is cheaper. I wonder what the reaction of the American farmer will be to this? What difference does it make whether it embraces 48,000 pounds or 6,000 pounds or 48,000,000 pounds? The principle is just the same, and the power is now vested in the diplomatic branch of the Government to carry on its efforts to prevent the totalitarian nations from getting into South America, and so we might be buying more beef, we might be buying more and a peculiar kind of nut they produce in South America out of which oleo oil is extracted.

All of these things are within the realm of possibility. I would not be surprised one of these days if they might not conceivably say that we ought to take care of our delicate sailors on the high seas by providing Swiss cheese that comes from Switzerland on the ground that it is cheaper and allegedly better.

And while we are about it, we may as well see that the sailors get Canadian cream in their coffee in the morning upon the theory that it is cheaper, and also that we buy butter from Denmark and New Zealand because it is certainly cheaper. There is the logical and ultimate result of the thing that the President has produced for the country and that the Senate has seen fit not to disavow under reorganization plan No. II. Under that reorganization plan, foreign commerce will be directed now, not by the Foreign Service Department of the Department of Agriculture, but by the diplomatic branch of the Government; and so we must reconcile ourselves now to an admixture of diplomacy and butter and beans and bacon and wheat and corn, and all the rest of it, which, in my judgment, is not in the interest of business, agriculture, and the labor of the United States of America.

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

Mr. DIRKSEN. Yes. GIFFORD. I take this moment—and it is opportune—to congratulate the speaker and to thank him on my own part as a member of the Reorganization Committee, for his willingness and enthusiastic effort, even though it was futile.
I wish to ask the gentleman one or two questions. Has the gentleman found out yet who the wise men were who advised the President and suggested those changes embodied in reorganization plan No. II, or even reorganization plan No. I?

Mr. DIRKSEN. I think they were the spat-wearing, tea-drinking alumni of Harvard and Yale who man the State Department, as suggested by Paul Mellon. Mr. Mellon further says:

Transfer of the Foreign Commerce Bureau to the State Department was especially disheartening to morale. The State Department is regarded as the post graduate frat house for Harvard and Yale—and only the best frats at that. In the Foreign Commerce Bureau are non-spat-wearing, non-tea-drinking business students interested in commerce. Assistant Commerce Secretary Patterson once called them “shirt-sleeve workers” with an implied comparison that was obvious.

Somebody has been pushing it to identify our trade relations with the diplomatic branch of the Government, and now the interests of the American businessman are liable to be sidetracked and sacrificed if they stand in the way of the foreign policy that this country is going to pursue with respect to South America and other foreign nations. I am rather interested to know what the real pressure was behind it.

Mr. GIFFORD. I am also interested to know that. I can recall how for 15 years or something like that in this House—for several years at least—we fought to have this Commerce Department have businessmen in foreign countries as commercial attaches. Now they are to be turned among the spat-wearing, tea-drinking—oh, I wish I could think of the word that I wish to employ; but it is simply poisonous to try to mix these things. We tried so long and so hard to create a businesslike administration. Who advises the President to do this?

Mr. DIRKSEN. In that connection let me read this other paragraph from Mr. Mellon. He says:

Also businessmen have less confidence in diplomats than in commercial attaches. When the rule requiring them to communicate through the State Department was abandoned in 1937, correspondence on foreign trade and foreign business placed up by 200 percent. The gentleman has his answer, but it is too late to present it now. I add my feeble voice just like Ishmael shouted in the wilderness centuries ago, because the damage has been done. We have conferred upon the gentleman in the White House and the gentlemen who man the Department of State unprecedented authority. In the name of the American businessman what is going to happen in the field of foreign commerce.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. AUGUST H. ANDRESEN. The State Department, with the President, has exclusive right to negotiate reciprocal trade agreements, and we will now find, as a result of the beef incident, that that is just a foundation for an agreement with Argentina to further cut the duty on beef and other competitive farm commodities, so that those countries who enjoy the benefit of that reduction can ship things into this country.

Mr. DIRKSEN. Precisely. If the Secretary of State believes that best subserves the good-neighbor policy, that is what will be done. There can be no mistake about it in the light of past experience. That is what we are up against.

Mr. AUGUST H. ANDRESEN. Another observation: The Department of Commerce in the Bureau of Foreign Commerce has provided Members of Congress and the country with certain statistics and figures on exports and imports into this country.

I assume that particular activity will be turned over to the State Department. What confidence does the gentleman think we might have in these figures after that transfer takes place?

Mr. DIRKSEN. Well, that is a matter for every gentleman in the House to decide for himself. But let me make this observation before I yield to the gentlewoman from Massachusetts: When they put the skills under George Peek, who was first Administrator of the Agricultural Adjustment Act—and they put the skills under him, make no mistake about it—he finally wound up as chief adviser on foreign trade to the President of the United States. George lacked the vigor. He is a man of discernment. He was a very outstanding businessman. So he threw himself, heart and soul, into the job of devising authentic figures on foreign trade. He went at it with a vengeance and submitted his report. Do you know what else he submitted along with it? A recommendation, as chief adviser on foreign trade, that foreign trade and diplomacy should be divorced, and kept divorced. As a result there was introduced in the Senate by the late lamented Senator James Hamilton Lewis the bill S. 5464 in August 1935. That bill was designed to create a foreign trade board, and for other purposes. In this bill there is a recital “to provide for separate, unified administration of foreign commercial and financial activities of the United States as distinguished from diplomatic and political activities thereof.”

George Peek, after a long and detailed investigation, saw the danger. He recommended it to Senator Lewis. That bill was introduced. Nothing was done. It was sidetracked, and today it is all concentrated now in that branch that carries on the diplomacy and international politics of this country, and our foreign trade must accept a position that is subordinate to diplomacy. What a tragic commentary upon reorganization plan No. II.

I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I do not know whether the gentleman was on the floor when I stated yesterday that I had heard from very reliable sources that the trade work that was done by some of the consuls had been taken away from them. Everyone knows that in some places there have been no commercial attaches and in those places our consuls have carried on the trade for this country, trying to sell our goods to foreign countries. That work has been taken away from those consuls and given to the diplomats, the reason being that the diplomats handle the reciprocal trade agreements. I know the gentleman will agree with me that there is small chance in this reorganization plan, under this administration, of our merchants, our farmers, and our people selling their goods to foreign countries.

Mr. DIRKSEN. How much better it would have been if those activities had been reposed in the Department of Commerce, and they had been given extra authority in order to revive and revitalize our foreign trade. The long-headed British and the long-headed businessmen even in Germany do not make that mistake. For instance, this came from the newspaper this morning:

Anglo-Nazi talk on trade will ease tension.

The projected talks date back to the March meeting at Dusseldorf between representatives of the faction of British industries and its German equivalent, Reichsguppe, in Berlin.

They do not even care if there is a crisis over there. Oh, no. They never lose sight of trade; they never let diplomacy get mixed up with trade. The long-headed British traders, the German businessmen, even when at each other’s throats, do not make that mistake. But now we put our foreign trade in the department of diplomacy, in the field of international politics. Perish the thought!

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

Mr. DIRKSEN. I yield.

Mr. KNUTSON. Of course, if cookie pushing and trade pushing were synonymous, then it would be perfectly proper to transfer the trade activities over to the diplomats. But a man cannot be putting in his time at pushing cookies and passing tea and expect to promote agreements and commerce.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield at that point?

Mr. DIRKSEN. I yield.

Mr. CASE of South Dakota. I wonder if the gentleman would not like to have a sentence from Washington’s Farewell Address at this point, where he said:

“The great rule of conduct for us in regard to foreign nations is in extending our commercial relations, have with them as little political connections as possible.”
Mr. DIRKSEN. That is right.
Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?
Mr. DIRKSEN. I yield.
Mr. CRAWFORD. I want to submit this question from the standpoint of practical application of the Argentine beef proposition. If you were running a retail grocery store in some city that was very, very friendly to President Roosevelt and his policies, and where you know that your customers are just as friendly as you are, would you not be inclined to capitalize on this particular incident by glorifying what the President had said, putting advertisements up in the windows and on the counters to the effect that “Argentine beef is the best beef in the world. It is recommended by the President of the United States.”
Mr. DIRKSEN. What could be sweeter as an advertisement, I would say.
Mr. CRAWFORD. And therefore not only sell beef to the Navy and the Army, but put it into the homes of the people who are on relief and all such places as that. Why not turn all business over to the foreign countries? What do we want any in this country for?
Mr. DIRKSEN. New, I must get through with this. I will yield later if the gentleman desires.

Transferring the Bureau of Lighthouses from Commerce to Navy and the Army, but put it into the homes of the people President of the United States.”
Mr. DIRKSEN. Now, I must get through with this. I will yield later if the gentleman desires.
There are some items here on which I do not have to spend much time. For instance, the transfer of Foreign Service Building Commission to the State Department. Quite all right. It was under the Department of the Secretary of War. It has to do with keeping its representation of consul and diplomatic properties in foreign countries, and that is all right.

Transferring the Bureau of Lighthouses from Commerce to the Navy and the Army. It is rather singular. You know sometimes the President gets a little obscure in his reasoning. For instance, in this report No. II he transferred the Inland Waterways Corporation to the Department of Commerce on the ground that it was aimed at coordination of transportation. The Bureau of Lighthouses is certainly an aid to transportation. I ask, therefore, why it should have been transferred to the Treasury Department in the light of that statement? But I do quarrel about it particularly, nor with the abolition of the Director General of Railroads.

Is it not rather amazing that we are just winding up the Government operation of railroads that was undertaken on the 20th of December 1917? It will soon be 22 years since Uncle Sam took over the railroads. The War Finance Corporation that we set up to help finance the railroads was the R. F. C. of wartime. We have been all this time seeking to wind up a governmental agency that includes the Director General of Railroads and the War Finance Corporation that should have been wound up a long time ago.

Federal Prison Industries Board should be in the Department of Justice. Nobody quarrels with that.

National Training School for Boys: I have one regret about that. It is that the board of trustees should have been abolished, including the consulting trustees. This training school, where they commit wayward boys, should be administered by the Prisons Bureau under the Department of Justice. That is the place for it. The consulting trustees of the National Training School for Boys, however, are our good colleague the gentleman from Oklahoma (Mr. Massingale) and the former Senator from Massachusetts (Mr. Lowell). As I read the language, the consulting trustees are also abolished.

I hate to see my friend from Oklahoma, Sam Massingale, abolished—I do not know whether he is here or not this afternoon—but then I am afraid he voted for the reorganization bill, so he cannot kick on being abolished at this point.

Then there is the Codification Board. There is no reason why Congress ever should have created a separate board for this purpose. It consists of three from the Department of Justice and three from the National Archives. This is turned over to Archives, where it belongs. Then there is the Coal Commission. We have heard it bandied around the Chamber that no tears were shed about the abolition of the Coal Commission, and this is true. It was a political stamping ground. At the last session of Congress I put figures in the Record showing how many jobs went to Kentucky, to West Virginia, to Idaho and to the other favored States. No, the even the distinguished gentleman from Pennsylvania, who was supposed to have an abiding interest in the Coal Commission, could find occasion to weep a tear over its abolition; but while we are finding comfort in its abolition, Mr. Speaker, let me show you how the will of Congress in one respect has been beautifully abolished. When we set up the Coal Commission and passed the National Coal Act in 1937 I voted for it. For I voted for the first act in 1935. When that bill was under consideration on the floor we set great store in preserving the independence of the Consumers’ Counsel. He is the gentleman who is separately appointed by the President. He has authority under section 2 of the act to appoint his own employees, and we vested him with authority to sit at every hearing of the Coal Commission and to file protests; and we gave him authority by legal certificate to secure information from the Coal Commission.

I voted for the Commissioners to set up the President of the United States appointed a good two-listed independent to be consumers’ counsel. It was John Carson, of Michigan, secretary to former Senator Couzens, and I say to you that he was an independent of independents. He served notice on the Commission for some information and they refused to furnish it to him. He went to the Attorney General and proposed to file suit against the Coal Commission or bring that kind of action that would mandate them and get the information he wanted in the interests of the coal consumers of this country. I indicted the Coal Commission on the floor of this House on their own testimony before the Appropriations Committee last year. They brought a Budget—gentlemen, you can believe it or not—they testified that 2 days before they came before the committee they had not even seen the figures in the budget. Fancy that sort of business! So they indicted themselves, I did not indict them. Then we got John Carson’s testimony dealing with his difficulties in the Coal Commission. Now, Mr. Speaker, the Commission is abolished, the functions are abolished, the functions are now vested in the Secretary of the Interior. The reorganization plan did not wipe out the Coal Act. Make no mistake about that. It is still on the books; the district boards will still be on the books, the need for a coal structure and a price structure is still there, and the Secretary of the Interior is going to make the set-up in order to effectuate the purposes of the act. The reorganization plan, however, also says that the consumers’ counsel is abolished, and his functions are vested in the Solicitor of the Department of the Interior under the direction of the Secretary. You have done what? The President of the United States has merged and destroyed the independence of the consumers’ counsel, because they are all under the direction of the Secretary of the Interior under this plan, and unless I miss my guess, Mr. Speaker, you are going to hear a great deal more about this before the reorganization plan and its effects are put in moth balls.

Mr. RANDOLPH. Mr. Speaker, will the gentleman yield?
Mr. DIRKSEN. I yield.
Mr. RANDOLPH. Will the gentleman, who has studied this question carefully, tell us what, in his opinion, will be the number of jobs which will be taken away from the Coal Commission? Will it be limited to six of the seven members of the Commission who have been operating, or will it go into the whole structure? What are the powers that are still there?
Mr. DIRKSEN. The seven Commissioners will be abolished, likewise the Consumers’ Counsel. All the attorneyships down there have been abolished. The jobs of all the other 1,200 people in the Coal Commission have been abolished; all the juicy patronage jobs have been abolished, because they are parts of the Commission.

If you ask me what the Secretary is going to do, I do not pretend to know, but I will say that the coal industry will know it has a boss the day the Secretary gets to working on it. Make no mistake about that. It will have
It was set up by Executive order in 1933. For some singular reason the President decided it ought to be abolished. So he entered an order abolishing it as of the 16th of September 1937. Later he amended the order and said it shall continue in existence until the 30th of June 1938, unless sooner abolished. I wonder what made him change his mind? First, he says, "We will put it out of business," and signed the order, issuing it from the White House; then suddenly he changes his mind and decides it ought to be retained.

So it was retained.

In the Emergency Relief Act of last year we gave it life until the 30th of June 1939. Now, when the Relief Act for this year comes on the floor in a couple of months there will be a provision in that act to give the National Emergency Council another lease on life until the 30th of June 1940. Make no mistake about that. It will be there. I can tell you right now it is going to be there because the President, in his special relief message of the 27th of April, said he wanted legislation to continue it, and he wants one and one-half million dollars for the next fiscal year for the National Emergency Council.

What do they do? What kind of business do they perform? Let us take a look. I read all the testimony of the former executive director when he appeared before the Appropriations Committee last year. The first thing they do is to act as an information office. For whom? For radio commentators, newspapers, magazines—for anybody. That is their language when they talk before the Appropriations Committee.

What else? They run a press intelligence service. How many people are employed? Forty-five. How much money is expended? Over $62,000 a year. What do they do? They take from six to eight thousand clippings a day. They tear cuttings on their fingers from using the shears. Clipping what? They clip over 400 newspapers daily. What happens? They get out a bulletin—a clipping bulletin. It goes to the head of every department in the Government every day.

What else do they do? They get out a magazine abstract. They abstract all the choice editorials and expository articles in the magazines everywhere, put them in a bulletin, and this bulletin goes to the desks of all the leaders in the administration.

What else do they do? As the former Director testified, we are here to answer questions for anybody who comes to Washington, including governors, mayors, and officials.

Oh, yes. It is very essential, in his language, that they get accurate information from the right source. Yes; he measures his language when he talks.

What else? They have a State director in every State in the Union, and in some cases these State directors hold two jobs. In Texas the W. P. A. administrator is also the State director of the N. E. C. In South Carolina the W. P. A. administrator is also the director of the N. E. C. In still another State the Federal Housing administrator for that region is the director of the N. E. C. There are 112 jobs in this agency paying in excess of $4,000. There are 19 jobs paying over $5,000 a year. Yes; some fat plums there, if you please.

What do these State directors do? They contact the legislatures. As the Director testified over there, they have to get the legislatures to consider enabling legislation to conform with what is going on in Washington. He said, among other things, that they had over 267 bills that were pending in the legislatures of the 48 States that should enable those States to get into line with the operations of the Federal Government. Yes, domination—from Washington, if you please.

It is a real bash. I regret that the independence of the Consumers' Council had to be destroyed. You never saw any intimacy of it in another body or any comment in the press as to the effect, so far as the Consumers' Counsel is concerned. So much for the Coal Commission.

There is the Bureau of Insular Affairs. I want to leave one thought with you on that. It is merged with the Division of Territories over in the Department of the Interior. That is all right. But I express this interest as to the future. As we know the act that we passed giving independence to the Philippines, and it is all right. But I express this interest as to the future. As I said, the effect, so far as the Consumers' Counsel is concerned. So much for the Coal Commission.

There is the Bureau of Biological Survey. There is the result of the Transportation Act of 1920 when the Secretary of War was empowered to promote waterway transportation in this country. In 1924 this Corporation was set up. I agree that it belongs in the Department of Commerce. Probably that is a good move. But there is one thing that caught my fancy there. It has a subsidiary corporation known as the Warrior Terminal Line, which operates an 18-mile railroad down at Birmingham, Ala. I do not see anything in the reorganization message providing for the disposition of the Warrior Line; yet all of the capital stock of the Warrior is held by the Inland Waterways Corporation. It may be an oversight on my part. Maybe it did not come to my attention. For so I know I might have been absolved from taking up another discussion that I bring this to your attention because it came to my attention in the course of an examination of this matter.

Then there is rural electrification. I do not see my friend from Mississippi on the floor this afternoon. May I say with respect to transferring rural electrification to the Department of Agriculture that if the transfer of the Rural Credit Administration and the Federal Farm Mortgage Corporation to the Secretary of Agriculture was all right, then this is all right; but in my first observations on plan No. 1, I did not concur in that transfer. I do not see why the Secretary of Agriculture has to be encumbered with every function, even though it may be remotely incident to rural activities. A far better place for rural electrification would have been to consolidate it with the Federal Power Commission or put it under the Federal Loan Agency, where they put Electric Home and Farm Authority under the first reorganization plan. I believe the House would have been a far more logical place for this particular institution.

Now I want to get to something which, in my opinion, is not in the public interest. I refer to the preservation of funds for the National Emergency Council. I feel—and I say this without qualification—is the biggest piece of fakery in the Government establishment today. I talked here 3 or 4 weeks ago with two men who were State directors of the National Emergency Council, and they would bear out my statement if free to talk.
Mr. Lowell Mellett, a man of ability, a man of capacity, one of the outstanding men for Scripps-Howard, is going to operate that end of the show. He is going to be one of the assistants, I understand, who, in the language of my friend the gentleman from Missouri (Mr. Short), have a passion for anonymity. Yes, Lowell Mellett is probably going to get that job and will be the director of the functions of the N. E. C. How beautiful it will be. First of all, you put out hand-outs from the White House. You put out canned phonograph records. Yes; no mistake about that. You saw what appeared in the press the other day, did you not? This is from the Washington Times of May 9:

In an electrically transcribed address which N. E. C. distributed to 150 local radio stations, the President charged that in some communities radio broadcasts were the only medium through which citizens could obtain factual and accurate information on their Government.

One of the N. E. C. jobs will be to send out these canned broadcasts from the White House to the little radio stations—offset what? The fact that maybe they feel they are not getting a square deal in the newspapers. That is what part of the N. E. C. is going to do, the magazine bureau, the magazine abstracts. Oh, yes; it is a two-way operation. You test out public sentiment, then you get that great swing of reaction and right into the White House it goes, not into the National Emergency Council. That is abolished. All the functions have been merged in the Executive Office of the White House. And we are going to pay the bill. The taxpayers are going to pay the bill to the extent of $1,500,000 for the greatest political contrivance this country has ever seen. I do not asperse the President one bit when I say that. I am just giving you the fact as illustrated and demonstrated by all the evidence that has come to hand.

If you want to go further with your interpretation, you can. A certain distinguished Cabinet member has gone on a swing through the country. I do not know what for and nobody knows definitely about that. But here is the man N. E. C. Oh, that is the way to let anybody down in 1940 who is not agreeable to the man who presides over the destinies of the New Deal. They have given it to him here in the N. E. C, and he is going to use it. So he is going to offset those aspirants who are nurturing closeted thoughts as to what lies ahead in 1940; whether they be members of the Cabinet or whether they be presiding over some little dynasty far out in the Pacific, it does not make any difference. The President of the United States now has the N. E. C. vested officially in him by reorganization plan No. H, founded upon emergency and continues to feed and fatten its destinies.

When the relief bill comes on this floor in a couple of weeks or months, or whenever it is, the provision will be in there to extend the life of these functions until 1940. If there is any strength and any breadth left in this body, I will be on this floor in an effort to strike it from the bill and to do my best to stop it as an outrage upon the American people and the American taxpayers. (Applause.)

The Executive Director replied:

The first half of the fiscal year 1938 and the fiscal year 1939 are not comparable. So far as fiscal years are concerned, that period is comparable with 1936, because of the fact that the demands for information during an election year are tremendous as compared with the demands in an off year.

(Laughter and applause.)

That was the Executive Director of the N. E. C. testifying before the Committee on Appropriations—"the demands in an election year are so much greater in comparison with an off year."

Mr. Speaker, there is the story on reorganization plan No. II. And now, if there are any questions, I shall be pleased to yield.

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

Mr. DIRKSEN. I yield to the gentleman from Missouri.

Mr. SHORT. I infer from what the gentleman has said that the N. E. C. is a purely propaganda agency.

Mr. DIRKSEN. There is no question about that.

Mr. SHORT. And its only function is to extol the virtues of the New Deal. Of course, it is necessary to continue the emergency in order to continue the New Deal, because it was founded upon emergency and continues to feed and fatten on emergency.

Mr. DIRKSEN. Oh, I will say to my friend from Missouri, life is just one crisis after another. (Laughter.)

Mr. SHORT. What is there in the picture to make you ask for $1,000,000 for next year?

Mr. DIRKSEN. I do not quite agree with the gentleman from Missouri (Mr. Short) when he says that the New Deal has prospered and grown fat on this propaganda. I do not think it has grown fat, I do not think it has prospered, but I do think that what the gentleman really means is that it continues to live and maintain life, even though it is growing weaker, by virtue of these agencies. (Laughter and applause.)

Mr. SHORT. I accept the correction of my friend from Michigan. (Laughter.)

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

Mr. DIRKSEN. I yield.

Mr. GIFFORD. It would, perhaps be doing an injustice.

Mr. DIRKSEN. Yes.

Mr. GIFFORD. I wish the gentleman would bring out, Mr. Speaker, will the gentleman yield?

Mr. DIRKSEN. I yield.

Mr. GIFFORD. And the gentleman cannot possibly tell us who advised the President about this matter?

Mr. DIRKSEN. Oh, I have some thoughts on the subject, but I would not want to do anybody an injustice by having their names appear in print unless I was reasonably sure.

Mr. GIFFORD. It would, perhaps be doing an injustice.

Mr. DIRKSEN. Yes.

Mr. GIFFORD. I wish the gentleman would bring out, however, if he has the time, whether the Bureau of Light-houses and the Coast Guard are going to be merged or