

# EXTENDING RECIPROCAL TRADE AGREEMENT ACT

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## HEARINGS

BEFORE THE

COMMITTEE ON FINANCE

UNITED STATES SENATE

SEVENTY-FIFTH CONGRESS

FIRST SESSION

ON

### H. J. Res. 96

A JOINT RESOLUTION TO EXTEND THE AUTHORITY  
OF THE PRESIDENT UNDER SECTION 350 OF  
THE TARIFF ACT OF 1930  
AS AMENDED

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**PART 3**

FEBRUARY 15, 1937

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# EXTENDING RECIPROCAL TRADE AGREEMENT ACT

MONDAY, FEBRUARY 15, 1937

UNITED STATES SENATE,  
COMMITTEE ON FINANCE,  
*Washington, D. C.*

The committee met pursuant to adjournment at 10 a. m., in the committee room, Senate Office Building, Senator Pat Harrison presiding.

The CHAIRMAN. All right, Mr. Garvan.

## STATEMENT OF FRANCIS P. GARVAN—Continued

Mr. GARVAN. I will do my very best to go as rapidly as I can, and wherever I can I will try to introduce what I have to say by a document. If I have the general permission of the committee to put into the record such things as I desire, why, then it will allow me to skip a good deal.

The CHAIRMAN. Very well.

Mr. GARVAN. I will talk just as rapidly as I can and leave out my grand eloquence and get ahead, if I can.

The first thing I would like to put into the record, I noticed in the paper, either this morning or yesterday, that Senator Ellender, of Louisiana, made a speech on lending \$85,000,000 to Canada, and that there was a finding of the S. E. C. that Canada was a separate nation and did not come under the ban on foreign loans under the Johnson Act.

### EXHIBIT A

[From the New York Times]

#### PLANS FOREIGN LOAN BILL—ELLENDER'S IDEA WOULD SUPPLEMENT THE JOHNSON ACT FOR COLONIES

WASHINGTON, February 11 (A. P.).—Senator Ellender of Louisiana said today that the Securities and Exchange Commission had informed him that the recent sale of an \$85,000,000 Canadian Government bond issue in this country did not violate the Johnson Act forbidding defaulting debtor nations to float loans here.

Mr. Ellender said recently in a speech in the Senate that he considered the sale a violation of the act. He said today that he intended to introduce an amendment to the act forbidding such sales by "a political subdivision of any nation or empire when the mother nation was in default."

I want to call attention to this finding, that that is exactly contrary to the findings of the Secretary of State in the trade agreement with Canada by which Canada chose to make itself a part of the British Empire.

So, you have two conflicting rulings there. One by the treaty that Canada is a part of the British Empire, which owes us \$4,000,000,000, and the other by the S. E. C. that she is permitted to borrow \$85,000,000.

000 more on the understanding, or the finding, that she is a separate country.

The next thing I want to call your attention to, that I did not finish in my argument the other day, is that Secretary Morgenthau put out a brief for the foreign debtors. I took up the first point of his statement, but the second point that he takes up I will ask permission to insert in the record. I wish to insert that identical statement of his.

#### EXHIBIT B

##### A MORGENTHAU LETTER

The text of Mr. Morgenthau's letter follows:

"Receipt is acknowledged of your letter of January 27, 1936, inquiring whether it would be feasible to invoke the provisions in the debt-funding agreements between the United States and various foreign governments which permit the United States to require the delivery of bonds of such governments in form suitable for sale to the public.

"While the debt agreements referred to authorize the Secretary of the Treasury to request definitive engraved bonds from the debtor governments suitable for sale to the public, no Secretary of the Treasury has ever requested the delivery of such bonds.

"My predecessors in office have taken the view that there is no law authorizing the sale at less than the purchase price (par) of the obligations of foreign governments under the Liberty Bond acts. It would appear that if Congress had intended to authorize the Secretary of the Treasury to sell such obligations at less than their purchase price, it would have so indicated by express language in the acts approving the various debt-funding agreements.

"The obligations of the Government of France bear interest at the present time at the rate of 1 percent per annum; those of Great Britain at 3½ percent per annum and those of Italy at one-eighth of 1 percent per annum.

"It would not be possible, certainly, in the case of France and Italy, to sell their obligations at par. As you know, the principle adopted in these debt agreements was a reduction in the rate of interest rather than of the principal of the debt, which, of course, reduced the marketability of the obligations acquired.

##### BRITISH DEBT PROVISION CITED

"There is another difficulty that you point out in your letter, namely, the provision in the funding agreement with Great Britain (approved June 19, 1923) that the marketable bonds received from the foreign governments in exchange for those now held by the United States 'shall carry such provision for repayment of principal as shall be agreed upon, etc.' The request for such funds by the Secretary of the Treasury would automatically open up the whole question of debt revisions, inasmuch as the agreement involves provisions that must be accepted by the debtor government.

"The marketable bonds that may be obtained from Great Britain, therefore, cannot be obtained merely by the request of the Secretary of the Treasury. He cannot accede to conditions of payment which would, in effect, reduce the scale of the debt, or modify the rates of interest, or duration of payments, inasmuch as that is a power which rests with the Congress.

"If authority were now to be asked of the Congress to sell such obligations at less than par we should have to face at once added problems with respect to possible eventual loss to the United States Government on the one hand and its legal or moral obligation to purchasers on the other.

"The whole problem you raise is a complex one, involving broad questions of international policy. I have not attempted to do more than indicate some of the difficulties so far as the responsibility of the Secretary of the Treasury is concerned.

The second point he takes up is that the provisions of the 1926 treaty by which our debts were established with England provided for the issuance of these bonds in definitive shape and smaller denominations. He states there that they would open up the whole question of the agreement, and to me it is shocking that we raised

such a defense for England. We have the solemn, signed agreement of England that she will put out the small bonds at our request.

That commission was headed by Secretary Hughes, and that is equivalent to saying that he made a worthless agreement, that the United States signers made an agreement which was not an agreement which can be modified now by England upon the mere reissuance of the bonds in small denominations.

To me that is another ridiculous proposition and adds to the everlasting question which is in the minds of the people "cui bono", for whose good is a thing like this? What is the force behind ourselves, the creditor, that argued the case for Runciman, the Board of Trade, and England itself? It is that abnormality behind which we always thought, as lawyers, to look for an explanation.

The normal American wants his debt paid. He made sufficient sacrifices in the World War, and so forth. He knows they cannot be questioned. He is in doubt and bewildered as to why the Government, ever since 1926, why the Treasury Department has constituted itself the lawyer for the defense in the collection of these debts.

The papers state that there is to be a meeting today of Mr. Eccles and Mr. Morgenthau in consternation at this gold that is pouring in here each day. There is no American there, apparently, at the meeting, to say "Well, what about their paying their debts with this gold?" That is a situation which frightens us and which gives us great concern.

The answer is, instead of the gold why not take in payment of the gold, if the gold must come, if there is the disaster of changing the price from \$35 an ounce to some other price, why not hand them one of these \$4,000,000 bonds as fast as the gold comes in? Can they refuse it? It is an honest debt.

In the preliminary debates, where Lloyd George bore down on Premier Baldwin for being the first breaker of a treaty, in that—Arthur Chamberlain, the head of the British Treasury, stated that they had never defaulted on their bonds, that it was only the difficulty of exchange which prevented them from paying their debts.

It seems to me our own Government has been the repudiator, not England. England says she is ready. We now know \$120,000,000 worth of gold was brought here in January, plus our figures of a billion and a half unfavorable balance, and if things go on as they did in January it will be two billion this year. And yet, for some strange, unaccountable reason we find the creditor here ashamed to take out of his pocket the notes which the debtor owes us and say, "Here, instead of our securities this morning for the gold that you are bringing in will you kindly pay some attention to the I. O. U.'s which we have patiently and kindly, and with a true international loving spirit kept here in our pockets since 1926 when you signed on the dotted line at that time that you would reissue these bonds, that you would help to market them on the London and Paris markets, that they would pass into private investments which you would not dare to repudiate. They would have the same standing as the British consol bond in which you hold credit."

The whole thing has been farcical from the beginning. There never was any trouble with exchange. England holds 20 billion dollars of foreign loans herself, practically all good, which she is collecting

interest on. We could at any time have taken 4 billion of those from England and she could have issued 4 billion dollars of her own bonds to the holders of them, as she did in the war, when she took the American securities owned by Englishmen and gave them consol bonds, so she could buy the weapons of war which she wished to buy here. She owns all the diamond mines of the world, she owns three-fifths of the gold mines in the world, she is the controlling member of the tin cartel, she is the controlling member of the nickel cartel, and the rubber cartel. She has manganese, she is one of the members of the chemical cartel. Every necessity which we have is centered in her hands. The very manganese of the United States Steel Co. traces back again to the Morgan control. All these things she has. She takes everything and gives nothing.

Any time there was any spirit of standing up for the rights of the American people, instead of wearing spats, we could have insisted and could have had our debt paid. The trouble is too many people in this country are wearing spats and trying to change them with every change of the king. Every time he changes his spats, or does not wear them, running behind the bushes to take them off or put them on these people here change theirs, resulting in absolute neglect of our own affairs. Why not study and watch how England is collecting her debt from Ireland?

I will ask permission to put in the record that debate in Parliament which I mentioned in my testimony.

The CHAIRMAN. That was granted the other day.

Mr. GARVAN. Yes.

#### EXHIBIT C

EXCERPTS FROM PARLIAMENTARY DEBATES, HOUSE OF COMMONS, VOL. 310, No. 58,  
THURSDAY, MARCH 26, 1936 (P. 1485)

Mr. LLOYD GEORGE. I am not defending Herr Hitler's action. If the hon. gentlemen will permit me, I will say in a moment or two what I think the case is. I am never afraid of stating frankly what I think the case is. In my judgment Herr Hitler's greatest crime was not the breach of a treaty, because there was provocation. I think his greatest offence was that in the inflammable conditions of Europe he should commit it in so reckless a manner. He organised a torchlight procession through a powder magazine, and there has nearly been a very shattering explosion. But the invasion of the Ruhr by the French came six months after they had agreed to a pact of nonaggression. They invaded their neighbor, and Lord Curzon, who was then Foreign Secretary, gave it as his opinion that it was an illegal act. Where was the meeting of Powers then? Everybody knows the undertaking given by M. Clemenceau on behalf of the Powers that if Germany disarmed, the rest would follow suit. Since the signing of Locarno, there has not been a year in which every one of the signatories, except Britain, has not increased its armaments. We did not, and that is to our eternal honour, and we are entitled to claim it.

But every country, including our own, has found its war bonds of one kind and another too irksome, too burdensome to carry, to tight. They stopped circulation, they stopped trade and business life in every country. France signed pledges to us to pay debts. She has not done so. The right hon. gentleman went to America and signed a Treaty to pay so much a year to America. We are no doing so. Why? What does the right hon. gentleman think of this, for which he is responsible?

"It is an essential principle of the law of nations that no Power can liberate itself from the engagements of a Treaty nor modify the stipulations thereof, except with consent of the other contracting parties."

Has America consented to our action? There was a pact, there was a treaty. Has America consented? Here is a breach of a fundamental principle of the law of nations. But every country has found it impossible to carry these bonds. The time has come to consider and to revise. Inside the Treaty of Versailles

there are the powers to do so. The best thing that has been said about this business was by the right hon. gentleman and Chancellor of the Exchequer's own Rector—the Reverent Guy Rogers. He said that the text that is applicable under present conditions to all the Powers and not merely to Germany is: "Let him that is without sin cast the first stone."

Sir A. CHAMBERLAIN. I hope I may be permitted in my first words to offer my tribute of admiration to the Secretary of State for the speech with which he opened this Debate. It ranks with the finest Parliamentary performances and is worthy of the high office which he fills. I wish I could feel just the same about the speech of the right hon. Gentleman the Member for Carnarvon Boroughs (Mr. Lloyd George). I would invite the House to consider for a moment the relevance of his last observation to the case we have to consider. As far as I am aware, His Majesty's Government have never repudiated our obligations to the United States of America. (Hon. Members: "Oh!") No person and no country can be bound to fulfill the impossible. As long as it was within our means we paid what was due in full. For two or three years afterwards we paid a sum on account as an acknowledgement of our debt, and we only ceased to make that continuing payment in the midst of all our own troubles when it was no longer acceptable in the only form in which we could make it.

Contrast that action which the right hon. gentleman the Member for Carnarvon Boroughs cites as putting us in the same position as Germany with the action which Germany has taken. What happened? Germany, by the admission of everyone, broke a Treaty which she had freely negotiated. Her first excuse for doing so was that the Treaty had already been broken legally by France, in that France had concluded a bilateral pact for defence—and mark that it was for defence only—with Soviet Russia. If there were any basis in that claim, why has not Germany submitted; why does she not now submit her case to the Hague Court? I read a letter in the Times the other day by an hon. friend who generally sits on one of the back benches, a letter in which he threw discredit on the high Court of International Justice at The Hague. It is not unknown in other courts how on difficult and intricate questions judges are divided, and that in the end the decision is a decision by a majority of one. In any case, however, let my hon. friend and others remember that it was to that Court that we and Germany had bound ourselves to take these questions, not only as Germany did, by the Treaty of Locarno and the Arbitration Treaty with France, but by the acceptance of the Optional Clause which was renewed since the Nazi Government came into power.

Mr. LLOYD GEORGE. There is an alternative.

Sir A. CHAMBERLAIN. I am not sure whether there is under the Optional Clause, but there is under the Treaty of Locarno. If a question of right were at stake, the agreement was to take it to the suitable tribunal to decide. But what does Germany do? She was not unable physically to maintain the demilitarisation of the zone as we were physically unable to continue payments to America, which could be made only in gold, on the scale demanded by our engagement. There was no such physical compulsion, and it was not impossible for Germany to fulfil her obligations, and if there were a dispute about rights there was a proper tribunal to which it could have been taken and from which a decision could have been obtained.

Now, I stated several instances, and I will not go on excepting to state one instance of how these treaties were holding down our recovery and how they were particularly bearing down upon the farmer, and upon the South, and the great problem of the country which we all recognize to be the cotton problem.

Now, here is a new industry of Oriental rugs made by machinery. You know the history of the Oriental rug of the past centuries, and so forth, making them of great value. Well, they mastered the art of making those rugs by machinery. They are made mainly of wool with a burlap back, hemp back, and so forth and so on. Later on it had been discovered, with the perfection of our dyes, and so forth, that they could just as well be made of cotton, and, as I will point out to you in a moment or two, we have perfected our manufacture of hemp so we are ready to take care of an almost unlimited crop of hemp. That is a small industry, it is just beginning.

You find it right straight through these agreements that the foreign interest finds its way into every treaty, if it is analyzed. They took that item of rugs in the Belgian treaty, they reduced the duty on those imitation oriental rugs "wholly or in chief value of cotton."

Now, here we are trying to struggle with the cotton. Here is a great new industry just beginning and the only thing that they pick out in the Belgian treaty is imitation oriental rugs "wholly or in chief value of cotton." Therefore we must sell our cotton to Belgium and they make it into these rugs.

Now, there are 20 million homes here that could use these rugs. The imported wool, orientals, sell for \$10 a square yard. We could make them and help our farmers out a lot, we could build up a great business at a dollar a square yard by making these rugs out of cotton.

Now, we can make these backs out of hemp from the farm fields of Minnesota and other parts of the country which are best suited to growing it. We do not know how many bales it would take, but perhaps a million bales, within a very few years, because it is the latest, the most modern, and the newest thing in floor coverings, these cheap cotton rugs, with a beautiful design, in competition with the oriental rugs. We find, I think, that 20,000,000 of our homes have no covering. I have forgotten what it is, but I have got the figures which I will insert, which shows that this is a giant business. So these boys had it put over on them. They assume that they can kill that business just as any other line, such as the killing of the pine business and the other different things that I have spoken of.

Someone asked me the other day what I would propose for a tariff. I explained that the chairman of this committee has given me the key for what I think is a splendid and adequate tariff system. You would see the nonsense of that if you spent the years that I have spent on it, on two or three items. It is the most difficult subject, and broad phrases of protection and free trade will not do. It becomes too complicated in the end, but I will take one instance of what the chairman did in one case and show you how I think it is the key to the development of a proper tariff policy.

It was in the last tariff bill that we were asking a tariff on chemicals. One of the du Ponts, I think, was on the stand, and your chairman said to him, "Hold on. Now, it is all right for you to ask protection for your interest, but what are you going to do for the country? Now, here is the situation: Down in my country we raise naval stores. We raise resin and turpentine. That resin and turpentine is going to Germany and they are making synthetic camphor, and then they bring it back to our country and we are still being dependent on Japan for natural camphor and Germany for synthetic camphor, and people down South are not getting the benefit which they would get by local consumption. He said, "I want you to get to work and make synthetic camphor here." He said, "I will give you a tariff, but unless within 2 years you are making 20 percent of the consumption of the country your tariff is cut so much; unless within 3 years you are making so much your tariff is cut so much, and unless within 5 years you are making half the consumption of the country off goes your tariff. Are you willing to do that? Are you willing to help in the national interest of America?" They said they were. They spent \$500,000 on the

plant and research before they got it through. They lost a lot of money, but they are making it up now, and we are absolutely independent of Japan for natural camphor and absolutely independent of Germany for synthetic camphor. Our byproducts are going right straight into the mills of this country, and in case of war or disturbance, or making a trade treaty with Japan you are not within their selfish grasp and compelled to dance to their tune.

That gives you the key. You have got to set up some national institution of some kind which will take each topic and study it and then declare the tariff in the national interest, not in the personal, selfish interest of that industry, although that is one of the elements, of course, but if it conflicts with the national interest, out with it, out with the slogans of free trade and protection. Let us get at doing what is necessary to build up our own people, to employ our people and to build up new industries, which has been the history of progress in this country.

Sluggish industries—selfish industries—industries not willing to spend in scientific research—industries not fair to labor—industries which do not have on their books an account called “National Unemployment” or “National Interest”, must lose their tariff. In other words, following the chairman’s example the tariff can be used as a press for national progress.

I want to say that I think nothing can be said against that. All the national interests can be discussed. This board can report to you and you can resume your functions of passing on it, you can hear the protestants against the action of the board, and you will not have this situation which I want to again point out.

We have had 3 years of business upset in the reciprocity treaty. I see it because I am around hunting capital for these new industries, and between the reciprocity treaty and heavy taxes it has resulted in private capital being eliminated. You cannot get private capital to go into any venture because the most they may expect to make is 10 percent before taxes. The big corporations do not know what is going to happen. They know they are in the hands of these four young men. They know the farce of these hearings. They have been down there and gone through them. They have their brief on the subject and some clerk takes it and puts it into a paragraph or a page. Then it goes over to the State Department and the Ambassadors abroad and their skilled men come in there. Business says, “What is the use?” It says, “We cannot invest capital, we cannot go on to build new industries. There is nothing in it except the danger of losing our money.” It is like the Sumatra tobacco man, or any of these other people, having to look forward to Belgium where the competition has been, or some small country, Uruguay, or something where they have slipped in the reduction and then the general clause carries it all the way through to their opponents.

I can go on for hours and tell these stories of these little new industries which look insignificant at the start, they do not look important. It reminds me of the story of Farraday when he invented the electric dynamo. The Premier of England said, “What good is it?” He is reported to have made two answers: “What good is a baby when it is born?” The second reply was, “Mr. Premier, it may grow as time goes on and it will grow until some day you may

be able to tax it." Those are the two answers that he was supposed to have made.

So it was with this chemical industry. You are getting \$250,000,000 taxes this year, and yet it is only 20 years, a brief period of this committee. This committee built the chemical industry. President Wilson started it. The good men on this committee of both parties joined in the effort, appreciated the national necessity, appreciated the statement of the President that he was not free to decide, in the national interest, if there were pressures, and so forth, and so on.

I have been coming here for 20 years. Now, the chemical industry does not need anything like that tariff that we have asked in the past. We can only ask protection against cartels and against the price of foreign labor. Beyond that we are not entitled to a nickel relief. Certainly this is true of the big strong chemical companies. It may be that little new fellows in new products or otherwise may invite your help. We want more and more new small companies growing against any possible monopoly however remote. We will continue to pay our \$250,000,000 of taxes. We will continue to strengthen every other industry and make them greater taxpayers, and we will continue to solve the questions of health and the other questions which science alone can solve.

Is there one word of science, is there a mention of science coming from the State Department. Did these four young men ever hear of it? We know they never heard of the science of arithmetic, which is the mother of them all. We know they have gone on with false theories, and so forth and so on, but not one word in the whole proceedings on the march of science.

You can't substitute foreign manufacturers. Why? Because we have got a chemical industry, we have got scientists, boys studying in school, boys in the high school, boys in the colleges, Ph. D.'s. We turn out five times as many every year as the five countries—England, Germany, France, and the others—put together, and they are 40,000,000 more in population.

You cannot fight the American people that way and sell them down the river. They will not go.

I cited that whole history in my brief which I put in evidence before the committee on the proposal in the Swiss treaty to cut the chemical tariffs, without the slightest understanding of what it involved. You do not know where you go when you touch the chemical industry. The Swiss are a member of the European cartel. All the world is combined in the chemical cartel against us. That is all right. We will take on that fight, but we do not expect our Government to help them. They cut the duty on dyes 25 percent.

Senator DAVIS. Who cut the duties on dyes 25 percent?

Mr. GARVAN. The State Department in the Switzerland treaty, in the Swiss treaty. Now, of course, it was generalized to all countries, except Germany. But that is only for the moment. They did not have to generalize it to Germany. Germany owns the Swiss cartel. They are partners. The German and Swiss are both members of the cartel. They settle the profits at the end of the year. It was just a sly way of giving it to Germany.

What happened? We got to work and our chemists went to work, we redoubled our fight. There are no more dyes come in. We



got nothing out of the Swiss treaty. The figures which I will put in the record show that our exports haven't increased a dollar and the imports have increased \$4,000,000, and the laugh was yodeled from peak to peak over the hills of Switzerland at our foolishness.

What did they do? They just took the \$300,000 which Mr. Hull gave them, the 25 percent cut on their duties, stuck it into their pockets and went back to Geneva and divided it among the cartel. That is all that happened in the Swiss treaty.

Just think of the danger of impeding this progress of science!

#### EXHIBIT D

Franklin D. Roosevelt, Jr., is living today because of the chemical development of dye factories; because of the Rockefeller Institute; because of French scientists; because of the Winthrop Chemical Co. here; because of splendid Boston physicians, armed and equipped with the pot of scientific knowledge and the produced remedies by one of our great drug companies, developed here since and because of the late war.

He had a streptococcus infection in the nasal cavities. (Let me remind you that President Coolidge's son had a streptococcus infection of the foot and died.)

Let me barely outline how progress works when science and industry and government all work put together for the good of mankind: Years ago at the Rockefeller Foundation, founded and run with the money of an economic loyalist, in its research stumbled upon the chemical, sulfanilamide.

But they did not realize the full portent of their discovery. It passed into the literature of science, was taken up by the Germans; substance was added to it in order to make the patented product, prontosil. French scientists took it up and seemed to find that in their endeavor to make it patentable, they diminished the effectiveness of the original drug. In this country we had spent over \$300,000 at Johns Hopkins, trying to discover the remedy for the common cold, because of so much of the disease. We did not succeed, but we did add to the pot of knowledge and we did develop a brilliant young man, Dr. Perrin H. Long. When this subject broke, he came to the Foundation for a few thousand dollars, to be spent at Johns Hopkins, in testing and beginning further development. He definitely determined that the original, simple, unpatentable by-product of the dye factories was a better product than the patentable one.

Meanwhile, the Winthrop Chemical Co., to whom, as Allen Property Custodian, we had sold the Bayer Co. and its patents, and who, by virtue of this fact were able to make a contract with the Germans whereby all the drug discoveries and medical discoveries by the Bayer Co. in Germany must be disclosed to them, together with the know-how of their manufacture—the Winthrop Chemical Co. put on our market and make available for American physicians, both prontosil and the better product.

The splendid doctors in Boston, educated under the new alliance of chemistry and medicine, were able to utilize the drug and save the boy's life.

And now, along comes the English, and Dr. Leonard Colebrook, director of the Bernhard Baron Memorial Laboratories at Queen Charlottes Hospital, London, comes to Washington and tells us here that the same chemical has been successful in saving the lives of 17 out of 20 mothers afflicted with puerperal fever in childbirth, from which disease we lost 4,000 good mothers last year.

The use of the drug is extending every day. In this country physicians and chemists and drug manufacturers and dye manufacturers and research institutions, are at work day and night to exhaust possibilities of this new weapon in the battle against disease.

Have we found the "ideal internal antiseptic", the chemical that can kill disease germs in the body without injuring body tissues? Or is it only a first step in the everlasting battle? We care not which—we will go on. This is the kind of a structure of progress the combination of government and citizen, industry and the sciences, rich benefactors and poor boys starving to get their education, which these four boys took a blow at, with no knowledge of what they were doing, when they cut the tariff on dyes in the miserable trade treaty with Switzerland.

These are the things that these boys are fooling with. We do not care anything about the chemical itself. If we could not make it we would pay \$50 an ounce for it in Germany, but we can make it and it is about 10 cents a quart, or something. It is a cheap waste. All that needs to be done is just a little purification, and then it is thrown into the hands of the American people to save their children and to save themselves. We do not know the future. We furnish you with the best developed minds of the industry and of the colleges and then we see how far we may go along on that. We may not go further, but we may add something to the pot of knowledge. Some other young boy may come along and develop something on cancer, or go on to something else. And yet these people have ruthlessly cut 25 percent off. Please read the brief that I have put in the record—which they ruthlessly threw aside. (The brief referred to is on file with the committee.)

We are not here talking about the money; we are past that. Senator Harrison and this committee built this industry. It is your job; it is your production. We have only had a finger in the pie. We do not ask any credit. The credit rests on the fathers of the Constitution who set the duties for this committee, the representatives of the people, to hear all people who come in and to understand it, and they have the national interest at heart and not the international interest.

Did internationalists ever sit here? Did you ever think that your pay check was an international pay check? Did you ever think under that pay check you had the right to indulge in those beautiful sentiments on the love of all nations, even to the extent of homosexuality among nations? That is where it goes. It is abnormal; it is not natural. It is natural for a man to be a patriot. It is natural for a man to think of his people, to think of his father when he landed here. Think of your story. I could take an hour and tell you mine. Think of your own story. You may have been here for generations. Look at every point here and you find that it circulates right around to the interest of whom? England—J. P. Morgan & Co.—and England for whom they are agents, and the companies they control, at the expense of the little struggling lace maker, at the expense of the little fellow who is trying to start a new industry at the expense of the former.

So I can go on by the hour and show you the menace of continuing this upset in business, of continuing this farce. I told you before that it was all a farce, that the intent was only to give England 3 more years to make the bilateral agreements which she has not made as yet within the last three years. She wants 3 years more.

The figures that come out from the Department of Commerce each month will burnish across the sky the story of this delegation of authority which you thought you were delegating to the Secretary of State, in reality to J. P. Morgan and the people in England. Runciman is running it through their agents here.

They only covered 37 percent of our foreign trade in 3 years so far. They haven't touched any of it in 22½ months except what had been planned before that.

As I explained to you; no new thoughts came into their minds for a new treaty in 22½ months. How long does it go on? How to we know?

They are talking now of a treaty with England. England has got 90 percent of what she wants from the most-favored-nation foreign-nation clause. What more does she want? Doesn't she want to get something else at present in order to lull us to sleep further on the question of debt? In order to writ that neutrality bill? You cannot write a neutrality bill that will not please England. She will cause a panic in Wall Street tomorrow. She owns 10 percent of our securities on the exchange. The exchange in London deals in more first-class American securities every day than the stock exchange in New York. The trade in American securities has been moved to London.

Why should we stand this for 3 more years? If you do, it may be that the American people will have to take an awful licking before they know what is happening to them, but if you do is it too much to insist that the Secretary keeps the books, that the Government keeps the books?

It is all based upon the idea that we have an unfavorable balance of trade. I am putting before each of you no. 12 of The Deserted Village series, which is an honest, clean, straight-forward statement, as far as we can make it, with the inadequate figures of the Government, of what we have in this country and abroad. What they have invested here is loosely stated. You can see right away that they do not know anything about it. One says eight billion, Mr. Hull says five billion, Mr. Wallace says it is seven billion. They all say that the entire structure of this agreement is based upon the fact that we are a creditor nation. They do not know the first thing about it. They haven't lifted their hind foot to find out. The Secretary of the Department of Commerce went through the motions and put it into their trade balance last year, on a survey they have made by questionnaires on the foreign investment here.

Now, let us take that just a moment. There was no sworn statement. They went around with the hat of the United States Government in their hands and said, "Please tell me what you know about foreign investments in America." They first went to Mr. J. P. Morgan and Mr. Morgan said, "That is none of your business." Then Mr. Morgan says, "I will tell it to you, but only under the secrecy of the Internal Revenue Department. We will not report to you. We will send our reports to the Internal Revenue Department where it will be under the ban of that secrecy."

These are the British agents in New York dictating to the United States Government. Now, all the figures they have got on the foreign investments here are based on the clerks of the Department of Commerce voluntarily going from door to door, headed with Morgan and then going around to the banks, all controlled by the British, and asking them to please tell the great United States Government how much they knew about foreign investments here. When they published it it was five or six billion, I do not know which, but I think it was five billion.

Now, I have had experience as Alien Property Custodian, and I know that at first, even with the law, we did not get more than 60 percent; we had to get on our prosecutor jackets and go out and find out, under the threat of prosecution, the other 40 percent which was the dangerous menace to control in this country.

I want a law that calls for the inventory of what is here now and then, under punishment of a criminal offense, and a simultaneous or contemporaneous sworn report of every foreign transaction. Why should not we have it? You can get all the details of my business, for my taxes. I will bet that you are not getting 10 percent of the taxes which even under the mild, soothing, international treatment you gave them in the last tax law that they owe. How do you know whether you have got it or not? Is that efficiency?

So I say that we drift along and do not know where we are going.

Then again, about this agreement, I will say it is not what it seems to be. There has been a lack of frankness here. It came up 3 years ago and sold itself to you on the idea that it was a fine bargaining agency, that the thing was put forward with the idea of getting advantages from the other side to help the farmer, to help the laboring man, and so forth and so on.

Was it? Well, the information I have acquired exposes the whole thing as an absolutely sneaking conception of a broad reduction of practically every object on the tariff list.

Let me show you. I will not bother because of the time, but I will put it into the record if I may. Mr. Sayre appeared before the House committee and the Senate committee 3 years ago and he produced a little chart and told how he would do this bargaining. They said, "How are you going to do this thing?" "Well," he said, "we are going to begin with one country and we are going to take the things that they are most interested in exporting, which we are most interested in, that we receive the most of from them, we are going around the list and bargain that way, so we will have a pretty little picture of bargaining even when we get to the twenty-ninth country." Then he put down a secret cryptic chart showing countries 1 to 29, and in it he states the amount that we imported. Then he says, "I cannot tell you. I do not like to tell you what countries they are, and what goods." He says, in effect, "I will whisper to one or two of the committee, but the American people are not entitled to know it; they are not entitled to know what is going to be done to their tariff." So they put in that cryptic chart.

#### EXHIBIT E

EXCERPT FROM MR. SAYRE'S TESTIMONY BEFORE THE COMMITTEE ON WAYS AND MEANS, HOUSE OF REPRESENTATIVES, MARCH 13, 1934

Mr. SAYRE. Now what I am suggesting is this, that America is losing its share of international trade; that America has not the machinery for meeting the needs of the present situation; that America needs that machinery if it is going to compete.

I am not suggesting that the lack of such machinery is the only factor in the situation, but I am suggesting that it is one of the factors, that it is a vital factor to be considered, and that those who care about American industry and American producers must get behind a bill such as this if American industry and American producers are going to be protected in world markets.

I want to pass now, if I may, to another point. I have promised to say something about the program which would be followed under such a bill as H. R. 8430 with respect to most-favored-nation treaties. Many have asked how can we effectively pursue a tariff-bargaining program in the face of the fact that we are parties to treaties with many nations guaranteeing most-favored-nation treatment. That is to say, if the United States makes a tariff bargain with country "A", every other country having a most-favored-nation treaty with the United States will, by virtue of that most-favored-nation treaty, profit from the same reduction. How, in the face of that situation, can we go for-

ward with the tariff-bargaining policy? Will a country by virtue of its most-favored-nation treaty, enjoy all of the profits, and will there be no bargaining leverage left?

It is to meet that situation that a very careful study was made and a program worked out in the State Department which I would like to explain to you, because it is a very vital part of this tariff-bargaining program. First, a list of countries was made, countries which furnish the chief source of supply of various commodities to the United States, and it was found that there were at least 20 separate countries, each of which was the chief source of supply of some important commodity or commodities to the United States, and I have before me here a statement which I think also should be put in the record, if it may, Mr. Chairman.

The CHAIRMAN. Without objection it will be admitted.

(The matter referred to is as follows:)

*Dutiable imports into the United States from specified countries of articles for which each country, respectively, is the leading source of supply, 1931*

[Dollars—000 omitted]

Country	Number of articles or classes <sup>1</sup> of articles for which the specified country is the leading source of supply	Imports from specified country of articles for which that country is the leading source of supply	Total dutiable imports (all articles) from specified country	Ratio of imports for which specified country is leading source of supply to total dutiable imports from that country
				Percent
1.....	10	21,536	26,860	80
2.....	5	5,169	5,640	91
3.....	18	12,074	23,504	51
4.....	3	2,050	4,230	48
5.....	69	36,703	48,385	76
6.....	26	15,441	23,366	66
7.....	12	83,102	84,382	98
8.....	15	11,744	22,377	52
9.....	3	2,333	2,828	82
10.....	84	31,998	65,907	57
11.....	155	62,093	84,063	74
12.....	3	8,022	9,750	91
13.....	10	33,171	35,688	93
14.....	1	1,307	2,303	57
15.....	37	27,391	46,934	58
16.....	48	20,150	31,909	63
17.....	13	7,514	11,138	67
18.....	1	267	521	51
19.....	26	13,641	22,016	62
20.....	4	610	1,206	48
21.....	5	11,333	12,670	89
22.....	1	4,010	4,066	98
23.....	5	3,132	6,354	49
24.....	1	47	62	90
25.....	19	8,068	10,139	79
26.....	11	3,440	5,934	58
27.....	19	12,066	20,487	59
28.....	97	37,872	66,113	57
29.....	4	1,435	2,308	62

<sup>1</sup> Statistics of United States imports by countries as now published frequently give importation by countries of origin only for a general class of articles, e.g., "other leather manufacturers."

Twenty-nine countries are included in the above table. These 29 countries include nearly all the more important commercial countries of the world. In the aggregate they constituted a market for 85 percent of our total domestic exports in 1931. A bargaining program based simply on the granting of concessions by the United States to each country on articles of which that country is the leading source of our imports, would result in concessions on products which in 1931 constituted substantially one-half or more of our total dutiable imports from each of the countries mentioned. Concessions on this proportion of their dutiable exports would provide a strong motive for granting the concessions desired by the United States. Concessions thus made by the United

States to each of these countries could be generalized to all the others without impairing in any manner this motive for granting concessions to us. Thus, reciprocity arrangements could be entered into with any 28 of the 29 countries on dutiable articles of which each is the leading source of United States imports, and these concessions could all be generalized to the twenty-ninth country, and substantially one-half or more of our dutiable imports from the latter would still be unaffected. The twenty-ninth country would still have a motive for granting the concessions desired by this Government in order to obtain concessions on this large proportion of its trade.

The list of 29 different countries shows the United States imports from those countries of the articles for which the respective countries are the leading source of supply to the United States; also the total dutiable imports into the United States from that country. The ratio of imports for which the specific country is the leading source to the total dutiable imports exceeds 48 percent for each of those countries.

That is to say, and to be more concrete, for the first country on this list there are 10 different commodities for which it is the leading source of supply to the United States and the value of the imports of the articles for which that country is the leading source of supply comes up to 21½ million dollars. The total dutiable imports being 26 million dollars, 80 percent of the imports from that country consist of commodities of which that country furnishes the chief source of supply.

Now, do you see what that means? *It means that we could negotiate with each one of these separate countries and make a trade-bargaining agreement covering only and exclusively the commodities of which that country is the chief source of supply.* Then, under your most-favored-nation clause, we could generalize the rates to all other countries; but the other countries will not benefit greatly, because they are not the chief source of supply. Some of them, however, may be sources of smaller quantities.

It means after you have completed, let us say, 28 of those agreements you still have the twenty-ninth country and the commodity of which it is the chief source of supply is still untouched in your bargaining agreements, so that you still have a bargaining leverage by which to negotiate with that twenty-ninth country.

Let me repeat with respect to these 29 countries that they include nearly all of the more important countries of the world. In the aggregate they constituted a market for 85 percent of our total domestic exports in the year 1931. So, if we should make bargaining agreements with all 29, we will have covered a substantial part of our foreign trade.

Considerations of many kinds enter into the problem, such as I was suggesting a while ago, economic considerations, considerations of whether injury would be done to American producers, military considerations, and others. Attention would have to be given to these matters in connection with each agreement.

I want to emphasize the fact that the existing system of most-favored-nation treaties will not prevent the inauguration and the carrying through of a bargaining program such as I have been suggesting. Indeed, the most-favored-nation principle is a necessary and valuable part of a program of reciprocity.

Mr. FREAR. Will you read to the committee the names of several of those countries that will give us a treaty if that is agreeable?

Mr. SAYRE. Certainly; I will be glad to.

Mr. FREAR. You need not read all of them, but just read several of them.

Mr. SAYRE. I would like, Mr. Chairman, to read this so that it will not be for the record, but just for the benefit of the committee.

Mr. FREAR. That is not to go into the record?

Mr. SAYRE. Not the names of the countries. I have the countries numbered. I will read from another list some of the countries.

The CHAIRMAN. It will not be for the record.

(Mr. Sayre here reads a list of countries.)

The CHAIRMAN. You may proceed with your statement.

Mr. SAYRE. So much for the most-favored-nation program. I want to be as brief and concise as I can about the remaining points, because I know the time is running on rapidly.

But there is a key to that chart, and that is you take the amount of money that is in the Department of Commerce report of 1931, and by taking the figures in that chart which correspond with the figures in the report you can build it right up and name every country, 1, 2, 3, 4, and so on, and you can name every object which was in contemplation of tariff bargaining, and when you get through you find that it was the intention of these proposed agreements to reduce the tariff anywhere up to 50 percent on practically every single thing coming into America.

Not one of you gentlemen ever had a warning as to the things of your State that were on that list. Here I prove it to you. There are the names of the countries. There is the frankness with which he should have told you the names of the countries. On every country you can see the names of the products, and you will not find one industry in any one State, or one agricultural product in which you are interested, that this scheme does not contemplate the reduction of the tariff on.

I offer that in evidence. This is the famous 1934 concealment from the committee, concealment from the people. That this had nothing to do with the bargaining you can see from the fact that they got no bargains.

EXHIBIT 1

ANALYSIS OF TABULATION SUBMITTED BY MR. SAYRE TO COMMITTEE ON WAYS AND MEANS, HOUSE OF REPRESENTATIVES, MARCH 13, 1934

Country and number of articles

1. Argentina.....	10	17. Mexico.....	13
2. Australia.....	5	18. Morocco.....	1
3. Belgium.....	18	19. Netherlands.....	26
4. Brazil.....	3	20. New Zealand.....	4
5. Canada.....	69	21. Norway.....	5
6. China.....	26	22. Persia.....	1
7. Cuba.....	12	23. Russia.....	5
8. Czechoslovakia.....	15	24. Salvador.....	1
9. Egypt.....	3	25. Spain.....	19
10. France.....	84	26. Sweden.....	11
11. Germany.....	155	27. Switzerland.....	19
12. Greece.....	3	28. United Kingdom.....	97
13. India (British).....	10	29. Uruguay.....	4
14. Iraq.....	1		
15. Italy.....	37		
16. Japan.....	48	Total.....	705

1. ARGENTINA

Number of articles or classes	Class numbers and articles or classes	Value
1	24. Meats, dead turkeys (dutiable).....	\$81,000
2	36. Animal oils and fats, edible (dutiable).....	90,000
3	201. Cattle hides, dry or dry salted (dutiable).....	72,000
4	202. Cattle hides, wet salted (dutiable).....	4,590,000
5	943. Cason or lactarene (dutiable).....	132,000
6	1318. Fruits and preparations, grapes (dutiable).....	431,000
7	2233. Oil seeds: Flaxseed (dutiable).....	12,725,000
8	2344. Dyeing and tanning materials, n. e. s., Quebracho extract (dutiable).....	2,470,000
9	2452. Seeds, except oilseeds, canary (dutiable).....	106,000
10	4223. Osier or willow for basket making (dutiable).....	9,000
	Total.....	21,536,000

## 2. AUSTRALIA

Number of articles or classes	Class numbers and articles or classes	Value
1	<b>Meats:</b>	
1	21. Mutton, fresh (dutiable).....	\$2,000
2	22. Lamb, fresh (dutiable).....	9,000
3	23. Other fresh meats (dutiable).....	55,000
4	3514. } Clothing wool.....	935,000
	3515. }	
	3516. }	
	3517. }	
5	3518. } Combing wool.....	4,168,000
	3519. }	
	3520. }	
	<b>Total</b> .....	5,169,000

## 3. BELGIUM

1	751. Cut fur for hatters' use, including fur skins carotod (dutiable).....	\$14,000
2	1236. Vegetables and preparations, peas, n. e. s., canned (dutiable).....	16,000
3	<b>Manufactures of flax, hemp, and ramie:</b>	
3	3274. Artists' canvas (dutiable).....	12,000
4	3280. Woven fabrics for padding or interlining (dutiable).....	595,000
5	3697. Hair manufactures, n. e. s. (dutiable).....	25,000
6	5220. Plate glass (dutiable).....	784,000
7	5240. Rolled glass, ground, obscured, bent, beveled, colored, etc. (dutiable).....	36,000
8	5951. Diamonds, cut but not set (dutiable).....	7,981,000
9	6005. Concrete reinforcement bars (dutiable).....	540,000
10	6040. Steel ingots, blooms, slabs, etc. (dutiable).....	355,000
11	6081. Structural iron and steel (dutiable).....	963,000
12	6111. Hoop, band, or scroll iron and steel, n. e. s. (dutiable).....	233,000
13	8253. Cellulose products, n. e. s., other than acetate—sheets, bands, and strips, more than 1 inch wide, not over 3/1,000 inch thick (dutiable).....	15,000
14	8342. Sodium compounds, n. e. s., phosphate (except pyrophosphate) (dutiable).....	18,000
15	8411. Zinc oxide and leaded zinc oxide (dutiable).....	104,000
	<b>Photographic goods:</b>	
16	9010. Films, sensitized, not exposed, other (dutiable).....	71,000
17	9030. Other films and dry plates (dutiable).....	95,000
18	9470. Firearms (dutiable).....	214,000
	<b>Total</b> .....	12,074,000

## 4. BRAZIL

1	205. Kip skins, dry or dry salted (dutiable).....	\$13,000
	<b>Nuts, Brazil or cream:</b>	
2	1356. Shelled (dutiable).....	914,000
3	1357. Not shelled (dutiable).....	1,129,000
	<b>Total</b> .....	2,056,000

## 5. CANADA

	<b>Animals, edible:</b>	
1	12. Sheep, lambs, and goats (dutiable).....	\$10,000
2	13. Hogs (dutiable).....	9,000
3	14. Live turkeys (dutiable).....	26,000
4	15. Other live poultry (dutiable).....	15,000
	<b>Meats:</b>	
5	20. Pork, fresh (dutiable).....	151,000
6	30. Pork—hams, shoulders, and bacon (dutiable).....	429,000
	<b>Dairy products:</b>	
7	37. Cream (dutiable).....	124,000
8	38. Milk (dutiable).....	100,000
9	41. Dried and malted milk (dutiable).....	191,000
	<b>Fish, fresh or frozen:</b>	
10	50. Salmon (dutiable).....	577,000
11	51. Fresh-water fish and eels (dutiable).....	3,579,000
12	52. Cod, haddock, hake, pollock, and cusk (dutiable).....	63,000
13	53. Halibut (dutiable).....	439,000
14	54. Mackerel (dutiable).....	90,000
15	60. Fish, filleted, skinned, boned, etc. (dutiable).....	316,000



## 5. CANADA—Continued

Number of articles or classes	Class numbers and articles or classes	Value
	<b>Fish, pickled or salted:</b>	
16	68. Salmon (dutyable)	\$49,000
17	69. Cod, haddock, hake, pollock, and cusk (dutyable)	1,571,000
18	72. Mackerel (dutyable)	91,000
19	74. Fish, smoked or kippered (dutyable)	205,000
20	300. Sole leather (dutyable)	105,000
21	301. Leather cut into soles, blocks, etc. (dutyable)	292,000
22	303. Harness leather (dutyable)	107,000
23	305. Patent leather (dutyable)	57,000
24	736. Silver or black fox furs, dressed or undressed (dutyable)	89,000
	<b>Animal oils, fats, and greases, inedible:</b>	
25	808. Other fish oils (dutyable)	297,000
26	815. Tallow (dutyable)	43,000
	<b>Live animals, n. e. s.:</b>	
27	850. Horses (dutyable)	152,000
28	863. Silver foxes (dutyable)	45,000
29	905. Other animals (dutyable)	52,000
	<b>Grains and preparations:</b>	
30	1041. Oats (dutyable)	92,000
31	1071. Wheat (dutyable)	20,000
32	1090. Other grains and preparations (dutyable)	771,000
33	1101. Hay (dutyable)	562,000
	<b>Wheat byproduct feeds:</b>	
34	1181. Direct importations (dutyable)	903,000
35	1182. Withdrawn from bonded mills (dutyable)	1,506,000
36	1185. Beet pulp, dried (dutyable)	180,000
37	1190. Other fodders and feeds (dutyable)	1,097,000
38	1197. Peas (except cowpeas and chickpeas), dried (dutyable)	72,000
	<b>Vegetables and preparations:</b>	
39	1204. Potatoes, white or Irish (dutyable)	2,929,000
40	1206. Turnips (dutyable)	481,000
	<b>Fruits and preparations:</b>	
41	1311. Apples (dutyable)	53,000
42	1312. Berries (dutyable)	214,000
43	1651. Maple sugar and maple sirup (dutyable)	408,000
44	1654. Dextrose, inulose, and levulose (dutyable)	5,000
45	2092. Rubber tires (dutyable)	47,000
	<b>Seeds except oilseeds:</b>	
46	2401. Alfalfa (dutyable)	26,000
47	2403. Alsike clover (dutyable)	11,000
48	4100. Wood, unmanufactured n. e. s.	297,000
	<b>Sawed boards and lumber, n. e. s.:</b>	
49	4111. Fir, hemlock, spruce, pine, or larch (dutyable)	0,587,000
50	4119. Hardwood (dutyable)	18,000
51	4207. Clapboards (siding): Fir, hemlock, spruce, pine, and larch (dutyable)	10,000
52	4712. Printing paper, other (dutyable)	44,000
53	4730. Pulpboard in rolls (dutyable)	495,000
54	5903. Bituminous (dutyable)	928,000
55	5171. Lime and limestone crude (dutyable)	189,000
56	5390. Bricks (dutyable)	36,000
57	5420. Earthy and mineral substances, n. e. s. (dutyable)	154,000
58	5560. Mica, unmanufactured (dutyable)	37,000
59	6004. Iron and steel scrap and scale (dutyable)	108,000
60	6090. Rails for railways (dutyable)	52,000
61	6212. Ferromanganese and other alloys (manganese content) (dutyable)	866,000
62	6234. Ferrosilicon and other silicon alloys (dutyable)	72,000
63	6642. Nickel and alloys, n. e. s., in pigs, ingots and other forms (dutyable)	5,914,000
64	8200. Acids and anhydrides, acetic or pyroligneous (dutyable)	803,000
65	8247. Calcium compounds; acetate, crude, and carbide (dutyable)	15,000
66	8261. Cobalt oxide (dutyable)	152,000
67	8621. Powder and other explosives (dutyable)	126,000
68	9020. Photographic goods: Films, sensitized, not exposed, motion picture (dutyable)	990,000
69	9230. Musical instruments, pianos, and organs (dutyable)	100,000
	<b>Total</b>	<b>36,703,000</b>

## 6. CHINA

1	90. Whole eggs, dried (dutyable)	\$275,000
2	91. Whole eggs, frozen, etc. (dutyable)	1,000
3	92. Egg yolks, dried (dutyable)	798,000
4	93. Egg yolks, frozen, etc. (dutyable)	77,000
5	94. Egg albumen, dried (dutyable)	540,000
6	203. Buffalo hides, n. e. s. (dutyable)	25,000
7	731. Furs, dressed on the skin, not advanced beyond dyeing: Dog, goat, and kid (dutyable)	1,864,000
8	752. Plates, mats, strips, etc., of dog, goat, and kid (dutyable)	948,000

## 6. CHINA—Continued

Number of articles or classes	Class numbers and articles or classes	Value
9	759. Other manufactures of fur (dutyable).....	\$572,000
10	917. Bristles, sorted, bunched, or prepared (dutyable).....	1,766,000
11	922. Feathers, crude, not advanced (dutyable).....	385,000
12	1119. Oil cake and oil-cake meal, all other (dutyable).....	33,000
	<b>Peanuts:</b>	
13	1367. Shelled (dutyable).....	127,000
14	1368. Not shelled (dutyable).....	93,000
15	1427. Vegetable oils and fats, edible: Peanut oil (dutyable).....	477,000
16	3172. Cotton laces, embroideries, etc.: Hand-made laces (dutyable).....	311,000
	<b>Manufactures of flax, hemp, and ramie:</b>	
17	3292. Handkerchiefs, made of lace or embroidered, etc. (dutyable).....	1,275,000
18	3294. Embroideries and embroidered articles (dutyable).....	1,118,000
19	3502. Carpet wool, without merino or English blood, other than in the grease (dutyable).....	1,813,000
20	3505. Hair of the camel, in the grease (dutyable).....	36,000
21	3506. Hair of the camel, other (dutyable).....	1,000
	<b>Hunan hair:</b>	
22	3690. Unmanufactured (dutyable).....	350,000
23	3692. Nets and netting (dutyable).....	307,000
24	3962. Matting and floor coverings, of China, Japan, and India straw (dutyable).....	47,000
25	6232. Tungsten ore and concentrates (dutyable).....	180,000
26	6651. Antimony: Needle or ligated, and regulus or metal (dutyable).....	397,000
27	3174. Articles in part of lace (dutyable).....	386,000
	<b>Total.....</b>	<b>15,441,000</b>

## 7. CUBA

1	971. Sponges (dutyable).....	\$540,000
	<b>Vegetables and preparations:</b>	
2	1191. Beans, green, and in brine (dutyable).....	109,000
3	1210. Fresh vegetables, n. e. s. (dutyable).....	349,000
	<b>Fruits and preparations:</b>	
4	1302. Grapefruit (dutyable).....	207,000
5	1308. Pineapples (dutyable).....	1,955,000
6	1309. Pineapples, prepared or preserved (dutyable).....	272,000
7	1610. Cane sugar (dutyable).....	61,247,000
8	1640. Molasses, not for human consumption, nor for the extraction of sugar (dutyable).....	4,867,000
9	2603. Cigar leaf (filler), unstemmed (dutyable).....	2,928,000
10	2604. Cigar leaf (filler), stemmed (dutyable).....	8,274,000
11	2609. Scrap tobacco (dutyable).....	697,000
12	2621. Cigars and cheroots (dutyable).....	1,361,000
	<b>Total.....</b>	<b>83,102,000</b>

## 8. CZECHOSLOVAKIA

1	362. Leather boots and shoes: Women's and misses' (dutyable).....	\$4,293,000
2	394. Slippers and moccasins (dutyable).....	236,000
3	754. Fur felt hats for women and girls (dutyable).....	159,000
4	1680. Beet sugar (dutyable).....	154,000
5	3630. Cotton damask and manufactures (dutyable).....	125,000
6	3300. Manufactures of flax, hemp, and ramie, all other (dutyable).....	1,639,000
7	3601. Carpets and rugs: Oriental weave made on power-driven looms, and chenille Axminster (dutyable).....	103,000
8	4247. Bentwood furniture and parts (dutyable).....	172,000
9	5200. Cylinder, crown, and sheet glass: Plain (dutyable).....	147,000
10	5279. Pressed glass articles (dutyable).....	80,000
11	5956. Imitation precious stones, except opaque (dutyable).....	1,194,000
12	6832. Jewelry, other (dutyable).....	304,000
13	9702. Other beads (dutyable).....	2,880,000
14	9720. Buttons: Agate, imitation pearl, etc. (dutyable).....	14,000
15	9730. Buttons: All other buttons and parts (dutyable).....	244,000
	<b>Total.....</b>	<b>11,744,000</b>

## 9. EGYPT

1	2161. Varnish gums and resins, gum, arabic or senegal (dutyable).....	\$471,000
	<b>Cotton, unmanufactured:</b>	
2	3002. Staple 1½ to 1¾ inch (dutyable).....	1,206,000
3	3003. Staple 1¾ inch or over (dutyable).....	656,000
	<b>Total.....</b>	<b>2,333,000</b>

## 10. FRANCE

Number of articles or classes	Class numbers and articles or classes	Value
1	26. Meats, poultry, prepared (dutiable).....	\$115,000
2	97. Gelatin, edible (dutiable).....	178,000
3	312. Sheep and lamb leather (dutiable).....	138,000
4	315. (Hove leather, seal, chamols, and other (dutiable).....	292,000
5	730. Furs, dressed on the skin, not advanced beyond dyeing, Coney and rabbit (dutiable).....	162,000
6	929. Feathers, advanced, and manufactured (dutiable).....	134,000
7	1237. Vegetables and preparations, mushrooms, canned (dutiable).....	700,000
8	1317. Cherries, dried, prepared, or preserved (dutiable).....	22,000
9	1364. Nuts, walnuts, shelled (dutiable).....	1,569,000
	Spices:	
10	1525. Celery seed (dutiable).....	139,000
11	1545. Vanilla beans (dutiable).....	719,000
12	1760. Mineral water (dutiable).....	242,000
13	2180. Other gums and resins (dutiable).....	10,000
14	2492. Seeds except oil seeds, Red clover (dutiable).....	224,000
15	2551. Fruit stocks (dutiable).....	21,000
16	3630. Sewing thread, crochet, darning, embroidering, and knitting cotton (dutiable).....	704,000
17	3680. Velvets and velveteens (dutiable).....	302,000
18	3681. Other cotton pile fabrics and manufactures (dutiable).....	484,000
19	3114. Cotton wearing apparel wholly or partly of lace or embroidered, beaded, etc. (dutiable).....	121,000
20	3173. Cotton laces, embroideries, etc.; Machine-made laces (dutiable).....	4,753,000
22	3225. Cotton floor coverings (dutiable).....	1,246,000
23	3250. Other jute manufactures (dutiable).....	97,000
24	3288. Manufactures of flax, hemp, and ramie, wearing apparel (dutiable).....	75,000
25	3540. Hair of the Cashmere goat, alpaca, etc. (dutiable).....	154,000
26	3553. Wool wastes (dutiable).....	111,000
27	3573. Yarns of rabbit hair (including Angora rabbit) (dutiable).....	138,000
28	3575. Yarn of wool and hair, n. e. s. (dutiable).....	45,000
	Fabrics of mohair and wool:	
29	3602. Worsteds weighing not over 4 ounces per square yard (dutiable).....	78,000
30	3615. Tapestries and upholstery goods weighing over 4 ounces per square yard (dutiable).....	56,000
31	3621. Manufactures of pile fabrics (dutiable).....	17,000
32	3625. Knit fabrics (dutiable).....	28,000
33	3637. Wool wearing apparel, other knit and crocheted goods (dutiable).....	1,158,000
34	3693. Human hair, other manufactures (dutiable).....	104,000
	Spun silk and yarn:	
35	3705. Singles (dutiable).....	53,000
36	3706. Piled (dutiable).....	154,000
37	3711. Silk fabrics (except pile) over 30 inches wide, Jacquard figured (dutiable).....	512,000
38	3727. Silk pile fabrics (dutiable).....	630,000
39	3728. Silk pile ribbons and manufactures of silk pile fabrics (dutiable).....	578,000
	Silk wearing apparel:	
40	3737. Knit or crocheted (dutiable).....	78,000
41	3740. Not knit or crocheted, not embroidered, etc. (dutiable).....	678,000
42	3742. Embroidered or of lace (dutiable).....	842,000
	Silk laces, embroideries, etc.:	
43	3750. Laces and lace articles (dutiable).....	952,000
44	3760. Drawn work, trimmings, etc. (dutiable).....	65,000
45	3762. Embroideries (dutiable).....	161,000
46	3770. Silk fabrics with fast edges, not over 12 inches wide (dutiable).....	42,000
47	3799. All other silk manufactures (dutiable).....	165,000
	Rayon or other synthetic textiles:	
48	3830. Fabrics (dutiable).....	363,000
49	3850. Handkerchiefs (dutiable).....	6,000
50	3924. Hats of straw, chip, grass, palm leaf, etc., blocked or trimmed (dutiable).....	27,000
51	3967. Body-supporting garments and elastic fabrics (dutiable).....	502,000
52	4075. Brier, ivy, or laurel root (dutiable).....	193,000
53	4249. Wood furniture n. e. s. (dutiable).....	522,000
54	4775. Combination sheet and envelope, and papeteries (dutiable).....	109,000
55	4742. Cigarette paper, cigarette books, and covers (dutiable).....	5,304,000
56	4775. Hanging paper (wall paper) (dutiable).....	93,000
57	4785. Paper boxes (dutiable).....	490,000
58	5182. Cement, other (dutiable).....	28,000
59	5230. Glass mirrors (dutiable).....	2,000
60	5260. Containers, bottles, vials, jars, etc. (dutiable).....	238,000
61	5320. Asbestos shingles, etc. (dutiable).....	14,000
62	5364. Mica, manufactures (dutiable).....	2,000
63	5953. Pearls and parts, not strung or set (dutiable).....	876,000
64	5958. Marasites (dutiable).....	39,000
65	6039. Boiler and other plate iron or steel (dutiable).....	12,000
66	6091. Cast iron pipe and fittings (dutiable).....	150,000
67	6829. Jewelry, gold or platinum (dutiable).....	55,000
	Metal articles, decorative:	
68	6844. Gold or platinum (dutiable).....	4,000
69	6852. Other than gold or platinum, buckles (dutiable).....	11,000
70	6881. Rosaries, chaplets, and similar articles (dutiable).....	62,000

## 10. FRANCE—Continued

Number of articles or classes	Class numbers and articles or classes	Value
	<b>Manufactures of decorative metals, n. e. s.:</b>	
71	6892. Lahn, tinsel, thread, buffon, etc. (dutiable)	\$130,000
72	6983. Braids, fabrics, laces, etc. (dutiable)	302,000
73	7010. Airplanes, hydroplanes, and parts (dutiable)	42,000
74	8290. Glycerin, crude (dutiable)	115,000
75	8401. Pigments, plants, and varnishes, ochers and siennas (dutiable)	107,000
76	8712. Soap, toilet (dutiable)	165,000
77	8724. Perfume materials (dutiable)	408,000
78	8725. Perfumery, bay rum, and toilet water (dutiable)	647,000
79	8731. Cosmetics, powders, creams, etc. (dutiable)	304,000
	Optical goods:	
80	9140. Opera and field glasses (dutiable)	210,000
81	9145. Spectacles, eye glasses, and parts (dutiable)	10,000
82	9210. Musical instruments, band and orchestra instruments (dutiable)	188,000
83	9770. Art works, all other (dutiable)	249,000
84	9703. Beaded bags, fabrics, and articles (dutiable)	276,000
		<b>31,908,000</b>

## 11. GERMANY

1	31. Meats—Pork, pickled, salted, and other (dutiable)	\$147,000
2	206. Kip skins, wet salted (dutiable)	356,000
	Calf skins:	
3	207. Dry or dry salted (dutiable)	188,000
4	208. Wet salted (dutiable)	959,000
5	306. Whole calf and kip upper and lining leather (dutiable)	864,000
6	310. Upholstery, bag, case, garment, and ball leather (dutiable)	295,000
7	313. Goat and kid leather (dutiable)	977,000
8	314. Reptilian and sharkskin leather (dutiable)	288,000
9	320. Leather (other than bovine) for footwear (dutiable)	10,000
10	325. Grained, embossed, etc., or fancy leather (dutiable)	143,000
11	400. Gloves, women's and children's (dutiable)	5,524,000
12	690. Leather bags, baskets, boxes, cases, etc. (dutiable)	949,000
13	734. Furs, dressed on the skin, not advanced beyond dyeing, lamb and sheepskin furs (dutiable)	592,000
14	813. Animal oils, fats, and greases, inedible, wool grease (dutiable)	109,000
15	862. Live animals, n. e. s., birds (dutiable)	679,000
16	932. Gelatin, inedible and manufactures (dutiable)	500,000
17	942. Glue and glue size and manufactures (dutiable)	326,000
18	1198. Peas (except cowpeas and chickpeas), split (dutiable)	3,000
19	1250. Vegetables and preparations, other edible substances (dutiable)	203,000
20	1650. Candy and confectionery (dutiable)	183,000
21	1719. Distilled liquors (dutiable)	81,000
22	2069. Other rubber manufactures (dutiable)	469,000
23	2123. Camphor, synthetic (dutiable)	588,000
24	2260. Vegetable oils, inedible, expressed, other (dutiable)	30,000
25	2278. Vegetable oils, essential or distilled, sandalwood (dutiable)	15,000
26	2290. Vegetable oils, essential or distilled, all other (dutiable)	75,000
27	2330. Dyeing and tanning materials, n. e. s., extracts for dyeing, coloring, etc. (dutiable)	68,000
28	2405. Seeds, except oil seeds, other clover (dutiable)	89,000
29	2502. Bulbs, roots, and corms, lily-of-the-valley (dutiable)	175,000
30	2610. Hops, hop extracts, and lupulin (dutiable)	118,000
31	2924. Peat moss (dutiable)	553,000
32	2960. Other vegetable products, inedible (dutiable)	48,000
33	3084. Blankets, and blanket cloth (dutiable)	38,000
34	3086. Sheets, pillow cases, towels, etc. (dutiable)	64,000
35	3090. Cotton wearing apparel, knit or crocheted, gloves and mittens (dutiable)	6,675,000
36	3110. Cotton wearing apparel, knit or crocheted, hosiery (dutiable)	1,273,000
37	3221. Cotton, laces, embroideries, etc., all other (dutiable)	281,000
38	3230. Other cotton manufactures (dutiable)	358,000
39	3285. Manufactures of flax, hemp, and ramie, pile fabrics, and manufactures (dutiable)	426,000
40	3636. Wool wearing apparel, knit gloves and mittens (dutiable)	80,000
	Rayon or other synthetic textiles:	
41	3861. Yarns, n. e. s. (dutiable)	569,000
42	3865. Wastes, noils, tops, etc. (dutiable)	81,000
43	3965. Artificial or ornamental flowers, fruits, etc. (dutiable)	1,127,000
44	3968. Mixed fabrics, 17 percent or more of wool, wool not chief value (dutiable)	49,000
45	4221. Baskets (dutiable)	164,000
46	4222. Cane or reed and manufactured rattan (dutiable)	66,000
47	4286. Manufactures of wood, n. e. s. (dutiable)	513,300
48	4721. Greaseproof and waterproof papers (dutiable)	37,000
49	4724. Writing, drawing, bond, etc. papers (dutiable)	226,000
50	4726. Surface-coated papers (dutiable)	354,000

## 11. GERMANY—Continued

Number of articles or classes	Class numbers and articles or classes	Value
51	4727. Uncoated papers, decorated or embossed (dutiable).....	\$23,000
52	4786. Pulp or papier mâché and manufactures (dutiable).....	307,000
53	4790. Other paper and manufactures (dutiable).....	1,347,000
54	5193. Gypsum or plaster rock, ground, calcined, and manufactures (dutiable).....	49,000
55	5210. Cylinder, crown, and sheet glass, bent, beveled, colored, etc. (dutiable).....	148,000
56	5250. Laminated and plated or cased glass (dutiable).....	13,000
57	5271. Scientific articles and utensils n. e. s. (dutiable).....	329,000
58	5273. Illuminating glassware (dutiable).....	169,000
59	5277. Blown-glass articles, other (dutiable).....	950,000
60	5290. Other glass and glassware (dutiable).....	521,000
61	5301. Fluorspar (dutiable).....	77,000
62	5310. Other clays or earths (dutiable).....	252,000
	China and porcelain ware:	
63	5352. Tableware and kitchen ware, hotel and restaurant (dutiable).....	124,000
64	5360. All other (dutiable).....	550,000
65	5389. Tiles (dutiable).....	141,000
66	5393. Chalk, manufactures (dutiable).....	2,000
67	5540. Carbon and manufactures (dutiable).....	200,000
68	5957. Imitation opaque stones and imitation pearls (dutiable).....	13,000
69	6050. Sheet iron and steel, saw plates, and steel, n. e. s. (dutiable).....	398,000
70	6092. Other pipes and tubes (dutiable).....	750,000
71	6098. Wire rope and strand (dutiable).....	180,000
72	6106. Other wire and manufactures (dutiable).....	323,000
73	6110. Hoop or band iron or steel cut to lengths for baling (dutiable).....	91,000
74	6112. Nails (dutiable).....	505,000
75	6115. Tanks, drums or vessels for gas liquids, etc. (dutiable).....	143,000
76	6116. Autoclaves, converters, ovens, separators, stills, etc., and parts (dutiable).....	60,000
77	6117. Razors and parts (dutiable).....	86,000
78	6118. Shears, scissors, and clippers (dutiable).....	141,000
79	6120. Knives with folding blades (dutiable).....	65,000
80	6130. Other cutlery (dutiable).....	179,000
81	6150. Tools (dutiable).....	437,000
82	6162. Needles, other (dutiable).....	145,000
83	6200. Other iron and steel manufactures (dutiable).....	462,000
84	6250. Other ferroalloying metals (dutiable).....	352,000
	Aluminum:	
85	6304. Wares and utensils (dutiable).....	36,000
86	6305. Other manufactures (dutiable).....	545,000
87	6430. Copper manufactures n. e. s. (dutiable).....	67,000
88	6458. Brass manufactures (dutiable).....	209,000
89	6459. Bronze manufactures (dutiable).....	312,000
90	6506. Lead—Babbitt metal, solder, etc. (dutiable).....	403,000
91	6844. Nickel—Bars, plates, sheets, etc., and manufactures (dutiable).....	30,000
92	6559. Zinc; sheets, dust, and manufactures (dutiable).....	14,000
93	6790. Manufactures of metals, n. e. s. (dutiable).....	1,521,000
94	6862. Metal articles, decorative—other than gold or platinum—other articles (except buttons) (dutiable).....	64,000
95	6872. } Decorative materials (dutiable).....	14,000
	6880. }	
96	7400. Metal working machine tools and parts (dutiable).....	168,000
	Textile machinery:	
97	7574. Hosiery-knitting machines and parts (dutiable).....	623,000
98	7505. Other knitting, braiding, and insulating machines and parts (dutiable).....	1,000
99	7599. Other textile machines and parts (dutiable).....	441,000
100	7551. Sewing machines and parts (dutiable).....	102,000
101	7690. Antifriction balls, rollers, and bearings (dutiable).....	223,000
102	7791. Cream separators, over \$50 each, and other centrifugal machines and parts (dutiable).....	109,000
103	7800. Other industrial, office, and printing machinery (dutiable).....	2,719,000
104	7902. Automobile parts, except tires and glass (dutiable).....	310,000
105	7930. Other vehicles and parts (dutiable).....	30,000
106	8020. Coal-tar acids (dutiable).....	45,000
107	8040. Other intermediate coal-tar products (dutiable).....	532,000
108	8050. Coal-tar colors, dyes, stains, color acids, and color bases, n. e. s. (dutiable).....	3,065,000
109	8060. Coal-tar medicinals (dutiable).....	171,000
110	8099. Other finished coal-tar products (dutiable).....	233,000
111	8130. Other medicinals (dutiable).....	54,000
112	8150. Other medicinal and pharmaceutical preparations, n. e. s. (dutiable).....	433,000
113	8170. Acetylene, butylene, ethylene, and propylene derivatives (dutiable).....	58,000
	Acids and anhydrides:	
114	8203. Formic (dutiable).....	4,000
115	8205. Oxalic (dutiable).....	18,000
116	8207. Tartaric (dutiable).....	407,000
117	8220. All other (dutiable).....	141,000
	Ammonium compounds, n. e. s.:	
118	8240. Chloride (muriate) (dutiable).....	137,000
119	8241. Nitrate (dutiable).....	120,000
120	8245. Barium compounds (dutiable).....	77,000

## 11. GERMANY—Continued

Number of articles or classes	Class numbers and articles or classes	Value
	Cellulose products, n. e. s.:	
121	8250. Acetate (dutiable).....	\$43,000
122	8252. Other than acetate—sheets, more than 3/1000 inch thick, and other forms (dutiable).....	203,000
123	8312. Magnesium compounds (dutiable).....	104,000
	Potassium compounds, n. e. s.:	
124	8321. Carbonate (dutiable).....	559,000
125	8322. Chlorate and perchlorate (dutiable).....	398,000
126	8325. Hydroxide (caustic potash) (dutiable).....	410,000
127	8330. All other (dutiable).....	299,000
128	8350. Sodium compounds, n. e. s., all other (dutiable).....	417,000
129	8380. All other industrial chemicals (dutiable).....	1,208,000
	Pigments, paints, and varnishes:	
130	8402. Other mineral earth pigments (dutiable).....	157,000
131	8420. Other chemical pigments (dutiable).....	117,000
132	8431. Paints, stains, and enamels (dutiable).....	108,000
133	8441. Varnishes (dutiable).....	11,000
134	8603. Fireworks and ammunition.....	22,000
	Photographic goods:	
135	9000. Cameras and parts (dutiable).....	448,000
136	9025. Film positives (dutiable).....	78,000
137	9040. Photographic paper (dutiable).....	202,000
138	9150. Other optical goods and instruments (dutiable).....	494,000
139	9161. Dental and surgical instruments (dutiable).....	377,000
140	9180. Scientific laboratory instruments (dutiable).....	394,000
141	9290. Musical instruments; other instruments, parts, and accessories (dutiable).....	1,056,000
142	9410. Other toys (dutiable).....	1,710,000
143	9420. Dice, dominoes, chips, etc. (dutiable).....	69,000
	Books and other printed matter:	
144	9521. Lithographic prints; cigar bands, labels, and flaps (dutiable).....	66,000
145	9522. Decalcomanias and transparencies (dutiable).....	341,000
146	9530. All other (dutiable).....	480,000
147	9540. Clocks and clock movements (dutiable).....	118,000
148	9715. All other brushes (dutiable).....	219,000
149	9740. Articles of casein, galatith, etc. (dutiable).....	86,000
150	9750. Articles of cellulose acetate (dutiable).....	2,000
151	9753. Articles of other cellulose compounds (dutiable).....	90,000
152	9755. Manufactures of sheets, bands, and strips of cellophane, etc. (dutiable).....	2,000
153	9760. Combs, except metal (dutiable).....	430,000
154	9771. Matches; all other (dutiable).....	237,000
155	9780. Pencils, crayons, etc. (dutiable).....	503,000
	<b>Total</b> .....	<b>62,693,000</b>

## 12. GREECE

	Fruits and preparations:	
1	1307. Olives, other (dutiable).....	\$15,000
2	1321. Currants (dutiable).....	363,000
	Bulbs, roots, and corms:	
3	2605. Cigarette leaf (dutiable).....	8,514,000
	<b>Total</b> .....	<b>8,922,000</b>

## 13. INDIA (BRITISH)

1	1377. Cashew nuts (dutiable).....	\$2,052,000
2	2231. Oil seeds, castor beans (dutiable).....	1,946,000
3	3246. Jute bagging for cotton (dutiable).....	679,000
4	3247. Jute burlaps (dutiable).....	25,092,000
5	3249. Jute bags or sacks (dutiable).....	1,860,000
6	3670. Carpets and rugs, all other (dutiable).....	384,000
7	3990. Mats and floor covering of coco fiber or rattan (dutiable).....	216,000
8	5562. Mica, cut or split (dutiable).....	225,000
9	5722. Magnesite, crude or calcined (dutiable).....	21,000
10	6003. Pig iron (dutiable).....	696,000
	<b>Total</b> .....	<b>83,171,000</b>

## 14. IRAQ

1	1322. Fruits and preparations: Dates (dutiable).....	\$1,307,000
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## 15. ITALY

Number of articles or classes	Class numbers and articles or classes	Value
1	46. Dairy products: Other cheese (dutiable).....	\$7,252,000
	Fish (except shellfish) packed in oil, etc.:	
2	64. Anchovies (dutiable).....	367,000
3	65. Other (dutiable).....	140,000
4	753. Fur felt hats, for men and boys (dutiable).....	208,000
5	1077. Grains and preparations: Macaroni, vermicelli, noodles, etc. (dutiable).....	128,000
	Vegetables and preparations:	
6	1238. Tomatoes, canned (dutiable).....	2,692,000
7	1239. Other vegetables, canned (dutiable).....	21,000
8	1243. Tomato paste (dutiable).....	1,065,000
	Fruits and preparations:	
9	1303. Lemons (dutiable).....	517,000
10	1314. Cherries, natural, sulphured, or in brine (dutiable).....	626,000
11	1327. Citron or citron peel, candied or prepared (dutiable).....	165,000
	Nuts:	
12	1353. Almonds, not shelled (dutiable).....	1,000
13	1363. Filberts, not shelled (dutiable).....	544,000
14	1365. Walnuts, not shelled (dutiable).....	329,000
15	1424. Vegetable oils and fats, edible: Olive oil, edible, in packages, less than 40 pounds (dutiable).....	3,873,000
	Vegetable oils, essential or distilled:	
16	2270. Lemon (dutiable).....	201,000
17	2277. Orange (dutiable).....	153,000
18	3075. Cloth, chief value cotton, less than 17 percent wool (dutiable).....	48,000
19	3078. Tapestries and other Jacquard-figured upholstery goods (dutiable).....	709,000
20	3085. Cotton bedspreads and quilts (dutiable).....	758,000
21	3283. Hemp, unmanufactured (dutiable).....	162,000
22	3295. Manufactures of flax, hemp, and ramie: Laces, drawn work, etc. (dutiable).....	29,000
	Wool wearing apparel:	
23	3638. Wool felt hat bodies (dutiable).....	2,032,000
24	3639. Wool felt hats, blocked or finished (dutiable).....	7,000
25	3840. Rayon or other synthetic textiles, wearing apparel (dutiable).....	220,000
	Hats of straw, chip, grass, palm leaf, etc.:	
26	3923. Not blocked or trimmed (dutiable).....	3,734,000
27	3925. Sewed (dutiable).....	86,000
28	3927. Hats in part of rayon or other synthetic textile (dutiable).....	66,000
29	4206. Barrels, boxes, and shooks (dutiable).....	72,000
30	4246. Chairs of wood (except bentwood) (dutiable).....	110,000
31	5080. Marble, onyx, and breccia, in block, or sawed, over 2 inches thick (dutiable).....	242,000
32	5090. Manufactures of marble, onyx, or breccia (dutiable).....	212,000
33	5110. Other building or monumental stone (dutiable).....	207,000
34	5464. Abrasives: Pumice stone and manufactures (dutiable).....	76,000
35	5719. Talc, steatite, and French chalk, and manufactures of, except toilet goods (dutiable).....	208,000
36	8323. Potassium compounds, n. e. s.: Cream of tartar (dutiable).....	8,000
37	8711. Soap, castile (dutiable).....	117,000
	Total.....	27,391,000

## 16. JAPAN

1	73. Fish, pickled or salted, other (dutiable).....	\$36,000
2	78. Fish, prepared or preserved, including pastes and sauces, n. e. s. (dutiable).....	32,000
3	80. Crab meat, sauce, and paste (dutiable).....	3,440,000
4	81. Clams and oysters in airtight containers (dutiable).....	146,000
5	369. Footwear with textile uppers (dutiable).....	224,000
6	915. Bone and horn manufactures (dutiable).....	22,000
7	990. Other inedible animal products (dutiable).....	36,000
	Grains and preparations:	
8	1051. Rice uncleaned (dutiable).....	109,000
9	1059. Rice flour, meal, etc. (dutiable).....	22,000
	Oil cake and oil-cake meal:	
10	1111. Coconut or copra (dutiable).....	11,000
11	1115. Linseed (dutiable).....	143,000
	Vegetables and preparations:	
12	1192. Beans, dried (dutiable).....	987,000
13	1234. Sauces, n. e. s. (dutiable).....	377,000
14	1245. Bean cake, miso, and similar products (dutiable).....	27,000
15	1249. Other vegetables, prepared (dutiable).....	226,000
16	1531. Capsicum, red, or cayenne and chili pepper, unground (dutiable).....	46,000
	Campbor:	
17	2121. Natural, crude (dutiable).....	700,000
18	2122. Refined (dutiable).....	536,000
19	2240. Oilseeds, all other (dutiable).....	77,000
20	2253. Vegetable oils, inedible, expressed, rapeseed (colza oil), n. e. s. (dutiable).....	206,000
21	2505. Bulbs, roots, and corms, lily (dutiable).....	589,000
22	2800. Agar-agar (dutiable).....	\$24,000

## 16. JAPAN—Continued

Number of articles or classes	Class numbers and articles or classes	Value
23	3083. Table covers, napkins, doilies, etc. (dutiable) .....	\$51, 000
24	3112. Cotton wearing apparel, knit or crocheted, underwear and other (dutiable) .....	62, 000
25	3227. Cotton rags, except paper stock (dutiable) .....	709, 000
26	3421. Other manufactures of vegetable fibers, n. e. s. (dutiable) .....	260, 000
27	3710. Silk fabrics (except pile) over 30 inches wide, not Jacquard-figured (dutiable) .....	2, 990, 000
	Silk handkerchiefs and mufflers:	
28	3745. Not embroidered or of lace (dutiable) .....	247, 000
29	3746. Embroidered or of lace (dutiable) .....	17, 000
30	3901. Hat materials, braids, laces, sheets, etc., of straw, chip, grass, palm, etc., other (dutiable) .....	340, 000
31	3963. Other floor coverings (dutiable) .....	252, 000
32	4202. Cabinet wood, sawed, all other (dutiable) .....	69, 000
33	4225. Rattan, bamboo, osier, or willow manufactures except furniture (dutiable) .....	136, 000
34	4728. Tissue and similar papers, not over 6 pounds to the ream (dutiable) .....	490, 000
35	5350. China and porcelain wares, tableware and kitchenware, domestic or household (dutiable) .....	1, 447, 000
36	5373. Earthen, crockery, and stoneware, sanitary earthenware, etc. (dutiable) .....	441, 000
37	5955. Other precious stones, cut but not set (dutiable) .....	406, 000
38	7063. Electric lamps, carbon filament (dutiable) .....	54, 000
39	7064. Electric lamps, other (dutiable) .....	1, 335, 000
40	8127. Menthol (dutiable) .....	693, 000
41	9400. Dolls and parts (dutiable) .....	421, 000
	Beads, imitation pearl:	
42	9700. Hollow or filled (dutiable) .....	62, 000
43	9701. Solid (dutiable) .....	442, 000
44	9710. Tooth brushes (dutiable) .....	364, 000
45	9714. Hair and other toilet brushes (dutiable) .....	293, 000
46	9724. Buttons, pearl or shell (dutiable) .....	47, 000
47	9800. Pipes and smokers' articles, n. e. s. (dutiable) .....	163, 000
48	9820. Umbrellas, parasols, canes, and parts (dutiable) .....	34, 000
	Total .....	20, 150, 000

## 17. MEXICO

1	11. Animals, edible, cattle (dutiable) .....	\$1, 340, 000
2	56. Fish, fresh or frozen, other fresh fish (dutiable) .....	122, 000
3	1114. Oil cake and oil-cake meal, cottonseed (dutiable) .....	19, 000
	Vegetables and preparations:	
4	1194. Cowpeas, blackeye, dried (dutiable) .....	2, 000
5	1196. Peas (except cowpeas and chickpeas), green (dutiable) .....	1, 024, 000
6	1200. Chickpeas or garbanzos, dried (dutiable) .....	473, 000
7	1207. Tomatoes, natural state (dutiable) .....	2, 609, 000
8	1304. Fruits and preparations, limes (dutiable) .....	97, 000
9	1374. Nuts, pecans (dutiable) .....	57, 000
10	2119. Tar, pitch, and turpentine (dutiable) .....	49, 000
	Lead:	
11	6504. Bullion or base bullion (lead content) (dutiable) .....	1, 598, 000
12	6507. Type metal and antimonial lead (dutiable) .....	28, 000
13	6557. Zinc, ore (zinc content) (dutiable) .....	40, 000
	Total .....	7, 514, 000

## 18. MOROCCO

1	3407. Vegetable fibers, n. e. s., unmanufactured, crin vegetable .....	\$267, 000
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## 19. NETHERLANDS

1	40. Dairy products, condensed and evaporated milk (dutiable) .....	\$76, 000
	Animal oils, fats, and greases, inedible:	
2	820. Stearic acid (dutiable) .....	238, 000
3	821. Grease and oils, n. e. s. (dutiable) .....	31, 000
4	972. Beeswax, bleached, and manufactures (dutiable) .....	51, 000
	Vegetable oils and fats, edible:	
5	1423. Cacao butter (dutiable) .....	3, 000
6	1428. Other edible oils, n. e. s. (dutiable) .....	1, 195, 000
7	1502. Cocoa prepared (dutiable) .....	446, 000
8	1503. Chocolate prepared (dutiable) .....	92, 000
9	1550. Spices, all other (dutiable) .....	21, 000
10	2235. Oil seeds, poppy seed (dutiable) .....	360, 000
11	2254. Vegetable oils, inedible, expressed, linseed oil (dutiable) .....	10, 000



## 19. NETHERLANDS—Continued

Number of articles or classes	Class numbers and articles or classes	Value
	Seeds, except oil seeds:	
12	2450. Spinach (dutiable).....	\$163,000
13	2460. Garden, field, and flower seeds, n. e. s. (dutiable).....	275,000
	Bulbs, roots, and corms:	
14	2501. Hyacinth (dutiable).....	669,000
15	2503. Tulip (dutiable).....	1,899,000
16	2504. Narcissus (dutiable).....	35,000
17	2506. Crocus and other (dutiable).....	158,000
18	2552. Rose stocks and plants (dutiable).....	89,000
19	2601. Leaf tobacco, for cigar wrappers (dutiable).....	6,758,000
20	2811. Starch (dutiable).....	324,000
21	3981. Other linoleum and floor oilcloth (dutiable).....	107,000
22	5275. Blown-glass articles, bulbs for electric lamps (no filaments) (dutiable).....	112,000
23	8231. Alcohols, including fusel oil (dutiable).....	4,000
24	8291. Glycerin, refined (dutiable).....	76,000
25	8340. Sodium compounds, n. e. s., ferrocyanide (yellow prussiate) (dutiable).....	64,000
26	8410. Pigments, paints, and varnishes, lithopone and zinc pigments, n. e. s. (dutiable).....	383,000
	Total.....	13,641,000

## 20. NEW ZEALAND

	Meats:	
1	18. Beef, fresh (dutiable).....	\$76,000
2	19. Veal, fresh (dutiable).....	26,000
3	44. Dairy products, butter (dutiable).....	217,000
4	2410. Seeds, except oilseeds, grass and forage seeds, n. e. s. (dutiable).....	291,000
	Total.....	610,000

## 21. NORWAY

1	62. Fish, dried, unsalted (dutiable).....	\$219,000
2	63. Fish (except shellfish) packed in oil, etc., sardines (dutiable).....	2,398,000
3	67. Fish in airtight containers (not in oil, etc.) (dutiable).....	323,000
4	803. Animal oils, fats, and greases, inedible, whale oil (dutiable).....	7,680,000
5	6302. Aluminum, metal, scrap, and alloys, n. e. s. (dutiable).....	865,000
	Total.....	11,335,000

## 22. PERSIA

1	3660. Carpets and rugs, oriental, axminster, savonnerie, aubusson, etc., not made on power-driven looms (dutiable).....	\$4,010,000
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## 23. RUSSIA

1	55. Fish, fresh or frozen, swordfish and sturgeon (dutiable).....	\$605,000
2	79. Caviar and other fish roe (dutiable).....	327,000
3	1203. Vegetables and preparations, mushrooms, not canned (dutiable).....	246,000
4	6211. Manganese ore (dutiable).....	1,897,000
5	8110. Other alkaloids, salts, and derivatives (dutiable).....	67,000
	Total.....	3,132,000

## 24. SALVADOR

1	2141. Balsams, crude (dutiable).....	\$47,000
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## 25. SPAIN

Number of articles or classes	Class numbers and articles or classes	Value
	<b>Vegetables and preparations:</b>	
1	1205. Garlic (dutiable) .....	\$97,000
2	1208. Onions (dutiable) .....	90,000
3	1241. Pimientos (dutiable) .....	214,000
	<b>Fruits and preparations:</b>	
4	1305. Olives, in brine, not pitted (dutiable) .....	911,000
5	1306. Olives, pitted or stuffed (dutiable) .....	1,318,000
6	1319. Raisins and other dried grapes (dutiable) .....	84,000
	<b>Nuts:</b>	
7	1352. Almonds, shelled (dutiable) .....	1,536,000
8	1375. Pignolia (dutiable) .....	53,000
9	1380. Other edible nuts (dutiable) .....	61,000
10	1425. (Vegetable oils and fats, edible Olive oil, edible, other (dutiable) .....	2,175,000
11	1823. Spices, paprika, ground (dutiable) .....	549,000
12	1731. Wines (dutiable) .....	24,000
13	2204. Licorice extract (dutiable) .....	129,000
14	4302. Cork disks, wafers, and washers (dutiable) .....	33,000
15	4303. Cork insulation (dutiable) .....	571,000
16	4305. Cork stoppers (dutiable) .....	44,000
17	4321. All other manufactures of cork (dutiable) .....	37,000
18	6662. Quicksilver or mercury (dutiable) .....	32,000
19	2455. Seeds, except oilseeds (dutiable) (Canary Islands) .....	110,000
	<b>Total</b> .....	<b>8,068,000</b>

## 26. SWEDEN

1	4722. Kraft wrapping paper (dutiable) .....	\$168,000
2	4723. Other wrapping paper (dutiable) .....	91,000
3	4732. Leatherboard, fest, and wallboard (dutiable) .....	62,000
4	6002. Granular or sponge iron (dutiable) .....	4,000
5	6010. Other steel bars (dutiable) .....	560,000
6	6020. Bar iron and slabs, blooms, etc. (dutiable) .....	42,000
7	6037. Wire rods (dutiable) .....	385,000
8	6096. Flat wire and steel strips, n. e. s. (dutiable) .....	343,000
9	6141. Enameled or glazed ware and utensils (dut.) .....	73,000
10	7090. Other electrical machinery and apparatus (dutiable) .....	681,000
11	9770. Matches, in boxes of 100 or less (dutiable) .....	1,031,000
	<b>Total</b> .....	<b>3,440,000</b>

## 27. SWITZERLAND

1	45. Dairy products; cheese, emmenthaler or swiss (dutiable) .....	\$3,810,000
2	303. Leather boots and shoes, children's (dutiable) .....	130,000
3	3050. Cotton cloth, bleached (dutiable) .....	815,000
4	3190. Cotton handkerchiefs and mufflers; lace-trimmed, embroidered, etc. (dutiable) .....	114,000
	<b>Cotton laces, embroideries, etc.:</b>	
5	3200. Lace window curtains (dutiable) .....	173,000
6	3210. Embroideries (dutiable) .....	204,000
	<b>Silk fabrics, not over 30 inches wide, including umbrella silk:</b>	
7	3708. Not Jacquard-figured (dutiable) .....	354,000
8	3709. Jacquard-figured (dutiable) .....	283,000
	<b>Rayon or other synthetic textiles:</b>	
9	3800. Filaments, n. e. s. (dutiable) .....	231,000
10	3812. Spun yards and thread (dutiable) .....	31,000
11	3860. Other manufactures (dutiable) .....	408,000
12	3900. Hat materials; braids, laces, sheets, etc., of straw, chip, grass, palm, etc.; in part of rayon or other synthetic textiles (dutiable) .....	1,769,000
13	6214. Chromium and other alloys (dutiable) .....	17,000
14	6303. Aluminum; plates, sheets, bars, etc. (dutiable) .....	29,000
15	9550. Clock parts (dutiable) .....	28,000
16	9560. Watches and watch movements (dutiable) .....	2,924,000
17	9570. Watch parts .....	381,000
18	9580. Jewels for movements, etc. (dutiable) .....	338,000
19	9590. Recorders, meters, regulators, etc., and parts (dutiable) .....	27,000
	<b>Total</b> .....	<b>12,060,000</b>

## 28. UNITED KINGDOM

Number of articles or classes	Class numbers and articles or classes	Value
1	25. Meats, other poultry, dead (dutiable)	
2	71. Fish, pickled or salted, herring (dutiable)	\$33,000
3	302. Belting leather and welting (dutiable)	1,615,000
4	304. Cattle side upper leather, grains and finished splits (dutiable)	246,000
5	307. Side calf and kip upper and lining leather (dutiable)	381,000
6	311. Other bovine leather (dutiable)	1,159,000
7	319. Rough tanned leather (dutiable)	20,000
8	361. Leather boots and shoes, men's and boys' (dutiable)	160,000
9	500. Gloves, men's (dutiable)	597,000
10	699. Other leather manufactures (dutiable)	233,000
	Furs, dressed on the skin, not advanced beyond dyeing:	280,000
11	732. Fox, other than silver or black (dutiable)	9,000
12	733. Hare (dutiable)	48,000
13	735. Other dressed furs (dutiable)	144,000
	Grains and preparations:	
14	1072. Wheat flour (dutiable)	1,000
15	1075. Biscuits, wafers, cakes, etc. (dutiable)	215,000
16	1329. Fruits and preparations, jellies, jams, marmalades, and fruit butter (dutiable)	300,000
	Spices:	
17	1537. Mustard seed, whole (dutiable)	130,000
18	1538. Mustard, ground or prepared (dutiable)	758,000
19	1682. Honey (dutiable)	4,000
20	1760. (Ginger ale or beer, nonalcoholic (dutiable)	25,000
21	1770. Other beverages and fruit juices (dutiable)	163,000
22	2454. Seeds, except oilseeds, turnip (dutiable)	73,000
23	2559. Other trees, plants, cuttings, and seedlings (dutiable)	111,000
24	2929. Cigarettes, n. e. s., and other manufactures of tobacco (dutiable)	140,000
25	3020. Cotton yarns and warps, bleached, dyed, colored, combed, or plied (dutiable)	1,117,000
	Cotton cloth:	
26	3040. Not bleached (dutiable)	869,000
27	3060. Printed, dyed, or colored (dutiable)	1,101,000
28	3113. Other cotton wearing apparel not knit (dutiable)	108,000
29	3150. Cotton handkerchiefs and mufflers, not of lace or embroidered (dutiable)	225,000
30	3226. Belts, belting, and ropes for machine drives (dutiable)	128,000
31	3244. Jute yarns, singles (dutiable)	1,000
32	3245. Jute cordage, twine and twill (dutiable)	31,000
33	3248. Woven fabrics, n. e. s., of jute (dutiable)	205,000
34	3261. Flax, unmanufactured, huckled (dutiable)	185,000
	Manufactures of flax, hemp, and ramie:	
35	3270. Yarns, single (dutiable)	407,000
36	3272. Thread and twine (dutiable)	225,000
37	3273. Woven fabrics, 30 to 100 threads to the square inch, 4 to 12 ounces per square yard, 12 to 36 inches wide (dutiable)	502,000
38	3275. Plain woven fabrics, less than 4 ounces per square yard (dutiable)	3,519,000
39	3280. Table damask, and manufactures (dutiable)	1,834,000
40	3287. Other woven fabrics (dutiable)	1,996,000
41	3291. Handkerchiefs, not embroidered or of lace (dutiable)	1,496,000
42	3351. Towels, napkins, sheets, and pillow cases (dutiable)	1,969,000
43	3417. Cordage (dutiable)	115,000
44	3550. Wool nolls (dutiable)	1,177,000
45	3554. Wool rags (dutiable)	194,000
46	3500. Wool tops, and other wool advanced (dutiable)	18,000
47	3570. Mohair yarns (dutiable)	6,000
	Fabrics of mohair and wool:	
48	3600. Mohair fabrics (dutiable)	26,000
49	3603. Worsteds weighing over 4 ounces per square yard (dutiable)	839,000
50	3605. Woolens weighing over 4 ounces per square yard (dutiable)	2,468,000
51	3610. Blankets, robes, and steamer rugs (dutiable)	72,000
52	3620. Pile fabrics (dutiable)	39,000
	Wool wearing apparel:	
53	3634. Knit sweaters (dutiable)	154,000
54	3635. Knit hosiery (dutiable)	790,000
55	3640. All other (dutiable)	740,000
56	3680. All other manufactures of wool (dutiable)	102,000
	Rayon or other synthetic textiles:	
57	3810. Filaments, not over 30 inches long (dutiable)	128,000
58	3815. Bands or strips, not over 1 inch wide (dutiable)	88,000
59	3970. Tracing cloth (dutiable)	533,000
60	3971. Other coated, filled, or waterproof fabrics (dutiable)	59,000
61	3980. Linoleum, inlaid (dutiable)	105,000
62	4200. Veneers and plywoods (dutiable)	33,000
63	4720. Tissue and similar papers, other (dutiable)	128,000
64	5272. Glass tubes, tubing, and rods (dutiable)	72,000
65	5300. China clay or kaolin (dutiable)	1,008,000
	Earthen, crockery, and stoneware; tableware, toilet, and kitchen ware:	
66	5371. Domestic or household (dutiable)	1,151,000
67	5372. Hotel and restaurant (dutiable)	106,000
68	5375. Earthen, crockery, and stoneware; common and rockingham earthenwares (dutiable)	40,000

## 28. UNITED KINGDOM—Continued

Number of articles or classes	Class numbers and articles or classes	Value
69	5470. Abrasives, all other (dutiable)	\$111,000
70	5530. Other manufactures of asbestos (dutiable)	85,000
71	6060. Tin plate, terneplate, and taggers tin (dutiable)	36,000
72	6094. Round wire n. e. s. (dutiable)	166,000
73	6095. Telegraph and other insulated wire (dutiable)	9,000
74	6097. Card clothing (dutiable)	155,000
75	6113. Castings and forgings (dutiable)	86,000
76	6233. Tungsten and combinations (tungsten content (dutiable))	32,000
77	6558. Zinc: Blocks, pigs, etc., dross, and old (dutiable)	9,000
78	6900. Manufactures of decorative metals, n. e. s.: Other, including plated articles (dutiable)	37,000
79	7110. Engines and parts, n. e. s. (dutiable)	92,000
	Textile machinery:	
80	7500. Embroidery, lace, and lace-curtain machines and parts (dutiable)	65,000
81	7506. Cotton manufacturing machines and parts (dutiable)	75,000
82	7507. Wool manufacturing machines and parts (dutiable)	62,000
83	7900, 7901. Automobiles (trucks, busses, and other) (dutiable)	492,000
84	8243. Ammonium compounds, n. e. s.: All other (dutiable)	22,000
85	8310. Lime, chlorinated, or bleaching powder (dutiable)	37,000
86	8400. Pigments, paints, and varnishes: Iron oxide and iron hydroxide pigments (dutiable)	100,000
87	8719. Soap, all other (dutiable)	73,000
88	8730. Bath salts (dutiable)	4,000
89	9021. Photographic goods: Motion picture negatives (dutiable)	50,000
90	9220. Musical instruments: Phonograph and similar articles and parts (dutiable)	49,000
91	9431. Fishing tackle, n. e. s. (dutiable)	125,000
92	9432. Golf balls (dutiable)	388,000
93	9483. Other balls for games (dutiable)	109,000
94	9489. Other athletic and sporting goods (dutiable)	160,000
95	9510. Books and other printed matter: Books and printed matter, n. e. s. (dutiable)	1,917,000
96	9790. Pens and penholders (dutiable)	175,000
97	9795. Cigars and cigarette holders (dutiable)	2,000
	Total	37,872,000

## 29. URUGUAY

	Meats:	
1	28. Meats, canned (dutiable)	\$1,070,000
2	29. Beef and veal, pickled or cured (dutiable)	101,000
3	32. Other prepared meats (dutiable)	38,000
4	96. Meat extract (dutiable)	226,000
	Total	1,435,000

If the idea is to give to the Secretary of State a right, without the people knowing it, to reduce the entire tariff up to 50 percent on every object subject to importation on the tariff schedule I think it is time that something be done about it.

Senator VANDENBERG. As to the agreements that have been made with these countries, have they lived up to their preconceived prospectus pretty well?

Mr. GARVAN. Certainly. I want to say one thing about dear old Secretary Hull. He is a sincere fellow. I am very fond of Secretary Hull. He has the great difficulty of keeping to his purpose, and that goes right straight on in every agreement. When they are through they will do just what they said they would do. They have gone through the 29 countries and they have dealt with practically every topic in America which is the subject of import. They are not quite through and they want 3 years more in which to do it.

Senator VANDENBERG. What is the use of all these public hearings, and so forth, if they have got a preconceived idea?

Mr. GARVAN. Well, some of us like to talk. That is about the only use it was to me. But, gentlemen, they cannot do it; they cannot

get away from it because of science, because of the determination of the American people.

You take the farm problem. They cannot stop our developing the pine trees and the paper industry in the South. I did not quite complete that picture. You know the story of the craft paper mills; you know the story that we are starting now on the first newsprint mill in Dallas, Tex. Then comes the third story of pulp for rayon.

Senator DAVIS. The what?

#### EXHIBIT FF

[The Deserted Village No. 4]

#### THE BIRTH CONTROL OF NEW AMERICAN INDUSTRIES

##### *Cui Bono?*

Will Fletcher, Mitchell, and Guggenheim write the Chilean treaty?  
 Will the New York Banks write the Cuban treaty?  
 Will Ivy Lee write the German treaty?  
 Will there be a scandal behind every treaty?  
 Are the international bankers boring from within?

JUNE 22, 1934.

Mr. MORDECAI EZEKIEL,

*Department of Agriculture, Washington, D. C.*

DEAR SIR: I beg to acknowledge receipt of your letter of June 7, 1934. This letter is as unsatisfactory as your former one. You are still the exponent of the movement for birth control of new American industries.

You state: "That does not mean, however, that the Department is not disposed to do everything it can to encourage the development of new industries wherever those industries are well adapted to our resources and can stand on their own feet." May I assume to add "in the judgment of Mordecai Ezekiel et al.?"

In other words, you insist that American new industries, in order to meet your approval and cooperation, must spring, like Pallas-Athene from the head of Zeus, full armed and with a shout of victory. But, my dear Ezekiel, that is not the way practical men have built the industries of this country. Sweat and failure, strain and loss, have been the sine qua non of each and every one of the great new industries which have come to bless us, and had your predecessors in office been motivated by your principles of industrial birth control or industrial infanticide American civilization would at least be something quite different from what it is now.

In your former letter you did, speaking for the Department of Agriculture, turn thumbs down on the efforts being made to develop the paper industry of the South and therefore the press reports are accurate.

Further, you state: "In my previous letter I took issue with your statement that all the money spent on imported pulp wood was so much waste." I made no such statement. I did state: "During the last four years the imports of wood paper and paper base stocks into the United States have amounted to an average of over 170 million dollars a year. This amount is roughly 70% of our yearly consumption. This amount goes abroad and is lost each year and what we get for it is used and goes down the sewer. This 170 million a year, if spent here, would revolve and be spent ten times. So 1 billion 700 million dollars worth of business in this country is lost to our economy each year." Which is quite a different proposition and points out your essential lack of understanding of international trade. You do not seem to understand that \$1.00 of domestic trade is more valuable to our national economy than \$5.00 of international trade. Do you not understand the theory of the revolving dollar?

There is an entity—call it American civilization, American standard of living, American business, jobs, the going machine of American life, American production and consumption, or what you will—whatever you may call it, it is the result of the development of America since the day Columbus landed on our

shores. It is the result of the sweat and battle and sacrifice and genius of our forefathers. It is our inheritance and we are entrusted with it for the benefit of our children and our children's children. Each generation has left it to its succeeding generation more virile and self-contained than it received it. It is not only a business development, but it is warped and vefted with our liberties and freedoms. You cannot just cut out of it a segment and label it the machine lace industry of Rhode Island, the wool industry of the West, the dye industry, the medicinal industry, for example, and say we will trade this segment of that entity for this year's fortuitous surplus of an agricultural product.

Take, for instance, the machine lace industry. It is an industry developed out of American genius. It has invested 20 million dollars of American money; it produces 4 million dollars worth of goods a year, employs eight thousand men, and supports their families of forty thousand people. It has become a part of our civilization. To say we will import that 4 million dollars of lace products each year in exchange for 4 million dollars' worth of hogs, you will have traded at least five to one, perhaps ten to one—who knows? That industry buys its raw material in America from people who buy theirs in America, and so forth—pays its taxes in America, as do the people from whom its materials are bought; supports its proportion of our educational system, our churches, our charitable organizations, and each and every one of our national activities. Destroy it and that destruction becomes a spiral, spreading its destruction like ripples from a pebble dropped into a pond. You cannot trade hogs or wheat for industrial development, for the advance of culture or of science, for no arithmetic will provide you with a basis.

Again, it is nonsense, for you cannot destroy with one blow the machine lace industry of Rhode Island. It will go on producing in the hands of a Receiver, who will under-sell even your importation from the pauper labor of Europe. You cannot guarantee that the United States will buy one yard of the imports you pretend to promise. Even if the Receiver cannot meet the foreign price, American women, in their patriotism, will refuse to sanction the dishonest barter. You are just starting a series of patriotic boycotts. In other words, you are starting a whirlwind you cannot control.

You also introduce the element of fear into every American business man, that he may come next to the lace man, and what's the economic value of that uncertainty?

As you cannot judge its economic effects, so you cannot judge its moral effects. It is a violation of the Eighth Commandment, given by God to your Moses and to mine—"Thou shalt not steal"—for you would rob the lace maker of Rhode Island and his laboring men, ostensibly to enrich the farmer. But I know the farmers are honest, God-fearing Americans who will spew out such stolen profits. You would substitute Mordecai Ezekiel, et al., for God in attempting to shape our endeavors in contradiction of His Laws. Perhaps the drought is God's first answer in that unequal conflict.

Take this very example of paper. We are endeavoring to start production of newsprint made from the slash pine of the South, thus diminishing unemployment, utilizing idle lands, solving the over-production of cotton problem, realizing a profit from the Government's reforestation project, and providing an outlet for the power developed by the Tennessee Valley Authority. This production promises continuous domestic supply and definitely reduced prices, without tariff, bonus, or artificial aids.

We consume 50% of the world's consumption. Imports averaged 170 millions yearly for the past four years, or 70% of our consumption. The present 30% domestic production is dying in competition with imports. Tomorrow 100% of our consumption will be necessarily imported from Canada, Sweden, Norway, and Germany. Day after tomorrow these four countries will form a cartel and dictate to us, to our school-book publishers, to all users, our price of white paper, and will thus control their margin of profit. What will then become of our boasted freedom of the press, on which all our other liberties depend? Will you have truly represented the interests of the American people if you trade this industry for the surplus hogs or surplus wheat, as your first letter insisted? What economic professor can figure out that trade? The price of paper is fixed now in the British Empire. Are you willing to rest our liberties under such control?

Do you begin to understand the sanctity to a patriot of the entity we call our American civilization?

You have stated in your latest letter: "I pointed out that it was only through imports that foreign customers for Southern cotton could get the

funds to pay for it." Is that true? How do you know it? Is there no wealth in the world to pay for cotton except imports into this country? Is that the limit of your economic planning for taking care of our cotton surplus? Did you ever realize the possibility of transferring the Lancastershire mills to the South, or must you trade our cotton at their price for Scotch whiskey at their price? At six cents are you not exporting Southern soil? What about the new paper crop? What about alcohol in gasoline now aiding agriculture in twenty-one other countries? Have you ever asked the aid of science? Is England's advice the last word in intelligent planning? Perhaps you consider your theory best expressed by Willard L. Thorpe, Ex-Director of the Bureau of Foreign and Domestic Commerce of the Department of Commerce, in his speech at Newark on Wednesday evening, April 18, 1934:

"The theory that it is profitable for the man who can kill a dinosaur easier than he can a sabre-tooth tiger to trade the former for the latter to the cave dweller, where opposite conditions apply, still holds good."

It is re-stated by Claudius Murchison, new Director of the Bureau of Foreign and Domestic Commerce:

"The admonition 'Buy American' means precisely the same thing as 'Don't Export.' The insistence on collecting the war debts is an insistence that foreigners be not permitted to buy our goods. The plea for higher tariffs is a plea that our cotton be kept at home unmarketed. Our refusal to help stabilize foreign currencies is a refusal to pave the way to bigger business for our farms and factories. Such is the paradox of nationalism, the stupidity of a 'self-contained America.'"

This theory is bunk. Foreign propaganda, invented to justify the repudiation of debt and to lay the foundation for a raid on our American markets. It derives from the mind of a gentle economic professor, remote from active life, who stated it only as a theoretical bookkeeping proposition. But he was cautious even then and he added the qualifying words "in the long run", "eventually", "when you finally close the books in the sense that we say parallel lines must meet at infinity." But you professors now leave out these qualifying words, as do the defaulting debtors, the Foreign Policy Association, whose name is a confession.

The gentle economist also only applied his theory to income accounts, careful to distinguish it in its operation from international relations influenced by international capital transactions such as loans, flight of capital, and so forth. He was also careful to state that the effect of this theoretical rule could be destroyed by the expenditure of tourists, remittances of immigrants, losses or gains from foreign insurance, short term transactions, and so forth. He was careful to point out it was only a theoretical bookkeeping rule and no proper basis for a definitive policy of international trade. That here again God, as so often in the past, could step in and war and pestilence and drought and disaster and invention and progress of science rob the rule of any virtue as a guide to the serious statesman.

What he was really trying to say was that our international books must balance, as must the books of any business, but "seeing as how" the United States Government keeps no books, and as how the average American's (including the economists') study of arithmetic stops at the age of twelve, you all were putty for the propaganda of dishonesty in the mouths of the welching foreigners and their accessories here—our international bankers.

England, now preaching this doctrine as she welches, does not tell you that for over a hundred years she has exported more goods and services than she has imported and that she has taken her favorable balance in the form of 20 billions of bonds of honest countries, the interest on which is her main stay today.

This theory only applies to international trade between thieves and dishonest peoples. International trade is no different than the trade between two individuals. When I buy goods from you everything I have in the world is behind the obligation to pay you, and if you do not take goods in return in honesty I must sell all my assets until you are paid. Trade between countries is no different and when countries announce that they adopt the Ezekiel-Thorpe-Murchison theory instead of the theory of the Ten Commandments, then trade with those countries is as dead as it would be between two individuals in this country, one of whom announced such a fallacy.

All this bunk about jumping the Exchange! What about the 2 billion dollars Germany has today in foreign lands? What about the billions of capital that have been flying from country to country during the past few years? Did you

notice in yesterday morning's Times that the Distillers' Co., Ltd., of Great Britain, has bought 337,000 shares of the stock of the National Distillers Products Corporation of America within a few days of England's miserable default? Was there any difficulty of Exchange there? How many other industries in this country has England bought into in the last three years? The cowardly and unpatriotic hoarder is able with ease and with billions to constantly jump the Exchange barriers which seem so impassable to people who do not want to pay their debts or to people who want to further extend their sales into our domestic markets which now constitute 52% of all the business in the world, domestic and foreign.

Never mind the dollars involved, but for God's sake, let us not introduce their theories of dishonesty into the hearts of our children and start the spiral of destruction through their moral and business standards. Theories which insult the Laws of God are always wrong. Let us look at history a moment.

I have recently returned from Cuba, where revolution is imminent; where 75% of the people are starving, all as a result of the adoption by that country of the Ezekiel-Thorp-Murchison theory and its failure to adopt the theory of self-containedness up to the point of God's limitations. Under the gentle guidance of our international bankers, Cuba came to depend on foreign trade for over 60 per cent of her income. Nine-tenths of her imports she could have been taught to raise herself. The price of sugar fell and her people must starve or become mendicants. Now, instead of teaching them to reverse that policy and utilize the garden spot which is theirs, you seek by a treaty to perpetuate their slavery. For whose benefit? What more than slavery did the Cuban workman get out of the development of this foreign trade? Into the hell of that theory has been thrown, not only the best interest of Cuba, but hundreds of millions of the savings of the American people now lost forever. In addition, our own people in 1920 paid as high as 30c a pound for their sugar and will pay it again under the dependency upon others theory, whereas under the self-contained theory, Cuba can make steady progress and perhaps our own country can develop its own sugar and give employment to 600,000 men of our unemployed and hundreds of thousands of our unemployed acres. But the bankers got theirs—plenty and well.

The same is true of Chile. They were taught to depend on nitrates and copper. Their people were taken off the fertile lands of the South and moved up to the arid deserts of the North and the discovery of synthetic nitrogen and new copper deposits in Africa has destroyed them.

Has the peasant of Chile reaped anything more than slavery? Have our people benefited? The international bankers sold to our people over 90 million dollars at about par in bonds of the Lautaro and Anglo Chilean Nitrate Co. These bonds sank to 25 cents per \$100 on the Stock Exchange in the summer of 1932. They are now in default and in the reorganization under the Chilean government have been eliminated, and nitrate is now being dumped in this country regardless of any obligation to our bonds or our debts.

Cui bono. Who has benefited from all this internationalism? The poor Cuban or the poor Chilean or the American saver or the American consuming public? Sugar sold for 30c a pound in 1920. Nitrates sold for \$90 a ton in 1917. Rubber sold for as high as \$1.20 a pound in 1925, in which year we paid about 860 million dollars for our consumption of rubber. How much of it went to the poor Malaysian, the poor Cuban, or Chilean?

Have you followed the activities of the self-appointed bondholders' committee of these defaulted bonds? They are utterly worthless, but have you noticed that they have gone up on the Exchange from 25¢ to \$18, and apparently under the selling arguments of a proposed Ezekiel treaty the same gang are now seeking to redistribute the same old worthless bonds to the poor American public. Henry P. Fletcher, Charlie Mitchell, Solomon R. Guggenheim head the list of names on this bondholders' committee. Have they representatives in Washington, and are they urging a treaty?

Will you barter hogs with 4 million Chileans for the American nitrate industry, so essential to our national defense and our national agriculture?

The history of my ancestral Ireland for a thousand years has been the history of slavery caused by the impressment on her by England of the Ezekiel-Thorp-Murchison theory, with the result that the most beautiful country in the world, which formerly supported 11 million people, is reduced to a mere 4 million. She was forced to raise only the agricultural products which England wanted and receive back from England her economic manufactured surpluses. By the way, Brother Ezekiel, have you ever studied and contrasted



the method England is using in an attempt to collect her false debts from Ireland with the complaisance she expects from us as she herself defaults?

Your theory is no new dream. It is as old as slavery. As old as the slavery of the Cuban peasant, the Chilean peasant, the Malaysian peasant, or the Irish peasant. That great international banker, England, has worked it for hundreds of years. Do you realize that its assertion by England caused the American Revolution, and that its first assertion here applied alike to America and to Ireland, and that our people's fate would have been that of the people of Ireland save for our unlimited natural resources? In 1699, applying to America and Ireland, alike, the Woolen Act was passed, which reads like an Ezekiel letter. Epitomized it said: "Bend your back and raise your wool. Ship it to Mother England, and receive back England's surplus manufactures. A woolen mill is inefficient for you. You must never dare to think of becoming self-contained." She followed this with the Navigation Acts to increase the amount of services on her international balance; with the Trade Laws, with the Acts Forbidding Manufactures, and so forth and so on, until the Revolution was won and the right of self-containedness became the heritage of your children and of mine.

When the World War came, we found that we had neglected to live up to the ambitions and determinations of our forefathers to be self-contained. As the world changed we had neglected science, and President Wilson sadly realized the dependent position into which we had drifted. But he did not say "Germany is better equipped mentally to make our dyes and drugs and nitrates and potash and camphor and iodine and rubber and so forth and so on, and after the war we will acknowledge our inferiority and leave Germany the master of the Master Science, Chemistry, and in that treaty we will trade our hogs for scientific progress and independence and national defense and national health and industrial progress and the character of our people." Sweetly trusting Kaisers and Hitlers!

No. He said: "God has given you the natural resources and has endowed you with the necessary mentality. America has borne you with a heritage of courage and determination and fearlessness. Let your God and the appreciation of His gifts and the love of your land and its traditions motivate you. I do not expect your chemical industry to be a Pallas-Athene, but by embargoes and tariffs and encouragement I will see to it that American genius has a fair field and I will insist on your scientific progress toward the goal of American independence and self-containedness. My administration will insist upon your progress, that you may grow adequate to defend us in war and peace, adequate to administer the benefits of science to all our other industries, adequate in so far as it is God's Will to free us from the weights of disease." And the American people have responded. The children in the schools, the boys and girls in the colleges, industry, and research. Today we have 25,000 chemists, the equal of any in the world. The chemical business is the largest business in the country, ministering to every other business, and we are sweeping on. And you seek to make a treaty with Hitler to take our surplus agricultural products in return for allowing him to implant a cancer in this development.

What do you know about the possibilities of the pine paper industry in the South? Its basic principle is the utilization of the God-given solar energy and climatic conditions of the Southland, and God alone knows what the future holds from its development.

Do you remember the story of the boy, Perkin, who in his discovery of the dye, mauve, in his Easter vacation laid the foundation a hundred years ago for the development of the whole organic chemical industry—a discovery which England neglected and Germany transferred and nourished to its everlasting benefit and strength. Do you remember this great man's last words? "Not unto me, O Lord, not unto me, but unto Thy great Name be all the praise." Do you remember the discovery of the electric dynamo by Faraday? At what point would you say the great electrical industry in the opinion of Ezekiel, et al., was "well adapted to our resources and could stand on its own feet" and, therefore, worthy of your kindly consideration? Do you remember what he said to the impractical Prime Minister of England when he asked him of what use it was and he answered "Of what use is a new born baby? Perhaps some day he may grow and you may be able to tax him."

You in effect say that barter is the only true basis for international trade. You are deceiving the cotton grower and the hog grower and the corn grower and the wheat grower. Is the hog raiser going to trade his hogs for lace dresses? And who is going to be the intermediary, and what are to be his

profits? At what price are you going to trade hogs and at what price are you going to try to make the American people take lace? Have you forgotten your latest experiment of trading fake wines of France for the honest apples of America? What was the net profit to the apple grower? Did he get anything but disillusionment out of it? If the foreign nations with which you want to trade will not pay their honest debts, repudiate their treaties as scraps of paper, will they be more honest in barter?

Who is going to run the clearing house between the honest farmer and the dishonest nation? Do you propose to make the United States the guarantor of the honesty of the barter? Is he going to pass on the fake wines, the fake antique furniture, the fake art objects? No, my dear Mr. Ezekiel, foreign trade has been destroyed by dishonesty and dishonest thinking. When you take the Eighth Commandment out of the trade between nations it will not only destroy foreign trade as it formerly existed, but it will destroy the possibility of barter. People will not buy the goods you seek to bring in to the ruin of one citizen for the imaginary gain of another.

But of higher moment than all these considerations we should have in our hearts and minds the character of our boys and of their boys—the ultimate Americans. For immigration is over; the melting pot is boiling to a homogeneity and a consistency. Education is almost universal and it is time for us all to be shaping the mind and heart and ideals of the type American who is to become the heir and trustee of this land of God-given resources and incomparable traditions of men and struggles. Is he to be honest—man-to-man, country-to-country, Government-to-citizen and citizen-to-Government? No accessory of dishonor, either before the fact or after, with no inferiority complex abroad and no superiority complex at home. Proud of his race and its men and traditions, and determined to preserve his inheritance free from these ever-recurring evasions of and assaults upon the Laws of God. Is he to be free, or is his freedom to be in foreign hands? Is the Malaysian to tell him he cannot have rubber, the Brazilian to tell him he cannot drink coffee; is the Cuban to tell him he cannot have sugar, save on their terms? Is the Canadian or Swede to dictate what he shall read in his papers, or what his children shall study in their school books, or is he to walk through life with his eyes to the Heavens, acknowledging no limitation on his development save the Will of God?

Yours very truly,

(Signed) FRANCIS P. GARVAN.

DEPARTMENT OF AGRICULTURE,  
Washington, D. C., June 7, 1934.

Mr. FRANCIS P. GARVAN,  
654 Madison Avenue, New York, New York.

Dear Mr. GARVAN. My attention has been called to press reports that the Department of Agriculture has turned "thumbs down" on efforts to develop a pulp industry in the South.

In my previous letter, I took issue with your statement that all the money spent on imported pulp wood was so much waste. Instead of this, I pointed out that it was only through imports that foreign customers for Southern cotton could get the funds to pay for it. That does not mean, however, that the Department is not disposed to do everything it can to encourage the development of new industries wherever those industries are well adapted to our resources and can stand on their own feet. Accordingly, our study of this and other new utilizations for Southern products will be pushed forward as rapidly as our diminished appropriation for research makes possible with a view to assisting in every way we can with the development of new and efficient industries.

Your letter of January 17th has been placed before the Forest Service for their comment, both as to the present status of experimentation in this connection, and for their opinion of the feasibility of the proposals which you make.

When definite conclusions have been reached by the Forest Service as to the practicability of your proposals, I shall be glad to place them before you for your further suggestions.

Sincerely yours,

(Signed) MORDECAI EZEKIEL,  
Economic Adviser.

Office of the Secretary.

DEPARTMENT OF AGRICULTURE,  
WASHINGTON, D. C., February 14, 1934.

Mr. FRANCIS P. GARVAN,  
654 Madison Avenue, New York City.

DEAR MR. GARVAN: Your letter of January 17th to the President has been referred to this Department for reply.

The products which we import into this country produce dollars to pay for products we export. As you know, we face an acute problem in farm readjustment because of reduction in export demand for wheat and hogs. If we take still further steps to reduce our imports, the ability of foreign countries to buy our cotton and fruits for export will be correspondingly reduced, and in the end we will merely intensify our farm readjustment problem.

This tendency to remove entirely international trade appears to us to be one of the most important causes of the present international distress throughout the world. As Secretary Wallace has clearly indicated in many of his speeches, he feels farmers are particularly interested in restoring international trade in commodities rather than in further reducing it. I am enclosing one of his recent speeches along this line, in which he goes into detail on this subject.

For this reason, we cannot agree with you that it is to the advantage of farmers to adopt arrangements such as you propose in your letter.

Sincerely yours,

(Signed) MORDECAI EZEKIEL,  
Economic Adviser.

Office of the Secretary.

(Enclosure.—Copy of address by Henry A. Wallace, Secretary of Agriculture, at the Fifteenth Annual Convention of the American Farm Bureau Federation, Chicago, December 22, 1933.)

JANUARY 17, 1934.

HONORABLE FRANKLIN D. ROOSEVELT,  
The White House, Washington, D. C.

DEAR FRANK:

But here is something concrete and immediate that Mr. Peck or Mr. Wallace, or whom have you can win his support on. It may belong to some other section of the "brain trust", but it certainly demands the attention of a managed economy for the United States.

During the last four years the imports of wood paper and paper base stocks into the United States have amounted to an average of over 170 million dollars a year. This amount is roughly 70% of our yearly consumption.

This amount goes abroad and is lost each year and what we get for it is used and goes down the sewer. This 170 millions a year, if spent here, would revolve and be spent ten times. So 1 billion 700 million dollars' worth of business in this country is lost to our economy each year.

The 170 million dollars God offers you in the form of the sunshine of the South and its climate, for the benefit of your people. This production belongs to the South. It belongs to the waste lands of the South. It belongs to the lands you are buying up and taking out of cotton production, and, in part, it belongs as a dividend of the money of the people which you are spending on the Tennessee Valley project.

Your problem of unemployment is entitled to the help which this production can give in diminishing that problem. It is a permanent part of your recovery program. I might add, in parentheses, that your splendid work in the Civilian Conservation Corps in cleaning up the forests of the South has planted billions of these pines already this year, which in seven years will add to your ready at hand enormous supply. What are you going to do with these lands? What are you going to do with these pines forests which you have brought into life?

Dr. Herty's research, with which you are so familiar, is an accomplished fact. He has demonstrated that the sunshine and soil of our Southern States, on its poorest lands, can produce this 170 million dollars a year as a new crop or as a by-product of the cotton crop.

If you have any doubting Thomases about you, let them buy a ticket for Savannah. The experimental plant is open to them. They can see the result

of every experiment made from the beginning and can order new experiments to be performed under their own eyes. The nine leading dailies of Georgia, their editors and managers, have given the final certificate. The plant will go on for two years more now, leaving newsprint as an accomplished fact, but now demonstrating the use of the pine for book papers, toilet paper, and all other wood papers, and finally as a source of unlimited supply of cellulose for our fast-growing rayon industry.

We have demonstrated that the cost of this production will be no more than two-thirds of the present-day cost.

Now, someone is going to utilize this developed knowledge, either (1) The present United States wood paper industry, now producing 30% of our consumption and in bad shape from foreign competition of the 70% importers. They are the logical people to go on with this development. By doing so, they can recoup their losses, pay their debts, and become prosperous. If they do not do it, whoever else does it will wipe them out entirely. They are in bad shape financially, but their real condition can be found out under the N. R. A. and under their Code the Government can intelligently assist.

(2) The Canadian and English or any other foreign capital can develop this industry in our Southland, and furnish 100% of American consumption, to the destruction of our present 30% industry, and all the profits derived therefrom can be taken out of the country.

(3) The industry can be carried on in any other semi-tropical climate. New Zealand, Australia, the African provinces of France, and the tropical dependencies of England are already studying Dr. Herty's research with a view to starting this industry in their own lands.

(4) Whether the Tennessee Valley Authority or some one of your Government agencies can smash at it right away.

I am informed that a complete plant for a beginning can be built at or near Savannah for the sum of 4 million dollars, and once one unit has proven a success, the rest is easy.

Let this letter be of historical record. It will record, at least, an informed neglect to utilize our God-given resources. I hope it will record the beginning of a new day for the South.

Neither the Chemical Foundation nor Francis P. Garvan nor Charles H. Herty has or will have one dollar's worth of personal interest. None of us want any jobs or connection with the commercial development. There are no patents or strings of any kind. This makes it imperative that we move quickly, for our researches are as open to the rest of the world as they are to our fellow-countrymen.

We have no suggestions as to the Government arms you use, but the possible ones appear to us to be, (1) The N. R. A. having the present American paper manufacturers form a corporation and build the first plant, either with their own capital or borrowed private capital or supplied Government credit.

(2) The T. V. A.

(3) The Public Works Administration.

(4) The Civilian Conservation Corps as the logical corollary of its work.

Dr. Herty is in Washington most of the time, helping out with our battle over the Chemical Code. He is at your disposal.

I enclose again, although I know you are familiar with it (but you may want to hand it on to someone) the Atlanta Journal which has the best account of our final accomplishment.

May God continue to bless you with the strength and high purpose and fine judgment you have so splendidly manifested.

Yours very truly,

(Signed) FRANCIS P. GARVAN.

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"Aid slighted truth, with thy persuasive strain  
Teach erring man to spurn the rage of gain;  
Teach him that states of native strength possess,  
Tho' very poor, may still be very blest;  
That trade's proud empire hastes to swift decay,  
As ocean sweeps the labour'd mole away;  
While self dependent power can time defy,  
As rocks resist the billows and the sky."

Goldsmith—"The Deserted Village."

Mr. GARVAN. Pulp for rayon, which has come. That is developing into a great industry in this country. Now, the Viscose Co. asked for 600 pounds of that pulp. We made up 600 pounds but we saw right away that it would not do for rayon. It had the life cells, it had the fat cells and we saw it would not do for rayon. It only took American ingenuity 3 weeks to solve it. All they had to do was dilute the pulp, run it over fine steel-wire mesh, and let the fats and things run into a pan below. Then we sent them 600 pounds and they ran it through their process and they produced pulp which was just as good if not better than any pulp they ever used.

The second step in American development was in connection with the Hercules Powder Co. They built a 5-ton-a-day experimental plant.

Senator DAVIS. Where did they build it?

Mr. GARVAN. At Hopewell, Va. All our chemical industries are going south very fast. They built that mill there, they took our best chemist, Mr. Frasch, and now they are making an economic demonstration of whether it is splendid for rayon. We know what the result will be because we have done it in the laboratory. Again you supply a basic product for another great industry, all out of the pine tree, and you are helping the farmers in the South.

Next we took the fats that fell out and we saw right away, with the simple testing, that they contained vitamins, that they were very heavy in life-giving chemicals. We sent it a company which has developed cottonseed oil and a lot of things, a great laboratory out in Jersey somewhere, and they are working now in breaking up those fats into their elements of value to the American people.

I do not know whether this has anything to do with it, but I saw in the paper 3 days ago that they began to build a million dollar plant in the State of Georgia.

What do these negotiators know about this great scene of American progress? Did they ever keep a grocery store? Did they ever hire a man? Did they ever produce anything? Where did these treaties help one American? Where have they helped throughout the depression, except in the oratory of internationalism or except in the office of J. P. Morgan & Co. and the companies he controls.

Now, somebody asked the other day to know what we had spent on propaganda and to whom we sent it. My boys had to this over Saturday because I had to go and see my boy's dog win the American championship, the best American bred sporting dog in America, so I could not do any work Saturday. So, if there is any checking to be done on it, I will do it afterward. I am sure it is all right.

Now, here is everything we have ever produced in propaganda. "Propaganda" is the word. We are American propagandists. We are propagandizing the great song of this country, to help the people of this country. We have got nothing to apologize for, nothing to hide, nothing to conceal, and here is everything that we have produced.

(Complete set of distributed matter is on file with the committee.)

Mr. GARVAN. It shows we have spent \$451,000 in propagandizing chemistry in relation to medicine. We have spent \$117,000 in propagandizing chemistry in relation to agriculture. We have spent \$234,000 in propagandizing chemistry in relation to industry. We spent \$120,000 in chemical education in our schools, colleges, and

universities. We spent \$281,000 in relation to agriculture, foreign commerce, and so forth, and miscellaneous books, pamphlets, \$447,000, a total of \$1,652,000 is all that has been spent in American propaganda.

(The document referred to is as follows:)

### EXHIBIT G

#### COMPLETE SET OF DISTRIBUTION SHEETS OF THE CHEMICAL FOUNDATION, INC.

*Cost of educational literature distributed from inception (Feb. 19, 1919, to Dec. 31, 1936)*

Chemistry in relation to medicine.....	\$451, 512. 33
Chemistry in relation to agriculture.....	117, 570. 38
Chemistry in relation to industry.....	234, 338. 44
Chemical education in our schools, colleges, and universities.....	120, 977. 02
Economics in relation to agriculture, industry, foreign commerce, etc.....	281, 028. 61
Miscellaneous books and pamphlets.....	447, 168. 30
<b>Total.....</b>	<b>1, 652, 595. 08</b>

Name of article	Date	To whom sent	Amount
No. 1. Aims and purposes of the Chemical Foundation, Inc.	Aug. 7, 1919, to June 30, 1926.	Agricultural agents.....	1, 059
		Book buyers.....	8, 531
		Chambers of commerce.....	937
		City engineers.....	3, 750
		City mayors.....	2, 750
		Congressmen.....	435
		Consumers and business men.....	59, 530
		Directors.....	6, 350
		Drug and chemical manufacturers.....	6, 365
		Educators.....	9, 463
		Government employers.....	113
		Ink manufacturers.....	43
		Kiwanis clubs.....	318
		Libraries and librarians.....	1, 452
		Lime manufacturers.....	129
		Members of American Legion.....	329
		Newspapers, editors.....	2, 275
		Paint and oil manufacturers.....	1, 609
		Paper mills.....	1, 051
		Prominent men.....	4, 831
		Prominent women.....	2, 475
		Rotary clubs.....	769
		Scout masters.....	15, 065
		Senators.....	96
		Stockholders and licensees.....	271
		Students.....	10, 130
		Tanners.....	196
Teachers associations.....	218		
Textile manufacturers.....	17, 681		
Women's clubs.....	2, 608		
Miscellaneous.....	1, 220		
<b>Total.....</b>			<b>162, 939</b>
No. 2. Dyes and defense (reprint Wall Street Journal Mar. 10, 1921).	Mar. 31, 1920 to June 30, 1926.	Consumers and businessmen.....	8, 237
		Textile manufacturers.....	1, 685
<b>Total.....</b>			<b>9, 922</b>
No. 3. Statements of Henry B. Thompson and Albert M. Patterson (taken from official record of hearings on Longworth bill, Dec. 13, 1919).	Nov. 1920 to June 30, 1936.	Consumers and businessmen.....	1, 654

Name of article	Date	To whom sent	Amount
No. 4. Statement of Mr. Francis P. Garvan, Alien Property Custodian (taken from official record of hearing on Longworth bill, Dec. 13, 1919).	November 1920 to June 30, 1920.	Agricultural agents.....	1,216
		Authors.....	1,433
		Bankers.....	56
		Chambers of commerce.....	937
		Congressmen.....	435
		Consumers and businessmen.....	18,237
		Doctors.....	113
		Drug manufacturers.....	1,365
		Educators.....	6,423
		Foreign.....	154
		Government employees.....	113
		Ink manufacturers.....	43
		Kiwanis clubs.....	318
		Lawyers.....	153
		Libraries and librarians.....	847
		Lime manufacturers.....	129
		Members of American Legion.....	427
		Newspaper editors.....	2,275
		Paint and oil manufacturers.....	1,246
		Paper mills.....	804
		Prominent men.....	4,731
		Prominent women.....	2,475
		Rotary clubs.....	760
		Senators.....	96
		Stockholders and licensees.....	271
		Students.....	2,633
		Tanners.....	196
		Teachers' associations.....	218
Textile manufacturers.....	8,488		
Women's clubs.....	2,608		
Total.....			59,219
No. 5. Creative Chemistry by Edwin E. Slosson (gratis).	Nov. 10, 1920...	Agricultural agents.....	1,203
		Chambers of commerce.....	937
		Congressmen.....	435
		Consumers and businessmen.....	16,068
		Drug and chemical manufacturers.....	1,365
		Educators.....	6,448
		Government employees.....	113
		Ink manufacturers.....	43
		Kiwanis clubs.....	318
		Libraries and librarians.....	1,452
		Lime manufacturers.....	129
		Members of American Legion.....	429
		Newspapers editors.....	2,275
		Paint and oil manufacturers.....	1,246
		Paper mills.....	804
		Prominent men.....	4,731
		Prominent women.....	2,475
		Rotary clubs.....	760
		Scout masters.....	14,128
		Senators.....	96
		Stockholders and licensees.....	271
		Students.....	7,633
		Tanners.....	196
		Teachers' associations.....	218
		Textile manufacturers.....	7,681
		Women's clubs.....	2,608
		High schools, normal schools, and sales.....	69,000
		Total.....	
No. 6. Reorganization of Science in Secondary Schools (report of commission on reorganization of secondary education, appointed by National Education Association.)	Dec. 7, 1920, to June 30, 1920.	Consumers and businessmen.....	2,000
No. 7. Books I Have Met, by Dr. Frank Crane.	Dec. 9, 1920, to June 30, 1920.	Consumers and businessmen.....	3,347
		Educators.....	2,543
		Prominent women.....	1,202
		Students.....	465
		Women's clubs.....	2,401
Total.....			9,958
No. 8. Molecules and Man, by Dr. Robert E. Rose.	Dec. 14, 1920, to June 30, 1920.	Consumers and businessmen.....	1,408
		Educators.....	2,113
		Students.....	1,304
Total.....			4,825

Name of article	Date	To whom sent	Amount
No. 9. Census of dyes and coal-tar chemicals, 1919 (Tariff Information Series No. 22).	Dec. 23, 1920, to June 30, 1920.	Chambers of commerce .....	937
		Consumers and businessmen.....	19,595
		Newspaper editors.....	2,275
Total.....			22,807
No. 10. The Chemical Industries of German Rhineland. (summary of report of British Chemical Mission on chemical factories in occupied area of Germany).	Dec. 31, 1920, to June 30, 1920.	Consumers and businessmen.....	343
No. 11. The Truth about American Dyes (the Literary Digest for Dec. 18, 1920).	Jan. 19, 1921, to June 30, 1920.	.....do.....	1,948
No. 12. Has America No Answer For This German Threat? (Reprinted from Manufacturers Record, Jan. 13, 1921.)	Feb. 3, 1921, to June 30, 1920.	Agricultural agents .....	1,216
		Authors.....	1,433
		Bankers .....	56
		Chambers of commerce.....	937
		Congressmen.....	435
		Consumers and businessmen .....	8,237
		Doctors.....	113
		Drug manufacturers.....	1,365
		Educators.....	4,423
		Foreign.....	154
		Government employees.....	113
		Ink manufacturers.....	43
		Kiwanis clubs.....	318
		Libraries and librarians .....	847
		Lime manufacturers.....	129
		Members of American Legion.....	427
		Newspaper editors.....	2,275
		Paint and oil manufacturers.....	1,240
		Paper mills.....	804
		Prominent men.....	2,942
		Prominent women.....	2,475
		Rotary clubs.....	769
Stockholders and licensees.....	271		
Students.....	2,643		
Tanners.....	196		
Textile manufacturers.....	8,488		
Womens' clubs.....	2,608		
Total.....			44,963
No. 13. Says Longworth Dye bill offers best solution, by Arthur W. Wright.	Feb. 26, 1921, to June 30, 1920.	Consumers and businessmen.....	4,893
No. 14. Shall America Remain the Only Important Country at the Mercy of the German Chemists? (Address by Joseph H. Choate, Jr., at twenty-first annual meeting of National Civic Federation.)	Mar. 4, 1921, to June 30, 1920.	Agricultural agents.....	1,216
		Authors.....	1,433
		Bankers.....	56
		Chambers of commerce.....	937
		Congressmen.....	435
		Consumers and businessmen.....	17,267
		Doctors.....	113
		Drug manufacturers.....	1,365
		Educators.....	16,423
		Foreign.....	154
		Government employees.....	113
		Ink manufacturers.....	43
		Kiwanis clubs.....	318
		Lawyers.....	153
		Libraries and librarians.....	847
		Lime manufacturers.....	129
		Members of American Legion.....	427
		Newspaper editors.....	2,275
		Paint and oil manufacturers.....	1,240
		Paper mills.....	804
		Prominent men.....	4,731
		Prominent women.....	2,475
Rotary clubs.....	769		
Scoutmasters.....	14,848		
Senators.....	96		
Stockholders and licensees.....	271		
Students.....	10,643		
Tanners.....	196		
Teachers' associations.....	218		
Textile manufacturers.....	17,488		
Women's clubs.....	2,608		
Total.....			100,097



Name of article	Date	To whom sent	Amount
No. 15. Chemical Disarmament. (Reprinted from Chemical and Metallurgical Engineering, vol. 24, no. 1, Jan. 5, 1921.)	Mar. 11, 1921, to June 30, 1920.	Consumers and businessmen.....	5,879
No. 16. Hearings before the Committee on Finance.	Mar. 19, 1921, to June 30, 1920.	Consumers, lawyers, educators, and businessmen.....	252
No. 17. Hearings before the Committee on Ways and Means.	.....do.....	.....do.....	346
No. 18. German Dyestuffs This Year Will Top Big Pre-War Output. (Reprint from New York American, Mar. 25, 1921.)	Mar. 31, 1921, to June 30, 1920.	Consumers and businessmen.....	468
No. 19. Will The Chemist Compete With Farmers? (Reprint from the Rural New Yorker, Feb. 12, 1921.)	Mar. 31, 1921, to June 30, 1920.	Agricultural agents.....	1,216
		Consumers.....	3,973
		Editors.....	2,275
		Educators.....	1,662
		Libraries and librarians.....	847
Total.....			9,973
No. 20. Dye Makers Must Be Given Chance. (Reprint from the Scranton Republican, Mar. 25, 1921.)	Mar. 31, 1921, to June 30, 1920.	Consumers and businessmen.....	367
No. 21. Treasure Hunting of Today and Chemistry in Our Schools. (Prepared for the bureau of education by Robert E. Rose.)	.....do.....	Authors.....	1,433
		Chambers of commerce.....	937
		Consumers and businessmen.....	8,237
		Drug and chemical manufacturers.....	1,365
		Educators.....	39,421
		Foreign.....	184
		Ink manufacturers.....	43
		Kiwanis clubs.....	318
		Libraries and librarians.....	847
		Lime manufacturers.....	129
		Newspaper editors.....	2,275
		Paint and oil manufacturers.....	1,246
		Paper mills.....	804
		Prominent men.....	4,731
		Prominent women.....	2,475
		Rotary clubs.....	760
		Scoutmasters.....	14,848
		Stockholders and licensees.....	271
		Students.....	2,943
		Tanners.....	196
		Teachers associations.....	218
		Textile manufacturers.....	8,488
		Women's clubs.....	2,608
Total.....			94,750
No. 22. Germany's Commercial Grip on the World, by Henri Hauser.	Apr. 15, 1921, to June 30, 1920.	Educators, editors, and businessmen.....	175
No. 23. Future of United States in Hands of Chemists, Slosson Warning. (The Minneapolis Sunday Tribune Apr. 10, 1921.)	Apr. 30, 1921, to June 30, 1920.	Prominent men.....	4,731
		Prominent women.....	1,004
		Scoutmasters.....	14,848
		Students.....	1,894
Total.....			22,477
No. 24. British Dye Licensing Bill (memorandum prepared by the American Dyes Institute in respect to the Longworth bill.)	May 18, 1921, to June 30, 1920.	Consumers and businessmen.....	3,907
No. 25. Hoover Considers Dye Industry Aid. (Reprint from the Journal of Commerce, Apr. 5, 1921.)	May 27, 1921, to June 30, 1920.	Chambers of commerce.....	937
		Consumers and businessmen.....	8,237
		Drug manufacturers.....	1,365
		Ink manufacturers.....	43
		Lime manufacturers.....	129
		Newspaper editors.....	2,275
		Paint and oil manufacturers.....	1,246
		Paper mills.....	804
		Prominent men.....	4,731
		Tanners.....	196
		Textile manufacturers.....	8,488
Total.....			28,451

Name of article	Date	To whom sent	Amount
No. 26. World Mastery Lies in "Dew of Death" (New York Herald, May 8, 1921).	May 31, 1921, to June 30, 1926.	Boston Textile Exposition .....	5,000
		Newspaper editors .....	2,117
		Prominent men .....	4,731
Total .....			11,848
No. 27. Embargo is Urged on German Dyes. (New York Times, May 23, 1921.)	May 31, 1921, to June 30, 1926.	Chambers of commerce .....	868
		Consumers and businessmen .....	862
		Newspaper editors .....	2,275
Total .....			4,005
No. 28. The Next War, by Will Irwin.	May 31, 1921, to June 30, 1926.	Colleges and educators .....	253
		Consumers and businessmen .....	167
		Prominent women .....	340
Total .....			760
No. 29. These Unreliable American Dyes. (Reprinted 1921 from Drug and Chemical Markets.)	June 1, 1921, to June 30, 1926.	Consumers and businessmen .....	487
No. 30. An Appeal, by Francis P. Garvan.	June 20, 1921, to June 30, 1926.	Agricultural agents .....	1,216
		Authors .....	1,433
		Chambers of commerce .....	937
		Congressmen .....	435
		Consumers and businessmen .....	3,153
		Educators .....	6,423
		Newspaper editors .....	2,275
		Senators .....	96
Total .....			15,968
No. 31. What about Chemical Warfare? by Herbert Quick. (Reprinted from newspapers served by the Newspaper Enterprise Association.)	July 22, 1921, to June 30, 1926.	Agricultural agents .....	1,216
		Authors .....	1,433
		Bankers .....	56
		Chambers of commerce .....	937
		Congressmen .....	435
		Consumers and businessmen .....	18,237
		Doctors .....	113
		Drug manufacturers .....	1,365
		Educators .....	20,840
		Foreign .....	154
		Government employees .....	113
		Ink manufacturers .....	43
		Kiwanis clubs .....	318
		Lawyers .....	153
		Libraries and librarians .....	2,046
		Lime manufacturers .....	120
		Members of American Legion .....	427
		Newspaper editors .....	2,275
		Paint and oil manufacturers .....	1,246
		Paper mills .....	804
		Prominent men .....	4,731
		Prominent women .....	2,475
		Rotary clubs .....	2,075
Scoutmasters .....	14,848		
Senators .....	96		
Stockholders and licensees .....	271		
Students .....	3,548		
Tanners .....	190		
Teachers' associations .....	1,923		
Textile manufacturers .....	11,634		
Womens' clubs .....	2,608		
Total .....			96,751
No. 32. Reprint and Circular Series of the National Research Council, by Charles H. Herty.	July 7, 1921, to June 30, 1926.	Deans of colleges .....	23
No. 33. Census of Dyes and Coal-Tar Chemicals, 1920 (Tariff Information Series No. 23).	July 9, 1921, to June 30, 1926.	Consumers and businessmen .....	1,073
No. 34. Why Tariff Duties Alone Will Not Now Protect the American Dye Industry (reprinted from Drug and Chemical Markets, June 22, 1921.)	July 11, 1921 to June 30, 1926.	do .....	5,063
No. 35. Speech of Hon. Caleb K. Layton (in the House of Representatives July 9, 1921, reprinted from Congressional Record).	July 14, 1921, to June 30, 1926.	do .....	423

Name of article	Date	To whom sent	Amount
No. 36. The Yale Alumni Weekly, Apr. 29, 1921 (out of print).	Aug. 5, 1921, to June 30, 1926.	Deans of colleges.....	102
No. 37. Dye Tariff and License Control (The testimony of William Haynes and Daniel L. Waters).	Aug. 8, 1921, to June 30, 1926.	Consumers and businessmen.....	4,982
No. 38. An Exhibit (Brown & Gray): What the Chemist Has Done and May Do For Them in War and Peace.	Aug. 15, 1921, to June 30, 1926.	Agricultural agents.....	1,216
		Authors.....	1,433
		Bankers.....	56
		Chambers of commerce.....	937
		Colleges, educators, and clergymen.....	126,423
		Congressmen.....	435
		Consumers and businessmen.....	7,237
		Dentists and doctors.....	164,410
		Druggists.....	39,371
		Engineers.....	32,346
		Foreign.....	154
		Government employees.....	113
		Ink manufacturers.....	43
		Kiwanis clubs.....	318
		Lawyers.....	122,158
		Libraries and librarians.....	847
		Lime manufacturers.....	129
		Members of American Legion.....	427
		Newspaper editors.....	2,275
		Paint and oil manufacturers.....	1,246
		Paper manufacturers.....	804
		Prominent men.....	4,731
		Prominent women.....	2,475
		Rotary clubs.....	769
		Senators.....	96
		Students.....	5,643
		Tanners.....	198
		Teachers' association's.....	218
		Textile manufacturers.....	6,815
		Utah citizens.....	39,458
		Women's clubs.....	2,608
		Miscellaneous.....	27,821
<b>Total.....</b>			<b>808,065</b>
No. 39. Testimony of the Army and Navy on True preparedness without taxation.	Aug. 17, 1921 to June 30, 1926.	Agricultural agents.....	1,216
		Authors.....	1,433
		Bankers.....	56
		Chambers of commerce.....	937
		Congressmen.....	435
		Consumers and business men.....	18,823
		Doctors.....	113
		Drug manufacturers.....	1,365
		Educators.....	6,423
		Foreign.....	154
		Government employees.....	113
		Ink manufacturers.....	43
		Kiwanis clubs.....	318
		Lawyers.....	153
		Libraries and librarians.....	847
		Lime manufacturers.....	129
		Members of American Legion.....	427
		Newspaper editors.....	2,275
		Paint and oil manufacturers.....	1,246
		Paper mills.....	804
		Prominent men.....	4,731
		Prominent women.....	2,475
		Rotary clubs.....	769
		Senators.....	96
		Stockholders and licensees.....	271
		Students.....	2,643
		Tanners.....	198
		Teachers association.....	218
		Textile manufacturers.....	8,488
		Womens clubs.....	2,608
<b>Total.....</b>			<b>59,811</b>

Name of article	Date	To whom sent	Amount
No. 40. Hearings on the tariff bill, H. R. 7456 (before the Finance Committee of the United States Senate.)	Sept. 6, 1921 to June 30, 1920.	Lawyers.....	96, 661
No. 41. Mr. Francis P. Garvan's speech of Sept. 7, 1921 delivered before the joint session of the Society of Chemical Industry and the American Chemical Society at Columbia University. (Reprinted by permission from the Journal of Industrial and Engineering Chemistry, October 1921).	Sept. 14, 1921 to June 30, 1920.	Agricultural agents.....	1, 216
		Authors.....	1, 433
		Bankers.....	56
		Chambers of commerce.....	937
		Clergymen and educators.....	146, 423
		Congressmen.....	435
		Consumers and businessmen.....	8, 237
		Dentists and doctors.....	172, 113
		Druggists.....	41, 583
		Engineers.....	37, 346
		Foreign.....	154
		Government employees.....	113
		Ink manufacturers.....	43
		Kiwanis clubs.....	318
		Lawyers.....	127, 153
		Libraries and librarians.....	817
		Lime manufacturers.....	129
		Members of American Legion.....	427
		Newspaper editors.....	2, 427
		Paint and oil manufacturers.....	1, 240
		Paper manufacturers.....	804
		Prominent men.....	4, 731
		Prominent women.....	2, 475
		Rotary clubs.....	769
		Scoutmasters.....	14, 648
		Senators.....	96
		Students.....	8, 643
		Tanners.....	196
		Teachers' associations.....	218
		Textile manufacturers.....	8, 498
		Utah citizens.....	62, 073
		Womens' clubs.....	2, 698
Total.....			648, 433
No. 42. Coals to Newcastle. (Reprinted from the New York Times, Sept. 17, 1921.)	Sept. 23, 1921, to June 30, 1920.	Agricultural agents.....	1, 216
		Authors.....	433
		Chambers of commerce.....	937
		Consumers and businessmen.....	8, 237
		Educators.....	6, 423
Total.....			17, 246
No. 43. The Relation of Our Chemical Industry to Our National Defense, by Senator Irvine L. Lenroot.	Sept. 26, 1921, to June 30, 1920.	Authors.....	690
		Congressmen.....	435
		Newspaper editors.....	2, 275
		Senators.....	96
Total.....			3, 496
No. 44. Why Dyestuff Imports Should be Licensed, by G. D. McDonald (reprint from the Color Trade Journal September 1921).	Sept. 26, 1921, to June 30, 1920.	Colleges and educators.....	150
		Consumers and businessmen.....	450
Total.....			600
No. 45. Why the Coal Tar Chemical Industry Must be Preserved and How to Accomplish it, by S. Isermann.	Oct. 7, 1921, to June 20, 1920.	Textile manufacturers.....	4, 984
No. 46. The Riddle of the Rhine, by Victor Lefebure (gratis).	Nov. 23, 1921, to June 30, 1920.	Agricultural agents.....	35
		Authors.....	19
		Commercial clubs.....	68
		Congressmen.....	435
		Consumers and businessmen.....	231
		Doctors.....	86, 537
		Editors.....	396
		Educators.....	118
		Ex-service men.....	15
		Libraries.....	2
		Prominent men.....	31
		Prominent women.....	82
		Scout masters.....	39
		Senators.....	96
		High schools, normal schools, and colleges.....	71, 000
		Sales.....	
Total.....			150, 104

Name of article	Date	To whom sent	Amount		
No. 47. The Future Independence and Progress of American Medicine in the Age of Chemistry.	Dec. 21, 1921, to June 30, 1926.	Agricultural agents.....	1,216		
		Authors.....	1,433		
		Bankers.....	35,000		
		Chambers of commerce.....	937		
		Colleges, educators, and clergymen.....	146,423		
		Congressmen.....	435		
		Consumers and businessmen.....	14,620		
		Doctors and dentists.....	168,669		
		Druggists.....	41,583		
		Engineers.....	37,346		
		Foreign.....	154		
		Government employees.....	113		
		Ink manufacturers.....	43		
		Kiwanis clubs.....	318		
		Libraries and librarians.....	123,430		
		Lime manufacturers.....	847		
		Lime manufacturers.....	129		
		Members of American Legion.....	427		
		Newspapers and editors.....	2,275		
		Paint and oil manufacturers.....	1,246		
		Paper mills.....	804		
		Prominent men.....	4,731		
		Prominent women.....	2,475		
		Rotary clubs.....	769		
		Scoutmasters.....	14,848		
		Senators.....	96		
		Students.....	8,643		
		Tanners.....	196		
		Teachers' associations.....	218		
		Textile manufacturers.....	8,488		
		Utah citizens.....	34,609		
		Women's clubs.....	2,608		
		Insurance companies.....	382		
		Public, educational, and professional libraries.....	1,294		
		Miscellaneous.....	59,212		
		Total.....			715,927
		No. 48. Daily News Record, Dec. 28, 1921.	Dec. 29, 1921, to June 30, 1926.	Consumers and businessmen.....	8,237
				Drug manufacturers.....	1,365
				Ink manufacturers.....	43
				Lime manufacturers.....	129
				Paint and oil manufacturers.....	1,246
				Paper mills.....	804
				Tanners.....	196
Textile manufacturers.....	3,642				
Total.....			15,662		
No. 49. How Germany, England, Italy, France, and Japan have Protected Their Organic Chemical Industries by Special Legislation.	Mar. 4, 1922, to June 30, 1926.	Senators.....	500		
		Miscellaneous.....	150		
Total.....			650		
No. 50. Atlantic Monthly, June, 1922.	June 19, 1922, to June 30, 1926.	Senators.....	96		
		Congressmen.....	431		
Total.....			527		
No. 51. The Dyes Question - An Open Letter to My My Friends the Free Trade Members of Parliament, by James Morton.	July 7, 1922, to June 30, 1926.	Newspapers and editors.....	2,275		
No. 52. Legal Memoranda Relating to Enemy Patents Sold by the Alien Property Custodian to The Chemical Foundation, Inc.	July 10, 1922, to June 30, 1926.	Lawyers.....	500		
No. 53. The Yale Alumni Weekly, Chemical Number, May 12, 1922.	July 17, 1922, to June 30, 1926.	Doctors.....	15,000		
No. 54. Testimony of Francis P. Garvan before the subcommittee of the Committee on the Judiciary, U. S. Senate, Mar. 1 to 7, 1922.	July 20, 1922, to June 30, 1926.	Miscellaneous.....	3,300		

Name of article	Date	To whom sent	Amount		
No. 55. The Chemical Question—An Open Letter to Warron O. Harding, President of the United States, by Francis P. Garvan.	July 31, 1922, to June 30, 1926.	Agricultural agents.....	1,959		
		Chambers of commerce.....	937		
		City engineers.....	3,750		
		City mayors.....	2,750		
		Congressmen.....	435		
		Consumers and businessmen.....	56,008		
		Drug and chemical manufacturers.....	6,365		
		Doctors.....	102,878		
		Educators.....	9,453		
		Government employees.....	113		
		Ink manufacturers.....	43		
		Kiwanis clubs.....	318		
		Libraries and librarians.....	1,452		
		Lime manufacturers.....	129		
		Members of American Legion.....	329		
		Newspapers, editors.....	2,275		
		Paint and oil manufacturers.....	1,609		
		Paper mills.....	1,051		
		Prominent men.....	4,831		
		Prominent women.....	2,475		
		Rotary clubs.....	769		
		Scout masters.....	15,065		
		Senators.....	96		
		Stockholders and licensees.....	271		
		Students.....	10,130		
		Tanners.....	196		
		Teachers' associations.....	218		
		Textile manufacturers.....	17,681		
		Women's clubs.....	2,608		
		John Benkart, Hollywood, Calif.....	2,509		
		Miscellaneous.....	1,000		
		<b>Total.....</b>			<b>249,754</b>
		No. 56. Chemical Development is America's Greatest Need (from Oil-Paint and Drug Reporter, Feb. 28, 1921).	Mar. 31, 1921, to June 30, 1926.	Miscellaneous.....	300
No. 57. Letters on Chemistry and Warfare—Washington, D. C., 1921.	Dec. 5, 1921, to June 30, 1926.	Drug and chemical manufacturers.....	1,000		
No. 58. The Threatened Dye-stuff Industry (reprint New York Times Dec. 21, 1920—Editorial).	Dec. 22, 1920, to June 30, 1926.	Businessmen.....	600		
No. 59. The Coal Tar Chemical and Dyestuffs Bill (Perfumer's Journal and Essential Oil Recorder).	Feb. 23, 1921, to June 30, 1926.	Dye manufacturers.....	300		
No. 60. Corrodes Cannot Bar Use of Poison Gas in War, Says Ida Tarbell (the Washington Herald, Dec. 18, 1921).	Dec. 18, 1921, to June 30, 1926.	Agricultural agents.....	1,216		
		Authors.....	1,433		
		Bankers.....	28,000		
		Chambers of commerce.....	937		
		Colleges and educators.....	13,460		
		Doctors.....	21,286		
		Lawyers.....	15,000		
		Prominent men.....	4,731		
		Prominent women.....	2,475		
		Senators.....	96		
		Textile manufacturers.....	8,488		
		Women's clubs.....	2,608		
		<b>Total.....</b>			<b>99,720</b>
No. 61. To Buy Back An Empire With A Drug (from the Literary Digest for Dec. 2, 1922).	Dec. 2, 1922, to June 30, 1926.	Bankers.....	3,172		
		Drug manufacturers.....	1,700		
<b>Total.....</b>			<b>4,962</b>		
No. 62. Let the Chemists Pay Your Bills, by Arthur D. Little.	Jan. 23, 1923, to June 30, 1926.	Businessmen.....	4,750		
No. 63. Chicago Medical Society—letters concerning arspanamine, by R. R. Forson, secretary.	Jan. 15, 1923, to June 30, 1926.	Doctors.....	147,861		
No. 64. Dye Smugglers Outdo Rum Corps: \$30,000 for Barrel Worth \$1,000. (Reprinted from New York Times, July 8, 1923.) Dye Makers Break Germans' Monopoly. (Reprinted from New York Times, July 9, 1923.)	July 8, 1923, to June 30, 1926.	Dye manufacturers.....	3,000		

Name of article	Date	To whom sent	Amount
No. 65. The Next War--As Seen by an Englishman (from The New York Herald Oct. 14, 1923).	Oct. 14, 1923, to June 30, 1926.	Directors.....	5,000
No. 66. Opinions of Court (U. S. District Court, District of Delaware).	.....do.....	Businessmen.....	12,813
		Directors.....	30,000
		Dye manufacturers.....	3,000
		Lawyers.....	22,431
		Libraries and librarians.....	1,452
		Newspaper editors.....	2,275
		Paint and oil manufacturers.....	1,246
		Licenses and stockholders.....	271
		Textile manufacturers.....	7,681
		Miscellaneous.....	34,901
Total.....			115,209
No. 67. Coolidge Extols Chemists of Nation. (Reprinted from New York Times, Apr. 25, 1924.)	Apr. 25, 1924, to June 30, 1926.	Businessmen.....	8,791
		Directors.....	10,542
		Miscellaneous.....	3,467
Total.....			22,800
No. 68. Chemical Foundation Defeats Government Effort to Force Return of German Dye Patents (Daily News Record, Jan. 4, 1924).	Jan. —, 1924, to June 30, 1926.	Miscellaneous.....	5,000
No. 69. Sees United States Industry Hurt by Methanol (Apr. 29, 1925, New York Times). Hoover Shows How Methanol Hits Industry (Apr. 29, 1925, New York Commercial). Lessons of Methanol (New York Times, Apr. 30, 1925).	Apr. 19, 1925, to June 30, 1926.	Bankers.....	7,500
No. 70. Some Danger Signals for the Textile and Dye Industries, by Dr. Chas. H. Herty.	May 1925 to June 30, 1926.	Businessmen.....	9,439
		Dye manufacturers.....	2,583
		Miscellaneous.....	847
Total.....			12,869
No. 71. Foundation Wins on Appeal of United States in Gorman-Patents Suit: Gorman Is Vindicated (Daily News Record, Mar. 27, 1925).	Mar. 27, 1925 to June 30, 1926.	Miscellaneous.....	5,000
		Requests.....	100
Total.....			5,100
No. 72. Opinion of Court (U. S. Circuit Court of Appeals for the Third Circuit).	Apr. —, 1925 to June 30, 1926.	Businessmen.....	12,843
		Dye manufacturers.....	3,000
		Lawyers.....	22,431
		Stockholders and licensees.....	324
		Textile manufacturers.....	7,681
		Miscellaneous.....	5,136
Total.....			51,415
No. 73. The Chemical Foundation Vindicated, but Where Did the Attack on It Originate? (Manufacturers' Record, Apr. 10, 1925).	May 1925 to June 30, 1926.	Miscellaneous.....	112
No. 74. Gorman: Chemical Trust Wants Our Money to Fight United States Chemical Industry (New York Commercial, February 1925, reprint).	February 1925 to June 30, 1926.	Bank officials and men of New York Stock Exchange.....	126,268
		Businessmen.....	12,843
		Directors.....	30,000
		Stockholders and licensees.....	324
		Textile manufacturers.....	7,681
		Miscellaneous.....	22,384
Total.....			200,000
No. 75. What Price Progress? by Hugh Farrell (reprint, New York Commercial, May 1925).	May 1925 to June 30, 1926.	Bank directors and officials.....	349,613
		Dye manufacturers.....	3,000
		Lawyers.....	22,431
		Textile manufacturers.....	7,681
		Miscellaneous.....	17,275
Total.....			400,000

Name of article	Date	To whom sent	Amount		
No. 76. What Price Progress? by Hugh Farrell (pamphlet).	Oct. 10 1925, to June 30, 1926.	Agricultural agents.....	1, 198		
		Authors.....	1, 426		
		Bankers.....	10, 400		
		Book buyers.....	23, 000		
		Chambers of commerce.....	949		
		Colleges and educators.....	0, 085		
		Congressmen.....	435		
		Doctors.....	40, 839		
		Directors.....	32, 000		
		Kiwanis clubs.....	310		
		Lawyers.....	20, 000		
		Libraries and librarians.....	725		
		Prominent men.....	4, 712		
		Lime manufacturers.....	132		
		Newspaper editors.....	2, 332		
		Rotary clubs.....	815		
		Senators.....	96		
		Stockbrokers.....	4, 500		
		Stockholders and licensees.....	330		
		Tanners.....	194		
		Miscellaneous (including those shipped with books).....	111, 630		
		<b>Total.....</b>			<b>202, 114</b>
		No. 77. The Fifth Estate, by Arthur D. Little (Reprinted by the Chemical Founda- tion).	June 30, 1926.....	Agricultural agents.....	1, 198
Authors.....	1, 426				
Bankers.....	10, 400				
Chambers of commerce.....	949				
Colleges and educators.....	0, 085				
Congressmen.....	435				
Doctors.....	35, 620				
Drug and chemical manufacturers.....	1, 747				
Kiwanis clubs.....	318				
Lawyers.....	22, 000				
Libraries and librarians.....	725				
Lime manufacturers.....	132				
Newspaper and editors.....	2, 332				
Paints and oil manufacturers.....	1, 078				
Paper mills.....	825				
Prominent men.....	4, 712				
Prominent women.....	2, 660				
Rotary clubs.....	815				
Senators.....	96				
Stockholders and licensees.....	340				
Women's clubs.....	2, 024*				
Miscellaneous.....	152, 135				
<b>Total.....</b>					<b>248, 042</b>
No. 78. America's Chemical Crisis (American Legion Weekly).	Oct. 28, 1921.....	With regular list.....	25.		
No. 79. Science and Our Everyday Life (Saturday Evening Post).	Mar. 10, 1923.....	do.....	40.		
No. 80. To American Women —A Plea.	.....	Federation of Women's Clubs (presidents, secretaries, and members).	200, 000.		
No. 81. Chemistry Extending Its Frontier.	March 1924.....	Alumni, Harvard.....	2, 500.		
No. 82. Arspenamine Letter.	May 6, 1924.....	Wholesale drug firms in the United States..	2, 000.		
No. 83. Proposed Institute of Chemo-Medical Research at Georgetown University, Washington, D. C.	1925.....	Prominent men.....	10, 000.		
No. 84. Speech of Hon. Joseph E. Ransdell (Federal Cam- paign against unconquered Enemies of Health).	July 2, 1923.....	Doctors (special).....	3, 000.		
No. 85. Editorial, New York Commercial—German loans.	Nov. 10, 1925.....	Bankers (president and vice president)....	50, 000.		
No. 86. Advancing the Science of Chemistry.	1925.....	Alumni, Johns Hopkins.....	2, 500.		
No. 87. Chemistry in the Service of Man.	1925.....	Alumni, University of Chicago.....	250.		
No. 88. Supreme Court of the United States Decision.	October 1926.....	Lawyers (United States).....	50, 000.		
No. 89. Chemistry (by Dr. Chas. H. Herty).	Dec. 29, 1926.....	Members of American Chemical Society..	10, 000.		
No. 90. Are Armies Needed Any Longer? (H. G. Wells).	Oct. 21, 1927.....	Book buyers.....	10, 000.		
No. 91. The Ultimate Mission of Chemistry (by Dr. Chas. H. Herty).	.....do.....	Members of American Chemical Society...	10, 000.		



Name of article	Date	To whom sent	Amount
No. 92. Chemistry in Relation to Biology and Medicine (by Dr. John J. Abel)	Oct. 14, 1927	Selected doctors	25,000
No. 93. Chemical Trust Formed in Europe (reprint The New York Times)	Oct. 16, 1927	Book buyers	50,000
No. 94. The European Chemical Cartel (by Dr. Chas. H. Herty)	Nov. 4, 1927	Members of American Chemical Society	10,000
No. 95. Our Chemical Industry (reprint, New York Times)	Nov. 21, 1927		10,000
No. 96. Cui Bono	May 4, 1929	Bank presidents, lawyers, doctors	100,000
No. 97. Chemistry and Human Welfare		University of Chicago	2,500
No. 98. Chemistry at Princeton		Alumni, Princeton	2,500
No. 99. The Boston Herald	Jan. 27, 1930	Bank presidents, vice presidents, Who's Who, doctors (American Medical Association), buyers, directors, lawyers.	200,000
No. 100. Chemistry in Industry, vol. 1.			58,000
No. 101. Chemistry in Industry, vol. 2.			50,000
No. 102. Chemistry in Agriculture.			35,000
No. 103. The Life of Pasteur			82,000
No. 104. Discovery—The Spirit and Science of Service.			66,450
No. 105. What Price Progress (bound) (sales).			14,621
No. 106. The National Institute of Health (Senator Royal S. Copeland).	1930	Members of the American Medical Association.	50,000
No. 107. The Future Independence and Progress of American Medicine. The Age of Chemistry (bound).		High schools, normal schools, colleges (gratis), sales.	72,000
No. 108. Chemistry in Medicine.		Doctors, lawyers, Who's Who, buyers, prominent men, prominent women, college presidents, faculty of colleges, bankers, dentists, students (medical), newspaper editors, social register, principal catholic pastors in United States.	200,000 2,200
No. 109. Laboratory Construction and Equipment.			
No. 110. The War for Health (Washington Evening Star, May 26, 1931).	June 1, 1931	Newspaper men	2,000
No. 111. The National Institute of Health (white, sent from Washington).	July 14, 1931		200,000
No. 112. The Effect of Chemistry in the Development of the South (by Senator Pat Harrison).	Aug. 25, 1931	Was sent to the following in these Southern States, Virginia, North Carolina, South Carolina, Georgia, Tennessee, Florida, Texas, Arkansas, Arizona, New Mexico, Alabama, Oklahoma, Kentucky, Louisiana, and Mississippi: Governors..... High State officers..... Superintendents of education..... Members of the legislatures..... County school superintendents..... City school superintendents..... Bankers (presidents)..... Doctors..... Lawyers..... Boards of trade..... Chambers of commerce..... Newspaper editors..... College and university presidents..... Mayors of cities and towns (over 3,000).	15 62 23 2,187 1,353 628 5,501 34,150 5,504 33 853 1,180 314 690
Total			52,403

Name of article	Date	To whom sent	Amount
No. 113. O. P. M. (Other People's Money).	Oct. 31, 1931	Bankers (presidents and vice presidents).....	81,154
		Buyers (foundation).....	65,708
		College of Surgeons.....	8,993
		College trustees.....	3,200
		Directory of directors.....	16,586
		Directors of Catholic charities in the United States.....	37
		Doctors (Fisher-Stevens list).....	12,420
		Doctors (specialists).....	21,461
		Faculty of colleges in United States where more than 1,000 attend.....	31,241
		Governing officials of States.....	272
		High-school principals.....	13,607
		Kiwanis clubs.....	1,267
		Lawyers.....	17,625
		Libraries.....	640
		Licenses of the Chemical Foundation, Inc.....	303
		Lion's clubs.....	832
		Mayors of cities and towns in the United States.....	3,102
		Members of State legislatures in South.....	204
		Mr. Bullum's list.....	335
		National committeemen (Senator Pat Harrison).....	615
		Newspaper editors.....	2,800
		New York State assemblymen.....	150
		New York State senators.....	51
		Principal Catholic pastors in the United States.....	642
		Radiological Research Institute members.....	1,000
		Requests.....	77,313
		Rotary clubs.....	2,178
		Secretaries of chambers of commerce.....	846
		Secretaries of boards of trade.....	33
		Social Register, Washington, D. C.....	2,598
		Stockholders of the Chemical Foundation, Inc.....	104
		United States Social Register.....	13,272
		Who's Who.....	23,867
Who's Who in Government.....	9,307		
Women's clubs.....	3,234		
<b>Total.....</b>			<b>417,000</b>
No. 114. O. P. M. in Foreign Loans in the Chemical Industry (White).	Jan. 9, 1932	Alcohol manufacturers.....	35
		Chemical Foundation licensees.....	304
		Chemical Foundation stockholders.....	104
		Drug manufacturers.....	320
		Dye manufacturers.....	102
		Fertilizer manufacturers.....	75
		Glass manufacturers.....	66
		Mr. Bullum's list.....	40
		Newspapers.....	2,785
		New York City bankers (presidents, vice presidents and chairmen of boards).....	1,260
		New York City brokers.....	780
		Perfume manufacturers.....	106
		Requests.....	4,500
		Rubber manufacturers.....	13
		Soap manufacturers.....	39
		Textile dyers and bleachers.....	75
		United States Congressmen.....	435
United States Senators.....	96		
<b>Total.....</b>			<b>11,136</b>
No. 115. Chemical Progress in the South.	September 1930.	Distributed to the following in the Southern States:	
		Chambers of Commerce.....	
		Governors.....	
		Presidents of colleges.....	
		Public and college libraries.....	
		Some chemistry teachers.....	
		Some deans of colleges.....	
		Some industrial leaders.....	
		Some newspapers.....	
		Some trustees of colleges.....	
State superintendents of education.....			
<b>Total.....</b>			<b>1,000</b>
No. 116. The National Institute of Health (Green) Washington, D. C.			<b>20,000</b>

Name of article	Date	To whom sent	Amount
No. 117. Sale of Foreign Bonds or Securities in the U. S. (Senator Hiram W. Johnson's speech, Mar. 15, 1932).		Selected O. P. M. people in all States.....	5,000
No. 118. A Bubble That Broke the World.			
	<i>Advance copy</i>		
		Republican delegates to national convention.....	2,272
		Democratic delegates to national convention.....	2,202
	June 4-16, 1932.	Senators.....	96
		Congressmen.....	433
		<i>Cloth copy</i>	
		Democratic delegates to national convention.....	628
	June 16, 1932....	New nominees for U. S. Congress and Senate up for election Nov. 8, 1932.	63
	July 16, 1932....	Newspapers.....	2,338
	July 26 and 27, 1932.	Presidents of banks (telegram list).....	3,800
		Authors.....	525
		New York brokers.....	800
		Labor officials.....	265
	Jan. 17, 1933....	Social register of Washington, D. C. (except Members of Senate and House).....	1,600
	Jan. 27, 1933....	Republican contributors in New York State.....	500
		.....do.....	500
	Feb. 1, 1933....	.....do.....	550
	Feb. 3, 1933....	.....do.....	484
		Democratic contributors in New York State.....	800
	Feb 4, 1933....	Republican contributors in New York State.....	450
		Democratic contributors in New York State.....	92
	Feb. 6, 1933....	.....do.....	300
	Feb. 7, 1933....	.....do.....	723
		Republican contributors in New York State.....	982
	Feb. 9, 1933....	.....do.....	274
	Feb. --, 1933....	Democratic contributors in New York State.....	74
	Feb. 13, 1933....	Vice presidents of New York City banks.....	104
	Feb. 15, 1933....	.....do.....	255
	Feb. 16, 1933....	.....do.....	160
	Feb. 17, 1933....	Vice presidents of New York City financing corporations.....	81
	Feb. 15, 1933....	Principal pastors in the United States.....	385
	Feb. 16, 1933....	.....do.....	280
		Catholic press.....	305
	Feb. 17, 1933....	Republican contributors in New Jersey.....	104
		Democratic contributors in New Jersey.....	85
	Feb. 18, 1933....	Republican contributors in Pennsylvania.....	473
	Feb. 20, 1933....	Democratic contributors in Pennsylvania.....	230
	Feb. 21, 1933....	Republican contributors in Pennsylvania.....	875
	Feb. 21, 1933....	Democratic contributors in Illinois.....	86
		Republican contributors in Illinois.....	578
	Feb. 15, 1933....	.....do.....	613
	Feb. 27, 1933....	.....do.....	472
	Mar. 3, 1933....	Democratic contributors in -	
		Alabama.....	15
		Arizona.....	7
		Arkansas.....	14
		California.....	80
		Colorado.....	40
		Connecticut.....	69
		Delaware.....	16
		Washington, D. C.....	116
		Florida.....	11
		Georgia.....	57
		Idaho.....	2
		Indiana.....	48
		Iowa.....	15
		Kansas.....	9
		Kentucky.....	20
	Mar. 14, 1933....	Louisiana.....	62
		Maine.....	5
		Maryland.....	26
		Massachusetts.....	260
		Michigan.....	24
		Minnesota.....	43

Name of article	Date	To whom sent	Amount	
No. 118. A. Bubble That Broke the World—Contd.		Democratic contributors in—Continued.		
		Mississippi .....	5	
		Missouri .....	68	
		Montana .....	1	
		Nebraska .....	29	
		Nevada .....	3	
		New Hampshire .....	8	
		New Mexico .....	3	
		Mar. 14, 1933....	North Carolina .....	20
		Mar. 15, 1933....	North Dakota .....	3
			Ohio .....	80
			Oklahoma .....	69
			Oregon .....	6
			Rhode Island .....	27
			South Carolina .....	9
			South Dakota .....	4
			Tennessee .....	10
			Texas .....	46
			Utah .....	4
			Vermont .....	3
			Virginia .....	16
			Washington .....	17
			West Virginia .....	7
			Wisconsin .....	23
			Wyoming .....	9
		Mar. 14, 1933....	New York State Bar Association .....	200
		Mar. 15, 1933....	.....do.....	1,202
		Mar. 16, 1933....	.....do.....	991
		Mar. 20, 1933....	.....do.....	1,308
		Mar. 15, 1933....	Republican contributors in—	
			Alabama .....	17
			Arizona .....	7
			Arkansas .....	2
			California .....	943
		Mar. 20, 1933....	Colorado .....	4
			Connecticut .....	70
			De aware .....	36
			Washington, D. C. ....	254
			Florida .....	5
	Georgia .....	3		
	Idaho .....	1		
	Indiana .....	34		
	Iowa .....	7		
	Kansas .....	5		
	Kentucky .....	8		
	Louisiana .....	105		
	Maine .....	8		
	Maryland .....	8		
Mar. 22, 1935....	Massachusetts .....	72		
	Michigan .....	391		
	Minnesota .....	17		
	Missouri .....	250		
	Mississippi .....	1		
	Montana .....	3		
	Nebraska .....	32		
	Nevada .....	3		
	New Hampshire .....	17		
	New Mexico .....	8		
	North Carolina .....	3		
	North Dakota .....	7		
	Ohio .....	684		
	Oklahoma .....	3		
	Oregon .....	12		
	Rhode Island .....	102		
	South Carolina .....	2		
	South Dakota .....	13		
	Tennessee .....	42		
	Texas .....	14		
	Utah .....	3		
	Vermont .....	18		
	Virginia .....	6		
	Washington .....	2		
	West Virginia .....	24		
	Wisconsin .....	32		
May 17, 1933....	Bar associations all over the United States (Fisher-Stevens prepared stickers) .....	12,565		
	Miscellaneous requests .....	3,171		
		<hr/> 50,000		
No. 119. Nitrogen Release .....	July 28, 1932....	Newspapermen .....	2,300	
No. 120. Says Nitrate Trust Imperils Our Nation (reprint, New York Times, July 28, 1932).	Aug. 2, to Sept. 9, 1932.....	O. P. M. letters (requests) .....	11,712	
		Book buyers .....	10,000	
Total.....			<hr/> <hr/> 21,712	

Name of article	Date	To whom sent	Amount
No. 121. The Forgotten Man.	Sept. 2, 1932.	Newspapermen.....	2, 130
		Authors.....	600
		Radiological Society.....	1, 193
		Faculty of Princeton.....	353
		Faculty of Yale.....	1, 089
		Faculty of Harvard.....	1, 318
		Principal pastors of the United States.....	697
		Garvan's personal list.....	2, 107
		United States Congressmen up for election, 1932.....	63
		Requests.....	250
		<b>Total.....</b>	
No. 122. The significance of Nitrogen.	Jan. 6, 1933.	Advance copy:	
		Newspapers.....	280
		Trade Journals.....	12
		Congressmen and Senators (72d Cong.).....	530
		New Members in 73d Cong.....	47
		Cabinet.....	12
	Jan. 7, 1933.	Select list of Army, Navy, Air Service, Ordnance, Army War College, Chemical Warfare Service.....	38
		Miscellaneous.....	68
		<b>Total.....</b>	<b>996</b>
		Bound copy:	
		New Members in 73d Cong.....	127
Members of National Fertilizer Association.....	250		
Miscellaneous.....	2, 623		
<b>Total.....</b>		<b>3, 090</b>	
No. 123. Speech of Francis P. Garvan Before the Friends of the Catholic University of America at a Dinner at the Knights of Columbus Club Hotel, 8th Ave. and 51st St., New York, delivered Wednesday, Feb. 1, 1933.	Feb. 1, 1933.....	Newspapers (mimeograph copy).....	275
	Feb. 8, 1933.....	Principal pastors in the United States.....	647
	Feb. 8, 1933 (with letter).....	Editors of Catholic newspapers.....	303
	Feb. 8, 1933.....	Washington, D. C., social register.....	1, 653
	Feb. 8, 1933 (with letter).....	Members of New York Stock Exchange.....	1, 350
	Feb. 15, 1933 (with letter).....	United States Senators and Congressmen.....	687
	do.....	Cabinet officers.....	12
	Feb. 18, 1933.....	Faculty of Yale.....	690
	do.....	Faculty of Harvard.....	795
	do.....	Faculty of Columbia.....	3, 088
	do.....	Faculty of Princeton.....	342
	Feb. 18, 1933 (with letter).....	Presidents of New York City banks.....	83
	do.....	Officers of the United States Trust Co., 45 Wall St., New York City.....	18
	Feb. 18, 1933.....	Mr. Garvan's classmates.....	217
	Feb. 21, 1933.....	Vice presidents of New York City banks.....	565
	Feb. 28, 1933.....	The Association of the Bar of New York City.....	3, 733
	Mar. 13, 1933.....	Contributors (Democrats): Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Washington, D. C., Florida, Georgia, Idaho, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont.	2, 376
	do.....	Contributors (Republicans): Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Idaho, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts.	620
	Mar. 22, 1933.....	Contributors (Republicans): Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin.	1, 089
	June 29, 1933.....	Mr. W. F. Keohan, London, England.....	5, 000
<b>Total.....</b>			<b>24, 143</b>
<b>Total printed.....</b>			<b>26, 000</b>

Name of article	Date	To whom sent	Amount
No. 124. National Ideals and International Idols (Dean Donham).	Apr. 12, 1933 (with letter).	United States Senators.....	96
	.....do.....	United States Congressmen.....	435
	.....do.....	President, Vice President, and Cabinet.....	12
	Apr. 15, 1933 (with letter).	Governors of States.....	48
	Apr. 15, 1933 (no letter).	Mayors of cities.....	242
	Apr. 18, 1933 (with letter).	Presidents of larger colleges.....	206
	.....do.....	Directory of directors: Selected list of presidents of companies and business executives in the United States taken from Directory of Directors: With letter.....	4, 103
		No letter.....	31, 762
	Apr. 21, 1933 (with letter).	Mailing list of Synthetic Organic Chemical Manufacturers Association.....	77
	Apr. 21, 1933 (no letter).	Members of Synthetic Organic Chemical Manufacturers (Nace).....	100
	May 16, 1933 (no letter.)	Social registers: Washington, D. C..... 1, 601 St. Louis..... 1, 925 Pittsburgh..... 1, 606 Chicago..... 1, 777 Philadelphia..... 4, 200 New York..... 11, 816 Baltimore..... 4, 805 San Francisco..... 1, 853	26, 673
	May 16, 1933 (no letter).	Republican contributors.....	11, 652
	.....do.....	Democratic contributors.....	4, 512
	.....do.....	Newspaper men, Washington, D. C.....	377
	.....do.....	Newspaper editors.....	2, 397
	May 23, 1933 (no letter).	Lawyers (American Bar Association).....	17, 895
	.....do.....	Bank presidents.....	19, 466
	.....do.....	Doctors (College of Surgeons).....	9, 348
	.....do.....	Authors.....	572
	.....do.....	Who's Who in America (no women).....	13, 791
	.....do.....	Principal Catholic pastors.....	605
	.....do.....	Faculty of colleges: Yale..... 771 Princeton..... 359 Harvard..... 572 Columbia University..... 2, 891 Johns Hopkins University..... 676 Stanford University..... 898 University of Georgia..... 350 University of Chicago..... 732 University of Illinois..... 1, 245 University of Iowa..... 1, 063 Boston College..... 141 Massachusetts Institute of Technology..... 587 University of Michigan..... 2, 195 Dartmouth College..... 280 Fordham University..... 252 Duke University..... 220 Ohio State University..... 1, 593 University of Oregon..... 210 Drexel Institute..... 89 Pennsylvania State College..... 115 Washington University..... 685 University of Virginia..... 290	10, 029
	May 24, 1933 (no letter).	Members of United States Textile Research.....	315
	.....do.....	Officers of the American Chemical Society and Council.....	415
	.....do.....	Members of New York Stock Exchange.....	1, 305
	May 27, 1933 (no letter).	Mr. Phillips, London, England.....	5, 000
	June 6, 1933 (no letter).	National Association of Finishers of Textile Fabrics.....	74
	.....do.....	Secretaries of commercial and industrial organizations of the United States.....	2, 572
	June 10, 1933 (no letter).	Special committee appointed by coal operators' conference.....	19
	.....do.....	List of members of Salesmen's Association of the American Chemical Industry.....	148

Name of article	Date	To whom sent	Amount
No. 124. National Ideals and International Idols (Dean Donham)—Continued.	June 10, 1933 (no letter).	American Drug Manufacturers' Association, American Pharmaceutical Manufacturers' Association.	322
	.....do.....	Specialists in the United States:	
		Gynecology.....	3,450
		Ophthalmology (eye).....	1,280
		Internal medicine.....	3,500
		Urology.....	2,119
		Dermatology.....	900
		Tuberculosis.....	850
		Röntgenology (X-ray).....	1,450
		Public health.....	550
		Anesthesia.....	500
		Clinical pathology.....	300
		Pathology.....	325
		Proctology.....	500
		Bacteriology.....	60
June 19, 1933 (no letter).	Purchasing Agents' Association of Chicago.	306	
June 27, 1933.....	Members of the American Economic Association and subscribers to the American Economic Review.	3,051	
<b>Total</b> .....			<b>180,890</b>
No. 125. The Deserted Village No. 1 (Sell America First).	May 23, 1933	Doctors (College of Surgeons).....	9,348
	do.....	Directory of Directors (all).....	34,800
	do.....	Lawyers (American Bar Association).....	17,895
	do.....	Newspaper editors.....	2,397
	do.....	Bank presidents.....	19,466
	do.....	Authors.....	572
	do.....	Who's Who (no women).....	13,791
	do.....	Principal Catholic pastors.....	605
	do.....	Mayors of cities.....	242
	do.....	Republican contributors (all).....	11,652
	do.....	Democratic contributors (all).....	4,512
	do.....	Members of Synthetic Organic Chemical Manufacturers' Association.....	77
	May 24, 1933.....	Members of United States Textile Research.....	315
	do.....	Officers of the American Chemical Society and Council.....	415
	do.....	United States Senators.....	90
	do.....	United States Congressmen.....	435
	do.....	Governors of States.....	48
	May 27, 1933.....	Social registers:	
		Washington, D. C.....	1,601
		St. Louis, Mo.....	1,025
		Pittsburgh, Pa.....	1,606
		Chicago, Ill.....	1,777
		Philadelphia, Pa.....	4,200
		New York.....	11,816
		Baltimore, Md.....	1,895
		San Francisco, Calif.....	1,853
	do.....	Faculty of colleges:	
		Yale.....	791
		Princeton.....	359
		Harvard.....	572
	Columbia.....	2,861	
	Johns Hopkins University.....	676	
	Stanford University.....	898	
	University of Georgia.....	350	
	University of Chicago.....	732	
	University of Illinois.....	1,245	
	University of Iowa.....	1,063	
	Boston College.....	141	
	Massachusetts Institute of Technology.....	587	
	University of Michigan.....	2,105	
	Dartmouth College.....	289	
	Fordham University.....	252	
	Duke University.....	220	
	Ohio State University.....	1,503	
	University of Oregon.....	240	
	The Drexel Institute.....	89	
	Pennsylvania State College.....	115	
	Washington University.....	665	
	University of Virginia.....	296	
do.....	Members of New York Stock Exchange.....	16,049	
do.....	Mr. Phillips, London, England.....	5,000	
June 6, 1933.....	National Association of Finishers of Textile Fabrics.....	74	
do.....	Secretaries of commercial and industrial organizations of the United States.....	2,672	

**EXTENDING RECIPROCAL TRADE AGREEMENT ACT**

Name of article	Date	To whom sent	Amount
No. 125. The Deserted Village No. 1 (Sell America First.)—Continued.	June 10, 1933	Special committee appointed by Coal Operators' Conference.	19
	.....do.....	List of members of Salesmen's Association of the American Chemical Industry.	148
	.....do.....	President, Vice President, and Cabinet.	12
	.....do.....	American Drug Manufacturers Association, American Pharmaceutical Manufacturers Association.	322
	.....do.....	Specialists in the United States:	
		Gynecology.....	3,450
		Ophthalmology (eye).....	1,280
		Internal medicine.....	3,500
		Urology.....	2,119
		Dermatology.....	900
		Tuberculosis.....	850
		Roentgenology (X-ray).....	1,450
		Public health.....	650
		Anesthesia.....	500
		Clinical pathology.....	300
		Pathology.....	325
		Proctology.....	500
		Bacteriology.....	60
	June 20, 1933	Purchasing Agents Association of Chicago.	396
	June 27, 1933	Members of the American Economic Association and subscribers to the American Economic Review.	3,051
<b>Total</b> .....			<b>188,171</b>
No. 126. American Self-Contained.	November 1933	Democratic and Republican contributors. Government officials, including Cabinet, heads of all commissions, committees, etc.	4,821
		Congressmen and Senators.....	531
		Feature writers, editors, and owners of important newspapers.	635
		Important persons who acknowledged and commented on Donham article.	231
		Editors of chemical trade papers and science writers.	35
		Prominent business and professional men who are personal acquaintances of Mr. Garvan and Mr. Buffum.	26
		Prominent accounting firms in United States.	116
		Governors of States and Territories.....	52
		American Economic Association.....	3,350
		Press correspondence in Washington.....	382
		Presidents of colleges and universities.....	543
		Bishops of Protestant, Episcopal, Roman Catholic, and Methodist Episcopal Churches.	264
		Federal judges.....	192
		Mayors of American municipalities.....	176
		Presidents and vice presidents of banks in Manhattan.	527
		Licensees and stockholders of Chemical Foundation.	205
		Committee of America Self-Contained....	59
		List of smaller newspapers.....	1,819
		Governing Board of American Institute of Physics.	20
		Faculty of Princeton University.....	277
		Faculty of Harvard University.....	1,614
		Faculty of Yale University.....	764
		Secretaries of international unions of American Federation of Labor.	115
		Washington social Register.....	1,578
		Prominent doctors personal acquaintances of Mr. Buffum.	100
		Presidents of State labor unions.....	92
		Prominent Washington lawyers.....	30
		Deans of medical colleges.....	83
		Editors of religious publications.....	308
		Editors of trade, technical, and classified publications with circulation of 3,000 or more.	1,613
		Who's who in women's clubs.....	794
		Members Administrative Research Corporation.	1,090
<b>Total</b> .....			<b>22,853</b>



Name of article	Date	To whom sent	Amount		
No. 127. Address by Hon. Pierre S. du Pont Before the American Arbitration Association at New York on Jan. 25, 1934.	January 1934.....	Congressmen and Senators.....	531		
		Presidents and vice presidents of New York banks.....	654		
		Washington Social Register.....	1,620		
		Government officials.....	466		
		Members of Chemical Alliance.....	337		
		Federal Judges.....	192		
		Governors of States.....	48		
		Presidents and secretaries of American Federation of Labor.....	89		
		Press gallery of the Congress of United States.....	365		
		Governing Board of American Institute of Physics.....	19		
		Mayors of American municipalities.....	244		
		Stockholders and licensees of Chemical Foundation.....	345		
		<b>Total.....</b>			<b>4,010</b>
		No. 128. Cities Service Alcohol Gasoline Folder (printed 100,845 copies).	May 1935.....	Washington classifications consisting of: Congressmen and Senators.....	}
				Government officials, including Cabinet.....	
Washington Social Register.....					
Lawyers in Washington.....					
Dentists in Washington.....					
Doctors in Washington.....					
Bankers in Washington.....					
Faculties of Washington colleges (4).....					
Republican and Democratic contributors in Washington.....					
Who's Who in Nation's Capital.....					
Washington press gallery.....					
Petroleum register consisting of: Refiners.....	}				
Compounders.....					
Marketers and jobbers.....					
Producers of crude petroleum.....					
Pipe-line companies.....					
Natural gasoline manufacturers.....					
Exporters.....					
Marine Transportation & Lighterage Co.....					
Royalty companies.....					
Drilling contractors.....					
Geologists.....					
Stockholders of the Chemical Foundation.....				137	
Licensees of the Chemical Foundation.....	231				
Members of the Chemical Alliance.....	277				
Members of Manufacturing Chemists Association.....	9				
Members of Synthetic Organic Chemists Association.....	7				
Iowa Agriculture Alcohol Association.....	36				
List of people attending meeting of Alcohol Gas.....	639				
Economists.....	2,817				
All Newspapers in Iowa, Illinois, Kansas, and Nebraska with circulation of over 1,000.....	1,464				
Kiwanis clubs in Illinois, Indiana, Iowa, Minnesota, Ohio, Kansas, Missouri, Nebraska, and South Dakota.....	300				
Lion's Clubs in Illinois, Indiana, Iowa, Minnesota, Ohio, Kansas, Missouri, Nebraska, and South Dakota.....	187				
Rotary Clubs in Illinois, Indiana, Iowa, Minnesota, Ohio, Kansas, Missouri, Nebraska and South Dakota.....	470				
Officers of the National Grange.....	116				
Legislature of—					
Indiana.....	141				
Iowa.....	168				
Kansas.....	175				
Minnesota.....	187				
Missouri.....	180				
Nebraska.....	141				
Ohio.....	158				
Illinois.....	205				
Key bankers in Illinois, Indiana, Iowa, Kansas, Minnesota, Nebraska, Ohio and South Dakota.....	681				
Miscellaneous requests.....	400				
<b>Total.....</b>			<b>51,500</b>		

Name of article	Date	To whom sent	Amount		
No. 129. Foreign Affairs; American Foreign Policy in a Nationalistic World, by William E. Borah (Jan. 8, 1934).	Jan. 8, 1934.....	Democratic and Kepu'lean contributors. Government officials, including Cabinet, heads of all commissions, committees, etc.	4,821 375		
		Congressmen and Senators.....	531		
		Feature writers, editors and owners of important newspapers.....	635		
		Important persons who acknowledged and commented on Donham article.....	231		
		Editors of chemical trade papers and science writers.....	35		
		Prominent business and professional men who are personal acquaintances of Mr. Garvan and Mr. Buffum.....	26		
		Prominent accounting firms in United States.....	146		
		Governors of States and Territories.....	52		
		American Economic Association.....	3,356		
		Press correspondents in Washington.....	382		
		Presidents of colleges and universities.....	543		
		Bishops of Protestant Episcopal, Roman Catholic, and Methodist Episcopal Churches.....	264		
		Federal judges.....	192		
		Mayors of American municipalities.....	176		
		Presidents and vice presidents of banks in Manhattan.....	527		
		Members and stockholders of Chemical Foundation.....	205		
		Committee of American Self-Contained.....	59		
		Governing board of American Institute of Physics.....	20		
		Faculty of Princeton University.....	277		
		Faculty of Harvard University (2).....	1,614		
		Faculty of Yale University.....	764		
		Secretaries of International Unions of American Federation of Labor.....	115		
		Washington Social Register.....	1,578		
		Prominent doctors personal acquaintances of Mr. Buffum.....	100		
		Presidents of State labor unions.....	92		
		Prominent Washington lawyers.....	30		
		Deans of medical colleges.....	83		
		Editors of trade technical and class publications with circulation of 3,000 or more.....	1,613		
		Editors of Religious Publications.....	308		
		Who's Who in women's clubs.....	794		
		Total.....	-----	-----	10,944
		No. 130. The Deserted Village No. 2; Southern Pine Newsprint Competition (copies printed, 48,678).	March 1934.....	Sent to the same list of people who received America Self-Contained.	22,863
				Also the following:	
				Technical men in the pulp and paper industry.....	
				Officers of paper and pulp mills.....	
				List of those who received "The Chemical Progress in the South".	
				Associations in the paper and allied trades.....	
				Mill supply houses.....	12,241
Wall-paper printers.....					
Manufacturers of paper specialties.....					
Equipment and supply firms.....					
Paper-bag manufacturers.....					
Paper-box manufacturers.....					
Paper merchants.....					
Pulp testing chemists.....	13,100				
Miscellaneous requests.....					
Total.....	-----	-----	48,194		

Name of article	Date	To whom sent	Amount
<p>No. 131. The Deserted Village No. 3; Power, Alcohol, and Farm Relief (first printing, 5,002; second printing, 10,050; third printing, 5,042; fourth printing, 5,214; fifth printing, 5,250; sixth printing, 5,070; seventh printing, 2,059; eighth printing, 10,000; ninth printing, 3,000; tenth printing, 2,047; eleventh printing, 2,065; twelfth printing, 2,020; thirteenth printing, 3,000).</p>	<p>March 1935</p>	<p>All Government officials.                      All newspapers and publications in State of Iowa with circulation over 1,000.                      All newspapers in Nebraska, Illinois, and Kansas.                      Chemical Alliance.                      College of Agriculture, University of Missouri.                      County officers in Illinois, also Legislature of Illinois.                      Directory of Agriculture and Home Economics Leaders in Illinois, Indiana, Iowa, Minnesota, Ohio, Kansas, and Nebraska.                      Iowa State College, Agricultural Division.                      Key bankers in Illinois, Indiana, Iowa, Minnesota, Ohio, Kansas, and Nebraska.                      Kiwanis Clubs in Illinois, Indiana, Iowa, Minnesota, Ohio, Missouri, Kansas, and Nebraska.                      Legislature, Ohio.                      Legislature, Nebraska.                      Legislature, Minnesota.                      Legislature, Iowa.                      Legislature, Missouri.                      Lions Clubs in Illinois, Indiana, Iowa, Minnesota, Ohio, Kansas, and Nebraska.                      Editors of all trade, technical, religious, and classified publications with circulation of 3,000 or more.                      Senators and Congressmen.                      State of Indiana Legislative Directory.                      State of Kansas Legislative Directory.                      Stockholders and licensees of the Chemical Foundation.                      Rotary Clubs in Illinois, Indiana, Iowa, Minnesota, Ohio, Missouri, Kansas, and Nebraska.                      University of Minnesota, College of Agriculture.                      University of Illinois, College of Agriculture.                      University of Nebraska, College of Agriculture.                      Washington Social Register.                      The National Grange, officers of                      Radio Station WNAX, House of Gurney.                      Mr. Phillip A. Tomek, Lincoln, Nebr.                      Mr. F. A. Black, President, Iowa Alcohol Motor Fuel Co., Inc.                      Mr. W. Werz, Portland, Oreg.                      Fargo-Moorhead WNAX Fair Price Oil Co.</p>	<p>50,888</p>
<p>Total distributed</p>			
<p>No. 132. Wo Paint Ford Cars With Soy Beans Advertisement (reprinted from the Country Home, May 1935).</p>	<p>June 1935</p>	<p>Petroleum Register consisting of—                      Refiners.....                      Compounders.....                      Marketers and jobbers.....                      Producers of crude petroleum.....                      Pipe-line companies.....                      Natural-gasoline manufacturers.....                      Exporters.....                      Marine transportation and lighterage companies.....                      Royalty companies.....                      Drilling contractors.....                      Geologists.....                      Stockholders of the Chemical Foundation.....                      Licensees of the Chemical Foundation.....                      Members of the Chemical Alliance.....                      Members of Synthetic Organic Manufacturers Association.....                      Members of the Manufacturing Chemists Association.....                      Iowa Agriculture Alcohol Association.....                      List of people attending meeting of Alco-Gas, Bloomington.</p>	<p>1,920                      804                      14,003                      8,045                      878                      340                      52                      64                      883                      1,364                      32                      137                      230                      277                      7                      9                      36                      639</p>

Name of article	Date	To whom sent	Amount
No. 132 We Paint Ford Cars With Soy Bean Advertisement (reprinted from the Country Home, May 1935)—Continued.	June 1935.....	Special Washington list consisting of—Con- gressmen and Senators.....	
		Government officials, including Cab- inet.....	
		Washington Social Register.....	
		Lawyers in Washington.....	
		Doctors in Washington.....	
		Dentists in Washington.....	7, 476
		Bankers in Washington.....	
		Faculties of Washington colleges (4)...	
		Republican and Democratic contribu- tors in Washington.....	
		Who's Who in Nation's Capital.....	
		Washington Press Gallery.....	
		Economists.....	2, 817
		All newspapers in Illinois, Iowa, Kansas, and Nebraska with circulation of 1,000 or over.....	1, 464
		Agricultural and home economic leaders in Illinois, Indiana, Iowa, Kansas, Min- nesota, Missouri, Nebraska, Ohio, and South Dakota.....	4, 325
		Kiwanis clubs in Illinois, Indiana, Iowa, Kansas, Minnesota, Missouri, Nebraska, Ohio, and South Dakota.....	300
		Lion's clubs in Illinois, Indiana, Iowa, Kansas, Minnesota, Missouri, Nebraska, Ohio, and South Dakota.....	187
		Rotary clubs in Illinois, Indiana, Iowa, Kansas, Minnesota, Missouri, Nebraska, Ohio, and South Dakota.....	476
		Officers of the National Grange.....	116
		Legislature of Indiana.....	141
		Legislature of Iowa.....	168
		Legislature of Illinois.....	205
		Legislature of Kansas.....	175
		Legislature of Minnesota.....	187
		Legislature of Missouri.....	180
		Legislature of Nebraska.....	141
		Legislature of Ohio.....	158
		Correspondents of Deserted Village No. 3. Key bankers in Illinois, Indiana, Iowa, Kansas, Minnesota, Nebraska, Ohio, and South Dakota.....	303 681
		Legislature of South Dakota.....	146
		Legislature of Idaho.....	103
		Legislature of California.....	120
		Directory of directors in United States.....	49, 128
		Miscellaneous requests.....	513
		<b>Total.....</b>	
No. 133. Vital Speeches (issue dated Jan. 28, 1935, contain- ing Peck's speech).	Mar. 25, 1935....	NOTE.—Complete copy of the Country Home with the above advertisement sent to 5,000 Who's Who in Washington.....	2, 860
		Economists.....	617
		Presidents of all colleges in the United States.....	12, 003
		All of the Washington, D. C., list.....	1, 820
		Editors of all newspapers.....	1, 654
		Editors of all trade and religious journals.....	143
		Prominent accounting firms.....	950
		Editorial and financial writers of news- papers.....	1, 015
		Outstanding manufacturers and business- men in the South.....	13, 236
		Democratic and Republican contributors.....	27, 523
		American Bar Association.....	16, 048
		Presidents of all banks in the United States excepting Washington, D. C., which is included in the Washington, D. C., list.....	
		Faculty of Yale University.....	653
		Faculty of Harvard University.....	1, 641
		Faculty of Princeton University.....	275
		Faculty of Columbia University.....	1, 042
		Radio commentators.....	10
		Financial editors of syndicates.....	13
		Vice presidents of large banks in the fol- lowing cities: New York, Philadelphia, Atlanta, Boston, Pittsburgh, Buffalo, Cleveland, Detroit, New Orleans, Omaha, St. Louis, Denver, Chicago, Los Angeles, San Francisco, Houston, Tex., Kansas City, Mo. and Kans.....	1, 073
		Licenses of the Chemical Foundation....	220

Name of article	Date	To whom sent	Amount
No. 133. Vital Speeches (issue dated Jan. 28, 1935, containing Peek's speech).	Mar. 25, 1935....	Stockholders of the Chemical Foundation.....	137
		Members of the Chemical Alliance.....	276
		Members of Synthetic Organic Chemical Manufacturing Association.....	7
		Members of Manufacturers Chemical Association.....	9
		Officers and trustees of the Chemical Foundation.....	5
		Partners in brokerage firms (Stock Exchange Directory).....	3,033
		Administrative Research Corporation....	937
		Officers of the National and State Granges.....	118
		Members of General Assembly of Maryland.....	149
		Who's Who in Women's Clubs.....	728
		Secretaries of Kiwanis, Rotary, and Lion's clubs.....	4,110
		Libraries including--	
		Public.....	5,316
		Federal, State, and institution.....	321
Business and other special.....	809		
Educational and professional (selected).....	630		
Total.....		160,587	
No. 134. Opinions.....	June 1935.....	Members of Chemical Alliance.....	310
		Members of Manufacturing Chemical Association.....	18
		Members of Synthetic Organic Chemical Association.....	10
		Miscellaneous requests.....	662
Total.....		1,000	
No. 135. "Borah Likens Debt Propaganda to Atrocity Stories During War" by William E. Borah. (Reprint from New York American dated June 21, 1934.) No. 136. "Letter to the President on Foreign Trade" by George N. Peek. NOTE.—Both of these articles, Peek and Borah, were sent to the same people.]	July 1934.....	American Economic Association.....	3,356
		Bank officials.....	88,340
		Bishops of Protestant, Episcopal, Roman Catholic, and Methodist Episcopal churches.....	264
		Business executives.....	33,185
		Catholic clergy.....	17,690
		Clergy (other than Catholic).....	62,572
		College faculties.....	33,825
		Committee of "American Self Contained" Congressmen and Senators.....	59
		Congressmen and Senators.....	531
		Deans of medical colleges.....	83
		Democratic and Republican contributors.....	4,821
		Dentists.....	69,093
		Druggists.....	57,499
		Editors of chemical trade papers and science writers.....	35
		Faculty of Harvard University.....	1,614
		Faculty of Princeton University.....	277
		Faculty of Yale University.....	790
		Feature writers and owners of important newspapers.....	630
		Federal judges.....	192
		Government officials, including Cabinet, heads of all commissions, committees, etc.....	375
		Governing board of American Institute of Physics.....	10
		Governors of States.....	48
		Insurance companies (officers and directors).....	4,250
		Internets.....	8,064
		Lawyers.....	135,436
		Mayors of American municipalities.....	176
		Members of Administrative Research Corporation.....	1,000
		Newspapers.....	1,760
		Osteopaths.....	8,577
		Physicians.....	140,386
		Presidents of colleges and universities.....	543
		Presidents of State labor unions.....	89
		Presidents and vice presidents of banks in Manhattan.....	527
		Press correspondents in Washington.....	365
		Prominent accounting firms in United States.....	146
		Prominent business and professional men who are personal acquaintances of Mr. Garvan and Mr. Buffay.....	126
		Prominent Washington lawyers.....	30
		Secretaries of International Unions of "American Federation of Labor	110

Name of article	Date	To whom sent	Amount
No. 136. "Letter to the President on Foreign Trade" by George N. Peek.	July 1934.....	Stock Exchange members and brokers in New York.....	3,906
		Veterinarians.....	11,819
		Washington Social Register.....	1,578
		Who's Who in women's clubs.....	794
		Important persons who acknowledged and commented on Donham article.....	231
		Chemical alliance.....	337
		Licenseses.....	196
Stockholders.....	150		
Total.....			696,948
No. 137. Deserted Village No. 4 (printed 150,000 copies).	June 1934.....	American Bar Association.....	27,596
		American Economic Association.....	2,811
		Bankers in Washington, D. C.....	389
		Baptist and Methodist ministers.....	17,197
		Bishops of Protestant-Episcopal, Roman Catholic, and Methodist-Episcopal Churches.....	260
		Members of Chemical Alliance.....	337
		College of Agriculture, University of Minnesota.....	136
		College of Agriculture, University of Missouri.....	86
		Committee of American Self Contained.....	59
		County officers in Illinois.....	1,328
		Congressmen and Senators at home addresses.....	529
		Deans of medical colleges.....	77
		Delegates to the fifteenth annual convention of the American Farm Bureau Federation.....	488
		Democratic and Republican contributors, \$500 and over.....	3,323
		Democratic and Republican contributors who contributed less than \$500.....	9,014
		Dentists in Washington, D. C.....	588
		Directory of agricultural and home economics leaders in States of Illinois, Indiana, Iowa, Kansas, Minnesota, Missouri, Nebraska, and Ohio.....	1,786
		Doctors in Washington, D. C.....	1,337
		Editors of chemical trade papers and science writers.....	43
		Editors of important newspapers.....	278
		Editors of less important newspapers.....	1,468
		Editors of trade, technical, religious, and classified publications with circulations of 3,000 or over.....	1,657
		Faculties of colleges in Washington, D. C..	1,008
		Faculty of Harvard University.....	1,740
		Faculty of Princeton University.....	276
		Faculty of Yale University.....	702
		Feature writers and owners of important newspapers.....	635
		Federal judges.....	195
		Governing board of American Institute of Physics.....	19
		Government officials, including Cabinet, heads of all commissions.....	455
		Governors of States.....	48
		Iowa State College, agricultural division.....	81
		Key bankers in Illinois, Indiana, Iowa, Kansas, Missouri, Nebraska, and Ohio.....	618
		Kiwanis clubs in Illinois, Indiana, Iowa, Kansas, Minnesota, Missouri, Nebraska, and Ohio.....	297
		Licenseses of the Chemical Foundation....	203
		Lions clubs in Illinois, Indiana, Iowa, Kansas, Minnesota, Missouri, Nebraska, and Ohio.....	185
		Lists of bank presidents in United States with capitalization of \$100,000 or more (to whom telegram of Aug. 6, 1934, was sent) (including F. file, Mr. Muh's room).....	4,975
		Lists of directors in States of Alabama, Georgia, Iowa, Kansas, Mississippi, Nebraska, South Carolina, North Carolina, and Tennessee.....	4,918
		Lists to whom Chemical Progress in the South were sent.....	830
		Important persons who acknowledged and commented on Donham article.....	422
Lawyers in Washington, D. C.....	2,488		

Name of article	Date	To whom sent	Amount
No. 137. Deserted Village No. 4 (printed 150,000 copies).	June 1934.....	Mayors of American municipalities.....	244
		Members of Administrative Research Corporation.....	1,090
		Members of New York Stock Exchange.....	1,352
		Members of the Democratic National Committee.....	91
		Members of Radiological Society of North America.....	1,130
		Officers of the Democratic State Committee.....	92
		Persons who acknowledged and commented on D. V. No. 3.....	116
		Persons who acknowledged and commented on Peek and Borah article.....	27
		Press correspondents in Washington, D. C.....	356
		Presidents and vice presidents in Manhattan.....	654
		Presidents of colleges and universities.....	624
		Presidents of State labor unions.....	89
		Prominent accounting firms in the United States.....	146
		Prominent business and professional men who are personal acquaintances of Mr. Garvan and Mr. Buffum.....	100
		Prominent doctors, personal acquaintances of Mr. Buffum.....	26
		Prominent Washington lawyers.....	15
		Rotary clubs in Illinois, Indiana, Iowa, Kansas, Minnesota, Missouri, Nebraska, and Ohio.....	479
		Secretaries of international unions of American Federation of Labor.....	110
		Selected list of doctors in Illinois, Indiana, Iowa, Kansas, Minnesota, Missouri, and Nebraska.....	18,393
		State of Illinois Legislative Directory.....	199
		State of Iowa Legislative Directory.....	163
		State of Indiana Legislative Directory.....	154
		State of Kansas Legislative Directory.....	187
		State of Minnesota Legislative Directory.....	189
		State of Missouri Legislative Directory.....	181
		State of Nebraska Legislative Directory.....	181
		State of Ohio Legislative Directory.....	178
		Stockholders of the Chemical Foundation.....	150
		Technical men in the paper industry.....	930
		University of Illinois, agricultural college.....	70
		University of Nebraska, agricultural college.....	144
		Department of vocational education.....	
		Washington Social Register.....	1,578
		Who's Who in Women's Clubs.....	775
		Agricultural colleges in—	
		Alabama.....	66
		Florida.....	31
		Georgia.....	22
		Mississippi.....	38
		South Carolina.....	25
		Tennessee.....	48
		Directory of Agricultural and Home Economics leaders in Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, and Tennessee.....	1,797
		Kiwanis Clubs in Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, and Tennessee.....	226
		Lions Clubs in Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, and Tennessee.....	76
		Rotary Clubs in Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, and Tennessee.....	282
		Members of State Legislatures in—	
		Alabama.....	139
		Florida.....	132
		Georgia.....	256
		Mississippi.....	186
		North Carolina.....	170
		South Carolina.....	171
		Tennessee.....	133
		Doctors in—	
		Alabama.....	1,980
		Florida.....	1,516
		Georgia.....	2,554
		Mississippi.....	1,422
		North Carolina.....	2,027
		South Carolina.....	1,209
		Tennessee.....	2,587

Name of article	Date	To whom sent	Amount
No. 137. Deserted Village No. 4 (printed 150,000 copies).	June 1934	County officers in--	
		Tennessee	942
		Mississippi	565
		South Carolina	743
		Alabama	347
		Officers of National and State Granges	118
		Dr. Herty	1,300
		Miscellaneous requests	7,577
		Total	150,000
		No. 138. Economic Forum; containing article, The Chemical Industry in America, September-October 1934 issue.	September 1934
Bank presidents in Manhattan	80		
Congressman	431		
Economists	2,811		
Prominent accounting firms in United States	147		
Presidents of colleges in United States	624		
Mr. Buffum's friends and acquaintances	121		
Senators	96		
Directory of directors in New York State	380		
Total	4,890		
No. 139. Our Chemical Industry (from Sphere Magazine).	Sept. 19, 1934	Editors of chemical trade papers and science writers	36
		Faculty of Yale University	636
		Government officials, including Cabinet, heads of all commissions, committees, etc.	457
		Governing board of American Institute of Physics	18
		Governors of States	48
		Presidents of colleges and universities	615
		Presidents of State labor unions	89
		Presidents and vice presidents of banks in Manhattan	645
		Press correspondents in Washington	358
		Prominent accounting firms in United States	147
		Prominent Washington lawyers	30
		Secretaries of international unions of American Federation of Labor	110
		Washington social register	1,698
		Important persons who acknowledged and commented on Donham article	328
		Editors of important newspapers	277
		Editors of less important newspapers	1,546
		Editors of trade, technical, religious, and class publications with circulation of 3,000 or more	1,653
		Technical men in paper industry	925
		Republican and Democratic contributors who contributed less than \$500	9,188
		College of Agriculture, University of Minnesota	136
		College of Agriculture, University of Missouri	83
		Faculty of colleges in Washington	911
		Agricultural publications in United States	381
		Iowa State College, agricultural division	81
		University of Illinois, Agricultural College	70
		University of Nebraska, Agricultural College, Department of Vocational Education	142
		State of Illinois, legislative directory	202
		State of Iowa, legislative directory	121
		State of Indiana, legislative directory	138
		State of Kansas, legislative directory	217
		State of Minnesota, legislative directory	182
		State of Missouri, legislative directory	250
		State of Nebraska, legislative directory	181
		State of Ohio, legislative directory	184
		Directory of agricultural and home economic leaders in Illinois, Indiana, Iowa, Minnesota, Missouri, Nebraska, Kansas, and Ohio	1,806
		Key bankers in Illinois, Indiana, Iowa, Minnesota, Missouri, Nebraska, and Ohio	550
		Delegates to the fifteenth annual convention of the American Farm Bureau Federation	508



Name of article	Date	To whom sent	Amount
No. 139. Our Chemical Industry (from Sphere Magazine.	Sept. 19, 1934..	County officers in Illinois.....	1,328
		Kiwanis clubs in Illinois, Indiana, Iowa, Kansas, Minnesota, Missouri, Nebraska, and Ohio.....	308
		Rotary clubs in Illinois, Indiana, Iowa, Kansas, Minnesota, Missouri, Nebraska, and Ohio.....	402
		Lions clubs in Illinois, Indiana, Iowa, Kansas, Minnesota, Missouri, Nebraska, and Ohio.....	191
		Persons who acknowledged and commented on D. V. No. 3.....	335
		Persons who acknowledged and commented on Peek and Borah articles.....	27
		Members of Radiological Society of North America.....	1,167
		Lists of bank presidents in United States with capitalization of \$100,000 or over.....	4,893
		List to whom Chemical Progress in the South were sent.....	813
		Bankers in Washington, D. C.....	389
		Miscellaneous.....	28
		Economists.....	2,978
		Chemical alliance.....	318
		Congress and Senators at their home addresses.....	529
		Stockholders of the Chemical Foundation.....	150
		Licenseses of the Chemical Foundation.....	186
		<b>Total.....</b>	
No. 140. Farm Chemurgic, by Wm. J. Hale (plus 3 reprints; printed, paper, 47,312; printed, bound, 1,000).	June 1935.....	Members of the Chemical Alliance.....	332
		Stockholders of the Chemical Foundation.....	146
		Licenseses of the Chemical Foundation.....	216
		Washington classifications consisting of: Congressmen and Senators.....	488
		Government officials, including Cabinet.....	329
		Washington Social Register.....	1,572
		Lawyers in Washington.....	1,751
		Doctors in Washington.....	1,300
		Dentists in Washington.....	513
		Bankers in Washington.....	409
		Faculties of Washington colleges (4).....	323
		Republican and Democratic contributors in Washington.....	190
		Who's who in Nation's Capital.....	6,178
		Washington press gallery.....	2,279
		Economists.....	2,667
		Editors of all newspapers.....	1,843
		Editors of all trade journals.....	1,654
		List received from Dr. Hale, Oct. 9, 1934.....	38
		Key bankers in New York (presidents of all banks in Borough of Manhattan, vice presidents of larger banks in Borough of Manhattan).....	451
		Key bankers in Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, and Tennessee.....	511
		Key bankers in Illinois, Indiana, Iowa, Kansas, Minnesota, Nebraska, and Ohio.....	504
		Agriculture and home economic leaders in Florida, Georgia, Mississippi, North Carolina, South Carolina, Tennessee, and Alabama.....	1,797
		Outstanding manufacturers and business men in the South.....	1,020
		State legislatures in Illinois, Indiana, Iowa, Kansas, Minnesota, Missouri, Nebraska, and Ohio.....	1,448
		State legislatures in: Alabama.....	270
		Florida.....	132
		Georgia.....	256
		Mississippi.....	186
		North Carolina.....	170
		South Carolina.....	171
		Tennessee.....	133
		Agriculture and home economic leaders in Illinois, Indiana, Ohio, Iowa, Kansas, Minnesota, Missouri, and Nebraska.....	607
Members of faculties of State agricultural colleges in Illinois, Iowa, Minnesota, Missouri, and Nebraska.....	475		

Name of article	Date	To whom sent	Amount		
No. 140 Farm Chemurglof ty Wm. J. Hale (plus 3 reprints printed paper, 47, 312 print- ed, pound, 1,000).	June 1935.....	Members of faculties of State agricultural colleges in Alabama, Florida, Georgia, Mississippi, North Carolina, South Carolina, and Tennessee.	230		
		Rotary clubs in the South.....	282		
		Kiwanis clubs in the South.....	226		
		Lions clubs in the South.....	78		
		Chambers of commerce (southern States).....	382		
		Mayors of southern cities.....	22		
		Presidents of colleges in the United States.....	543		
		Radio commentators.....	16		
		Libraries including:			
		Public.....	5,313		
		Federal, State, and institution.....	340		
		Educational and professional.....	2,000		
		Officers of National and State Granges.....	118		
		Members of General Assembly of Maryland.....	149		
		Members of Synthetic Organic Manufacturing Chemists Association.	8		
		Members of Manufacturing Chemical Association.....	9		
		Prof. G. W. Westcott, Massachusetts State College.....	200		
		Department of Public Schools in Missouri.....	84		
		Michigan State Grange.....	537		
		Industrial control reports.....	100		
		Dow Chemical Co.....	812		
		People attending meeting of Alco-Gas at Bloomington, Ill.....	629		
		Directors and teachers of agriculture in New York State.....	256		
		Miscellaneous requests.....	7,540		
		<b>Total.....</b>		<b>48,302</b>	
		No. 141. Chemical and Metallurgical Engineering; magazine of August 1934, containing article on "Why These New Chemical Industries 'Went South' Case Studies in Plant Location."	October 1934....	Bank presidents in the following States:	
				Alabama.....	120
Georgia.....	138				
Mississippi.....	80				
North Carolina.....	121				
South Carolina.....	54				
Tennessee.....	130				
Florida.....	109				
Southern newspapers associations in the South.....	200				
Prominent businessmen in the cities of Atlanta, Ga. (174) and Birmingham, Ala. (14).....	188				
<b>Total.....</b>				<b>1,140</b>	
No. 142. A Chemical Tourist Through the South, by William Haynes.	December 1934..			List of persons received from Mr. W. Haynes, dated Oct. 10, 1934.	32
				Directors of Poor's Directory in the following States—	
		Alabama.....	218		
		Georgia.....	373		
		Mississippi.....	47		
		North Carolina.....	207		
		South Carolina.....	99		
		Tennessee.....	300		
		Florida.....	284		
		Outstanding manufacturers and business men in the South.....	1,018		
		New Orleans Chambers of Commerce.....	300		
		Faculties of State agricultural colleges in—			
		Alabama.....	66		
		Florida.....	31		
		Georgia.....	22		
		South Carolina.....	25		
		Tennessee.....	48		
		State legislatures in—			
		Alabama.....	270		
		Florida.....	132		
		Georgia.....	256		
Mississippi.....	186				
North Carolina.....	170				
South Carolina.....	171				
Tennessee.....	133				
Faculty of State Agricultural College in Mississippi.....	38				
<b>Total.....</b>		<b>4,426</b>			

Name of article	Date	To whom sent	Amount
No. 143. Arithmetic pamphlet (Peck) and A Primer (Samuel Crowther) (first printing, 106,700 copies of O. S. and Primer; second printing, 111,000 copies of O. S. and Primer).	June 1935.....	Presidents of all banks in the United States excepting Washington, D. C., which is included in the Washington, D. C., list. Economists..... Presidents of all colleges in the United States. Washington classifications, consisting of— Congressmen and Senators..... Government officials, including Cabinet. Washington Social Register..... Lawyers in Washington..... Doctors in Washington..... Dentists in Washington..... Bankers in Washington..... Faculties of Washington colleges (4)..... Republican and Democratic contributors in Washington. Who's Who in Nation's Capital..... Washington Press Gallery..... Chemical Alliance..... Stockholders of the Chemical Foundation. Licensees of the Chemical Foundation..... Partners in brokerage firms (Stock Exchange Directory). Editors of all newspapers..... Editors of all trade and religious journals. Prominent accounting firms..... Editorial and financial writers of newspapers. Outstanding manufacturers and businessmen in the South. Administrative Research Corporation, members of. Democratic and Republican contributors.. Faculty of Yale University..... Faculty of Harvard University..... Faculty of Princeton University..... Faculty of Columbia University..... Who's Who in women's clubs..... Secretaries of Kiwanis, Rotary, and Lion's Clubs. Vice presidents of large banks in the following cities: New York, Philadelphia, Washington, D. C., Atlanta, Boston, Pittsburgh, Buffalo, Cleveland, Detroit, New Orleans, Omaha, Kansas City (Missouri and Kansas), St. Louis, Denver, Chicago, Los Angeles, San Francisco, and Houston, Texas. Libraries including— Public..... Federal, State, and institution..... Educational and professional..... High school..... Business and other special..... Radio commentators..... Financial editors of syndicates..... Directory of directors..... American Bar Association..... Officers of National and State granges..... Members of General Assembly of Maryland. Members of Synthetic Organic Chemical Manufacturers Association. Members of Manufacturing Chemists Association. Catholic and Protestant clergy..... Exporters and Importers..... Members of National Association of Manufacturers. Prof. G. W. Westcott of Massachusetts State College. People attending Alco-Gas meeting in Bloomington, Ill. Mr. R. H. Waldo, 345 Hudson Street, New York City. Selected Trade Association of United States. National Association of Purchasing Agents. Mayors in United States.....	16, 078  2, 557 543  488 329  1, 572 1, 751 1, 300 513 400 323 190  6, 178 279 352 146 221 2, 439  1, 843 1, 654 143 1, 032  1, 020 928  12, 147 671 1, 660 275 1, 628 741 4, 469  1, 063   5, 313 349 2, 000 3, 174 809 16 13 29, 400 27, 236 118 149  7  9  15, 815 1, 465 3, 592  200 628 200 2, 576 389 261

Name of article	Date	To whom sent	Amount
No. 143. Arithmetic pamphlet (Peck) and A Primer (Samuel Crother) (First printing, 106,700 copies of O. S. and Primer; Second printing, 111,000 copies of O. S. and Primer).	June 1935.....	Governors of States in United States.....	48
		Prominent people in Great Britain.....	200
		Faculties of 192 colleges in United States (over 700 students) <sup>1</sup> .....	52,402
		Miscellaneous requests.....	6,349
Total.....			217,700
No. 144. Deserted Village No. 5 (first printing, 50,000 copies; second printing, 50,000 copies; third printing, 56,043 copies; fourth printing, 1,045 copies).	June 1935.....	Washington classifications consisting of--	
		Congressmen and Senators (Government officials, including Cabinet.....	
		Washington Social Register.....	
		Lawyers in Washington.....	
		Doctors in Washington.....	
		Dentists in Washington.....	12,958
		Bankers in Washington.....	
		Faculties of Washington colleges (4).....	
		Republican and Democratic contributors in Washington.....	
		Who's Who in Nation's Capital.....	
		Washington Press Gallery.....	
		Accredited secondary schools in United States (including Supplement to 1930 bulletin; Directory of Teachers of Science in New York High Schools).....	20,588
		Faculty of Princeton University.....	231
		Faculty of Yale University.....	655
		Faculty of Harvard University.....	1,600
		Faculty of Columbia University.....	1,628
		Libraries including--	
		Public.....	5,313
		Federal, State, and Institution.....	321
		Educational and professional.....	1,933
		High school.....	3,174
		Sponsors of affiliated clubs with Student Science Clubs of America.....	
		City school officers of United States.....	3,702
		Superintendents of Catholic parochial schools.....	85
		Girl Scout leaders of councils.....	850
		Licenses of the Chemical Foundation.....	225
		Stockholders of the Chemical Foundation.....	137
		Members of the Chemical Alliance.....	276
		Members of Synthetic Organic Chemical Manufacturers Association.....	9
		Members of Manufacturing Chemists Association.....	
		Catholic and Protestant clergy.....	15,826
		Chief and other editorial writers of newspapers.....	701
		Directors and teachers of agriculture in New York State.....	256
		Dr. H. M. Ullman, Lehigh University, Bethlehem, Pa.....	500
		Mr. J. E. Stannard, Boys High School, Brooklyn, N. Y.....	250
		Mr. B. M. Ottaway, Kansas State Grange, Pomona, Kans.....	750
		Boy Scout leaders of America.....	560
		Editors of trade and religious journals.....	1,636
		Secretaries of Kiwanis, Rotary, and Lions Clubs.....	4,055
		Who's Who in Women's Clubs.....	728
		C. C. Todd, the State Grange, Pullman, Wash.....	100
		D. S. Wright, Connellsville High School, Pennsylvania.....	150
R. Collier, Jr., South High School, Denver, Colo.....	150		
Educational Directory, pt. 1, containing State school officers and county superintendents of schools.....	2,600		
Vocational teachers in United States.....	18,406		
Faculties of 191 colleges in United States <sup>2</sup> .....	51,206		
Miscellaneous requests.....	4,958		
Total.....			167,088

<sup>1</sup> Addressed only to colleges in United States having a student enrollment of 700 or over, exclusive of Yale, Harvard, Princeton, and Columbia.

<sup>2</sup> Addressed only to colleges in United States having a student enrollment of 700 or over, exclusive of Yale, Harvard, Princeton, and Columbia.

Name of article	Date	To whom sent	Amount
No. 145. Advance of Science (10,000 copies printed).	May 1935 .....	Licenses of the Chemical Foundation.....	225
		Stockholders of the Chemical Foundation.....	137
		Members of the Chemical Alliance.....	276
		Members of Synthetic Organic Chemical Manufacturing Association.....	7
		Members of Manufacturing Chemists Association.....	9
		Abbott Laboratories, salesman (New York branch).....	102
		Mr. Buffum's business acquaintances.....	265
		Watson Davis sent from Washington, D. C.....	400
		Robert A. Millikan list of Southern California people.....	38
		Economists (United States only).....	2,827
		College presidents.....	624
		Congressmen and Senators.....	530
		Heads of Departments in Washington.....	155
		Selected list of subscribers to Science News letter.....	258
		Officers of United States Trust Co. (New York).....	12
		Radio commentators.....	14
		Science writers.....	6
		Presidents of large banks in the following cities: New York, Boston, Cleveland, Omaha, Chicago, Houston, Tex., Philadelphia, Pittsburgh, Detroit, St. Louis, Los Angeles, Kansas City (Mo. and Kans.), Atlanta, Buffalo, New Orleans, Denver, San Francisco.....	107
		Chief and other editorial writers of newspapers.....	644
		Selected list of arithmetic and primer correspondents.....	76
		Prof. Albert S. Keister, Greensboro, N. C.....	50
		Miscellaneous requests.....	3,238
		<b>Total.....</b>	
No. 146. Foreign Trade is Dominated by Gold Shifts (first printing, 5,000 copies; second printing, 35,000 copies; third printing, 40,000 copies).	April 1935.....	Included with distribution of Mr. Garvan's brief.....	75,000
		Sent out with all mail, literature, etc., subsequent to Dec. 18, 1934.....	5,000
<b>Total.....</b>			<b>80,000</b>
No. 147. Garvan Pleads for Chemical Industry Here. (Reprinted from New York Sun, Dec. 17, 1934; first printing, 25,000 copies; second printing, 15,000 copies; third printing, 40,000 copies).	December 1934..	Sent out with all mail, literature, etc., subsequent to Dec. 20, 1934.....	5,000
		Included with distribution of Mr. Garvan's brief.....	75,000
<b>Total.....</b>			<b>80,000</b>
No. 148. Brief (submitted on behalf of chemistry in United States), by Francis P. Garvan (first printing, 1,000; second printing, 5,000; third printing, 40,000; fourth printing, 41,420).	April 1935.....	Important newspapers.....	278
		New York newspapers (news editors).....	27
		Press gallery, Washington, D. C.....	183
		Members of Chemical Alliance.....	310
		Members of Manufacturing Chemical Association (62 received copies of these before as members of Chemical Alliance of S. C.).....	9
		Members of Synthetic Organic Chemical Manufacturing Association (28 of these received copies before as members of Chemical Alliance).....	8
		Cabinet.....	10
		Officers of executive departments.....	122
		Members of American Chemical Society in the United States.....	14,304
		Members of American Bar Association.....	27,236
		Congressmen and Senators.....	624
		Economists.....	2,875

Name of article	Date	To whom sent	Amount
No. 148. Brief (submitted on behalf of chemistry in United States), by Francis P. Garvan (first printing, 1,000; second printing, 5,000; third printing, 40,000; fourth printing, 41,426).	April 1935.....	Southern list, this list comprises the following:	
		Agricultural College and Extension Service.....	197
		Governors.....	13
		Fertilizer producers.....	502
		Experiment stations.....	152
		State department of agriculture.....	49
		United States Government officials.....	78
		Professors of Agronomy Rural Economist.....	129
		Agricultural schools.....	45
		Presidents of colleges.....	410
		Vocational agriculture teachers.....	1,902
		Fraternal organizations.....	202
		Editors.....	304
		Chambers of commerce.....	405
		Mayors.....	412
		Businessmen's clubs.....	179
		Vocational agriculture supervisors.....	45
		Vocational agriculture technical trainers.....	86
		State legislators.....	1,891
		Superintendents of schools.....	1,190
		Women's clubs.....	3,631
		County agents.....	1,214
		Fertilizer producers.....	335
		Large dealers.....	13
		Libraries including--	
		Public.....	5,313
		Federal, State, and institution.....	321
		Business and other special.....	1,023
		Educational and professional.....	1,997
		Licenses of the Chemical Foundation.....	212
		Stockholders of Chemical Foundation.....	121
		Presidents of colleges and universities in United States (except those included in southern list).....	454
		Members of Administrative and Research Corporation.....	945
		Who's Who in Women's clubs.....	738
		Less important newspapers (except those 13 States in southern list).....	1,264
		Trade and religious journals.....	1,651
		Chief and other editorial writers of newspapers.....	708
		Dr. H. M. Ullman, Bethlehem, Pa.....	257
		Exporters and importers.....	1,397
		Washington classifications consisting of--	
Washington Social Register.....			
Doctors in Washington.....			
Dentists in Washington.....			
Bankers in Washington.....			
Faculties of Washington colleges (4).....	9,720		
Republican and Democratic contributors in Washington.....			
Who's Who in Nation's Capital.....			
Sponsors of clubs affiliated with Student Science Clubs of America.....	445		
Secretaries of Kiwanis Clubs.....	1,190		
Miscellaneous requests.....	358		
<b>Total.....</b>		<b>87,306</b>	
No. 149. The Open Door at Home, by Charles A. Beard (10,000 copies).	April 1935.....	Public libraries.....	5,267
		Educational and professional libraries.....	2,048
		High-school libraries.....	2,648
<b>Total.....</b>		<b>9,963</b>	

Name of article	Date	To whom sent	Amount		
No. 150. Chemical industries supplement (printed 30,336 copies).	November 1935..	Legislators of--			
		Alabama.....	140		
		California.....	133		
		Florida.....	133		
		Georgia.....	205		
		Idaho.....	117		
		Illinois.....	196		
		Indiana.....	138		
		Iowa.....	168		
		Kansas.....	168		
		Minnesota.....	187		
		Mississippi.....	183		
		Missouri.....	180		
		Nebraska.....	138		
		North Carolina.....	158		
		Ohio.....	180		
		South Carolina.....	163		
		South Dakota.....	148		
		Tennessee.....	132		
		Editors of important newspapers.....	228		
		Editors of less important newspapers.....	1,383		
		Licensees of the Chemical Foundation.....	225		
		Stockholders of the Chemical Foundation.....	137		
		Members of the Chemical Alliance.....	276		
		Members of Synthetic Organic Manufacturer's Association.....	7		
		Members of Manufacturing Chemists Association.....	9		
		Mr. Buffum's business acquaintances.....	265		
		Watson Davis sent from Washington, D. C.....	231		
		Robert A. Millikan list of Southern California people.....	38		
		Economists in United States only.....	2,827		
		College presidents.....	624		
		Congressmen and Senators.....	530		
		Heads of departments in Washington, D. C.....	155		
		Selected list of subscribers to Science News Letter.....	258		
		Officers of United States Trust Co. (New York).....	12		
		Radio commentators.....	14		
		Science writers.....	6		
		Presidents of large banks in the following cities: New York, Boston, Cleveland, Omaha, Chicago, Houston, Tex., Philadelphia, Pittsburgh, Detroit, St. Louis, Los Angeles, Kansas City (Missouri and Kansas), Atlanta, Buffalo, New Orleans, Denver, San Francisco.....	107		
		Chief and other editorial writers of newspapers.....	644		
		Selected list of arithmetic and primer correspondents.....	76		
		Governors of all States.....	48		
		Editors of all farm papers.....	91		
		Members of Conference of Agriculture, Industry and Science.....	245		
		Farm Bureau Federation, county agriculture agents, and other officials, taken from directory of agriculture and home economic leaders.....	4,216		
		Members of New York Stock Exchange.....	1,347		
		Members of National Grange.....	94		
		Presidents of Farm Implements.....	365		
		Outstanding business men and manufacturers in the South.....	1,012		
		Mr. George Mahon, Washington, D. C.....	50		
		Miscellaneous requests.....	1,513		
		National Association of Manufacturers.....	3,063		
		Libraries, including--			
		Public.....	5,240		
		Educational and professional.....	2,063		
		Total.....			30,266
		No. 151. Romance of Chemistry, by William Foster.....		Distributed.....	250
		No. 152. American Chemistry, by Harrison Hale.....		do.....	1,000
		No. 153. Chemistry and the Home, by Howe and Turner.....		do.....	250

Name of article	Date	To whom sent	Amount	
No. 154. Dearborn Conference Proceedings (first printing, 30,378; second printing, 10,000).	July 1935.....	Licenses of the Chemical Foundation <sup>2</sup> .....	222	
		Stockholders of the Chemical Foundation <sup>2</sup> .....	137	
		Conference members <sup>4</sup> .....	300	
		Invitation list <sup>4</sup> .....	500	
		Daily papers <sup>4</sup> .....	1,913	
		Sunday papers <sup>4</sup> .....	300	
		Weekly papers <sup>4</sup> .....	9,400	
		Syndicates and magazines <sup>4</sup> .....	50	
		Farm papers and magazines <sup>4</sup> .....	75	
		Experiment stations and agriculture colleges <sup>4</sup> .....	1,300	
		List from country home offices <sup>4</sup> .....	40	
		Farm Bureau presidents <sup>4</sup> .....	11	
		Public and college libraries <sup>4</sup> .....	365	
		Presidents and executive departments in Washington, D. C. <sup>4</sup> .....	750	
		Supreme Court, Congress, and Senate <sup>4</sup> .....	559	
		Washington Press Gallery <sup>4</sup> .....	500	
		C. B. Fritzsche, Detroit, Mich. <sup>4</sup> .....	600	
		Jerry A. Robinson <sup>4</sup> .....	100	
		Howard E. Coffin <sup>4</sup> .....	50	
		D. Howard Deane, Fred G. Johnson, C. T. Rovers, Dr. Edw. A. Rumeley, and Will H. Hays <sup>4</sup> .....	27	
		National Grange <sup>4</sup> .....	17,500	
		Special names from Fritzsche and Barnard comprising business, scientific and farm contacts <sup>4</sup> .....	530	
		Mr. B. Haulman, Ankeny, Iowa <sup>3</sup> .....	400	
		Mr. Ernest N. Hutchinson, secretary of State, Olympia, Wash. <sup>3</sup> .....	500	
		Miscellaneous requests <sup>3</sup> .....	4,143	
		<b>Total</b> .....		<b>40,272</b>
		No. 155. A Second Primer (first printing, 20,000; second printing, 33,500; third printing, 5,050).	January 1936...	Editors of important newspapers.....
Editors of less important newspapers.....	1,562			
Chief and other editorial writers of newspapers.....	717			
Financial editors of newspapers.....	241			
Editors of all trade and religious journals.....	1,632			
Press gallery in Washington, D. C.....	467			
Economists in United States.....	3,335			
Partners in brokerage firms (Stock Exchange Directory).....	1,356			
Radio commentators.....	16			
Prominent accounting firms.....	140			
Financial editors of syndicates.....	13			
Presidents of all colleges in United States.....	536			
Bankers in Washington, D. C.....	559			
Congressmen and Senators at home addresses.....	528			
Government officials, including Cabinet... Republican and Democratic contributors in Washington, D. C.....	441			
Exporters and importers.....	333			
Mr. Samuel Crowther.....	1,396			
Mr. H. L. Derby, American Cyanamid and Chemical Corporation.....	100			
National Association of Manufacturers.....	100			
Presidents and vice presidents of all banks in the 5 boroughs of New York City.....	3,063			
Presidents of all banks in the United States excepting Washington, D. C. and the 5 boroughs of New York City.....	970			
Vice presidents of large banks in the following cities: Boston, Cleveland, Omaha, Chicago, Houston, Tex., Pittsburgh, Detroit, St. Louis, Los Angeles, Kansas City (Mo. and Kans.), San Francisco, Atlanta, Buffalo, New Orleans, Denver, Philadelphia.....	15,295			
Members of Synthetic Organic Chemical Manufacturers Association.....	770			
Licenses of the Chemical Foundation.....	39			
Stockholders of the Chemical Foundation.....	222			
Members of the Chemical Alliance.....	137			
Members of Manufacturing Chemists Association.....	259			
Members of Farm Chemurgic Council.....	9			
	270			

<sup>2</sup> Stickers made out by the Chemical Foundation and sent to Lancaster Press for mailing.<sup>4</sup> The above classification lists received from the Farm Chemurgic Council office at Dearborn, Mich.



Name of article	Date	To whom sent	Amount
No. 155. A Second Primer (first printing, 20,960; second printing, 33,596; third printing, 5,950).	January 1936....	Secretaries of Kiwanis, Rotary, and Lions clubs.	4,013
		Libraries including—	
		Business and other special .....	987
		Educational and professional .....	1,837
		Administrative and Research Corporation	919
		Faculty of Princeton University .....	336
		Faculty of Yale University .....	1,040
		Faculty of Harvard University .....	1,627
		Faculty of Columbia University .....	2,200
		Faculty of Chicago University .....	662
		Faculties of Washington colleges (1) .....	744
		Washington Social Register .....	1,550
		High school libraries (selected) .....	1,986
		Lockport Board of Commerce .....	200
		Mr. J. Holmes Ford, Economic Reconstruction Group.	200
		Mr. W. E. Lee, county superintendent (Kansas).	250
		Mr. Grover C. Brown, Industrial Relations Committee.	350
		Mr. L. R. Brown, Oakland, Calif. ....	100
		Captain Eble, New York City .....	1,400
		Miscellaneous requests .....	5,702
		<b>Total.....</b>	
No. 157. Deserted Village No. 6 (first printing, 10,050; second printing, 51,584; third printing, 3,063).	December 1935..	New York newspapers .....	21
		Science writers .....	12
		Special trade journals .....	36
		Petroleum journals .....	29
		Editors of important newspapers .....	283
		Editors of less important newspapers .....	1,546
		Chief and other editorial writers of newspapers.	715
		Financial editors of newspapers .....	234
		Trade journals .....	1,383
		Members of joint conference of Farm Chemurgic Council and committee members.	345
		Agricultural Power Alcohol Association of Iowa.	37
		List of parties attending Alco-Gas meeting at Illinois.	635
		Mr. Benjamin T. Brooks list of requests.	73
		Licenses of the Chemical Foundation....	222
		Stockholders of the Chemical Foundation.	137
		Members of the Chemical Alliance .....	252
		Members of Synthetic Organic Chemists Association.	9
		Members of Manufacturing Chemist Association.	7
		Economists (United States only) .....	3,314
		Correspondents list .....	5,675
		Washington classifications consisting of: Congressmen and Senators at home addresses, Government officials including Cabinet, Washington Social Register, lawyers in Washington, doctors in Washington, dentists in Washington, bankers in Washington, faculties of Washington colleges (4), republican and democratic contributors in Washington, Who's Who in National Capital, Washington press gallery.	12,916
		Dr. Wm J. Hale .....	50
		Rutgers University .....	50
		Executives of all oil companies .....	3,398
		Republican and democratic contributors who contributed over \$500.	3,325
		Farm Chemurgic Council at chemical exhibit.	4,300
		Radio commentators .....	16
		American Tung Oil .....	50
		House of Gurney, request of B. L. Wyborny.	5,000
		Individual customers of stainless steel licenses.	12,834
		Requests taken from stainless steel file....	133
Carl B. Fritsche, Dearborn, Mich. ....	100		
L. C. Snider .....	50		
Heads of Navy Departments in Washington.	58		

Name of article	Date	To whom sent	Amount		
No. 157. Deserted Village No. 6 (first printing 10,050 second printing, 51,584, third printing 3,063).	December 1935..	Byllesby Engineering and Management Corporation.....	100		
		General Industries Corporation, Ltd.....	50		
		Miscellaneous requests.....	6,302		
			63,677		
No. 158. Men, Money, and Molecules, by Williams Haynes (5,000 copies, cloth bound).	November to December, 1935.	Miscellaneous requests.....	596		
		Mr. Buffum's list of business acquaintances.....	328		
		Mr. Williams Haynes.....	25		
		Educational, professional, business, and other special libraries.....	2,705		
		The Defenders, West 72d St., New York City.....	200		
Total.....			3,852		
No. 159. Men, Money, and Molecules (10,000 copies, paper covered).	Oct. 21, 1936.....	Miscellaneous requests.....	866		
		Economists in United States only.....	3,347		
		Science writers.....	0		
		Partners in brokerage firms.....	1,353		
		Editors of important newspapers.....	287		
		Financial editors of syndicates.....	13		
		Radio commentators.....	16		
		Licenses of the Chemical Foundation.....	231		
		Stockholders of the Chemical Foundation.....	137		
		Members of Manufacturing Chemists Association.....	0		
		Members of the Chemical Alliance.....	276		
		Members of the Synthetic Organic Association.....	7		
		Committee for America Self Contained.....	17		
		Presidents of all colleges and universities.....	618		
		Presidents of the large banks in the following cities: New York, Boston, Cleveland, Omaha, Chicago, Houston, Tex., Philadelphia, Pittsburgh, Detroit, St. Louis, Los Angeles, Kansas City (Mo. and Kans.), Atlanta, Buffalo, New Orleans, Denver, San Francisco.....			
		Washburn College, Topoka, Kans.....	50		
		Public library of the city of Boston.....	33		
		Farm Chemurgic Council, members of.....	285		
		Prof. Neil Carothers, Lehigh University.....	50		
		Prof. John D. Clark, University of New Mexico.....	172		
		Secretaries of Rotary clubs.....	2,107		
		Total.....			9,975
		No. 160. Vital Speeches, Issue dated Jan. 27, 1936 (60,593 copies printed).	January 1936 ...	Economists United States only.....	3,347
Editors of important and less important newspapers.....	1,845				
Chief and other editorial writers of newspapers.....	701				
Financial editors of newspapers.....	223				
Trade journals.....	1,374				
Religious journals.....	249				
Petroleum journals.....	29				
Science writers.....	10				
Radio commentators.....	16				
Presidents of all colleges and universities in United States.....	618				
Licenses of the Chemical Foundation.....	231				
Stockholders of the Chemical Foundation.....	137				
Members of the Synthetic Organic Association.....	7				
Members of the Manufacturing Chemists Association.....	0				
Members of the Chemical Alliance.....	276				
Financial editors of syndicates.....	13				
Washington list consisting of Congressmen and Senators; Government Officials including Cabinet; Press gallery in Washington, D. C.; Republican and Democrat contributors in Washington; bankers in Washington, D. C.; lawyers in Washington, D. C.; doctors in Washington, D. C.; dentists in Washington, D. C.; Social Register; faculties of Washington colleges (4); Who's Who in Nation's Capital.....	12,066				
Manufacturers and businessmen in the South.....	1,015				
National Grange.....	118				

Name of article	Date	To whom sent	Amount
No. 100. Vital Speeches, Issue dated Jan. 27, 1936 (60,563 copies printed).	January 1936....	Democratic and Republicans who contributed over \$500.	3,447
		Correspondents' list.....	6,654
No. 161. The Deserted Village No. 7 (first printing, 303,256; second printing, 2,059).	April 1936 to February 1937.	Presidents and secretaries of American Federation of Labor.	189
		Faculties of: Princeton University.....	309
		Yale University.....	890
		Harvard University.....	1,737
		Columbia University.....	1,880
		Libraries including: Public.....	5,368
		Educational and professional.....	1,823
		Business and other special.....	977
		High school.....	3,026
		Federal and institutional.....	329
		Physicists in United States.....	3,891
		Republican and Democrat contributors who contributed under \$500.	6,849
			60,553
		Economists in United States.....	3,317
		American Bar Association.....	25,602 1/2
		Partners in brokerage firms.....	1,553
		Presidents of all banks in United States excepting Washington, D. C.	15,565
		Vice presidents of all large banks in the United States.	11,127
		Washington list consisting of Congressmen and Senators; Government officials, including Cabinet; Washington Social Register; lawyers in Washington, D. C.; doctors in Washington, D. C.; dentists in Washington, D. C.; bankers in Washington, D. C.; faculties of Washington colleges (4); Republican and Democratic contributors in Washington; Who's Who in Nation's Capital; Washington press gallery.	12,960
		Ayers' Directory of Newspapers, Periodicals, Farm and College Publications.	18,896
		Financial editors of newspapers.....	223
		Licenses of the Chemical Foundation.....	231
		Stockholders of the Chemical Foundation.....	137
		Members of the Synthetic Organic Association.	7
		Members of the Manufacturing Chemists Association.	9
		Members of the Chemical Alliance.....	276
		Who's Who in Commerce and Industry.....	6,213
		Financial editors of syndicates.....	13
		Science writers.....	10
		Radio commentators.....	16
		Presidents of all colleges and universities in United States.	618
		Correspondents list.....	6,654
		Democratic and Republican contributors who contributed under \$500.	8,456
		Democratic and Republican contributors who contributed over \$500.	3,448
		Prominent accounting firms.....	144
		Governors of States.....	48
		Administrative and Research Corporation.	918
		Outstanding manufacturers and business men in the South.	1,015
		Physicists in United States.....	3,891
		National Association of Manufacturers.....	3,047
		National Grange.....	118
		Farm Chemurgic Council, members of....	270
		Presidents and secretaries of American Federation of Labor.	189
		Libraries including-- Public.....	5,368
		Federal, State, and institutional.....	329
		High school.....	3,026
		Educational and professional.....	1,823
		Business and other special.....	977
		Catholic Press Directory.....	310
		American drug manufacturers.....	65
		Officers of the larger oil companies.....	186
		Senators and Representatives of State legislatures in United States.	7,593
		Exporters and Importers.....	1,388
		Secretaries of Kiwanis, Rotary, and Lions Clubs.	4,086

Name of article	Date	To whom sent	Amount
No. 161. The Deserted Village No. 7 (first printing, 303,256; second printing, 2,059).	April 1936 to February 1937.	<p>Persons who attended Alco-gas meeting at Bloomington, Ill. 579</p> <p>Directory of directors in New York City.. 29,697</p> <p>Agricultural and Home Economics Directory, the following Classifications: County agricultural agents, Farm Bureau agents, County Club leaders, Cooperative and Marketing Cooperative Association, Director of agricultural and extension colleges. 11,847</p> <p>Faculties of 240 colleges in the United States 58,779</p> <p>Social Registers in the following cities: New York, Philadelphia, Chicago, Boston, St. Louis, Pittsburgh, San Francisco, Baltimore, Buffalo, Cleveland, Cincinnati, and Dayton. 25,419</p> <p>Dr. Wm. J. Hale..... 100</p> <p>W. J. Cameron, Ford Motor Co..... 50</p> <p>American Iron and Steel Institute..... 375</p> <p>Arthur C. Watt, New York City..... 100</p> <p>Mrs. Thomas E. Egan. Daughters of the American Revolution..... 250</p> <p>Abraham J. Levy, Henry S. Levy &amp; Son. 150</p> <p>J. H. Hirsch, Automatic Burner Corporation. 100</p> <p>J. H. Sharpe, La Salle National Bank &amp; Trust Co. 3,000</p> <p>Willard A. Ormsbee, Taunton, Mass..... 100</p> <p>Robert A. Leeson, Universal Winding Co 100</p> <p>H. W. Fryng, Hartford, Conn..... 100</p> <p>The Allbright Nell Co., Chicago, Ill..... 200</p> <p>F. A. Brown, Grand Rapids Varnish Corporation. 100</p> <p>The Forbes Lithograph Manufacturing Co. 100</p> <p>C. G. Garland, Army Base, Boston, Mass. 150</p> <p>The Manufacturers Association, Jamestown, N. Y. 65</p> <p>David Cohen, board of education..... 200</p> <p>Robert O. Spengler, Chicago, Ill..... 250</p> <p>Horace Detwiler, president, Keeley Stove Co. 400</p> <p>Robert J. S. LaPorte, president Young Men's Council. 1,000</p> <p>Grain Industries, Inc..... 400</p> <p>C. E. Myers, instructor vocational agriculture. 75</p> <p>The Vermillion, Southwestern Louisiana Institute. 1,000</p> <p>Economics reconstruction group..... 500</p> <p>Prof. F. D. Paine, Iowa State College. 150</p> <p>J. F. Owens, president Oklahoma Gas &amp; Electric Co. 100</p> <p>Clifford H. Edmister, Chicago, Ill..... 100</p> <p>Prof. Joseph F. Meister, Temple University. 200</p> <p>Department of Public Schools, Providence, R. I. 100</p> <p>Miss Anne Gary, Alabama College..... 100</p> <p>The Crusaders, New York, N. Y..... 100</p> <p>L. F. Hampel, University of Akron..... 65</p> <p>John F. Bell, Temple University..... 150</p> <p>G. B. Proctor, Boston, Mass..... 100</p> <p>Kansas City Power &amp; Light Co..... 1,000</p> <p>W. D. Muentzer, United American Bosch Corporation. 50</p> <p>Frank Buchanan, McKeesport High School. 250</p> <p>F. Royce, president Romer Advertising Service. 235</p> <p>Jeremiah J. Sullivan, Jr..... 50</p> <p>M. Bench, Logan, Utah..... 50</p> <p>F. E. Burpee, Bucknell University..... 50</p> <p>Ward K. Klopp, Pullmanview, Nebr..... 50</p> <p>C. O. Wanvig, president Globe Union Manufacturing Co. 150</p> <p>Dodd Watkins, Stewart &amp; Ashby Coffee Co. 75</p> <p>A. J. Wardman, Belleville, Kans..... 100</p> <p>J. E. Galvin, Ohio Steel Foundry Co..... 1,000</p> <p>Prof. Neil Carothers, Lehigh University. 50</p> <p>Seovill Manufacturing Co., Waterbury, Conn. 70</p> <p>Duplan Silk Corporation, New York City. 100</p> <p>Paul H. Wilson, secretary Graton &amp; Knight Co. 50</p>	

Name of article	Date	To whom sent	Amount		
No. 161. The Deserted Village No. 7 (first printing, 303,256; second printing, 2,959).	April 1930 to February 1937.	W. J. Davis, Akron, Ohio.....	50		
		Charles D. Crenson, the Gas Service Co.....	100		
		Prof. Myron A. Lee, Sibley School.....	75		
		B. F. Drakenfield & Co.....	100		
		E. R. Alexander, Agricultural and Mechanical College of Texas.....	150		
		The Lane Co., Inc., Altavista, Va.....	500		
		Iowa Power Alcohol Association.....	35		
		William P. Crannell, Chicago, Ill.....	50		
		M. S. Reynolds, Republican State Central Committee.....	100		
		Eugene Swarzwald, Los Angeles, Calif.....	50		
		E. E. Witte, University of Wisconsin.....	100		
		Leroy A. Wilkes, the Medical Society of New Jersey.....	100		
		A. K. Fessler, National Annuity League.....	100		
		C. H. Geuting, Philadelphia, Pa.....	50		
		P. R. Cromwell, Carlisle, Ind.....	60		
		Pittsburgh School of Accountancy.....	150		
		Grenada City Schools, Grenada, Miss.....	50		
		I. Harrison, Twin Valley, Minn.....	50		
		S. B. Collin, president, Advance Pattern Co.....	50		
		Lawrence S. Mayer, .. C. Mayers & Co.....	200		
		Mr. Lester Lloyd, McCann Erickson, Inc.....	100		
		J. W. White, Frioma Star.....	50		
		J. A. Ducournau, Wells Fargo Bank & Union Trust Co.....	250		
		G. A. Pfeiffer, New York, N. Y.....	50		
		B. M. Ottaway, Kansas City Grange.....	100		
		Ella O'D. Rogers.....	100		
		R. R. Van Leer, University of Florida.....	50		
		W. R. Bassett, Spencer Trask & Co.....	150		
		Gordon D. Hoppel, Syracuse, N. Y.....	100		
		Walter H. Petring, St. Louis, Mo.....	50		
		American Security Co. of Indiana.....	78		
		Mr. Schaffer, care of Pittston Coal Lancheon, New York.....	200		
		Mayors of American municipalities.....	247		
		Executive sof oil companies.....	3,234		
		J. E. Pearson, Wheaton public libraries.....	50		
		H. E. Dondrick, president Big Indiana Oil & Development Co.....	600		
		P. S. Hampton, Republican Central Committee.....	50		
		Pacific Power & Light Co., Portland, Oreg.....	100		
		Rev. S. P. Hueber, St. Vincents Church.....	75		
		Mr. Griffith, secretary, Republican State Committee.....	1,000		
		Mrs. Stovers Bungalow Chocolates.....	50		
		Mr. J. D. Gorg, Dravo Corporation.....	50		
		Miscellaneous requests.....	6,728		
		Total.....	-----	-----	305,201
		No. 162. America S...kes Back (20,000 copies).	February 1936 to December 1936.	Miscellaneous requests.....	203
				Economists in United States only.....	3,149
				Radio commentators.....	16
				Financial editors of syndicates.....	12
				Science writers.....	10
				Mr. Buffum's list of business friends.....	310
				Financial editors of newspapers.....	231
				Presidents of all colleges and universities.....	569
				Congressmen and Senators.....	522
				Farm Chemurgic Council, members of first meeting.....	241
				Governors of States.....	48
				Public libraries.....	5,853
				History and international relation professors.....	987
				Group of six contains stockholders of the Chemical Foundation, Licensees of the Chemical Foundation, members of the Manufacturing Chemists Association, members of Synthetic Organic Association, and members of the Chemical Alliance.....	660
				Mayors of American municipalities.....	261
				Kiwanis Clubs, secretaries.....	1,631
Lions Clubs, secretaries.....	2,338				
Rotary Clubs, secretaries.....	1,849				
Farm Chemurgic Council, members of second meeting.....	560				
Total.....	-----			-----	10,500

Name of article	Date	To whom sent	Amount
No. 163. The Deserted Village No. 8 (printed 100,755 copies).	March to December 1936...	Mr. William S. Dutton, E. I. du Pont de Nemours Co.	300
		Persons who attended Alco Gas meeting at Bloomington, Ind.	630
		American Drug Manufacturers Association.	55
		Governors of States.....	48
		Iowa Power Alcohol Association.....	37
		National Association of Manufacturers.....	3,032
		National Grange.....	107
		Partners and brokers in New York Stock Exchange.	3,747
		Officers of larger oil companies.....	104
		Radio commentators.....	10
		Science writers.....	169
		Public Service Commission officials.....	12
		Financial editors of syndicates.....	608
		Presidents of all colleges.....	12,772
		Washington list consisting of Congressmen and Senators; Government officials, including Cabinet; Washington Social Register; lawyers in Washington, D. C.; doctors in Washington, D. C.; dentists in Washington, D. C.; bankers in Washington, D. C.; faculties of 4 Washington colleges; Republican and Democratic contributors in Washington; Who's Who in Nation's Capital; Washington Press Gallery.	6,041
		Who's Who in Commerce and Industry...	142
		Stockholders of the Chemical Foundation.	241
		Licensees of the Chemical Foundation...	9
		Members of the Manufacturing Chemists' Association.	7
		Members of the Synthetic Organic Association.	282
		Members of the Chemical Alliance.....	6,380
		Correspondents' List.....	8,535
		Officers of insurance companies.....	15,352
		All presidents of banks in United States, excepting Washington, D. C.	285
		Farm Chemurgic Council, members of...	5,280
		Officials of railroads.....	3,144
		Economists in United States.....	1,506
		Directors and trustees of investment trusts.	226
		Financial editors of newspapers.....	1,808
		Editors of important and less important newspapers.	694
		Chief and other editorial writers of newspapers.	500
		Mr. Roy F. Britton, National Highway Users' Conference.	200
		Mr. C. L. Tarbuton, du Pont Co.....	4,775
		Libraries:	849
		Public.....	1,775
		Federal, State, and Institution.....	2,798
		Educational and professional.....	1,032
		High school.....	325
		Business and other special.....	500
		Automobile Manufacturers Association of New York.	375
		Mr. F. C. Evans, du Pont de Nemours & Co.	60
		American Iron & Steel Institute, New York.	160
		Prof. William P. Crannell, Chicago, Ill...	160
		Mr. Milton G. Way, Brooklyn, N. Y.	75
		Mr. B. M. Ottaway, Kansas State Grange.	50
		Prof. Robert Collier, Jr., South High School.	50
		Mrs. S. E. Bramer, president, Copperweld Steel Co.	75
		National Industrial Traffic League.....	100
		Mr. H. S. Ray, Chicago, Ill.....	50
		Junior High School, Jonesboro, Ark.....	4,044
		Directors of railroads.....	50
		Mr. F. C. Horner, General Motors Corporation.	247
		Mayors in United States.....	75
		Mr. D. Shelor, Automobile Club of Washington.	75
		Rev. S. P. Hueber, St. Vincent's Church.	45
		Newtown High School, Elmhurst, N. Y.	45
Total.....			80,244

Name of article	Date	To whom sent	Amount
No. 163. The Deserted Village No. 8 (printed 100,755 copies).  Total.....	March to December 1936....	Miscellaneous requests..... Vice presidents of all banks in the following cities: New York, Boston, Cleveland, Omaha, San Francisco, Houston (Tex.), Philadelphia, Pittsburgh, Detroit, St. Louis, Los Angeles, Kansas City (Mo. and Kans.), Atlanta, Buffalo, New Orleans, Denver, Chicago.	6,926 3,551  100,721
No. 164. Vital Speeches (49-875 copies of Mar. 9, 1936, edition).  Total.....	Mar. 9, 1936, to Dec. 1936.	Economists in United States..... Partners in brokerage firms in New York... Vice presidents of large banks in the following cities: New York; Boston; Cleveland; Omaha; Chicago; Houston, Tex.; Philadelphia; Pittsburgh; Detroit; St. Louis; Los Angeles; Kansas City (Mo. and Kans.); Atlanta; Buffalo; New Orleans; Denver; San Francisco. Washington list consisting of Congressmen and Senators; Government officials, including Cabinet; Washington Social Register; lawyers in Washington, D. C.; doctors in Washington, D. C.; dentists in Washington, D. C.; bankers in Washington, D. C.; faculties of Washington colleges (4); Republican and Democratic contributors in Washington; Who's Who in Nation's Capital; Washington Press Gallery. Financial editors of newspapers..... Who's Who in Commerce and Industry... Democratic and Republican contributors who contributed over \$500. Democratic and Republican contributors who contributed under \$500. Prominent accounting firms..... Governors of States..... Administrative and Research Corporation. National Grange..... Farm Chemurgic Council, members of... Presidents and secretaries of American Federation of Labor. Catholic press directory..... Senators and Representatives of 48 States... Secretaries of Kiwanis, Rotary, and Lion's clubs.	3,122 1,302 1,061  12,784  226 6,200 3,144 9,168 144 48 897 108 290 199  298 7,015 3,859  49,865
No. 165. The Deserted Village No. 9 (102,708 copies printed).	April 1936 to December 1936.	Mr. Carl B. Fritsche..... Washington list consisting of Congressmen and Senators; Government officials, including Cabinet; Washington Social Register; lawyers in Washington, D. C.; doctors in Washington, D. C.; dentists in Washington, D. C.; bankers in Washington, D. C.; faculties of Washington colleges (4); Republican and Democratic contributors in Washington; Who's Who in Nation's Capital; Washington Press Gallery. Group of six consisting of stockholders of the Chemical Foundation; licensees of the Chemical Foundation; members of the Manufacturing Chemists Association; members of Synthetic Organic Association; members of Chemical Alliance. Farm Chemurgic Council, members of... Financial editors of syndicates..... Presidents of all colleges and universities... Important and less important newspapers. Chief and other editorial writers of newspapers. Financial editors of newspapers..... Economists in United States only..... Governors of States..... Iowa Power Alcohol Association... Partners and brokers in New York Stock Exchange. Radio commentators..... Science writers..... Persons who attended Alco-Gas Meeting..	2,050 12,674  674  278 12 525 1,850 725  233 3,287 46 37 3,855  16 9 638

Name of article	Date	To whom sent	Amount		
No. 105, The Deserted Village No. 9 (102,708 copies printed).	April 1936 to December 1936.	American Drug Manufacturers Association.	55		
		National Association of Manufacturers . . .	3,045		
		National Grange officers . . .	107		
		Officers of larger oil companies . . .	104		
		Public service commission officials . . .	122		
		Investment trusts (directors and trustees)	1,420		
		Directors of railroads and railway companies.	3,000		
		Officers of insurance companies . . .	9,354		
		Correspondent's list . . .	9,809		
		All presidents of banks in United States excepting Washington, D. C.	45,356		
		Who's Who in commerce and industry.	6,135		
		Officials in railroads . . .	5,030		
		Libraries, including public, junior college, higher education, law, medical, Federal, State, hospital, institutional.	9,946		
		Mayors in United States . . .	247		
		Springfield Fire & Marine Insurance Co.	60		
		Mr. J. T. Loeve, the Delaware & Hudson R. R.	100		
		Mr. Royal Scott Guilder, New York, N. Y.	100		
		Newton High School, Atholurst, N. Y.	45		
		Miscellaneous requests . . .	5,304		
		Mr. James M. Matthews, director division of disbursement.	100		
		Mr. Wm. P. Crumell, Washburn Continuation School.	50		
		La Salle National Bank & Trust Co . . .	500		
		Lehigh University, Prof. H. M. Ullman	310		
		American Iron & Steel Institute . . .	400		
		Mr. Frank S. Betz, Hammond, Ind . . .	75		
		Milwaukee Association of Commerce . . .	50		
		Mr. Paul A. Richmond, Albany Mills, Inc.	60		
		Mr. Ceell G. Garland, First Corps Area	140		
		Mr. Fred W. Sargent, Chicago & North Western Ry. Co.	100		
		First National Bank of Bradshaw	100		
		Mr. W. T. Harris, First National Bank, West Plains, Mo.	50		
		Citizens State Bank, Eagle Bend, Minn.	120		
		Mr. J. I. Morgan, New Orleans, La.	100		
		Duluth Chamber of Commerce . . .	100		
		Mr. H. Crosby, A. G. Wineman & Sons	100		
		Mr. F. G. Johnson, United Arctohoke Co	100		
		Mr. W. T. Suter, president, Union Trust Co.	100		
		Mr. B. M. Ottaway, Kansas State Grange	100		
		Mr. Chas. A. McCormick, Demarest, N. J.	300		
		Rev. S. P. Hueber, St. Vincent's Church	75		
		Mr. W. H. Travis . . .	50		
		Mr. Roy B. Barham, Boston University.	75		
		Total . . . . .			100,688
		No. 106, The Deserted Village No. 10 (printed 113,234 copies).	May 1936 to December 1936	Also Gas meeting, people attending, Bloomington, Ill.	630
				American Drug Manufacturers . . .	55
Bank presidents of all States excepting Washington, D. C.	14,976				
Bank vice presidents of large and small banks in the United States.	10,233				
Correspondent's list . . . . .	9,545				
Economists in the United States . . . . .	3,231				
Farm Chemurgic Council, members of . . .	250				
Financial editors of syndicates . . . . .	12				
Governors of States . . . . .	46				
Group of 6 consisting of stockholders of the Chemical Foundation, licensees of the Chemical Foundation, members of the Manufacturing Chemists Association, members of the Chemical Alliance, members of the Synthetic Organic Chemical Association.	672				
Investment trusts, officers of . . . . .	1,362				
Iowa Power Alcohol Associations . . . . .	37				
Klwanis clubs . . . . .	1,631				
Public libraries . . . . .	6,998				
Lions clubs . . . . .	2,598				
Mayors of American municipalities . . . . .	245				
National Association of Manufacturers . . .	3,605				
National Grange officers . . . . .	110				



Name of article	Date	To whom sent	Amount
No. 166, The Deserted Village No. 10 (printed 113,231 copies).	May 1936 to December 1936.	<p>Newspapers:                      Chief and editorial writers . . . . . 717                      Editors of important and less important . . . . . 1,830                      Financial editors . . . . . 218                      New York stock Exchange, partners and brokers . . . . . 3,120                      Oil companies, executives of . . . . . 3,267                      Public service commission officials . . . . . 50                      Presidents of all colleges and universities . . . . . 613                      Radio commentators . . . . . 17                      Railroads, directors of . . . . . 4,817                      Republican and Democratic contributors, over \$500 . . . . . 3,004                      Rotary clubs . . . . . 2,338                      Science writers . . . . . 10                      Trade journals . . . . . 1,400                      Trade journals, special . . . . . 17                      Washington list consisting of Congress men and Senators, Government officials, including Cabinet, Washington Social Register, lawyers in Washington, doctors in Washington, dentists in Washington, bankers in Washington, faculties of 4 Washington colleges, Republican and Democratic contributors in Washington, Who's Who in Nation's Capital, Washington Press Gallery, Who's Who in Commerce and Industry                      Miscellaneous requests . . . . . 3,763                      Rev. S. P. Hatcher, St. Vincent's Church . . . . . 75                      Dr. Ross A. Baker, the College of the City of New York . . . . . 40                      Bank of the Manhattan Co., H. D. Forester . . . . . 50                      Capt. F. K. A. Elble, Made in America Club . . . . . 600                      D. L. Wybornoy, House of Curmoy . . . . . 1,000                      Dr. Leo M. Christenson, Atchison, Kans . . . . . 400                      First National Bank of Argonville, Ill . . . . . 100                      B. T. Haulman, Ankeny, Iowa . . . . . 1,000                      Romer Advertising Service, Washington, D. C. . . . . 225                      Mr. D. Shelor, Automobile Club of Washington . . . . . 100                      Square Deal Oil Co . . . . . 150                      Mr. W. E. Clark, Electrochemical Research Laboratories . . . . . 50                      Mr. A. J. Lewis, Square Deal Oil Co . . . . . 400                      Farm Bureau federations (from Mr. Pittschof) . . . . . 70                      Prof. W. P. Crannell, Chicago, Ill . . . . . 50                      Dr. W. F. Coover, Iowa State College . . . . . 200                      Mr. F. L. Robinson, Kearney, Neb . . . . . 150                      Mr. J. Holmes Ford, Economic Reconstruction group . . . . . 200                      Mr. Charles R. Hutchinson, Modern Agriculture . . . . . 100                      Mr. D. N. Ottaway, Kansas State Orange . . . . . 150                      Mr. Ludyne Medbeck, Askov, Minn . . . . . 100                      Mr. C. C. Hyslop, Chain Industries . . . . . 100</p>	<p>717                      1,830                      218                      3,120                      3,267                      50                      613                      17                      4,817                      3,004                      2,338                      10                      1,400                      17                      12,678                      6,146                      3,763                      75                      40                      50                      600                      1,000                      400                      100                      1,000                      225                      100                      150                      50                      400                      70                      50                      200                      150                      200                      100                      150                      100                      100</p>
Total			111,057
No. 167, The Deserted Village No. 11 (printed 102,570 copies).	June, 1936 to December 1936.	<p>Also Gas meeting, people attended at Bloomington, Ill.                      American Drug Manufacturers . . . . . 55                      Bank presidents of all States excepting Washington, D. C. . . . . 14,970                      Bank vice presidents of large banks in the following cities: New York, Boston, Cleveland, Omaha, Chicago, Houston, Tex., Philadelphia, Pittsburgh, Detroit, St. Louis, Los Angeles, Kansas City (Mo. and Kans.), Atlanta, Buffalo, New Orleans, Denver, San Francisco.                      Chief and editorial writers of newspapers . . . . . 720                      Correspondents list . . . . . 9,625                      Economists in United States . . . . . 3,314                      Farm Chemurgic Council, members of . . . . . 240                      Financial editors of syndicates . . . . . 12                      Governors of States . . . . . 46</p>	<p>630                      55                      14,970                      2,234                      720                      9,625                      3,314                      240                      12                      46</p>

Name of article	Date	To whom sent	Amount
No. 167. The Deserted Village No. 11 (printed 102,576 copies).	June, 1936 to December 1936.	Group of six consisting of:	
		Stockholders of the Chemical Foundation.	
		Licensees of the Chemical Foundation.	
		Members of the Manufacturing Chemists Association.	072
		Members of the Chemical Alliance.	
		Members of the Synthetic Organic Chemical Association.	
		Investment trusts, officers of.	1,526
		Iowa Power Alcohol Association.	36
		Kiwanis Clubs.	1,630
		Libraries, public.	5,070
		Lions clubs.	2,574
		Mayors of American municipalities.	3,245
		National Association of Manufacturers.	3,034
		National Orange officers.	107
		Newspapers, editors of important and less important.	1,857
		Newspapers, financial editors.	225
		New York Stock Exchange, partners and brokers.	3,926
		Oil companies, executives of.	3,397
		Public service commission officials.	148
		Presidents of all colleges and universities.	613
		Radio commentators.	17
		Railroads, directors of.	4,737
		Republican and Democratic contributors over \$500.	3,083
		Rotary clubs.	2,340
		Science writers.	10
		Trade journals.	1,406
		Trade journals, special (chemical).	37
		Washington list consisting of: Congressmen and Senators, Government officials, including Cabinet, Washington Social Register, Lawyers in Washington, Doctors in Washington, Dentists in Washington, Bankers in Washington, Faculties of (4) Washington colleges, Republican and Democratic contributors in Washington, Who's Who in National's Capital, Washington Press Gallery.	12,672
		Who's Who in Commerce and Industry.	6,214
		Miscellaneous requests.	3,062
		Mr. B. F. Williamson, Gainesville, Fla.	50
		Mr. W. P. Crannell, Chicago, Ill.	50
		Dr. R. A. Baker, the College of the City of New York.	40
		Automobile Club of Washington, D. Shelor.	200
		Mr. Hoyt Metzger, Detroit, Mich.	200
		Babson Institute, James M. Matthew.	100
		Mr. Marshall Harbinson, representing State committee.	3,000
		Georgia School of Technology.	50
		Mr. Ludvig Mosbeak, Askov, Minn.	100
		Carlisle High School, Ind.	40
		Massachusetts Institute of Technology.	100
		American Farm Bureau.	490
		Outstanding manufacturers and businessmen in the South.	1,011
		Presidents of farm implements.	645
		Prominent farmers.	4,434
		Sponsors of science clubs of America.	432
		Rotary Club of Johnstown.	110
Mr. W. H. Travis.	50		
College of the Pacific, A. T. Bowden.	100		
Total.		102,526	
No. 168. Chemistry's contribution (Brackett lecture). 20,000 copies printed.	July 1936 to December 1936.	Miscellaneous requests.	543
		Miss Mary Feeny, care of Day & Zimmerman.	350
		Economists in United States only.	3,469
		Who's Who in commerce and industry.	6,019
		Kiwanis clubs.	1,621
		Rotary clubs.	2,343
		Lions' clubs.	2,563
		Bank presidents (selected list).	1,451
		Wm. Haynes.	1,200
		Wm. Haynes list of friends.	129
		Mr. McClure, Carbide and Carbon Chemical Co.	65
Total.		19,753	



Name of article	Date	To whom sent	Amount		
No. 170. Why Quit Our Own Peek and Crowther (pur- chased 100,000).	July 1936 to Dec- cember 1936.	Ma. G. N. Peek's list—Continued.			
		American Livestock Association.....	28		
		Col. E. N. Sanctuary list.....	164		
		American Farm Bureau Federation ..	79		
		National Grange (State) .....	112		
		National Grange (county) .....	700		
		Bankers Advisory Committee.....	67		
		Mr. Buffum's list of friends (selected).....	354		
		Congressmen and Senators (at home ad- dresses).....	561		
		Members of the Cabinet and the Pres- ident.....	10		
		Economists in United States .....	3,264		
		Members of America Self-Contained .....	16		
		Members of American Institute of Physics	10		
		Iowa Agricultural Power Alcohol Asso- ciation.....	32		
		Newsprint manufacturers in United States	24		
		Directors of State agricultural colleges .....	48		
		Dr. Milliken's list of influential people in southern California.....	36		
		American Railway Development Associa- tion.....	91		
		Financial writers and editors of news- papers and syndicates.....	236		
		Presidents of railway companies.....	474		
		Registration of second Dearborn confer- ence.....	559		
		Presidents of all colleges and universities in United States.....	585		
		Licenses and stockholders of the Chem- ical Foundation.....	383		
		Officers of larger oil companies .....	188		
		Members of Industrial Alcohol Institute..	110		
		Selected list of correspondents taken from first primer file.....	355		
		Selected list of correspondents taken from second primer file.....	209		
		Who's Who in the Clergy (selected).....	4,678		
		County agricultural agents (Wheeler McMillen).....	2,597		
		Persons who acknowledged and com- mented on Donham article.....	377		
		Mr. W. J. Cameron, Ford Motor Co.....	25		
		Mr. D. B. Gurney, Yankton, S. Dak.....	1,000		
		Mr. D. Howard Doane, St. Louis, Mo.....	250		
		Mr. C. J. Claasen, Omaha, Nebr.....	250		
		Farm Chemurgic Council, first meeting.....	135		
		Secretaries of Kiwanis Clubs.....	1,284		
		Secretaries of Lions Clubs.....	2,418		
		Secretaries of Rotary Clubs.....	1,770		
		Editors of newspapers, periodicals, farm, and college publications.....	13,367		
		Who's Who in Women's Clubs.....	552		
		Presidents of all Women's State Clubs.....	38		
		District directors of women's clubs (State).....	266		
		National Association of Manufacturers....	2,634		
		All delegates and alternates to the Repub- lican National Convention.....	1,821		
		Progressive Farmers Union.....	5,913		
		Home demonstration agents.....	645		
		Libraries (selected list).....	7,114		
		All those who attended the Fresno, Calif, conference.....	167		
		Mr. Fred J. Lingham, president, Federal Mill, Inc.....	260		
		National Grange.....	5,651		
		Hennepin County Republican Head- quarters, Minnesota.....	300		
		Democratic and Republican contributors, 1922 to 1936.....	2,811		
		Faculties of land-grant colleges.....	16,160		
		Prominent farmers (Wheeler McMillen) ..	4,276		
		Purchasers of Second Dearborn conference.	819		
		American men of science.....	10,142		
		Alco-Gas meeting, members of.....	606		
		Mayors of American municipalities.....	256		
		Miscellaneous requests.....	360		
		Total.....			99,680
		171. Newsdom, issue of Nov. 28, 1936 (20,000 copies).	December 1936..	Editors and publishers of newspapers.....	14,490
				Executives of southern banks.....	500
				National advertisers and advertising agencies.....	5,000
		Total.....			19,99

Senator VANDENBERG. In how long?

Mr. GARVAN. In 20 years, not quite, 19 years. That includes every pamphlet, and here we have in back here every single pamphlet, stamped on it how much we spent in its distribution, and by reference to these you can find each and every individual that it went to in the country.

Now, then, in return, we ask you if you will not find out for the American people how much is spent in foreign propaganda, if you will not do, as has been done to the Chemical Foundation, send accountants into these different foreign propagandists' office that have these high-sounding, religious names, economic names, glorious brotherly love names, and so forth and so on. We are ready to place everything that America does for itself on the table. Is it not fair that the American people should see the same kind of an accountant report on the books of everyone here in this country that is trying to propagandize the great object of a super-American state, run by Morgan and London?

That is the second piece of legislation I ask. Do not have a committee of investigation until later; just have authority to send accountants, that is all. Ask them for pieces of their literature and what they spent on it, whom it was sent to, and so forth and so on. That is all we ask.

Then you can come and have your investigating committee and it will not be frittered away with long hearings among you busy men, but you will have what we have got here on American propaganda, sworn accountants' proceedings, copies of every bit sent out, books open to you can be brought here. Do not you think American citizens are entitled to what is being spent against them? Why not? What is the abnormal influence that prevents the Government from keeping books? It is normal for business to keep books. Where is it? "Cui bono?" Who gets the benefit of less bookkeeping? That is what we would like to know. What is the mystery? Why is not the bill passed in 15 minutes? The model is there in the trade bill of Germany. That worked all right. All you did was send out a questionnaire demanding signed and sworn reports, then you went on and investigated those who were disobeying the law. If you do that then you have got some picture before you.

There is another thing. All of this shows it is not right. There is something wrong. There is something going on here that the normal decent American citizen cannot understand. In the first place, none of you today know any one thing about how much if any tariff you have got. Have you got any tariff today? Is it all compensated for in foreign exchange, favors on the other side? I do not know, but I have learned little things. I was told—I do not want to be asked to tell names because it would get business men into trouble, but it can be easily verified—the biggest granary in this country is here in Albany. I do not know why it was built. I think it was built because it is at the end of the Erie Canal, but it is the biggest one in the country. In the year 1935 that was filled to the roof with in the country. In the year 1935 that was filled to the roof with corn from Argentina. It was sold here in America. Somebody said to one of high authority in the country, "How could you bring that corn in from the Argentine with the duty 50 percent, or 25 cents a bushel, whatever it is?" He said, "We did not pay any duty, we

just had an agreement with Argentine and we were credited with the amount of duty through the exchange."

So that your corn was brought from the outside here into this country.

We know in our chemical business that there is no duty any more that amounts to anything. How much can you buy American dollars in Germany for? If you can buy them in Germany any fellow can buy them throughout the world. You do not know today, and these young men cannot tell you whether there is a dollar's worth of duty. All they are doing is chopping off what is paid at the customhouse and getting it back out of the unpaid dollars of American investors and exporters.

We do not know where you are going. We see the Standard Oil Co. taking their pay in Germany in canary birds and harmonicas, millions of canary birds and millions of harmonicas, in order to get American dollars out of Germany.

Mr. Morgan, in 1930 and 1931, when we were distressed enough, God knows, at England's request, induced his banks in New York City—and do not make any mistake about that; they may come down and swear to you that the Guaranty Trust and these others are American banks, but take it from an old boy that has walked the streets of New York for 40 years—but in 1930 and 1931, at England's request, these banks took out of their depositors' boxes \$750,000,000 and loaned it to Germany. Why? Why, for the political purposes of England. England thought it was safer to help Germany at that time than it was to drive her to desperation. That was their politics which we do not understand and cannot follow. They took \$750,000,000 of the deposits of those banks and loaned them to Germany without a cent's worth of security, nothing to back them up.

Now, we have been working out that \$750,000,000. They did not get it all back; they had terrible losses. But the American people have lost more, because those banks have become sellers all over the world. Germany imposed upon them the conditions, "If you want \$100 we will give you \$25 in cash but you must buy \$75 of German goods, and you must go out and sell them in the world and you cannot sell them where we have had customers before." For years those banks, under Morgan's direction, in order to collect money that they recklessly took from their depositors and loaned to Germany, have been peddling German goods up and down the world in actual competition with our exports. This again is not as simple and is not as easy as it seems on the delightful reciprocal tariffs.

Now, as I said, my first argument against this bill was its immorality, was the deceit in its passage, was the fact that it had no books to rely on showing an unfavorable balance, upon which they claim it is based.

Our Government has said, "We will do nothing to protect foreign investments." Their value is \$8,800,000,000. Now, the Government figured those out at \$12,630,000,000. What did they do? They took the book values and par values. Just think, taking the values of these defaulted bonds and defaulted securities.

In my book I show that detail by detail. So you can take off four billions of your supposed creditor position, which they deliberately put at book values, without doing the necessary work which my two boys did, of looking up and finding out what the

market value was rather than the book value. That is the first thing.

The second thing, well, I will not go into that because I have rehearsed that in the beginning, so far as book no. 12 is concerned. It is full of estimates. We had to take them because the Government does not furnish the exact figures, but they are an honest, clean estimate and the best that can be done at the present state of book-keeping in the United States.

We are going to follow it with the best possible study of foreign holdings here, but it is useless work, it is improper work, it will only deceive. You can get it for me in 5 minutes with the expense of a few hundred dollars by passing a law and issuing a questionnaire and we will probably get 80 percent of it now and then we can hunt for the other 20 percent, and you will have something, and your poor President will not go into negotiations with Runciman and Runciman laughing behind his back.

Somebody said yesterday, "How do you know that Runciman knows these things?" Well, all you have to do is just take the League of Nations book in 1935, their balance of payments, and it absolutely contradicts every figure that is offered to you here by the Government. They know. I haven't time to go into it. I will put it into the record showing their tables, showing that we have had an unfavorable balance since 1933. Everybody knew it but the American citizen. All Europe knew it; Runciman knew it.

## EXHIBIT H

[From League of Nations Balance of Payments, (1935, p. 11)]

Country and year	Goods, services, and gold						Capital Items			Balance due to errors and omissions
	Merchandise	Interest and dividends	Other services	Total goods and services	Gold	Total	Long term	Short term	Total	
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	
United States of America: <sup>1</sup>										
1927.....	+417	+679	-572	+524	+154	+678	-740	+845	+105	+783
1928.....	+738	+680	-684	+734	+272	+1,006	-671	-228	-899	+107
1929.....	+382	+699	-681	+400	-120	+280	-90	-95	-185	+95
1930.....	+386	+769	-580	+575	-278	+297	-213	-465	-678	-381
1931.....	+17	+621	-493	+145	+176	+321	+234	-719	-485	-164
1932.....	+150	+455	-504	+101	-11	+90	+247	-489	-242	-152
1933.....	+67	+325	-218	+174	+139	+313	+39	-383	-344	-31
1934.....	+173	+220	-169	+224	-726	-502	+121	+94	+215	-287
1935.....	-115	+221	-181	-75	-1,027	-1,102	+272	+634	+906	-196

<sup>1</sup> United States of America—Columns 1 and 3: In 1927, 1928, and 1932, not including freights paid to domestic ships on account of imported goods. Columns 2, 7, 8: from 1931, interest and dividends earned abroad but not transferred to the United States are partly excluded.

Now, just let me say a word as to the origin of these treaties. If you take that book there you will find the schedule of England and how she was being paid in 1930. Then came the McMillan report, which was a splendid economic performance, and it showed England just where she was and what the tariffs were doing to her.

From that minute she adopted two policies. One was high tariffs in England and the other was low tariffs in America, or the reciprocal trade agreement. There is where you get the birth of it, in London. I will show it to you.

You will find that our questions of national policy are generally announced very adroitly, very cleverly, and despite all your 4 years in power, all your New Deal and everything you have done has done nothing but fasten and tighten the grip of England and their British agents, J. P. Morgan, on the real policies of this country. They are not in the newspapers, but once in a while they find a new policy and then we see the effect.

Now, the policy here was announced by Thomas Lamont in 1932. So that in 1934 we come along and pass the reciprocity agreement. Lamont holds that to pay the debts is impossible. \$35 an ounce for gold, repudiation of debts, and reciprocal trade agreements all go together. Lamont holds the debts payment would choke the channels of your trade. That is the finishing thing that they put in there, that paying your debts chokes the fellow that gets paid, that the payment of debts would choke the channels of world trade, he says, and would be ruinous to economic peace. He says the capitalistic system must be revised but not abandoned. I will put that into the record. There is no use of my reading it now.

(The document referred to is as follows:)

#### EXHIBIT I

[From the New York Times, Nov. 17, 1932]

#### LAMONT HOLDS DEBTS FAIR BUT IMPOSSIBLE—PAYMENT WOULD CHOKE CHANNELS OF WORLD TRADE, HE SAYS, URGING ECONOMIC PEACE—ASSAILS TARIFF BARRIERS—CAPITALISTIC SYSTEM MUST BE REVISED, BUT NOT ABANDONED, HE TELLS EDUCATORS

Thomas W. Lamont, of J. P. Morgan & Co., characterized the war debts as "perfectly just but impossible" yesterday in an address before the Conference of Universities, held at the Waldorf-Astoria under the auspices of New York University and attended by men and women representing colleges, universities, and other institutions of learning in thirty-two countries. Yesterday was the second day of the three-day conference.

Mr. Lamont made this statement in an analysis of the causes of the depression, which he attributed to the World War and the subsequent economic warfare throughout the world. The remedy for present conditions, he said, was in rebuilding the capitalistic system and in seeking economic as well as political peace; not in changing our economic system to adopt either socialism or communism.

Sir James Arthur Salter, former director of the Economic and Finance Section of the League of Nations, declared that the present economic system must be transformed gradually into a system based on collective planning, without, however, replacing the present system altogether.

Edwin Francis Gay, professor of economic history at Harvard, who spoke at the same session as Mr. Lamont and Sir James, defended American universities against critics who have assailed the tendency to offer business and other utilitarian courses in recent years. Mr. Lamont presided at this session, the topic for which was: "The University and Economic Changes."

Mr. Lamont said that economic warfare in Europe since the World War had been more destructive than the war itself. The Versailles Treaty, he declared, had set up new States on economic lines, and had brought "a militant peace filled with resentments." He thought the struggle over German reparations had helped bring Europe to the verge of bankruptcy, with war budgets and taxation going up alarmingly.

The United States, he continued, had taken the lead in erecting tariff barriers which now "prevent the very exchange of goods and facilities of commerce which are essential to the restoration of world prosperity." Nationalism had grown all over the world, with every country trying to save itself, regardless of the rest of the world.



During our boom years, he went on, this country adopted "a very contradictory trade policy", of trying to sell goods abroad but buying as little as possible from abroad, forcing us to lend foreigners the money to pay us for our goods, these loans approximating \$5,000,000,000 from 1923 to 1929.

"American banks and bankers", he added, "have been sweepingly criticized for arranging such loans. In certain cases criticism as to lack of care in investigation and method has undoubtedly been justified. But the general movement was a natural one, forced on the investment community by reason of our national policy of buying abroad as little as we can, and attempting to force on the foreigners all the goods we can possibly sell them."

After describing the collapse that followed, Mr. Lamont declared that the panic of fear had subsided, that normal processes were getting under way and that things gradually were beginning to straighten themselves out.

"The deflation of commodities seems almost at an end", he continued. "Hard work begins to fill up the gaps. The fingers of a new dawn stretch their tips above the horizon. There are signs of betterment decidedly more tangible than mere hope."

Discussing other causes of the present situation besides economic warfare, Mr. Lamont said part of the trouble was due to governmental extravagance, pointing to the unbalanced Federal Budget and the New York City situation, with the city's funded debt grown in 10 years from \$1,100,000,000 to \$1,800,000,000, and its annual budget increased from \$330,000,000 to \$631,000,000.

The "alibi" of some Americans that our troubles were due to the panic in foreign countries, he said, was hard to sustain, since "Europe's crisis in the spring of 1931 came 18 months after the American collapse of October 1929."

"Others", he continued, "have found still a different scapegoat. It is Congress, and behind Congress the American people, which for years has insisted upon the foreign governments paying us the perfectly just but impossible war debts. We have held to the idea that these great overseas payments, representing in general nothing except exploded shot and shell, shall be paid every year, \$250,000,000 each year, an unnatural stream of payments, choking the channels of world trade."

"It was perfectly reasonable that the Allied Powers should expect and demand that Germany should pay sufficient to repair the physical damage wrought by her armies in Belgium and Northern France. But the bill has not been paid in full, nor can it ever be so paid. Similarly, the people are asking: Will it ever be possible for the unwieldy war debts, undertaken no doubt with reasonable expectation on both sides that they would be discharged, ever to be paid in full at Washington?"

But the trouble cannot be laid to any one person, or group of persons, or any one government, he continued; it must be charged against the war and its repercussions. He did not believe the capitalistic system had broken down and must be thrown into the discard. A world-wide plan of economic organization be regarded as utopian. While the capitalistic system had shown signs of weakness, it was still sound. He did not believe any economic system that could be devised could withstand the folly shown by mankind since 1914 any better than has the capitalistic system.

The world is now on a threshold of a new stage of progress and America must lead the way, he continued, adding:

"Our primary remedy for present difficulties is not in the change of economic systems. It consists in an enlightened public opinion which will demand of our rulers that they seek peace, economic as well as political, and pursue it."

Sir James Salter said economic planning was needed because mankind, while it had mastered nature so that for the first time in history all its needs could be provided for, had failed in the field of human relationships under the present capitalistic or competitive system.

He made it clear that he would not replace the present system by one of complete State regulation, as in Russia, but would rebuild our economic system "so that individual enterprise may retain its vitality, but so function that it is consistent with the full utilization of our productive capacity and with a satisfactory distribution of its output." Collective planning was needed, he went on, in monetary, investment, commercial, production, and world-governmental policies.

You will find that our questions of national policy are generally announced very adroitly, very cleverly, and despite all your 4 years in power, all your New Deal and everything you have done has done nothing but fasten and tighten the grip of England and their British agents, J. P. Morgan, on the real policies of this country. They are not in the newspapers, but once in a while they find a new policy and then we see the effect.

Now, the policy here was announced by Thomas Lamont in 1932. So that in 1934 we come along and pass the reciprocity agreement. Lamont holds that to pay the debts is impossible. \$35 an ounce for gold, repudiation of debts, and reciprocal trade agreements all go together. Lamont holds the debts payment would choke the channels of your trade. That is the finishing thing that they put in there, that paying your debts chokes the fellow that gets paid, that the payment of debts would choke the channels of world trade, he says, and would be ruinous to economic peace. He says the capitalistic system must be revised but not abandoned. I will put that into the record. There is no use of my reading it now.

(The document referred to is as follows:)

#### EXHIBIT I

[From the New York Times, Nov. 17, 1932]

#### LAMONT HOLDS DEBTS FAIR BUT IMPOSSIBLE—PAYMENT WOULD CHOKE CHANNELS OF WORLD TRADE, HE SAYS, URGING ECONOMIC PEACE—ASSAILS TARIFF BARRIERS—CAPITALISTIC SYSTEM MUST BE REVISED, BUT NOT ABANDONED, HE TELLS EDUCATORS

Thomas W. Lamont, of J. P. Morgan & Co., characterized the war debts as "perfectly just but impossible" yesterday in an address before the Conference of Universities, held at the Waldorf-Astoria under the auspices of New York University and attended by men and women representing colleges, universities, and other institutions of learning in thirty-two countries. Yesterday was the second day of the three-day conference.

Mr. Lamont made this statement in an analysis of the causes of the depression, which he attributed to the World War and the subsequent economic warfare throughout the world. The remedy for present conditions, he said, was in rebuilding the capitalistic system and in seeking economic as well as political peace; not in changing our economic system to adopt either socialism or communism.

Sir James Arthur Salter, former director of the Economic and Finance Section of the League of Nations, declared that the present economic system must be transformed gradually into a system based on collective planning, without, however, replacing the present system altogether.

Edwin Francis Gay, professor of economic history at Harvard, who spoke at the same session as Mr. Lamont and Sir James, defended American universities against critics who have assailed the tendency to offer business and other utilitarian courses in recent years. Mr. Lamont presided at this session, the topic for which was: "The University and Economic Changes."

Mr. Lamont said that economic warfare in Europe since the World War had been more destructive than the war itself. The Versailles Treaty, he declared, had set up new States on economic lines, and had brought "a militant peace filled with resentments." He thought the struggle over German reparations had helped bring Europe to the verge of bankruptcy, with war budgets and taxation going up alarmingly.

The United States, he continued, had taken the lead in erecting tariff barriers which now "prevent the very exchange of goods and facility of commerce which are essential to the restoration of world prosperity." Nationalism had grown all over the world, with every country trying to save itself, regardless of the rest of the world.

During our boom years, he went on, this country adopted "a very contradictory trade policy", of trying to sell goods abroad but buying as little as possible from abroad, forcing us to lend foreigners the money to pay us for our goods, these loans approximating \$5,000,000,000 from 1923 to 1929.

"American banks and bankers", he added, "have been sweepingly criticized for arranging such loans. In certain cases criticism as to lack of care in investigation and method has undoubtedly been justified. But the general movement was a natural one, forced on the investment community by reason of our national policy of buying abroad as little as we can, and attempting to force on the foreigners all the goods we can possibly sell them."

After describing the collapse that followed, Mr. Lamont declared that the panic of fear had subsided, that normal processes were getting under way and that things gradually were beginning to straighten themselves out.

"The deflation of commodities seems almost at an end", he continued. "Hard work begins to fill up the gaps. The fingers of a new dawn stretch their tips above the horizon. There are signs of betterment decidedly more tangible than mere hope."

Discussing other causes of the present situation besides economic warfare, Mr. Lamont said part of the trouble was due to governmental extravagance, pointing to the unbalanced Federal Budget and the New York City situation, with the city's funded debt grown in 10 years from \$1,160,000,000 to \$1,800,000,000, and its annual budget increased from \$330,000,000 to \$631,000,000.

The "alibi" of some Americans that our troubles were due to the panic in foreign countries, he said, was hard to sustain, since "Europe's crisis in the spring of 1931 came 18 months after the American collapse of October 1929."

"Others", he continued, "have found still a different scapegoat. It is Congress, and behind Congress the American people, which for years has insisted upon the foreign governments paying us the perfectly just but impossible war debts. We have held to the idea that these great overseas payments, representing in general nothing except exploded shot and shell, shall be paid every year, \$250,000,000 each year, an unnatural stream of payments, choking the channels of world trade.

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In replying to the criticisms of the modern university for its utilitarian teachings, Professor Gay said:

"It is not easy for the university to deny the implications of the functions it has accepted in theory. It is no longer a creature of privilege, serving a privileged class. It serves a community as wide as the Nation and is provided with funds, directly or indirectly, by that community or its members, in order to throw open and to explore all the stores of knowledge which that community requires."

The schools of business attached to American universities, he continued, "are justifying their existence as an integral element in the modern university, for they aim not at imparting the details of particular business, but at the scientific study of techniques and of basic principles."

He predicted that the social sciences now centered in the American universities could "be counted upon to diffuse increasingly trustworthy intelligence and ultimately to give their share of leadership."

Another session of the conference yesterday, devoted to the topic: "The university today, its aims and province," was presided over by Chancellor Samuel Paul Capen of the University of Buffalo, who made one of the addresses. Other speakers were President Harry Woodburn Chase of the University of Illinois and Harold H. Swift, president of the board of trustees, University of Chicago.

Asserting that American universities had not yet won full academic freedom, Chancellor Capen said:

"In many universities the scholar whose specialty includes matters that are subjects of public controversy runs the risk of suppression or dismissal. His security lies in what is grossly called discretion. Wherever freedom of inquiry and of teaching is circumscribed at all, the university is emasculated."

On the other hand, President Chase of Illinois declared State universities had had a remarkable record of freedom from governmental interference. He said:

"In our State universities political domination has now and again been attempted. It has, without exception, been disastrous. But that governmental subsidies do not inevitably bring governmental interference with universities the history of the majority of our State universities gives ample testimony. I do not believe that, as a rule, faculty members in them feel less free, or more subject to interference in their work, than those of other types."

This session was followed by a discussion from the floor, in which the following participated:

Ernest H. Wilkins, president of Oberlin College.

Daniel L. Marsh, president of Boston University.

Dr. Philip A. Brown, professor of international law at Princeton.

Dr. Charles A. Mann, director of the American Council on Education.

Edgar Dawson, professor of political science at Hunter College.

Howard Cheney, trustee of Yale University.

Dr. Maurice Parmelee of the American Sociological Society.

Dr. Albert B. Meredith, professor of education, New York University.

Marshall S. Brown, dean of the faculties, New York University.

Sir James Colquhoun Irvine, principal and vice chancellor of the University of St. Andrews, Scotland.

At a session last night the speakers were:

Harold Glenn Moulton, president of the Brookings Institution, who presided.

Governor William T. Gardiner, of Maine.

Professor Charles E. Merriam, chairman of the department of political science, University of Chicago.

The subject at the night session was The university and governmental changes. Dr. Moulton urged that economies in governmental expenditures, now urgently required, be made on the basis of intelligent surveys.

"Hysterical demands for economy by a tax-desperate electorate", he said, "may easily become mere parsimony and result in crippling basically important State services, including education. Unless there is substantial improvement in general economic conditions in the relatively near future, we must view the financial problem of State and local governments with keen apprehension. There is here a great immediate opportunity for the universities, particularly the State universities, to render practical constructive service of great importance."

Professor Merriam asserted that if universities were vital parts of the community they gave a vivid formulation of the meaning of political life and its relation to the future of mankind.

"The university", he said, "must show what new opportunities are opening, what possibilities lie before us in the enrichment of personalities, in the finer ordering of human life, in the deeper meaning and in the higher values of existence; all in terms of modern realities."

Governor Gardner said universities could be of service to government in the furtherance of cooperation between States in certain subjects that overlap from one State into another and require cooperative action.

"In a university", he added, "the possibility of such cooperative action can be studied apart from the self-interest that must exist in each single State."

MR. GARVAN. If you read the American utterances and the policies of the United States Treasury and State Department you will see one cohesive course, consistent all the time. They are all men who wear the spats, and we have only just now come to see their purpose in this superstate.

In order that you know that your action will have the full approval of the American agent I will put into the record a statement of Russell Leffingwell, a partner of J. P. Morgan, and I was glad to see there was a southern Senator there that understood the whole situation perfectly. Shall I read the statement?

THE CHAIRMAN. Yes.

MR. GARVAN. Russell Leffingwell said, "I read in the morning paper the statement of the Secretary of State or so much of it as the morning paper gave, and I thought perhaps it was not worth while to give my statement, because I was so generally in agreement with the views of the Secretary. I am afraid I have not very much to add."

The chairman, Senator Smith, said, "Well, we will be glad to hear you. We have had our statement from the State Department, but your statement comes from the super-State department. That is the Senator from the South, and he does not need my testimony."

THE CHAIRMAN. How much more time do you want, Mr. Garvan? It is about 5 minutes after 11.

MR. GARVAN. About 10 minutes. I will just point out another thing. I ask it to be put into the record. We have had the terrible scandal of buying foreign bonds. We have all been accused of guilt in that bond situation, the whole American people. I want to introduce what I think is the saddest article I have ever read in the English language, and that is an article in Foreign Affairs for January 1927, by Senator Dwight Morrow. He was not a Senator then; he was a partner in Morgan & Co. This magazine is published by one of the associations which my pamphlet showed you was the superstate idea. There is the whole explanation of the sale of foreign bonds in this country, and that shows that it was absolutely the initiative of the British agents in this country, J. P. Morgan & Co. That shows that in 1922 and 1923 that firm began their research into the "Little Rivulets of Savings" as they called it, and published the idea, the philosophy, the putting over of which that whole great debacle was worked out by their banks and their interests. It is a confession, and in view of that it is the saddest article ever written. It is all contained in this issue of January 1927. It states that it is the result of the research of J. P. Morgan & Co. since 1922 and 1923, that the investment in these foreign loans represents the savings of the person who spends less than he produces and thus creates a fund which he is able to turn over either to a domestic or to a foreign borrower if he is satisfied with the borrower's promise. These savers

live all over the United States, when we talk about the person investing in foreign bonds we are not talking about the great institutions in Chicago, New York, or Boston; we are talking about people living in all parts of the United States; we are talking about school teachers, Army officers, country doctors, stenographers, and clerks. He is a person who has saved something, who is doing without something today in order that he or his children may have something tomorrow. If he invests his money which gives him a present command over goods and services in bonds he is willing to transfer his present command over goods and services to the borrower, thereby giving the borrower the right to buy goods and services.

I cannot go on with it, so I will ask that it be inserted in the record, because you cannot buy it anymore, you know, and it should be preserved for history.

The CHAIRMAN. Very well.

(The document referred to is as follows:)

#### EXHIBIT J

[From Foreign Affairs, January 1927]

#### WHO BUYS FOREIGN BONDS?

(By Dwight W. Morrow)

A few months ago I was reading a Chicago Tribune on the train. With some surprise I found recorded on the financial page the listed prices of 128 different issues of foreign bonds. I have a great respect for the judgment of the newspapers. They print the news that they think people are interested in. When I noticed that this great newspaper which serves the Middle West was recording daily the market transactions in 128 different issues of foreign bonds, it seemed to me a fact of some significance. I found myself speculating as to the number of issues of foreign bonds which had been quoted by the Chicago Tribune in the edition published exactly 10 years before the date of the paper which I was reading. I subsequently learned from the editor that the number was six. The comparison between the number of foreign issues quoted then and now is an interesting commentary on what has happened in the field of foreign bond investment in the past 10 years.

Examining that long list of 128 foreign bonds in the Tribune, I discovered that governments, municipalities, or corporations of some 30 different countries were represented—countries scattered all over the world. The list included the countries of our own hemisphere, Canada, Cuba, Brazil, Argentine, Chile, Peru, Bolivia, Uruguay; nations abroad with whom we fought and against whom we fought, Great Britain, France, Italy, Germany, Austria, Hungary; governments in the Far East such as Japan and the Dutch East Indies; and cities as widely separated as Copenhagen and Montevideo, Tokio, and Marseilles.

The contemplation of the extent and variety of America's investment in foreign bonds gives rise to three questions: Who buys these bonds? Why do they buy them? What do they get when they have bought them?

Who buys foreign bonds? This may seem to be an easy question to answer, but it is not. When a foreign loan is offered to American investors, the managing house in New York, or Boston, or Chicago enlists the cooperation of perhaps 500 or a thousand investment bankers scattered all over the United States. It is the function of the local investment banker to find the man or woman with savings and to show that man that it is to his interest to exchange his savings for the promise of a foreign government. It is this ultimate saver who really extends the credit to the foreign government. The managing house rarely meets the ultimate buyer of the bonds; it is to the 500 or thousand investment houses that we must go to find his name and characteristics. These investment houses have developed their own clientèle of investors. That clientèle is changing con-

stantly, dependent upon the character and the ability of the investment house and the record for successful judgment that it has established. Moreover, it is considered somewhat impertinent for one to ask an investment house to whom the bonds are sold, as such information is carefully guarded. The local investment bankers have tried to teach certain people to save, and they expect to attract the future savings of these people by selling them more bonds. They do not want investigators prying into that part of their business without a very good reason.

In the summer of 1924 when I was asked to speak at Williamstown at the Institute of Politics, I tried to find an answer to this question of who buys foreign bonds. Taking two recent foreign government loans, the issue of which had been managed by the firm of which I have the honor to be a member, we inquired of three investment houses doing business in different parts of the country as to the number of persons to whom they had sold these bonds. The loans were the \$25,000,000 Austrian Government guaranteed loan and the \$150,000,000 Imperial Japanese Government external loan of 1924. The results of our inquiry showed that through these three houses 409 people participated in the Austrian loan, the average investment of these 409 people being \$2,350. Through the same three houses, 1,741 people participated in the Japanese loan, the average investment of these 1,741 people being \$3,100.

The results of the inquiry as presented to the students of international relations at Williamstown seemed to be of interest, and later in 1924, at the request of the president of the Investment Bankers Association, we extended the inquiry to 24 houses (still covering only the Austrian and Japanese loans, however). This investigation confirmed, in a general way, the results of the earlier one. For one thing, it disposed of the idea that offerings of foreign bonds are taken solely by wealthy individuals or large institutions. It showed, on the contrary, that these foreign bonds are being bought by large numbers of persons of moderate means. The 24 houses had 2,965 customers who made an average investment of \$2,994 each in the Austrian bonds. The 24 houses had 8,211 customers who bought Japanese bonds, making an average investment of \$3,905 each.

Finally in the spring of 1926, we broadened the inquiry by obtaining a similar analysis of their sales of three additional foreign government loans. The results of the earlier inquiries might perhaps be subject to criticism by statisticians, because they covered so few bond issues and because, particularly as to the first inquiry, so small a "sample" of the investment houses which distributed the loans was taken. But in this latest inquiry five loans aggregating \$380,000,000 were covered. Moreover, the 24 houses sold an aggregate amount of \$91,031,800 of these five issues, or about 25 percent of the total amount. These 24 investment houses who courteously furnished us with the sales analysis which we sought are located in different parts of the country from Portland, Maine, to Portland, Oreg., and from Minneapolis to New Orleans. From our own knowledge of the character and distributing ability of the investment houses of the country, we feel reasonably confident that these houses selected for analysis constitute a fairly representative cross section of the entire group of investment houses throughout the country.

Our analysis of the sales of these 24 houses covered five separate foreign government loans, the issue of which was managed by J. P. Morgan & Co., alone or with associates. These loans were offered to the American public within the past 3½ years; the \$25,000,000 Austrian 7's in June 1923, the \$150,000,000 Japanese 6½'s in February 1924, the \$110,000,000 German 7's in October 1924, the \$45,000,000 Argentine 6's in June 1925, and the \$50,000,000 Belgian 7's in June 1925. The results of this inquiry are shown in the table printed on the following page.

This table shows, first, the proportion of each issue sold by the 24 houses. Next is shown the total number of sales and the total amount sold of each issue by the 24 houses, and the average amount of each sale made by the 24 houses. If we may assume that these houses constitute an adequate "sample", we may extend these figures to cover the entire amount of each issue and obtain the following results:

*Distribution of 5 foreign government bond issues by 24 representative American bond houses*

	\$25,000,000 <sup>1</sup> Austrian Government guaranteed loan 7 per- cent bonds (June 1923)	\$150,000,000 <sup>1</sup> Japanese Government external loan 6½ percent bonds (Feb- ruary 1924)	\$110,000,000 <sup>1</sup> German external loan 7 percent bonds (Octo- ber 1924)	\$45,000,000 Government of the Argen- tine Nation external 6 percent bonds (June 1925)	\$50,000,000 Kingdom of Belgium external loan 7 percent bonds (June 1925)
Proportion of entire issue sold by the 24 houses..... percent.....	35.5	21.4	22.2	33.0	21.3
<b>Total sales:</b>					
Number of sales.....	2,965	8,211	7,654	3,431	2,832
Amount sold.....	\$8,876,800	\$32,060,200	\$24,428,300	\$14,872,500	\$10,786,000
Average amount of each sale.....	\$2,994	\$3,905	\$3,194	\$4,335	\$3,808
<b>Sales \$100 to \$5,000:</b>					
Number of sales.....	2,671	7,265	6,952	2,724	2,453
Percent of total number.....	90.1	88.4	90.9	79.4	86.6
Amount sold.....	\$5,579,900	\$14,170,800	\$13,069,900	\$6,351,500	\$5,541,500
Percent of total amount.....	62.9	44.2	53.6	42.7	51.4
<b>Sales \$5,100 to \$10,000:</b>					
Number of sales.....	207	600	433	532	269
Percent of total number.....	6.9	7.4	5.6	15.5	9.5
Amount sold.....	\$1,701,900	\$5,305,300	\$3,847,400	\$4,132,500	\$2,483,500
Percent of total amount.....	19.8	16.5	15.8	27.8	23.0
<b>Sales over \$10,000:</b>					
Number of sales.....	87	346	269	175	110
Percent of total number.....	3.0	4.2	3.5	5.1	3.9
Amount sold.....	\$1,635,000	\$12,503,100	\$7,481,000	\$4,388,500	\$2,760,000
Percent of total amount.....	17.3	39.3	30.6	29.5	25.6

<sup>1</sup> Part of a larger international loan.

Name of issue	Indicated total number of buyers	Indicated average amount of each sale
Austrian 7's.....	8,350	\$2,944
Japanese 6½'s.....	38,412	3,905
German 7's.....	34,440	3,194
Argentine 6's.....	10,381	4,335
Belgian 7's.....	13,130	3,808

The above figures confirm those of the earlier inquiries as to the large number of sales made and the moderate average amount of each sale.

The table opposite next shows a classification of the sales of the 24 houses into three groups according to the size of the sale made. That we are dealing with a multitude of small investors rather than with a few large investors is further demonstrated by this classification of the sales. It will be seen that from 80 to 90 percent of the number of sales in the case of each issue were made to investors whose purchases were limited to \$5,000 or less. Only from 3 to 5 percent of the number of sales for each issue were made in amounts over \$10,000. It is clear that in number the large investors were relatively unimportant.

But the consideration of only the number of small and large investors might present an exaggerated impression of the importance of the small investor. This is unnecessary, as he is quite important enough without any exaggerating. There is, obviously, a difference between a comparison of the number of small and large investors and a comparison of the aggregate amounts purchased by each group. The number of small investors might be very great but a few very large sales might still result in making the large investor the more important factor in disposing of an issue.

Our analysis of the sales of the 24 investment houses also covered, therefore, the aggregate amount of bonds sold to investors in each of the three groups, from which could be ascertained the ratio which the aggregate amounts sold in each of the groups bore to the total amounts of each issue sold by the 24 houses. Examining them, we see that a good deal depends upon where the line is placed between the small and the large investor. If we draw the line at \$5,000 it is apparent that, while the group of large investors taking more



than \$5,000 each is relatively small in number, it is by no means negligible with regard to its aggregate purchases of foreign loans. Comparing the two groups, both on the basis of number of buyers and on the basis of the total amounts of the issues purchased, we have the following summary from the figures:

Name of issue	Percent of the total number of buyers who took \$5,000 or less	Percent of the total amount of the issue purchased by buyers who took \$5,000 or less
Austrian 7's.....	90.1	62.9
Japanese 6½'s.....	88.4	44.2
German 7's.....	90.9	53.6
Argentine 6's.....	79.4	42.7
Belgian 7's.....	80.6	51.4

I present all these statistics with some hesitation because they necessarily are based upon a method of sampling and I well realize how difficult it is to obtain representative samples for any statistical work, and how difficult it is to draw proper conclusions from such samples without danger of distortion. Having made such reservations, however, it would seem reasonable to draw the conclusion from the statistics presented, that more than 85 percent of the people who bought these foreign bonds purchased them in small amounts ranging from \$100 to \$5,000, and that approximately 50 percent of the total amount of these foreign issues was purchased by these small investors.

The investment in these foreign loans represents the savings of the person who spends less than he produces, and thus creates a fund which he is able to turn over either to a domestic or to a foreign borrower if he is satisfied with that borrower's promise. These savers live all over the United States. When we talk about the person who is investing in foreign bonds we are not talking about a great institution in New York or Chicago or Boston. We are talking about thousands of people living in all parts of the United States. We are talking about school teachers and army officers and country doctors and stenographers and clerks. The man who invests in a foreign bond may be rich or he may be poor. That is all according to our standard. Fundamentally, however, he is a person who has saved something, who is doing without something today in order that he or his children may have something tomorrow. Before he invests in the bond he has money which gives him a present command over goods and services. He is willing to transfer this present command over goods and services to the borrower, thereby giving to the borrower the right to buy goods and services. Of course, the investor resumes the command of goods and services at some future time when he is repaid his loan.

The person who invests in foreign bonds is probably the same person who invests in domestic bonds. All that the investment banker in a large city or in a small city does, all that an international banker does, is to gather up little rivulets of savings and put them at the disposition of somebody who needs the capital and is willing to make a dependable promise to pay interest upon that borrowed capital from time to time and to repay the principal at the due date. The answer to the question about who buys foreign bonds is clear. The purchasers are people all over the United States who are investing their savings. If the investment in these bonds is helping American foreign trade, it is this saver of money who should be thanked. If the investment in these bonds is helping the restoration of the rest of the world to a normal condition, it is this saver of money who is entitled to the credit.

Now, the second question—why did these people lend money to Austria, or Japan, or Germany, or Argentina, or Belgium? Here, statistics are of little value. Men have not yet found a method of measuring the motives of other men. In fact, it is difficult enough to know our own motives. Perhaps, however, we may be helped in answering our question if we ask another question. Why does anybody make an investment in one particular security rather than in another? The considerations in the minds of most investors are, first, the safety of the principal and, second, the size of the interest yield. It should be borne in mind that the investor is the man who has done without some-

thing. He has done without something that he might have presently enjoyed in order that, in the future, his family may have some protection when he is gone, or in order, perhaps, that a son or a daughter may go to college. This investor wants to be certain that he will continue to receive income on the bond which he buys. He wants that income as large as is consistent with safety. Above all, he wants the principal returned to him on the day of the maturity of the bond.

It cannot be asserted, however, that sentiment plays no part in our investments. It does. Many men in this country bought German bonds, after the successful launching of the Dawes Plan, not only because the interest rate was attractive and the principal seemed secure, but because they felt that they were thus associating themselves in a fine venture to help Europe back on her feet. But after all proper weight is given to such considerations as these, the question of safety of principal and of interest, and the attractiveness of the rate of interest, remain the considerations uppermost in the mind of a man who has done without the present use of his own money and is investing that money in order to protect the future of himself and of his family.

If that be true, how is the investor to form an intelligent judgment as to the safety of his investment? How does the man in the Middle West, who responds to an invitation from his investment banker to buy an Austrian or a Japanese bond, know that his investment is safe? If he should be asked this question, I think that he would put in the very forefront of his reasons for making the investment the fact that he had confidence in the banker who offered him the investment. After all, the people who buy bonds must rely largely upon the judgment of the offering houses. They must believe that their investment banker would not offer them the bonds unless the banker believed them to be safe. This throws a heavy responsibility upon the banker. He may, and does, make mistakes. There is no way that he can avoid making mistakes, because he is human and because in this world things are only relatively secure. There is no such thing as absolute security. But while the banker may make mistakes, he must never make the mistake of offering investments to his clients which he does not believe to be good. Moreover, when a banker directs savings into an investment he should believe that the borrowed money is to be put to a constructive use. To the cynic that may sound somewhat idealistic. It is, however, just plain common sense. No banker who wants to stay in business throughout the years wants to lend money to people who are not going to use it for a constructive purpose. The use to which the money is put is a very important factor in determining the ability of the borrower to pay his interest promptly and to return, at maturity, the principal.

An attempt has been made to answer the first two questions—who buys these foreign bonds and why do they buy them? There remains what is perhaps the most interesting question: what does an investor get when he buys a foreign bond? In 1924, 40 persons in a Western city put \$100 apiece into a Japanese bond maturing in 1954. What did those people get for their money? They got a *promise*. And mark you, that promise was the promise of a group of people associated together on the other side of the earth. Moreover, so far as the promise relates to the payment of the principal of the bond, the promise does not mature in time to be kept by the particular members of the group who originally made it. It is a promise designed to be kept by the children of men now living. Yet, somehow or other, the banker who offers that bond and the investor who buys that bond rely upon the people of Japan taxing themselves a generation from now in order to pay back the principal of that loan to the children of the person who invests in the bonds today. At first blush it is a startling idea. It is particularly startling at this time when so many people are saying that the various nations of the earth have lost faith in each other. Here we have printed in a Middle Western newspaper the record of the day's dealings in 128 foreign bond issues. Individuals in America are taking their own money, with its present command over goods and services, and surrendering that command to nations on the other side of the earth, and they receive in exchange for it a promise. The question may be asked: nothing *more* than a promise? To which answer may be made: nothing *less* than a promise.

I remember reading some years ago a letter of Thomas Bailey Aldrich, written to William Dean Howells. Aldrich is writing of a friend who has just died and whose body is resting in "a dismal London burying ground." He says to Howells that it is not worth three pence to be a great novelist or a great general or a great anything else. Then he winds up his letter with this whimsical expression: "Yet with a sort of hopeful vivacity I have just bought two 5-per-

cent railway bonds that expire in 1967. Who will be cutting off the coupons long before that? Not I." There was Aldrich, despondent because of the transitoriness of life, taking his savings and putting them in railway bonds that matured long after his life would end. Every day investors are buying bonds, domestic and foreign, although they have every reason to wonder who will collect the coupons. Human lives stop. Promises go on. The civilized world today is run on the basis of a belief in promises. Whatever our doubts about the meaning of modern civilization, we may at least take some comfort in the trust which men show in each other's promises.

It was not always so. Early trading began with physical things. The man who had something to sell kept a tight hold with one hand upon the thing he was giving up until he got a tight hold with the other hand upon the thing he was getting in exchange for it. Little by little men learned to trust one another. Markets were developed in which men sold by samples. In such a sale the seller must produce a sample of the thing which he is contracting to sell; the quantity agreed to be sold is later delivered and the buyer makes payment therefor. Mutual promises had to be kept to make such a trade effective. Finally, we have reached the stage of civilization when we buy and sell promises. No man can play an important part in modern commercial civilization unless he respects his promises in letter and in spirit. That is true in all of our day to day transactions. We want no commercial dealings with people who cannot or will not keep their promises. The keeping of the promise is the fundamental virtue of commercial life. Therefore, when one says that the purchaser of a foreign bond has nothing *more* than a promise, the answer can be made in all seriousness that he has nothing *less* than a promise.

It is apparently believed by some that loans to foreign governments made by our citizens throw upon our own Government the responsibility of using the armed forces of our Government for the purpose of collecting the debts. From leading government officials of both Great Britain and the United States we have had in recent years quite clear pronouncements upon this question. In a debate in the British Parliament in December 1902, during the controversy with Venezuela, Mr. Balfour, the Prime Minister at the time, said:

"I do not deny, in fact I freely admit, that bondholders may occupy an international position which may require international action; but I look upon such action with the gravest doubt and suspicion, and I doubt whether we have in the past ever gone to war for the bondholders, for those of our countrymen who have lent money to a foreign government; and I confess that I should be very sorry to see that made a practice in this country."

Mr. Root, then Secretary of State, speaking in Buenos Aires in 1906, made the following statement:

"The United States of America has never deemed it to be suitable that she should use her army and navy for the collection of ordinary contract debts of foreign governments to her citizens. For more than a century the State Department, the Department of Foreign Relations of the United States of America, has refused to take such action, and that has become the settled policy of our country. We deem it to be inconsistent with that respect for the sovereignty of weaker powers which is essential to their protection against the aggression of the strong. We deem the use of force for the collection of ordinary contract debts to be an invitation to abuses in their necessary results far worse, far more baneful to humanity than that the debts contracted by any nation should go unpaid."

The foregoing expressions of Mr. Balfour and Mr. Root are important not only because of the high official positions that these eminent statesmen held at the time but also because of the great weight which properly attaches to their personal opinions upon a question of this kind. But however valuable such expressions may be, either as a statement of the national thought at the time or as a means of influencing the public thought of the peoples to whom they are addressed such expressions do not necessarily constitute international law or even a binding rule of conduct. The declarations of statesmen are perhaps more likely to express the ideals than the practices of nations. International law, however, is a gradual growth, based upon custom and conduct. When customs become so well settled that their violation excites the general disapproval of civilized men, we have a real basis for international law. Now, he who seeks to know the custom of nations with respect to the enforcement of contract debts against another government enters a most difficult field. It is hardly surprising

that the causes of war are never fully known to the actors. But the long, painstaking work that must be done by unbiased historians before an approximation of the truth can be ascertained must make any candid person almost despair of a complete conviction as to causes. I have not been able to find a clear case of a nation going to war for bondholders. It is only fair to say, however, that contract claims against a foreign government have often been joined with claims for other injuries, or with larger questions of political policy, and that so joined they have been made the basis of armed intervention. I have immediately in mind the military operations against Mexico in 1861, against Egypt in 1880, and against Venezuela in 1902.<sup>1</sup>

I have neither the competence nor the desire, however, to discuss from the point of view of the international lawyer or the historian this alleged practice of using armed force to collect contract debts. A difference will readily be noted in the treatment of claims arising out of injuries inflicted upon persons or upon their physical properties and claims growing out of contracts. Where the wrongful act of a foreign government inflicts injury upon a person or upon his physical property, the law of nations seems to recognize the propriety of a demand for reparation. Contract claims, however, have not been treated in the same way, though nations have an occasion made official and unofficial representations regarding violations of contracts and failure or refusal to pay bonded indebtedness. They have also broken off diplomatic relations with the delinquent country as a means of enforcing payment. Nations have also repeatedly submitted bond claims to arbitration. They have also, in rare cases, used measures of force short of war, such as reprisals and that curious procedure known as pacific blockade. President Jackson, in 1834, in connection with certain damage claims not related to bond obligations, actually recommended reprisals. And in 1902 Great Britain, Germany, and Italy enforced certain demands against Venezuela, which included the payment of bond obligations, by a pacific blockade. The advancing interest of civilized governments in this whole question is evidenced by the action taken at the Second Hague Peace Conference in 1907. That conference adopted a Convention respecting the limitation of the employment of force in the recovery of contract debts the pertinent part of which reads as follows:

"The Contracting Powers agree not to have recourse to armed force for the recovery of contract debts claimed from the Government of one country by the Government of another country as being due its nationals.

"This undertaking is, however, not applicable when the debtor State refuses or neglects to reply to an offer of arbitration, or after accepting the offer prevents any 'compromis' from being agreed on, or, after the arbitration, fails to submit to the award."

This Convention seems to assume that there was a right to use armed force to collect contract debts before the adoption of the Convention. Certainly, if Mr. Root is correct, no such right was ever exercised by the United States. What is perhaps more important, the second paragraph seems to imply that a formerly existing right to use force to collect contract debts is still to survive if and when the specified conditions are applicable. It is not surprising, therefore, that very generally the Latin-American countries in adhering to the Convention made reservations which negated their consent to the use of armed force against them even though the conditions of the second paragraph had come into existence. Although some critics of this Convention have questioned whether the subject was left in an entirely satisfactory situation, there can be no doubt that the delegates to the Convention were earnestly seeking to put some limitation upon the use of armed force which had not been accepted by all nations theretofore.

I am writing, however, from the point of view of the investor. Investors, as much as any group of people in the community, are interested in seeing the policy announced by Mr. Root in 1906 scrupulously carried on. Investors who buy foreign loans are in a position to appreciate what a fruitless remedy for breach of contract war is. The establishment of the principle that nations are justified in going to war where the sole issue is the collection of a debt would be not only

<sup>1</sup> Mr. Hartley Withers, formerly Editor of the London *Economist*, apparently believes that the default in the Egyptian bonds was used for a political purpose. He states that "the bondholders were certainly benefited, but it is my belief that they might have whistled for their money until the crack of doom if it had been that their claims chimed in with Imperial policy." *International Finance* (1916), p. 104.

most hurtful to the nation at large, but, in the long run, would prove injurious to the property interests of the bankers who sell and the investors who buy foreign government loans. Is there any one who thinks that if a man owes him money and cannot pay it, there is profit in going out and killing the debtor? Entirely apart from the immorality of putting human lives to the hazard of modern war, where the sole issue is a pecuniary claim, there is a conclusive practical reason against such a source in that war in the great majority of cases does not, and cannot, accomplish the desired result.

Loans are made to foreign governments in reliance upon the capacity and the good faith of those governments. The intelligent investor recognizes that in the long run a government which defaults upon its obligations hurts itself even more than it hurts its creditors. Even in cases where specific taxes or customs are allocated for the service of a loan, the main reliance of the creditor must be upon the desire of the debtor government to maintain the particular revenues and keep them available. Even when a foreign expert is placed in charge of revenues, the arrangement is helpful only when made with the hearty concurrence of the debtor government, and with the belief and expectation on the part of the debtor government that the fiscal arrangement will redound to its own advantage.

If the foregoing be true, how safe are these investments? To my mind, that inquiry is much the same as an inquiry as to the safety of a domestic bond. Some domestic bonds turn out to be good and some turn out to be worthless. There is no reason to expect that it will be otherwise with foreign bonds. Those nations who are borrowing in America because they actually need the money for a constructive purpose, who have a solidarity of national feeling and a sense of the meaning and the value of national credit, who are not incurring obligations beyond what may fairly be considered their capacity to handle—all those nations may be expected to pay their debts. Here, again, the responsibility rests heavily upon the investment banker in recommending investments. The banker must never be lured, either by the desire for profit or by the desire for reputation, to recommend an investment which he does not believe to be good. But, fundamentally, the reliance of bankers and investors is upon the capacity and, above all, upon the good faith of the foreign government. The foreign government must be able to pay and it must want to pay.

If it is true that it is upon good faith that lenders to foreign governments primarily rely, it is no less true that it is upon good faith that lenders rely in almost all of their domestic dealings. Of course, there is a sanction ultimately applicable to domestic contracts. The proper legal steps may be taken; the breach of the contract may be proved; and execution may be issued through the sheriff. But we do not in practice put much reliance upon the help of a sheriff in enforcing contracts. We do not willingly deal with one upon whose property we expect to levy execution. When we need the sheriff to help collect a loan, we recognize that our venture has turned out a failure. We are then simply trying to save some planks from a shipwreck. In the overwhelming majority of business transactions we rely upon the ability and the willingness of the debtor to pay. On no other principle could modern business be conducted.

There is no international sheriff. But there still remains our reliance upon good faith, our reliance upon that law which is older than statute law—the acknowledged custom of mankind. The credit of governments is not easily built up. It may easily be shattered. And it must never be forgotten that there are rules of conduct accepted by the silent approval of civilized man, the breach of which hurts the one committing the breach much more than the one against whom it is committed. If good faith cannot be relied upon, it is better that the loan be not made. The words with which Hugo Grotius closed his great book more than 300 years ago are true: "Not only is each commonwealth kept together by good faith, but that greater society of which nations are the members. If faith be taken away, the intercourse of men is abolished."

Senator BARKLEY. What is that issue?

Mr. GARVAN. January 1927. That goes on and gives the four reasons why they should buy, it insinuates that the Government will protect them, insinuates that the foreign bond is no better than the domestic bond, because then it makes the bold assertion that a domestic bond is no good if you have to foreclose it. That is an utterly

new proposition. It insinuates that if tomorrow morning the bond is in default it is no good, and so forth and so on.

Now, there are a hundred other things and I know you want to get on, but I do want to say just one thing: I have been working on American industry now for 20 years and it is terribly difficult to understand. It is a tremendously involved thing. I do feel in our politics we have gotten it a little mixed up between industry and the parasites who live on industry. Morgan & Co. are a simple parasite. They have nothing to do with industry, they create nothing, they just fasten on any new business and furnish either foreign money or other people's money and exact control. They control United States Steel and they have 1,200 shares of stock, and yet we find out attacks being made upon the capitalist system, attacks being made upon industry, and instead of helping industry in some way to get rid of these parasites that live on industry and farming—my eggs and bacon that I ate this morning some poor farmer worked to raise, my clothes and everything comes from industry—but even if I have wealth in the bank, it amounts to nothing. You would take 75 percent of it today by your tax system. Your tax system is not even as fair as the Russian bolshevist system or the German nazi-ism. They take over the losers and winners, but you only take over the control of those who make a profit and leave the losers, the 75 percent, to take care of themselves.

Let us try to understand it. Are not we in the position of the Irishman in the old story about the Irish immigrant who came over here? His friend asked him how he is getting along and he said, "Sure, fine. This is the greatest country that ever was." He said, "Sure, I get paid a dollar and a half a day for doing nothing. All I have to do is to carry a hod full of bricks up five stories and the fellow up there does all the work."

Are not we getting into that position ourselves? Do we not think we do all the work? Are not we thinking that we fellows up there do all the work? Must not we begin to work at not putting too many bricks in that poor devil's hod that he is carrying up the flight of stairs? When we get up there in the building, in the great edifice of which God is the architect and which we hope to make the model for all the world, is it not a little upsetting to see people up there throwing bricks around regardless of the plan laid out by the Great Architect, yelling to the fellow in the next building, "Do you want a few of the bricks?"

This is the plan of this building. He says, "I know it should go there, but I think it would be very nice to help you build your building." Haven't we got enough to do?

Gentlemen, I am reminded of another story of my great friend, Peter Finley Dunne, whom I lost last year. He was my bosom friend all my life. He and I and Morgan O'Brien and a few of the old harpies used to go to Delmonico's every St. Patrick's Day and sit in the corner and watch our country's greatest go up the avenue. Along came County Kerry one day. There was a man on a horse. He had never been on a horse before. The horse would jiggle once in a while and he would go up on the saddle and look like a cathedral

arch. Peter looked out the window at the boy's white face, his great big silk sash and sombrero, and he said, "Hello, Pat." Pat hadn't heard a kind word since he left the stable. His face began to break out in a smile, and Peter said, "That's a fine sate ye have. Yes; that's a fine seat, so why the hell don't you set in it."

Senator BARKLEY. Mr. Garvan, I did not hear all of your statement this morning.

Mr. GARVAN. Yes.

Senator BARKLEY. I want to supplement some questions that I asked you the other day. I asked you if you can give the committee the complete set-up of the Chemical Foundation and its activities since its organization, its offices, and the source of its income. You said you would furnish that. Have you been able to do the furnishing of it?

Mr. GARVAN. I read your statement and I did not get it as broadly as that. I will do it, of course. I thought you asked me what money we had spent on propaganda.

Senator BARKLEY. I did ask you that.

Mr. GARVAN. I got that. Just let me know how broad you want it and you can have it.

Senator BARKLEY. I want it broad enough to cover all the money you had expended on propaganda.

Mr. GARVAN. That is here.

Senator BARKLEY. Did your Chemical Foundation have anything to do with the publication of the book written by Mr. George Peak?

Mr. GARVAN. Yes, sir.

Senator BARKLEY. How much did you contribute to that?

Mr. GARVAN. \$99,980. (Mr. Garvan subsequently advised the clerk of the committee that the \$99,980 mentioned here should be changed to \$41,159.29. He stated that the figures \$99,940 represented the number of books distributed and was not the cost, which according to the books of the foundation, was \$41,159.29.)

Senator BARKLEY. Was that expenditure in line with the original more or less eleemosynary purpose of the organization of the Chemical Foundation?

Mr. GARVAN. Yes, sir.

Senator BARKLEY. In what respect?

Mr. GARVAN. It was just as much so as all my testimony here the other day and today. It was a book addressed to the American people to adopt the science of arithmetic.

Senator BARKLEY. The book to which I refer was written particularly to combat the theories of Secretary Hull with respect to these trade agreements which grew out of a controversy between Mr. Peak and the Secretary of State and Secretary of Agriculture with respect to these matters.

Mr. GARVAN. Yes, sir.

Senator BARKLEY. And to the extent practically of \$100,000 in sponsoring that book you contributed to it?

Mr. GARVAN. I had nothing to do with that or took no interest in Mr. Peak's experiences here in Washington except as they apply to arithmetic as it is applied to our problems.

Senator BARKLEY. Regardless of whether it is arithmetic, or whatever it is, you spent \$99,000, nearly \$100,000, on it?

Mr. GARVAN. Absolutely.

Senator BARKLEY. You are now circulating that book to anybody who will write to the Chemical Foundation to ask for a copy, free of charge?

Mr. GARVAN. Surely.

Senator BARKLEY. Who has been the chief source of your Chemical Foundation in any sense, in its organization?

Mr. GARVAN. I could give you the entire statement of every dollar that was ever paid. We have never had any contributions of any kind.

Senator BARKLEY. How much has the du Pont Co. paid the Chemical Foundation since 1919?

Mr. GARVAN. I could not give you that offhand. I will put it in the record.

Senator BARKLEY. As much as \$1,000,000?

Mr. GARVAN. No, no.

Senator BARKLEY. As much as \$950,000?

Mr. GARVAN. No, sir.

Senator BARKLEY. Did not it contribute, from 1919 to 1934, \$950,000 in the purchase of licenses, and whatever it was?

Mr. GARVAN. It contributed nothing. It paid license fees on the licenses which were granted to it. I think I can tell you from that black book, I can tell you it to January 1, 1936. I think it is about 5 years since they contributed anything.

Senator BARKLEY. I am not casting any aspersions, but as a matter of policy did not the du Pont people become very much interested in embargoes on dyestuffs and chemicals of all sorts that come in competition with what they produce?

Mr. GARVAN. Only as defined in their testimony before this committee.

Senator BARKLEY. I know they are on record, not only in testimony but in publications and in statements as to their policy, that they are in favor of embargoes against the importation of any chemical product that they produce.

Mr. GARVAN. Not in recent years. That was when they started several years ago.

Senator BARKLEY. They were on record in 1930 in regard to the tariff bill now in operation.

Mr. GARVAN. They did not ask for any embargo.

Senator BARKLEY. They were for the highest possible tariff which could be reasonably expected to be obtained on their products.

What was the price at which the alien property custodian's office sold these German dye patents to the Chemical Foundation?

Mr. GARVAN. \$250,000.

Senator BARKLEY. \$250,000?

Mr. GARVAN. Yes.

Senator BARKLEY. What were they worth?



Mr. GARVAN. Less than that; less than nothing because we did not get the "know how."

Senator BARKLEY. Why was it so anxious to get a monopoly on them if they were valueless?

Mr. GARVAN. Because they were the only relief in the building of an American chemical industry.

Senator BARKLEY. It was reported at that time and it was general belief that they were worth millions of dollars, their possession by some American concern.

Mr. GARVAN. You have been reading German literature.

Senator BARKLEY. No; I haven't been reading German literature; I cannot read German literature; I do not read German; I am talking about the publications in the United States that were neither pro-German nor anti-British.

Mr. GARVAN. I never saw one in either one or the other.

Senator BARKLEY. All I am trying to do is to get at the facts about this organization.

Mr. GARVAN. Sure; you can have them.

Senator BARKLEY. I am trying to get the facts about this organization for which you speak, whose chief purpose now seems to be to oppose any reduction in any tariff on anything on which they are interested.

Mr. GARVAN. I have explained our position on the full tariff. All the tariff they ask now is protection against the foreign cartel and the difference in wages. That is the only interest we have now.

Senator BARKLEY. Will you, in your statement, supply a complete detailed statement of the amount of money which the Chemical Foundation has received from the du Ponts?

Mr. GARVAN. I have it here up to January 1, 1936. I do not have the year 1936.

Senator BARKLEY. And all other companies which have purchased licenses?

Mr. GARVAN. Certainly.

Senator BARKLEY. Or other rights which are controlled by the Chemical Foundation?

Mr. GARVAN. Certainly, I would be glad if Mr. Fox wants to send an auditor there; he can come and audit our books.

Senator BARKLEY. I would like to have that in time to investigate it. I must read it before the measure is taken up.

The CHAIRMAN. Get the full picture for us as soon as you can.

(Data in response to Senator Barkley's requests to be submitted by Mr. Garvan and will be on file with the committee.)

Mr. GARVAN. I have it here to 1936.

The CHAIRMAN. May I ask you in that connection as to these licenses issued by the Chemical Foundation; are they open to anyone to get?

Mr. GARVAN. Oh, yes; we have to grant nonexclusive licenses. There is nothing in the license that was not granted to everybody. The rate has to be the same. Since over 5 years ago it has been open to every American person.

Senator BARKLEY. What is the connection between the Chemical Foundation and the Farmer Chemurgic Council?

Mr. GARVAN. We are backing it.

Senator BARKLEY. What is your position in it?

Mr. GARVAN. I am president of the Farmer Chemurgic Council.

Senator BARKLEY. What is the object of this organization?

Mr. GARVAN. The object of this organization is to discharge our duties; that is, to give the benefit of chemistry and science to the farmer.

Senator BARKLEY. Through high tariffs?

Mr. GARVAN. No; not through high tariffs necessarily; no.

Senator BARKLEY. It stands for very high tariffs; does it not?

Mr. GARVAN. The Farmers Comergic Council?

Senator BARKLEY. Yes.

Mr. GARVAN. No; we have never entered into the subject of tariffs.

Senator BARKLEY. Are you acquainted with the statement issued by Mr. Carl B. Fritchie on January 22 of this year in which he said, "After all, a tariff is nothing more than a quarantine established to protect the American farmer and the American workman against unfavorable labor conditions?"

Mr. GARVAN. Yes.

Senator BARKLEY. Is it not a fact then that it is equally important that similar measures of quarantine be adopted when necessary to protect the well-being of the entire country?

Mr. GARVAN. Yes.

Senator BARKLEY. Quarantine is a complete prohibition and a complete embargo, or whatever it may be?

Mr. GARVAN. As far as foreign products are concerned, I am for that. Not a pound of farm products should come into this country except in the national interest.

Senator BARKLEY. Any sort of farm product?

Mr. GARVAN. Any sort of farm products.

Senator BARKLEY. Whether it comes in competition with the products of our own country or not you want to keep them out?

Mr. GARVAN. In the national interest I want them to come in; yes, sir.

Senator BARKLEY. Would you keep out bananas, for instance, in order to make people eat peaches?

Mr. GARVAN. If it was in the national interest I certainly would.

Senator BARKLEY. How did that sort of proposition work when the last tariff was under consideration, when the proposition was up not only to embargo competitive articles but anything that might be consumed?

Mr. GARVAN. You said "quarantine." I did not say embargo. There is a lot of difference between quarantine and embargo.

Senator BARKLEY. What is the difference?

Mr. GARVAN. Because it lets through unlicensed goods.

Senator BARKLEY. And the quarantine does not let through unlicensed goods?

Mr. GARVAN. If you go down there and tell the doctor that this stuff is injurious for the American people it does not come.

Senator BARKLEY. The word "quarantine" was used by Mr. Fritchie.

Mr. GARVAN. He said "quarantine."

Senator BARKLEY. Economic quarantine. A quarantine does not permit people to go through simply because they have a license to do it.

Mr. GARVAN. A license in the national interest.

Senator BARKLEY. A quarantine, in effect, prohibits anybody from going beyond the boundaries.

Mr. GARVAN. I think the farmer is entitled to the markets of this country and unless, in the national interest, it should be let in I think that statement is correct. Now, if the proper board, as I advocated this morning, be set up to try that question of national interest then it should come in just to the extent that the national interest requires.

Senator BARKLEY. Who is to decide what the national interest is?

Mr. GARVAN. The body set up by this committee.

Senator BARKLEY. A government which has been established by the people?

Mr. GARVAN. Yes; the government by the people.

Senator BARKLEY. That is what I disagree with you on, as to your position. Your position is diametrically opposed to it.

Mr. GARVAN. No, no. You haven't had the delight of reading my speech at the last meeting of the Farm Chemurgic which I have there in the no. 10. (The document referred to is on file with the committee.) My statement is this: We all live by the farmer and we should submit ourselves to regulations which help him first. If he has his drought he should have the benefit of the high prices induced by the drought; if he has his gluts the man has to pay the penalty for their being excessive. The Farm Chemurgic is founded to take up this surplus. I want to tell you right now, without qualification, that is something which I have nothing to do with. That is your function. The permanent farm problem has been solved, that is solved by the Farm Chemurgic. We can take up the 50,000,000 acres and we can take up the 3,500,000 of unemployment by making a 10 percent plan of alcohol in gasoline and sell it for 25 cents. That means at least 50 cents a bushel for his surplus corn, added to the gasoline and the gasoline will not cost the consumer one mill more. That is what the Foundation has done.

Senator BARKLEY. Is this Farm Chemurgic a corporation?

Mr. GARVAN. Yes, sir (referring, however, to the Chemical Foundation).

Senator BARKLEY. In what State?

Mr. GARVAN. Delaware.

Senator BARKLEY. Who are its stockholders?

Mr. GARVAN. The stockholders—well, I will submit the list to you.

Senator BARKLEY. Can you give them from memory?

Mr. GARVAN. Oh, yes; yes. I will give the one you want; du Pont is one—no, he is not; he gave up his stock. Most all of them are surrendering their stock.

Senator BARKLEY. How much stock did he have?

Mr. GARVAN. He had, I think, about \$90,000 worth.

Senator BARKLEY. Which one of the du Ponts?

Mr. GARVAN. The firm.

Senator BARKLEY. What was the capital stock?

Mr. GARVAN. \$500,000 authorized; \$429,800 issued.

Senator BARKLEY. It was all paid in?

Mr. GARVAN. It was all paid in; \$250,000 of it was paid to the Government.

Senator BARKLEY. Did you declare any dividends?

Mr. GARVAN. Never declared any dividends.

Senator BARKLEY. Give some of the other stockholders besides the du Ponts.

Mr. GARVAN. My accountant had to go back this morning on account of an operation on his wife, but I have got it here somewhere. I think there are about 200 of them. They were practically all the businesses in the country at that time.

Senator VANDENBERG. Is Henry Ford one of them?

Mr. GARVAN. No; I do not think so.

Senator BARKLEY. Is General Motors?

Mr. GARVAN. No, no; I do not think General Motors amounted to so much 20 years ago.

Senator BARKLEY. I am just trying to find out. Refresh your memory as to who formed this company. Is it the Allied Chemical?

Mr. GARVAN. I have submitted them here 20 times.

Senator VANDENBERG. He is talking about the Farm Chemurgic.

Mr. GARVAN. No, no; that is not a corporation, that is just an idea.

Senator BARKLEY. Does it have a legal entity?

Mr. GARVAN. No.

Senator BARKLEY. It is just a group of farmers?

Mr. GARVAN. It is just a group of farmers and people interested in the farmer.

Senator BARKLEY. What farmers?

Mr. GARVAN. Well, the Grange, and Mr. O'Neil, all the societies.

Senator BARKLEY. It is just a sort of an association?

Mr. GARVAN. Yes.

Senator BARKLEY. Do they have a meeting place?

Mr. GARVAN. We always met at Dearborn.

Senator BARKLEY. That is out of Chicago?

Mr. GARVAN. No, out of Detroit. It is that village out of Detroit.

Senator VANDENBERG. Mr. Ford is interested in it?

Mr. GARVAN. Mr. Ford has been one of our great friends.

Senator BARKLEY. What other firm besides Mr. Ford is identified with it?

Mr. GARVAN. The Grange, the American Farm Bureau, practically everyone in the country. They have all come there each year and made speeches.

Senator BARKLEY. The Farm Cooperative Union, was that in it?

Mr. GARVAN. Tell me the name of the man at the head of it.

Senator KING. Mr. Gray.

Senator BARKLEY. He is from the Farm Bureau. Was Mr. Gray identified with it?

Mr. GARVAN. I do not remember.

Senator BARKLEY. Mr. Chester Gray?

Mr. GARVAN. The Government has pledged full cooperation with us. Mr. Wallace has written us.

Senator BARKLEY. You will submit here a list of those who form this farm organization?

Mr. GARVAN. Everything is contained in two booklets. That is the whole record of all our proceedings for the two meetings at Dearborn, and I will send those to you.

Senator BARKLEY. Are they very voluminous?

Mr. GARVAN. I will leave them with you.

The CHAIRMAN. Make them available to the committee.

Mr. GARVAN. I will make them available to the committee. I have plenty of copies. (Data requested to be furnished by Mr. Garvan and will be on file with the committee.)

Senator BARKLEY. Was that circulated literature along the same line as the Chemical Foundation?

Mr. GARVAN. I do not think it was circulated; no, no, except the printed report of the proceedings.

Senator BARKLEY. Has it taken a stand against these trade agreements?

Mr. GARVAN. I do not think so officially. That is a free forum. Everyone can express his opinion. We take the position that this Government control is a quarantine of products from abroad and that industry cannot go ahead and develop these uses for farm products.

Senator BARKLEY. That is all right.

Mr. GARVAN. We want the market held here and then give us a chance to solve it.

The CHAIRMAN. We are very much obliged to you, Mr. Garvan.

Mr. GARVAN. I thank you.

The CHAIRMAN. Mr. Culbertson.

#### STATEMENT OF WILLIAM S. CULBERTSON

The CHAIRMAN. Will you state your name?

Mr. CULBERTSON. Mr. Chairman, my name is William S. Culbertson. My home address is Charmian, Pa.

The CHAIRMAN. You were a member of the Tariff Commission, were you not?

Mr. CULBERTSON. I was a member of the Tariff Commission for 7 years. I represented the American Government as chief of the diplomatic mission in Rumania and Chile.

The CHAIRMAN. You have written a book, I think, on reciprocity, have you not?

Mr. CULBERTSON. It happens, Mr. Chairman, that today is the day on which that book is released to the public. I appear today in my own behalf, because I have been interested for a long time, both in the practical and in the theoretical side of this problem. I

place a copy of that book in your hands, Mr. Chairman, for the majority side of the committee, and perhaps it would be of convenience to the committee if I placed a copy in the hands of the minority side.

The CHAIRMAN. All right. You may proceed.

Mr. CULBERTSON. I appear, Mr. Chairman, in support of this resolution. I appear in support of it because I believe it is sound in principle, and because I believe that the Secretary of State is administering it in a conservative and constructive way in the interests of the country as a whole.

The issue here is not, as some of the testimony might indicate, an issue between protection and free trade.

The CHAIRMAN. Let me state this, that we want to have all this testimony printed right away so it can get into the hands of the committee members and for use on the floor of the Senate when this matter comes on the floor of the Senate, which we hope to be at an early time. I wish those who have got their transcript will approve them immediately so that they will be printed.

Mr. CULBERTSON. It is not even an issue between high tariffs and low tariffs. From my point of view it is an issue of whether or not we are to continue in this country the development of a nonpartisan, scientific approach to tariff measures. It is a question of whether or not we shall continue to permit the making of tariffs merely by political agitation or whether or not Congress, in a law, shall lay down the policy, the rule which is to guide the executive branch of the Government, a law which will permit full hearing and testimony by the interested parties, and then leave to the executive branch of the Government the responsibility of fixing the particular rates on particular articles, within the principles laid down by Congress.

I have followed the administration of this law for 3 years with a great deal of care. I have represented clients before the Committee for Reciprocity Information. In some cases I have opposed the reduction of duties in these agreements.

I have observed the inner workings of the program and believe that the men back of it, the men responsible for it, are applying the principles of the law in the interest of the Nation's good.

In the first place, I believe the law is sound from a legal point of view. Before this committee in 1921 we heard arguments against the constitutionality of the so-called flexible-tariff provision. The same arguments that have been made here against this resolution were made then against the flexible-tariff section. That section was enacted and finally came before the Supreme Court for consideration and its constitutionality was confirmed in the *Hampton case*.

In a law that involves foreign relations, as this law does, the decisions of the Court indicate that a less exact rule is required than in the case where a domestic problem is involved. That is indicated by the *Curtiss-Wright* decision which was recently handed down by the Supreme Court, and in quite a number of other decisions.

I shall not enter into the legal argument here. If the committee should be interested, I covered it in an address before the American Bar Association at Los Angeles, and it was subsequently published in the *Journal of the American Bar Association*.

Senator VANDENBERG. I would like to ask you one question, Mr. Culbertson.

Mr. CULBERTSON. Yes.

Senator VANDENBERG. I certainly am not intending to enter into a legal controversy because I know nothing about it from a lawyer's standpoint, but you do not undertake to say, do you, that the so-called elastic tariff and the trade-agreement law are on all fours as respects the delegation of power? You surely recognize the cost-of-production rule in the one and its absence in the other as a marked distinction, do you not?

Mr. CULBERTSON. The rule in the elastic tariff section is the cost-of-production principle. The rule in the trade agreement act of 1934 is the rule of whether or not a rate unduly burdens America's foreign trade. It is not as definite a rule in the second case as it is in the first, but I believe it is a rule which would come within the decisions of the Supreme Court.

Senator VANDENBERG. I am simply asking if there is a distinction. Your testimony indicated that you thought they were just alike.

Mr. CULBERTSON. No; there is a difference in the structural approach to the problem, but I believe that the same theory lies back of the trade agreement act as laid back of the flexible tariff; namely, that Congress determines the rule, determines the limits within which the Executive shall operate, provides for hearings in the particular cases, and then leaves to the Executive the power of applying that principle or those limitations to the facts which he finds.

Senator BARKLEY. In other words, there is a yardstick in each case, though the yardstick is different?

Mr. CULBERTSON. The yardstick is different but there is a yardstick there. I believe the law would not be constitutional if there were no yardstick there.

Senator VANDENBERG. One is a yardstick and the other is a rubber stick?

Mr. CULBERTSON. That is a difference of opinion, Mr. Chairman. In the second place, I believe the law is sound from an economic standpoint. In 1921, when we were discussing the flexible tariff problem, the thing which interested this committee and Congress was the question of production. The idea there was of providing a nonpartisan and scientific approach to the formulation of tariffs from the standpoint of production, the principle being the equalization of competition inside the American market. That principle was sound, in my opinion, at that time. That approach was sound at that time, but since then we have changed our economic status as a nation, and, of course, it is trite to say that we have ceased to be a debtor state and become a creditor state, but it is true that we have developed a tremendous surplus production in manufactures as well as in agriculture, in capital savings, and in other fields, and our field of operation as a Nation is no longer confined, provided we are to have prosperity and economic stability, to the territorial frontiers of the United States.

I have put it that way sometimes to make it clear that we cannot any longer expect maximum prosperity or an adequate standard of living for American people if we confine our economic activities to our territorial frontiers. In other words, our economic frontiers are

far out to sea and in foreign countries. The time has come, in my opinion, from the standpoint of the Nation when we should extend our commercial policy to those new economic frontiers.

That does not mean we should abandon protection; it means that we emphasize distribution more than we did in the earlier years of our history; that we supplement the policy with reference to production with the policy with reference to distribution.

Now, at the very time when we reached this new economic status as a Nation there began to rise against our trade with foreign countries a lot of very unusual barriers, not merely tariffs but devices for affecting trade superimposed upon tariffs, embargoes, exchange regulations, clearance agreements, State monopolies, and other devices whereby trade was not merely restricted but was actually controlled quantitatively, and those barriers operated unfavorably against the prosperity of the Nation.

Now, the economic need which I have indicated, and the problem of foreign tariffs and barriers, are the two situations which lie back of this great work for permitting an adequate consideration of the problem of distribution.

Mr. Hull's policy tends to meet the national need and tends to break down these barriers which have been raised against our trade.

In the third place, I think the law is sound administratively. It provides for systematic reciprocity. If we are to simply have an occasional agreement here and an occasional agreement there which comes to the Senate or to Congress for debate on the whole tariff issue, we cannot develop systematically a consecutive and sound commercial policy.

The Republicans themselves, in the Tariff Act of 1890 and the Tariff Act of 1897, established, so far as our commercial policy was concerned, the principle of systematic reciprocity; namely, a law in which Congress defines the principle on which reciprocity is to proceed and to develop, and then leaves it to the Executive to carry out the details.

Senator VANDENBERG. Do many of those laws identify the products that were to be covered by the agreements?

Mr. CULBERTSON. I think they all did, Senator, with the exception of the law under which the Kasson treaties were negotiated, and in that case the approval by Congress was required.

Senator VANDENBERG. That would make a great difference in the two contemplations, would it not?

Mr. CULBERTSON. It makes a difference in degree but not a difference in substance. Those laws in some cases show distinct limitations, but even at that represented a very long step in advance in the development of a commercial policy. But in addition, this law, by laying down the rule by which the Executive is to proceed and providing for adequate hearings for the interested parties, leaves these trade agreements to be put into force by executive proclamation.

Senator VANDENBERG. May I ask you a question at that point? You are constantly speaking about "adequate hearings." Do you think hearings are adequate which fail to permit the American producer to know the precise rate change which is in contemplation?

Mr. CULBERTSON. I cannot conceive of a situation whereby the producer could know of the final decision of the Executive unless you



are going to allow the producer to sit in the final negotiation with the foreign country.

Senator VANDENBERG. Let me ask you this practical question. This is not controversial at all; I am simply seeking information. It takes an average of 2 or 3 months for these agreements to be ratified abroad. Would there be any harm during those 2 or 3 months if the State Department were to publish its contemplated agreement and allow American producers an opportunity to file briefs related to the specific thing contemplated, still leaving within the Department the authority of final decision? In other words, just creating a final protective opportunity against perhaps some unwitting jeopardy which otherwise might not be caught until too late? What would be the objection to that?

Mr. CULBERTSON. I think your point is sound, Senator. I think the hearings, as they have been developed during the last 2 years, are a little remote from the ultimate decision and problem. I think it might be desirable for those who actually negotiate the agreements to sit in on these hearings and hear the testimony themselves. They do not do that at the present time, except occasionally when one goes down and sits on the Committee for Reciprocity Information. I think that your point for submitting a list of articles which are probably going to be affected by the treaty would also be a desirable thing, so that the interested parties would know just what articles might be affected and submit their testimony in accordance therewith.

The CHAIRMAN. There has been testimony here that they had reformed the rules to that extent.

Mr. CULBERTSON. This recent announcement with reference to Equador does reform the rules to that extent.

The CHAIRMAN. In other words, they give a notice as to what products will be considered.

Senator VANDENBERG. Mr. Culbertson, I am going further than that. I do not think that is enough. After the thing is negotiated, and we will say they have agreed to reduce the tariff on X commodity 49 percent, what is the harm in letting the producer of X commodity have 30 days' final opportunity to prove to the State Department, if they can, that that is going to do something that the initiators of this treaty never in the world contemplated and would not have done if they had contemplated it?

Mr. CULBERTSON. That is after the signing of the agreement, is it?

Senator VANDENBERG. No, no; this is after the agreement is negotiated and it is pending ratification abroad, before it is proclaimed here. Why should not we use that 2 or 3 intervening months to our advantage, precisely the way the foreigner does?

Mr. CULBERTSON. Senator, you understand the first step is to sign the agreement; then the ratification in most cases abroad follows.

Senator VANDENBERG. Then it is after signing the agreement that it becomes effective and is proclaimed.

Mr. CULBERTSON. Of course, then you would have the problem of reopening the negotiations again, if the parties saw that that would be necessary.

Senator VANDENBERG. Exactly.

Mr. CULBERTSON. That is your point.

Senator VANDENBERG. Is there anything wrong about that? If the facts proved it is necessary should we still go blindly ahead anyway, just because we signed it?

Mr. CULBERTSON. Well, I think it would present some administrative problems, but I do not think it is impossible to have a procedure of that kind.

Senator VANDENBERG. Then it could be said that an adequate opportunity is given, and until that is done I am unable to see how you can say it is adequate.

Mr. CULBERTSON. You would have to give the foreign country the same privilege, and it might amount to a renegotiation of the treaty following this 30 days' time.

Senator VANDENBERG. I respectfully suggest that the foreign country has that privilege. Also the submission to a parliament, a ratifying body is pro-forma the fact remains that it is a publicized instrumentality and they do have information which we do not have.

Mr. CULBERTSON. In the adequacy of the administrative problem I think that it is necessary that these agreements be put into operation by Presidential proclamation. I do not suppose Congress wants the task of debating every particular agreement that comes along. That principle also was introduced into our commercial policy for the first time by a Republican act in connection with the so-called Argol treaties in the Tariff Act of 1897.

Much has been said in the testimony concerning the most-favored-nation treatment. I shall not stop on that, except to say that there, too, the unconditional most-favored-nation treatment was first introduced into our treaty structure by Secretary of State Hughes in 1922, and the correspondence and confidential letters with reference to that subject are embodied here for the first time in one of the appendices of this book which I have handed to you, Mr. Chairman. I might add in this connection that, in my opinion, there has been a great deal of misunderstanding with regard to the unconditional most-favored-nation principle. As I have pointed out in my book in analyzing the trade agreements that have already been concluded by the present administration, the United States has obtained far more under that principle than it could possibly have secured through treaties based on the conditional application of that clause.

I see the time has practically run and I simply want to say in conclusion that my interest in this problem is not at all political. I have spent a lot of time in my life on the Tariff Commission and in diplomatic work in an effort to introduce into tariff making the non-partisan idea and scientific principle. I think this law extends it to the needs of the present time. It has been my desire all through my life to lift this tariff issue somehow above the level of the partisan issue, and I believe, although I am speaking only for myself here, that in expressing the views that I have expressed, I have expressed the views of a great many Republicans in the United States.

The CHAIRMAN. Thank you very much, Mr. Culbertson.

Mr. Brenckman.

**STATEMENT OF FREDERIC BRECKMAN, THE NATIONAL  
GRANGE**

The CHAIRMAN. You represent the National Grange, I believe.

Mr. BRECKMAN. I represent the National Grange.

The CHAIRMAN. You may proceed.

Mr. BRECKMAN. The Grange is a nonpartisan organization of farmers established in 35 States.

Mr. Chairman, we hold annual conventions at which the legislative policies of the organization are decided, and our last convention was held at Columbus, Ohio. My authority for appearing before you is contained in a resolution which was adopted at that convention and which I should like to read for the purpose of the record:

Whereas, It appears likely that Congress may reenact legislation authorizing the Department of State to enter into reciprocal trade agreements with other nations, which authority expires on June 12, 1937: Therefore be it

*Resolved*, That while we favor any expansion of foreign trade which is advantageous to our people, we are persuaded that so long as the protective system prevails, the American farmer is entitled to the American market, so far as he is able to supply the demand; and be it further

*Resolved*, That in the event of the renewal of this act, trade treaties with other nations should be ratified by the United States Senate before taking effect. Such treaties should not contain the unconditional most-favored-nation clause, under which policy we gain concessions from one nation, while making concessions to practically all other nations producing and exporting any given commodity.

This resolution represents the composite thought of the delegates attending our convention from 35 States.

The CHAIRMAN. Was the opposite viewpoint expressed in the consideration of that resolution? Was there anybody that spoke out for the favored-nation clause?

Mr. BRECKMAN. Well, no; this was referred to a committee, just as a bill is referred to a committee in Congress. The committee reported the resolution favorably and when its report was put to a vote it was unanimously adopted.

I was going to say that the National Grange was an early advocate of the idea that we should have a nonpartisan or a bipartisan, fact-finding tariff commission as an aid to Congress in legislating on the subject of a tariff.

It was also our idea that so far as it is possible to do so with such a controversial subject, the tariff should be taken out of politics and that it should be made a business or an economic question, which it is.

The tariff commission, as we know, was established 21 years ago.

The Grange likewise endorsed the idea which was embodied in the Fordney-McCumber Act of 1922, and also incorporated in the Hawley-Smoot Act, which gave us what is known as the flexible proviso, under which we undertook to keep tariff rates up to date, to obviate frequent general revisions of the tariff.

The theory has been that tariff rates in this country should be based on the difference in the cost of production as between this and other countries. That is a rather complicated process, as we have learned, and it requires a highly trained staff, such as the United States Tariff Commission is supposed to have. But with the Tariff Commission functioning as it should we think that Congress should be able to legislate intelligently on the tariff question.

The Reciprocal Tariff Act of 1934 constitutes quite a radical departure in our traditional tariff policy, and to all practical intents and purposes I think it must be conceded that it reduces the Tariff Commission to the status of the fifth wheel of a wagon.

I do not think, Mr. Chairman, that it was the thought of Congress, when the reciprocal tariff act was passed, that we were delegating to the executive department of the Government the right to enter into a general revision of the tariff. As the farmers of the country understood it we were going to delegate to the Department of State the authority to negotiate reciprocal agreements and that these agreements were going to be helpful in disposing of some of our farm surpluses, as well as some of our industrial surpluses.

Now, so far as agriculture is concerned we do not think that it has been working out exactly in that way. These agreements are not truly reciprocal.

Commenting in general terms on what is called the new trade policy, Dr. Henry F. Grady, chairman of the State Department's Trade Agreement Committee, in an article appearing in one of our quarterly magazines a year ago said:

Our objective is the general amelioration of the world situation. We have already lowered many rates, which have been generalized to other countries. When we shall have gone the rounds of the important countries of the world, reducing in each case the duties on commodities of which it is the principal or important source, we shall have lowered our tariff on a great many items where the case for lowering is justified. As a result of extending these reductions to virtually all countries, we will obtain, it would seem, what the proponents of unilateral tariff reduction desire; but we will do it more carefully and scientifically than is possible by legislative action.

If that does not mean, Mr. Chairman, that the institutions set up by the founders of this Republic are outmoded and obsolete and that we should delegate to a few God-anointed minor officials in the State Department who are charged with the duty of looking after the details of these reciprocal trade agreements, the right to legislate for the people in this important matter, then what does it mean?

It would be interesting to know whether or not the members of this committee, or the members of Congress as a whole, would be willing to agree that the State Department can deal with the tariff question more carefully and more scientifically than is possible by legislative action. In any event it must be conceded that this is a subject that the Constitution delegates to Congress.

In my opinion the Grange is on solid ground when it asks that in the event of a renewal of the reciprocal tariff act any trade agreements made thereunder should be ratified by the United States Senate before they are allowed to become effective.

When the Canadian agreement had been consummated it became effective when it was signed by our Secretary of State, lacking only the proclamation by the President. When the Brazilian agreement had been agreed upon and had been signed by the Secretary of State it was effective, so far as this country was concerned, but before either of these treaties was allowed to become effective, in Canada and Brazil, it had to be ratified by the Parliaments of those countries. And the same principle applies, I am told, in the case of 13 of the 15 agreements that we have entered into with other nations.

The resolution adopted by the National Grange asks that in the event of the renewal of this legislation treaties made thereunder shall not contain the unconditional most-favored-nation clause. As the Grange resolution puts it, under this policy we gain concessions from only one country while making concessions to practically all other countries producing and exporting any given commodity. The application of the unconditional most-favored-nation principle in the making of reciprocal-trade agreements amounts to the same thing as a general reduction of the tariff with regard to the commodities on which we make concessions, and we receive no corresponding concessions. Moreover, with each new agreement which we make, we progressively weaken our position, because we are left with less to offer in making a trade or bargain with other nations. To employ the expression of Dr. Grady, which has already been quoted, the lower rates contained in the previous agreements into which we have entered will have been generalized to other countries.

Perhaps it would be well to amend this legislation so as to provide specifically for public hearings in the accepted sense of the term in the framing of trade agreements. It is true that under the existing act, interested persons have had an opportunity to present their views to the Trade Agreements Committee of the Department of State, but this agreement has not been very satisfactory. Moreover, if the pending resolution should be passed, we have no means of knowing whether or not even the present practice of presenting facts to the Committee on Trade Agreements would be continued. The procedure might be changed. As a safeguard to American interests, we think that the provision for full and open hearings should be incorporated in legislation itself.

Now, I come to another matter that concerns internal taxes. In the treaty with Brazil we froze babassu oil upon the free list. It was further agreed, according to the terms of the treaty, that no excise or internal tax should be placed upon this commodity for the duration of the agreement.

During recent years Congress has taken action calculated to give domestic producers of oils and fats more exclusive control of the American market. Most of these oils and fats are now subject to excise taxes, while oil-bearing seeds are taxable on their oil content. Babassu oil is interchangeable with coconut oil and other vegetable oils. During the first 9 months of 1936 approximately 50,000,000 of babassu nuts and more than 300,000 pounds of babassu oil were imported. The total amount of this oil used in the manufacture of oleomargarine during the first 10 months of the year was over 14,000,000 pounds, an average of 1,500,000 pounds a month, or at the rate of more than 18,000,000 pounds per year.

Statisticians for the dairying industry declare that this is equivalent to 187,000 pounds of butter, displacing the product of 37,400 average dairy cows for an entire year.

In addition to its use in the manufacture of oleomargarine, babassu oil also serves as a substitute for lard, tallow, cottonseed oil, soya bean oil, and corn oil.

The CHAIRMAN. Why was not that oil suggested in the amendment adopted by the Congress?

Mr. BRECKMAN. The answer to that question, Mr. Chairman, is this, that a year or 15 months ago babassu oil was practically unknown; it was an unknown quantity in the markets of the United States, and since these vegetable oils are so largely interchangeable, as I have already indicated, as soon as an excise tax or a duty is placed upon one, or a duty, those who use these oils are looking around for a substitute.

Now, babassu oil is made from the kernels of a palm nut. The palm grows wild in the jungles of Brazil, and it is said that the potential supply of babassu oil is greater than that of coconut oil or palm oil. The principal difficulty at the present time is to crush these nuts. There is a very hard shell around the nut, which requires something like 20,000 or 25,000 pounds pressure to crush it. The crushing machinery is now being perfected and we may expect a perfect flow of babassu oil coming into the United States in the near future.

The CHAIRMAN. The answer is that that oil was not put in because of an oversight on the part of everybody, because every oil that we could think of was included in that amendment.

Mr. BRECKMAN. I will agree that Congress never had any idea of anything like that, but now, under the terms of the Brazilian agreement, we cannot very well change that provision for a period of another 3 years.

The CHAIRMAN. Did you all present your objections to it when the Brazilian agreement was up for consideration before the committee?

Mr. BRECKMAN. I personally did not do anything about it. I do not believe anybody recognized the importance of it. Babassu oil was on the free list, practically none of it coming in and nobody paying any attention to it. It may be that the representatives of the dairy industry did. We have dairymen in our own organization, but the Grange is a general farm organization rather than a dairy organization.

Now, coming to the agreement with the Netherlands and her dependencies, there is a provision that no internal or excise taxes shall be imposed by us upon the commodities covered for the duration of the agreement.

Under the Tariff Act of 1930 tapioca, tapioca flour, and cassava were placed upon the free list on the theory that they were non-competitive food products. But I am told that 80 percent of these commodities in the form of starches come into competition industrially with domestic starches produced from corn, potatoes, rice, and so forth.

During 1936 we imported approximately 300,000,000 pounds of these starches, coming principally from the Dutch East Indies. This is equal to 9,000,000 bushels of corn. This is the average harvest of about 360,000 acres of corn. If this amount of starch were produced entirely from domestic potatoes, it would require more than 38,000,000 bushels. There are cornstarch plants located in this country, which should be operating, furnishing a market and employment to farmers in their neighborhood.

Let me pause at that point, Mr. Chairman, to remark that when the agreement with the Netherlands was pending, a delegation of farmers representing corn and potato producers called at the De-

partment of Agriculture as well as the Department of State and made a special request that tapioca, tapioca flour, and these foreign starches, if you please, should not be bound upon the free list, because we announced that the producers of this country would like to have an excise tax placed upon them. Among those who went with that delegation were some Maine potato growers, and they stated that they had a supply of potato starch on hand adequate to last for 2 years, and no market for it, because these starches that are produced by coolie labor can be sold more cheaply in the United States than cornstarch or potato starch.

Now, there was a point where the interests of the domestic producers were not overlooked, but they were bound on the free list.

The Canadian agreement contains a provision regarding sanitary provisions that is especially objectionable to the dairy interests of the United States. This provision reads:

In the event that the government of either country makes representations to the government of the other country in respect to the application of any sanitary law or regulation for the protection of human, animal, or plant life, and if there is disagreement with respect thereto, a committee of technical experts on which each government will be represented shall, on request of either government, be established to consider the matter and to submit recommendations to the two governments.

It is an undisputed fact that the United States maintained higher sanitary standards in connection with its dairy industry than any other country in the world, and the dairy people of this country object to the idea that any other country should have any say as to whether or not we are going to maintain those sanitary standards.

Digressing for just a moment, let me say that one of the resolutions passed by the national grange at its last session was to the effect that we were in favor of broadening the Lenroot-Tabor Milk Act of 1927 requiring that all dairy products, as well as milk and cream, that were imported into this country should be required to meet the same sanitary standards that are in effect in the United States.

One of the principal planks in the tariff program of the National Grange is that so long as the protective system prevails the American farmer should be entitled to the American market so far as he is able to supply it. While those who advocate the renewal of the reciprocal tariff act of 1934 would like to make it appear that the trade agreements thus far negotiated have been very advantageous to agriculture, the facts suggest the reverse. There can be no doubt that, on the whole, the interests of our farmers are being sacrificed in the making of these agreements.

According to the reports of the Department of Commerce, our total exports for the calendar year 1936 amounted to \$2,416,477,000. Agriculture's share of these exports amounted to \$709,500,000, or 29.4 percent of the total. We exported nonagricultural products valued at \$1,706,977,000, or 70.6 percent of the total.

During the calendar year of 1935 agricultural exports were valued at \$747,692,000, or 33.3 percent of our total exports.

According to Department of Commerce figures, our imports of agricultural commodities for consumption during 1936 amounted to \$1,304,900,000, or 53.9 percent of our total imports. Striking a balance between agricultural imports and exports shows that farm im-

ports exceeded exports in the sum of \$631,430,000 during 1936. There was an actual decrease of more than \$38,000,000 in our farm exports during 1936 as compared with 1935. On the other hand, farm imports in round figures during 1936 exceeded agricultural imports of 1935 by \$200,000,000.

It was worthy of note that manufactured cotton and tobacco accounted for nearly \$500,000,000 of our farm exports, or about five-sevenths percent of our total for 1936.

Senator BYRD. This \$600,000,000 that we imported, \$600,000,000 more of agriculture products than we exported in 1 year, do you mean that?

Mr. BRECKMAN. I said our exports in unmanufactured cotton and tobacco accounted for nearly \$500,000,000.

Senator BYRD. That was in 1 year, was it not?

Mr. BRECKMAN. Yes.

Senator BYRD. I understood you to say that imports of agricultural products was \$600,000,000 more than the exports. Is that correct?

Mr. BRECKMAN. Yes, sir; that is, according to one way of reckoning.

Now, I want to introduce at this time, Mr. Chairman, a table that is based on a little different system of figuring. The figures I have quoted contain reexports. To explain what I mean there—it is hardly necessary before this committee—we import wheat, for example, from Canada in bond for milling purposes to be reexported. In the figures I have quoted reexports are included in the total. The figures I am going to give you now from this table exclude reexports. They include both imports and exports for farm products in their raw or crude state, as well as in the manufactured state. These are interesting figures. I have them in groups here.

In animals and animal products, edible, the excess of imports over exports was \$30,930,000

Animals and animal products, inedible, \$140,497,000.

Vegetable food products and beverages, \$499,785,000.

Vegetable products, inedible, \$131,755,000.

Textiles, fibers, and manufactures—there is the only case where we did not have a deficiency—amounted to \$49,929,000. To give you the total, our imports exceeded exports in the sum of \$753,038,000.

The CHAIRMAN. What year is that?

Mr. BRECKMAN. That is in the past year, 1936.

Senator HERRING. What effect did the drought have upon that?

Mr. BRECKMAN. Well, it had some effect, of course. We did not have any exports of wheat while we imported wheat. We imported corn in very considerable quantities. I will give you that a little later.

I was going to say this, Mr. Chairman: This sum of \$753,038,000 is equal to 10 percent of the total cash income of American agriculture as distinguished from the total income. I do not need to weary you with details.

Our exports of manufactured commodities during the year gave us a favorable balance of trade of \$748,461,000. So it will be seen that so far as foreign trade is concerned we are building up an export market for American manufacturers at the expense of American agriculture.



Senator BYRD. Mr. Brenckman, have you got those figures for 1935? If you haven't got them here, I would like to have you supply them and put them into the record.

Mr. BRECKMAN. Senator, I will be glad to furnish these as a supplementary exhibit.

Senator BYRD. It was not very much of a factor in 1935, was it?

Mr. BRECKMAN. In round figures our agricultural exports in 1935 amounted to roughly 33 percent of our total exports, giving manufacturers about 67 percent.

Senator BYRD. What I want, though, is the unfavorable trade balance for 1935 in agricultural products.

Mr. BRECKMAN. Well, we have had an unfavorable trade balance every year for a good many years, so far as agriculture is concerned.

The CHAIRMAN. Suppose you prepared it and put it in the record.

Mr. BRECKMAN. Yes, sir.

The CHAIRMAN. Under the same basis as you have made these figures.

Senator BYRD. In other words, put it in to the record for those years, comparative years, that it would be a factor.

Mr. BRECKMAN. Let me say just a word and I will be through before long, Mr. Chairman, about Canada and the United States and Cuba and the United States. I am not making any comparisons with previous years, I am simply taking the first 11 months of 1936, which are the latest figures that we were able to get from the Department of Commerce, on this question.

Our exports of crude and manufactured foodstuffs to Canada during the first 11 months of 1936 amounted to \$24,289,000.

Our imports of crude foodstuffs, manufactured foodstuffs, and beverages from Canada amounted to \$116,509,000, giving Canada a favorable balance of trade of \$92,200,000.

The CHAIRMAN. Have you got the amount of liquors included in those imports from Canada?

Mr. BRECKMAN. Well, I imagine when you say beverages liquor must be included in it, but if you want me to, I can segregate that for you right now. Imports of crude foodstuffs from Canada amounted to \$75,492,000. Manufactured foodstuffs and beverages amounted to \$41,017,000.

The CHAIRMAN. Does it not state there as to what is the amount of beverages?

Mr. BRECKMAN. Manufactured foodstuffs and beverages are grouped together.

The CHAIRMAN. You haven't got them segregated?

Mr. BRECKMAN. That is not segregated in the Department of Commerce figures.

The CHAIRMAN. All right.

Mr. BRECKMAN. Now, we go to Cuba. Exports of crude foodstuffs to Cuba during the first 11 months of 1936 amounted to \$1,689,000. Manufactured foodstuffs amounted to \$10,375,000, or a total of \$12,064,000.

Imports of crude foodstuffs from Cuba amounted to \$4,871,000; manufactured foodstuffs and beverages, \$104,171,000, making a total of \$109,042,000, or a favorable balance of trade for Cuba of \$96,978,000.

As we are aware, Mr. Chairman, that includes sugar, and it might be well just to say a word about sugar, if you have the patience to listen to it.

As we know, the tariff on sugar in the Hawley-Smoot Act against the rest of the world was  $2\frac{1}{2}$  cents a pound. In the preferential treaty of 1902 Cuba got 20 percent off, which reduced the tariff on 96 percent sugar to 2 cents a pound.

Senator BYRD. Mr. Chairman, Mr. Brenckman is making a very interesting statement. I wonder if we could not hear him this afternoon. I have to leave. He represents one of the most powerful and I think one of the best farm organizations in America. I think he should have ample time to continue his statement.

The CHAIRMAN. Are you nearly through, Mr. Brenckman?

Mr. BRECKMAN. Yes; I am nearly through.

Now, I said under the preferential treaty of 1902 Cuba cut 20 percent off of our customs duties, so the  $2\frac{1}{2}$  cents a pound on sugar was reduced to 2 cents under that arrangement.

Then, under the flexible proviso, we further reduced that tariff to  $1\frac{1}{2}$  cents a pound, and under the reciprocal treaty with Cuba we reduced it to 0.9 of a cent a pound. That amounts to 0.6 of a cent a pound reduction, and under that arrangement, during 1936, we imported into this country more than four billion pounds of sugar from Cuba. On the reduction of 0.6 of a cent per pound the Treasury of the United States lost about \$25,000,000 on those imports.

Now, would it be fair to inquire who got the benefit of that? I do not know that the retail price of sugar has been reduced at all in the United States. I am told, Mr. Chairman, that about 80 percent of the benefits accruing to Cuba under that arrangement went to two of the big banks in New York who own 80 percent of the Cuban sugar industry.

While this was supposed to open a big export market for American farm products, I have already pointed out that our exports of crude foodstuffs to Cuba during the first 11 months of 1936 amounted to only \$1,689,000.

Senator BYRD. When you say "crude foodstuffs" you mean those that have not been manufactured in any way or processed in any way? You do not mean canned fruits, and so forth?

Mr. BRECKMAN. Yes. Now, there are several things to be considered in this connection. I know the argument that sugar is a tropical crop has been put forth and that the United States should not undertake to produce it, that we ought to allow the tropical countries where sugar grows natural to do it. My mind goes back to the war times of 1917 and 1918, when the comparatively small supply of American sugar was exhausted, what happened to us then? We all remember that sugar was scarcely to be had at all, and when it was to be had we paid as high as 30 cents a pound retail for that imported sugar. I think it would have been better long-run policy for the people of the United States to have paid slightly more over a period of years for sugar by giving a little encouragement to domestic growers of sugar cane and sugar beets than to have submitted to the price gouging to which we were subjected at that time.

The CHAIRMAN. Did you and your organization oppose or favor the so-called Jones-Costigan sugar bill?

Mr. BRECKMAN. Well, we have some beet-sugar growers in our organization, but they are not among our most numerous group of members, and when the beet-sugar men appeared to be satisfied with the proposition we made no objections; but as a general proposition, the way the Grange feels on this question of domestically produced sugar is this: We now produce sugar beets in America in something like 21 or 22 States. Sugar beets could be grown in a majority of the States of the Union. As you know we produce sugar cane in several of the southern States. Here is one crop of which we do not have an exportable surplus, and it would be good domestic policy in the long run to give American producers a little better chance at the American market in the production of sugar. That is our general policy with reference to the matter.

Now, I have been speaking about farm imports, and I just want to give you a rough list of some of our imports. We imported 386,000 cattle. We imported 85,997,000 pounds of canned beef.

I want to make just a little statement regarding that. I have it from what I consider good authority that for every pound of canned beef produced in the United States we are importing 12.

The CHAIRMAN. I understood from some witnesses that we were not producing any canned beef in the United States.

Mr. BRECKMAN. I think we are producing some.

Now, I want to go back to the Tariff Commission. We feel that the American producer ought to have a better chance at the domestic market. The Grange and some livestock groups made application to the United States Tariff Commission for an investigation of the cost of producing canned beef. What we wanted was an opportunity to present some facts to the Tariff Commission in this connection. In due time they notified us that they had dismissed our application without prejudice, but it was dismissed, and we thought that the American producers ought to have at least a chance to demonstrate before the Tariff Commission that the present tariff on canned beef is not high enough to enable domestic producers to hold the American market, or to even have a fair chance at it.

The CHAIRMAN. What is the tariff now on canned goods? Six cents a pound?

Mr. BRECKMAN. Six cents a pound. When I say that, I want to make this explanation. It takes more than two pounds of raw beef to make a pound of canned beef. The tariff on chilled or frozen beef is 3 cents a pound and on canned beef 6 cents a pound. It is very evident, from the way American producers are being run out of the American market that the tariff is not high enough.

Senator BYRD. Where do the cattle come from? You said there were 380,000. What countries did they come from?

Mr. BRECKMAN. I imagine Canada.

Senator BYRD. The canned beef came from where?

Mr. BRECKMAN. From the Argentine principally.

The CHAIRMAN. Under the Canadian agreement only 156,000 can come in.

Mr. BRECKMAN. I think maybe some of these cattle came from Mexico. That is possible, but most of them came from Canada, I think.

After I get through with this statement I want to file some market quotations showing what the price of good steers was in the various

markets of the United States before the Canadian agreement took effect and to what level the price descended after that, and the present level.

The CHAIRMAN. Are those on the same character of cattle?

Mr. BRECKMAN. I think that these were small cattle mostly.

Senator HERRING. They were feeder cattle, weren't they?

Mr. BRECKMAN. Principally; I suppose so.

Senator HERRING. They benefited the growers of corn and the feeders by getting them at a lower price?

Mr. BRECKMAN. That may be. We imported dairy products valued at \$14,543,000. That includes cheese. I might say that the records of the Department of Commerce make no mention of imports of Cheddar cheese during 1935, but there were considerable imports during 1936.

Dried eggs, 7,178,000 pounds; frozen eggs, 625,000 pounds; wheat, paying full duty, 30,902,000 bushels. That, of course, excludes anything that was brought in to be milled in bond and reexported; corn, 27,041,000 bushels; Irish potatoes, 71,882,000 pounds.

Senator BYRD. There is a tariff of 42 cents a bushel on wheat, isn't there?

Mr. BRECKMAN. Yes.

Senator BYRD. In ordinary times is not that sufficient to exclude the importation of wheat?

Mr. BRECKMAN. Well, it is supposed to be. When you say "ordinary times", I think that is true, but there have been times in recent years when the tariff was considerably higher than the domestic price of wheat. For instance, back in 1932 and 1933, the domestic price of wheat went down to 25 cents and 30 cents a bushel. That was the lowest figure reached in the world market since the days of Queen Elizabeth. Of course, the tariff did not help any.

Senator BYRD. If there is a normal crop of wheat in this country you do not anticipate very much importation of wheat at 42 cents a bushel, do you?

Mr. BRECKMAN. Perhaps not. Yet we have been importing wheat for several years now.

The CHAIRMAN. Is not that peculiar to the particular type of wheat that may be imported?

Mr. BRECKMAN. The particular type of wheat we import for milling purposes is not included in these figures, because that is hard wheat and is reexported. I think the 30,902,000 bushels that I am mentioning here is just no particular kind of wheat, it is just wheat, and it was imported because we did not have enough to supply our domestic demands.

To finish this statement now, we imported 173,763,000 pounds of turnips; tomatoes, in their natural state, 70,705,000 pounds, canned tomatoes and tomato paste, 62,407,000 pounds.

Now, my purpose in making this enumeration is to say that in the majority of cases the commodity enumerated in this classification can be produced domestically, and the American farmer is entitled to a better chance of holding the American market.

The CHAIRMAN. Now, as to tomatoes, Mr. Breckman, is it not true that some countries adjacent to us produce it out of season, so far as the United States production is concerned?

Mr. BRECKMAN. Well, that may be true of Mexico.

The CHAIRMAN. More than our own production does?

Mr. BRECKMAN. That may be true of Mexico and Cuba, but let me say, Mr. Chairman, that on Saturday I met several representatives of a concern in the Middle West growing vegetables under glass, who claim that these trade agreements are ruinous to them, and while they had been paying good income taxes to the Government in former years, before these agreements took effect, that their income tax is dwindling down to pretty low proportions, and they claim they are being injured.

I also met recently representatives of the vegetable producing industry down in Florida and in the Gulf States who made the same complaint.

The CHAIRMAN. Is it not true that the Canadian agreement broadened the proposition some and helped the vegetable people to the extent of reasonable shipment into Canada?

Mr. BRECKMAN. Well, there may be something in that idea; but so far as the Canadian agreement is concerned, our conviction is that in the net it has been detrimental to American agriculture.

We will take that one item of potatoes as an example. I want you to remember that at the time when the Canadian agreement took effect the potato-control law was still on the statute books of the United States, giving a quota to American producers, providing a penalty of \$1,000 fine and a year in the penitentiary for violations; and yet, while potatoes had been selling at ruinously low prices in this country over a period of years we reduced the duty on 750,000 bushels of Canadian seed potatoes. The argument was made that the farmers use the seed potatoes, therefore they should be glad to see the price reduced. But we must not forget that farmers also produce seed potatoes, and these producers are entitled to the protection of our laws as those who use seed potatoes.

The CHAIRMAN. We have always imported a good deal of seed potatoes from Canada.

Mr. BRECKMAN. Yes; but there is no reason why we should import seed potatoes under normal conditions. Maine, New York, Michigan, Wisconsin, Minnesota, any one of those Northern States can grow just as hardly a brand of seed potatoes, just as vigorous and just as disease-resisting as they can grow in Canada, and if these people have been penalized to some extent by our control programs, for the benefit of other crops or commodities, they are entitled to tariff protection on what they produce. That is our attitude.

In conclusion, Mr. Chairman, I just want to say this, that there appear to be certain manufacturing and industrial groups who think that they have been benefited by some of the agreements that have been made, because these agreements have created an outlet for certain manufactured articles of which we have a surplus, but I think they do not see the full picture. It is, of course, a fine thing to have an export market for our manufactured products, just as it is for our farm products, but in creating a market for the manufactured products abroad at the expense of the American farmer we make a great mistake.

Now, my proposition is that Minnesota is a better market for manufactured commodities than is Mesopotamia. The rural sections of Kansas furnish a better market for manufactured products than Kamchatka, and the rural sections of Pennsylvania afford a better market or outlet for manufactured commodities than does Peru or Patagonia.

We must give the American farmer a better chance to hold the American market, and while it is true if we increase an outlet for industrial commodities we can increase the factory pay rolls, it is also true that if you destroy the purchasing power of the American farmer industry loses to that extent the local market among farm people.

Now, in considering the home market, the domestic market, we should bear in mind that there are no tariff laws to scale, there are no import quotas or restrictions. No interpreter is needed in doing business. All that we need to do is to give the American people the purchasing power and they will buy; and if the farmers in this country had the purchasing power to which they are entitled, if they were receiving their just share of the national income, there would not be an idle factory in the United States today; because it would require all that they could do to supply the long-deferred wants, the legitimate wants of the farmers of this country.

So, in looking around for export markets let us not overlook the importance of the home market, which is infinitely more important than any market that can be found beyond the seas.

The CHAIRMAN. Thank you very much.

(The papers referred to by Mr. Brenckman are as follows:)

#### EXPORTS AND IMPORTS OF MERCHANDISE 1936

While it appears that total exports (including reexports) exceeded general imports during 1936 by \$34,258,000, it should be noted that imports for consumption exceeded exports of United States merchandise by \$4,570,000. In other words, the United States had in 1936 an unfavorable balance of trade. The only previous year in which this occurred since about 1875 was during 1893, when prices of wheat, cattle, cotton, etc., were so low that imports exceeded exports in total value.

Perhaps a matter of equal importance is the fact indicated by the following table, that imports of merchandise of agricultural origin exceeded exports by \$753,000,000, while, on the contrary, exports of merchandise of nonagricultural origin exceeded imports by \$748,000,000. We appear to be importing products of agricultural origin to create credit balances so that foreigners may purchase merchandise not of agricultural origin. Among agricultural groups only textiles show exports in excess of imports amounting to about \$50,000,000, whereas in the other group wood and paper products show imports in excess of exports to the extent of about \$150,000,000.

#### Exports and imports, 1936

[1,000 dollars]

	Exports of United States merchandise	Imports for consumption	Excess of exports <sup>1</sup>
Total.....	\$2,416,477	\$2,421,056	-\$4,579
Animals and animal products, edible.....	58,157	80,087	-30,930
Animals and animal products, inedible.....	50,206	100,793	-140,497
Vegetable food products and beverages.....	143,464	613,249	-469,785
Vegetable products, inedible.....	205,946	337,701	-131,755
Textiles, fibers, and manufactures.....	430,823	330,894	49,929
Subtotal.....	804,686	1,647,724	-753,038
Wood and paper.....	100,028	249,356	-149,327
Nonmetallic minerals.....	302,090	125,467	237,223
Metals and manufactures.....	233,929	206,750	27,179
Machinery and vehicles.....	614,280	18,737	595,543
Chemicals and allied products.....	116,602	79,976	36,926
Miscellaneous.....	93,963	98,046	917
Subtotal.....	1,521,792	773,331	748,461

<sup>1</sup> Minus sign (-) denotes excess of imports.

*Farm imports and exports*

## CANADA, FIRST 11 MONTHS 1936

Exports of crude foodstuffs to Canada.....	\$17, 180, 000
Manufactured foodstuffs.....	7, 109, 000
<b>Total.....</b>	<b>24, 289, 000</b>
Imports of crude foodstuffs from Canada.....	75, 492, 000
Manufactured foodstuffs and beverages.....	41, 017, 000
<b>Total.....</b>	<b>116, 509, 000</b>
Balance of trade in favor of Canada on these commodities....	92, 220, 000

## CUBA, FIRST 11 MONTHS 1936

Exports of crude foodstuffs to Cuba.....	\$1, 689, 000
Manufactured foodstuffs.....	10, 375, 000
<b>Total.....</b>	<b>12, 064, 000</b>
Imports of crude foodstuffs from Cuba.....	4, 871, 000
Manufactured foodstuffs and beverages.....	104, 171, 000
<b>Total.....</b>	<b>109, 042, 000</b>
Balance of trade in favor of Cuba on these commodities....	96, 978, 000

*Price per 100 pounds of Choice and Good steers, 900 to 1,100 pounds*

	Chicago		Buffalo— Good	Omaha		St. Paul	
	Choice	Good		Choice	Good	Choice	Good
	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>	<i>Dollars</i>
May 1935.....	13.33	11.86	11.42	12.88	11.44	12.94	11.48
May 1936.....	8.91	8.17	8.30	8.42	7.73	11.15	7.68
Feb. 1, 1937.....	12.00	9.50	10.00	11.75	9.50	11.15	9.15
	@13.25	@12.25	11.35	@13.00	@11.75	@11.75	@11.50

<sup>1</sup> 950 to 1,250 pounds.

Source: Bureau of Agricultural Economics.

(The material regarding total imports and exports of agricultural commodities for 1935 follows:)

## Exports and imports

[1,000 dollars]

	1935			1936		
	Exports of United States merchandise	Imports for consumption	Excess of exports <sup>1</sup>	Exports of United States merchandise	Imports for consumption	Excess of exports <sup>1</sup>
Total.....	2,243,081	2,038,005	204,176	2,416,477	2,421,056	-4,579
Animals and animal products:						
Edible.....	60,723	74,711	-13,988	58,157	89,087	-30,930
Inedible.....	47,263	151,127	-103,864	50,266	190,793	-140,497
Vegetable food products and beverages.....	155,032	566,441	-411,409	143,404	643,249	-499,786
Vegetable products, inedible.....	195,507	280,879	-85,372	205,946	337,701	-131,755
Textiles, fibers, and manufactures.....	456,166	306,860	149,306	436,823	386,894	49,929
Subtotal.....	914,691	1,380,018	-465,327	894,686	1,647,724	-753,038
Wood and paper.....	92,281	208,343	-116,062	100,028	219,355	-119,327
Nonmetallic minerals.....	340,012	103,824	236,188	362,690	125,467	237,223
Metals and manufactures.....	194,559	177,168	17,391	233,929	206,759	27,170
Machinery and vehicles.....	520,870	14,524	506,346	614,280	18,737	595,543
Chemicals and allied products.....	107,090	69,959	37,131	116,902	79,976	36,926
Miscellaneous.....	73,577	85,009	-11,432	93,063	93,046	917
Subtotal.....	1,328,389	658,887	669,502	1,521,792	773,331	748,461

<sup>1</sup> Minus sign (-) denotes excess of imports.

The CHAIRMAN. I wish to put in the record a letter that appears in the Congressional Record, written by Mr. Wallace, February 8, 1937, addressed to Mr. Wearin, relative to the sanitary restrictions. It may be placed in the record following Mr. Breckman's talk.

(The letter referred to is as follows:)

FEBRUARY 8, 1937.

HON. OTHA D. WEARIN,

*House of Representatives.*

DEAR MR. WEARIN: I have your letter of February 6, referring to certain statements that have been made in hearings before the Committee on Ways and Means and in debates on the floor of the House in connection with the proposed renewal of the Trade Agreements Act of 1934, which raise a question as to the effect of provisions in existing trade agreements on sanitary regulations administered by this Department.

The statements to which you refer apparently relate to a standard provision which is included in a number of the trade agreements negotiated to date having to do with consultation between governments as to the operation of sanitary laws and regulations. A specific example is article 10 of the trade agreement with Brazil.

Apparently this provision has been interpreted as meaning that the United States is prohibited from introducing new quarantine or sanitary measures without the consent of the foreign government with which we have trade agreements which include this particular provision. This interpretation is not correct. The general effect of this provision is simply to formalize and make more specific a practice which has always been pursued by this Government with respect to the application of quarantine and sanitary measures. That is to say, it has always been the practice of this Department, for example, to give consideration to representations made by foreign governments through the appropriate channels with regard to the application of quarantine and sanitary measures for which it is responsible.

The article in question provides for (1) "sympathetic consideration" by each government to representations made by the other government with respect to the application of sanitary laws and regulations for the protection of human, animal, or plant life; (2) consultation between technical experts of each government upon request of one of the governments party to the agreement with respect to the operation of particular sanitary regulations; and (3) consulta-



tion between governments, "whenever practicable" before the application of any new measure of a sanitary character.

It is specifically provided that the provisions of this article do not apply to actions affecting individual shipments received in either country under sanitary measures already in effect or actions based on pure food and drug laws.

This provision was drafted in consultation with officials of this Department. We are convinced that it does not deprive the United States Government of the right to take whatever action may be necessary along the line of sanitary quarantines or embargoes on imports of agricultural products wherever there is a sound, scientific basis for such action.

The position of this Department is that the Government of the United States should have complete freedom to act with respect to prohibiting the imports of agricultural products when the scientific evidence indicates that there is a real risk of the introduction of harmful plant and animal diseases and insect pests. We believe that we have such freedom under the terms of the standard sanitary provision in the various trade agreements. This Department does not believe that sanitary import measures should be used as a substitute for economic protection. We believe that the modification of our sanitary regulations should be based on careful and continuing examination of their merits in the light of the purpose for which they were imposed. The consultation provided for in the standard sanitary provision in the trade agreements would constitute a part of such examination.

Sincerely yours,

H. A. WALLACE, *Secretary.*

The CHAIRMAN. We will adjourn until 2 o'clock.

#### AFTERNOON SESSION

The committee met at 2 p. m., pursuant to the taking of a recess.

The CHAIRMAN. The committee will come to order. Mr. Lourie, did you want to appear as a witness while we are waiting on these other witnesses? Do you have something to say to the committee?

#### **STATEMENT OF HARRY L. LOURIE, EXECUTIVE SECRETARY, NATIONAL ASSOCIATION OF ALCOHOLIC BEVERAGE IMPORTERS, INC.**

Mr. LOURIE. I want to take about 5 minutes.

The CHAIRMAN. All right. You had better begin now.

Mr. LOURIE. Mr. Chairman, I would like first of all to repeat what I presented in a brief before the Ways and Means Committee a few weeks ago. At that time the committee was pressed for time and some of us presented briefs instead of making an oral statement.

The National Association of Alcoholic Beverage Importers, Inc., whom I represent, have, of course, obtained decided benefits from these trade agreements. They handle a commodity, a group of commodities, which because of the rate of duties which had been imposed in the Tariff Acts of 1922 and 1930, when we had prohibition in the United States, they found themselves unable to do a great deal of business under what were then looked on as penalty rates tied up with the prohibition movement.

At the time when prohibition was repealed I was a member of the staff of the Tariff Commission, and served on the President's Liquor Committee. We discussed many ways of trying to reduce these duties for the benefit of the people of the United States. In other words, the problem there was how to find quickly a large source and supply of matured spirits and wines. We had none in the United States. Many proposals were made.

I think, Senator Harrison, you remember the possibility raised of taking congressional action. It was realized that if any attempt was made to amend the tariff act or schedule 8 you would have been flooded immediately with thousands of other amendments and you would have had a tariff revision on hand.

The committee discussed, among other things, the possibility of using the flexible provisions. We were barred from using the flexible provisions because the law states that we must compare cost of production at home and abroad. And there were no costs of production at home. We had nothing to base our comparison on. It was through the medium of these trade agreements that there has been made available to the consumers of the United States a large supply of matured whiskies coming from Canada and from Scotland.

This morning you heard testimony as to the great increase of imports from Canada. Of course, I happen to know that in 1936 there were more than 7,000,000 gallons of whisky imported from Canada, and that those 7,000,000 gallons represent a money value in Canada of approximately \$35,000,000. That is where the great increase came.

The CHAIRMAN. What is it in the Canadian agreement? They cut it 50 percent, did they not?

Mr. LOURIE. They cut it 50 percent. The rate of duty was \$5 per proof gallon or taxable gallon, plus the internal-revenue tax, which is \$2. All whisky coming to the United States which is more than 4 years of age has been reduced from \$5 to \$2.50. I would like to call this to your specific attention.

Senator KING. That is principally Scotch, is it not?

Mr. LOURIE. It is mostly Canadian at the present time. I should say it runs about 60 percent Canadian whisky and 40 percent Scotch whisky.

Senator KING. What is the Canadian whisky made from? Is that made from wheat, corn, or rye?

Mr. LOURIE. They have a whisky which they make known as an American type of rye, and a whisky they make which is known as a Bourbon-American type of whisky. And then they make a Canadian, another type of whisky. And in making these Canadian whiskies they are made from either rye or corn mash, and neither preponderates. Under our regulations Bourbon must have more than 50 percent of corn in the mash, or if it is rye it must be just the other way. And they will have rye, wheat, corn, and perhaps some oats in the mash, which gives a different flavor from either rye or Bourbon. And that makes it a rather light whisky.

What I would like to point out to this committee is the fact that the charge has been made time and again that the various individuals who handle these trade agreements do not pay any attention to the needs of the American industry involved. Now in this particular reduction of whisky we have a striking example of how the committee did take consideration, full consideration, of the needs of the domestic distillers. We had in the United States virtually no 4-year-old whisky. The reduction in duty was created on whisky which had been aged in wood for not less than 4 years. And certainly that did not compete with 1-month-, 2-month-, or even 1-year-old whisky. What it really did was to give a stopgap until the

whisky made in the United States had reached maturity, by which time that Canadian whisky will be out of the way.

It also solved another problem. You gentlemen are familiar with the fact that there was considerable smuggling going on. And since the duty was reduced—I can call on the offices of the Treasury Department to corroborate this—there has been no smuggling of foreign whiskeys into the United States. And the United States Government has received a greatly increased amount of revenue. My calculations indicate in the year 1936 the United States Government received from whisky alone for the tariff and the internal revenue tax about \$52,000,000. That is a nice sum of money to get, which we could not possibly have gotten under the higher rate of duty, because part of the business would have been turned over to the illicit operators.

Senator KING. Do you mean to say that on distilled spirits, imported and domestic, that \$52,000,000 is the maximum received by the Government in revenue?

Mr. LOURIE. No. That is just from the imported branch of the industry.

The CHAIRMAN. The internal amounts to considerably more?

Senator KING. The internal amounts to several hundred more.

Mr. LOURIE. The internal-revenue tax per gallon on imported whiskey is \$2 and the tariff rate is \$2.50, which makes \$4.50 per gallon, as against \$2 to the domestic people today. So the domestic people still have a protection of \$2.50 a gallon.

I would like also to add that among the members of the association I represent are domestic distillers who are both importers and distillers. Before prohibition they enjoyed a rather large export market. There used to be exported from the United States each year some 2,000,000 gallons of various forms of distilled spirits. That export trade disappeared during prohibition. A great deal of it was taken over by the Canadian distillers and the British distillers.

When my association appeared before the Committee on Reciprocity Information we not only asked for a reduction in duties on these spirits, but we also asked the State Department to recognize the fact that there was once an export market for American distilled spirits, American wines, and American beers, and that action should be taken in the various trade agreements to either give us larger quotas in certain countries, or reduce the prohibitive rates. That has already been done in some of the agreements. And I think the members of my association, who are both exporters and importers, are in agreement that whatever progress they have made in the export markets could not have been made without the help created by the trade agreements.

If you gentlemen will permit me I would like for another minute or two to discuss this problem, not as a representative of a group of importers, but rather as a person who spent a great many years of his life working on these problems for the Government. I worked for the Tariff Commission for 11 years, early in 1923 to 1934, and I presume that my experience, at least to me, is indicative of the experience of the other employees of the Tariff Commission who work on these subjects. I was not an applicant for a position to the Tariff Commission. The Tariff Commission came to me in the fall

of 1922 just after you passed the first law on flexible provisions, and they said, "We have made a survey of the possible people we might use who are more or less experts on foods." I was running the large food and drug laboratory for the United States Department of Agriculture in New York. There passed through my hands a tremendous volume of domestic foods for export. I also had charge and supervision of the manufacture of foods under the law through the eastern part of the United States. The Tariff Commission asked me to come down and advise them on food matters. Frankly, I was reluctant. I did not know much about the tariff matters. I did know something about foreign trade. I was not asked anything as to my political beliefs. I was not asked anything as to whether I believe in low or high tariffs. They wanted me to come down and advise them on food matters.

I came down and had a long talk with Mr. Marvin, who was then chairman of the Tariff Commission, and Mr. Culbertson, the Vice Chairman of the Commission, and after talking it over with them I came to the Tariff Commission in April of 1923. And almost immediately I was thrown into a maelstrom of cases under the flexible provisions.

I will admit, if I am typical of the men on the staff of the Tariff Commission today, that I have never bought nor sold commercially any food products, or any other item, but I had already spent at that time 15 years studying the food industry. I had been in virtually every plant in the United States studying foods. I knew about the technological development of the industry, and I knew a great deal about raw materials, and I am not going to pause here and qualify as an expert, but I have been accepted by courts of the United States as an expert. I was typical of a group of people selected that way. It is not necessary to be a businessman to know something about commodities that go into international trade. If that were the rule then all Members of Congress would find themselves disbarred from acting on tariff matters, because according to the statistics the great bulk of the Members of Congress are attorneys.

Certainly you gentlemen who had passed through your hands the tariff acts in 1921, 1922, and 1930, know the poorest witnesses you had during those days I was present on duty with this committee as well as the Ways and Means Committee were businessmen themselves. As I saw it at that time they saw only one side of it and that was their own business, and they were not particularly concerned with the rest of the business of the United States. Now, we have a vehicle where these men are not studying just one industry, but they are studying them all. Take this trade agreement with Canada. We hear a great deal of complaint about the importation of cheddar cheese, but do we have any farmers coming here from the citrus industry complaining about the fact that the exportation of citrus fruits to Canada has greatly increased, and do we have the dried-fruit people complaining about that trade agreement? No. And it is because that opened up the doors of Canada again.

I was up in Canada in 1933, making an investigation for the Tariff Commission, and I complained bitterly about the high price of orange juice. One of the high Government officials of the Canadian Government said, "Well, it is your fault, the fault of the United States

Government, because your 1930 Tariff Act forced us to retaliate by bringing in oranges from South Africa, Palestine, and Spain, and so on." I said, "That is ridiculous. It is a nose-cutting-off proposition." He said, "Some day we may get together."

The trade agreement with Canada, it is true, is entirely selective, and it helped the farmers in the United States, the dried fruit people, and the citrus people.

I have heard a lot of talk about cream, and I have not heard any witness before the Ways and Means Committee or the Finance Committee tell us the entire story on cream. In 1922 on cream there was a duty of 20 cents a gallon. Under the Tariff Act of 1922 farm groups came before the Tariff Commission and asked to investigate cream, and said there was a lot of cream coming into New England from Canada, and it is a highly deficient area. The Tariff Commission investigated and submitted a split report, which was usual in those days, and part of them recommended an increase and part did not. But the maximum increase could only have 30 cents, based on a comparison of making cream in Canada and the competitive areas of the United States, which were then New England and the St. Lawrence area up in northern New York. And when Congress passed the Hawley-Smoot Tariff Act did they set it at 20 cents or 30 cents? No; they set it at 56 cents a gallon, with the result that New England, highly deficient in cream, being a long distance from Wisconsin or other dairy sections of the United States, found itself in an impossible position on cream.

Then on top of that Congress passed the sanitary law, which said no milk or cream could come in from Canada unless it comes from sources inspected by the Government.

When I was one of the Pure Food employees we maintained laboratories up in northern New York and New England to examine milk that came across the borders to see if it complied with the Pure Food and Drugs Act. The amount of cream in the Canadian area sent in is a drop in the bucket. It certainly has not in any way affected the prices for cream in general in the United States.

It is hardly necessary for me to call your attention to the fact that these trade agreements, as I see them, were not designed to benefit any particular group in the United States.

I will admit, frankly, after I left the Government service, after having spent 11 years with the Tariff Commission, and had spent half of that time up here in Congress sitting with members of the Ways and Means Committee or members of the Senate Finance Committee, or any other Member of Congress who was interested in tariff matters, that I had reached the conviction that our system of making tariffs was fundamentally wrong in one essential respect, and that was the fact that no Member of Congress could possibly get a view which covered the entire United States. I saw too much of it behind the scenes. We at the Tariff Commission at that time were bombarded by the same persons who bombarded you individually. You went through with it and we went through with it.

Now, when this new policy was adopted I felt that finally we had a vehicle which could possibly arrive at a solution to this problem on a national basis rather than a sectional basis, and I think the agreements signed so far have proven that. The committee, as I see

it, that works on these agreements has not taken a czaristic attitude, or the attitude they they have the power to do what they please and will listen to no one. I know that the committee, backed up by the experts of the Tariff Commission, the Department of Commerce, and the State Department, have made studies of the international trade as affecting the United States which no one in this committee realizes. I thought we did a lot of work, a tremendous amount of work, in the Tariff Commission in my day, but I never realized the extent of their studies. I know that that committee gathered an enormous amount of material. For example, you take Canada, and it was not satisfied to study just the trade between the United States and Canada, and the commodities involved, but it studied the trade in those commodities for the entire world. And it adopted a formula as far as it could which I thought was excellent. If you look at the Canadian agreement, with the exception of one item and that is the whisky, 90 percent of the goods covered have always come from Canada and must come from Canada. In other words, these general statements that you have heard that we generalize these trade agreements for the entire world, and that we should not do that, the State Department recognized that, the Tariff Commission recognized that, and they have been generalized and should be generalized because the entire conception of the most-favored-nation treatment for all nations as far as possible was to avoid discrimination.

If we reduce the rate on an item which comes principally from the country with which we are dealing in a trade agreement, and it is passed on to the rest of the world, is not that carrying out the fundamental purposes of our tariffs which were designed not to discriminate against any country?

We never had tariff rates before this which had maximum and minimum rates. We have always taken the attitude that regardless of the rate, that it applied to the entire world. And we knew when these tariff rates were being prepared in 1922, 1929, and 1930 that they were tariff rates directed against a specific country. And I think everybody can mention a great many of them. The tariff rate on wheat certainly was not directed against any other country in the world except Canada. And as to lean cattle or fat cattle there were only two countries which filled the bill.

You have a tariff rate on vanilla beans. And there are two grades of vanilla beans we use, one from Mexico and one from the Tahiti Islands. And they were on the duty list. And I have not heard the vanilla manufacturers coming before this committee complaining because in a trade agreement with France the tariff rate was cut on the item of vanilla which we did not even produce here.

On all of these tariffs, as an employee of the Government who has spent so much time studying them himself, I have been amazed at the great care and the great attention to detail that has been put on these treaties by the experts at the Tariff Commission and the State Department and the other experts who have been called in.

Senator KING. Mr. Lourie, it is contended by the opponents of this measure, as I understand, that in the application of the most-favored-nation policy if we grant a concession to country A because of concessions which we obtain that the benefit applies to countries B and C, D and E, who might make no concessions on any commodity.

What observation do you care to submit with respect to that contention?

Mr. LOURIE. Senator, you know that is an old argument about the most-favored-nation treaties. We have and still have most-favored-nation treaties. And we had them during the period of the depression. We had them when the Hawley-Smoot Tariff Act was written. But, as you know, there are all sorts of ways of impeding commerce. You can apply a quota and by setting up some statistical device for some reason or other the quota of the United States does not amount to anything. I can give you a concrete example of that. We have to export apples. We have apples grown in Virginia, New York, and out West and we have to export them because we have too large a supply. I do not need to rehearse before this committee the interminable arguments our State Department has had with France on the quotas on apples and all the various restrictions. Some years ago I happened to be in Europe representing the Tariff Commission on a matter, and I was in a country which had just adopted a new sanitary restriction for apples, which went something like this: They could be imported on the odd Thursday of the month at a certain period, and must be held until the inspector came to look at them, but he never came around, and so they just rotted.

Senator TOWNSEND. Do you know what proportion of apples we export to France?

Mr. LOURIE. Senator Townsend, I do not know that figure at this time, although I no doubt would have been able to tell you 3 years ago. I just mentioned apples as an illustration, and the export situation with reference to them has been relieved to a certain extent. I know the trade agreement with France did increase our apple exports considerably.

Senator TOWNSEND. Have we had any trouble with any other country except France?

Mr. LOURIE. I know we have had with Germany, I believe, and Belgium on apples; I am not familiar whether or not Great Britain has set a quota on apples from the United States or not, or whether we pay a higher duty in Great Britain than on apples coming from Canada under the Imperial Preference.

I would like to explain that whatever I say now is not said as an employee of the Government, as I am no longer an employee of the Government, and I am making observations based on my own experience and my knowledge gained from studies in connection with the Ways and Means Committee and the Finance Committee.

Senator KING. Senator Townsend, Mr. Lourie is not with the Tariff Commission at this time and has not been with it for 3 years, as I understand?

Mr. LOURIE. That is right.

Senator KING. Proceed.

Mr. LOURIE. Upon this most-favored-nation treatment we know one of the methods of retaliation. If you should go through the process of making a trade agreement with one single country and you do not grant its benefits, even if minor in character, to another country, you immediately have retaliatory steps taken. It seems to me that what the Committee on Reciprocity so far has fully taken care of that problem. Every trade agreement I have ex-

amined has had a clause, which I suppose might be called a third-country clause, and it provides whenever the benefits sought to be achieved by the trade agreement in question appear to redound for the benefit of the third country, then either one of the two countries may take steps to modify the arrangement. But so far it seems to me the policy has worked for this reason: The first trade agreement was with Cuba and of course a special arrangement, but as trade agreements come along you will notice more and more that countries seem to be interested in making these trade agreements with the United States. And to me there is an obvious conclusion to be drawn, and that is the fact that these countries have realized they never can receive better treatment for their particular specialties through some other country's trade agreement.

I heard a witness today state that all tariffs were being cut in two by these trade agreements. That amazed me a little bit, because I have seen these agreements, and they have been very noticeable because of their restraint. How many items are covered that we reduced tariffs on? Certainly we never have done anything like Canada, who took all our exports and took off the highest rates and reduced them to other rates. And we did not do anything like France did when they took between four and five thousand items upon which we paid the very highest rate of tariff and reduced them to the intermediate rate. We have not had any tariff revision in general in our tariff set-up, and there cannot be under this program.

Senator KING. It is your view that the reduction by other countries in the number of commodities has been larger than the number of commodities we have granted a reduction on?

Mr. LOURIE. Senator, I should like to say this, perhaps not for the record, but I was told the other day by a person entirely competent that France was very much disturbed as to what has happened under the trade agreement with the United States, because for some strange reason or other our exports to France have increased some 600,000,000 francs, and their exports have only increased 150,000,000 francs. That was the claim made to me. I have not had a chance to verify the figures.

The CHAIRMAN. Mr. Lourie, if you want to elaborate on your views you can give it to us for the record.

Mr. Hood is not here, is he?

(No response.)

Mr. Loomis, how long did you want to take?

**STATEMENT OF A. M. LOOMIS, REPRESENTING THE ASSOCIATION OF AMERICAN PRODUCERS OF DOMESTIC INEDIBLE FATS, AND THE NATIONAL DAIRY UNION**

Mr. LOOMIS. A very short time. I do not believe it will take me over 10 minutes, and it may not take me that long.

The CHAIRMAN. Very well. We will hear you, Mr. Loomis, and, Mr. Douglas, we will take you next.

Mr. LOOMIS. My name is A. M. Loomis, 945 Pennsylvania Avenue NW., Washington, D. C.



The CHAIRMAN. Mr. Loomis represents the National Dairy Union. Mr. LOOMIS. And the Association of American Producers of Domestic Inedible Fats for this hearing.

The CHAIRMAN. All right, sir.

Mr. LOOMIS. I am constrained to say that after what I have heard today I am not an expert.

This statement is made as the Washington representative of the Association of American Producers of Domestic Inedible Fats, and the National Dairy Union. The industries represented are (1) domestic producers of inedible fats and oils—tallow and greases—to the amount of about 800 million pounds a year with an approximate value of \$50,000,000, and (2) producers and processors of edible fats—butter—to the amount of about 2¼ billion pounds a year with an approximate value of \$550,000,000 a year. There are about 300 producers of tallow and greases and upward of 5,000 butter manufacturers engaged in these industries.

My only purpose in making this statement is to present results of actual experience with the methods by which the Reciprocal Trade Agreement Act is administered and what has grown out of those methods. Certain harmful results have developed which I believe can be corrected.

We would like to see before this act is continued in effect an amendment added thereto which would provide in some effective way for the submission to the public of at least that part of the text of each proposed agreement which would disclose fully each commodity as to which any action with respect to import duties or other restrictions is to be included therein, and an opportunity provided for a full public hearing. Such publication and hearing to precede the affixing of any signature of approval by any representative of the Government that would bar freedom of subsequent action. Now, that in various ways, has been contemplated by various other suggestions here. My own idea is there should be a continuing committee set up by Congress during and between sessions before whom these agreements should be submitted, not for any action on them, but that there should be a tribunal before which we could come and express ourselves and submit facts and views.

We do not agree that ratification by constitutional process would prevent result in delays or prevent satisfactory results but we believe that a hearing on actual details before official signature and approval might of itself be a sufficient protection to domestic interests. We believe the hearings should be before a committee, not connected in any way with an administrative arm of the Government. My own suggestion is that a committee of Members of Congress should conduct such a hearing, a standing committee authorized to sit during or between sessions.

I will submit three illustrations of the need for such amendment to the act, all from personal experience.

#### I. CONTROL OF DOMESTIC TAXES

Before the act was passed I spoke before this Finance Committee pointing out that in one particular the language of the act permitted the Delegate of Congress to interfere with and reduce internal taxes

which might affect imports. I protested against this as both dangerous and of questionable constitutionality. I was assured by several members of the committee that no such power was indicated, and that it was certainly not contemplated. The language was permitted to remain in the bill as it was finally enacted.

Result: In the Netherlands agreement the internal tax on processing palm oil is "bound" against any increase. This tax is not a duty, not an "import" tax. It is far different in its effects, in its administrative character, and in its industrial significance from a duty or an import tax. It does not attach to any palm oil imported and used in the United States unless such palm oil is processed after its entry into our domestic commerce.

By "binding" this tax at its present level, and through extension of this to all "most favored" nations, the hands of the Congress are tied, as to further use of processing taxes in this field, as a source of domestic revenue.

## II. ACTION WITHOUT ADEQUATE INFORMATION

Although I received and gave careful attention to the announcement of intention to negotiate the Brazilian agreement, and took part in the "public hearing" at no time was I informed, nor did I learn that the items of babassu nuts, kernels, and oil would be included in this agreement. Prior to the consideration of this agreement these items were almost unknown in domestic commerce. The rules set up prevented any open dissension between those concerned and the staff men conducting studies, conferences, or negotiations.

The fact that the babassu tree is a palm tree, that a babassu nut is a palm nut and that babassu oil is a palm-kernel oil was never disclosed to any of the so-called "experts" handling this work. Nor the most significant fact that a "palm-kernel oil" is dutiable under the Tariff Act of 1930.

Result: The Brazilian agreement "finds" babassu oil not only on the free list, where it probably was not legally classified prior to that date, but further "against any domestic taxation."

The imports of babassu nuts and kernels free of duty in 1936 amounted to 59,021,600 pounds, every pound competing with a domestic fat or oil product. The processing of this oil in the United States and its commercial uses are on all fours with the processing of palm oil and coconut oil, which is subject to a 3-cent excise or processing tax. This constitutes an arbitrary gratuity to the importers of babassu oil of not less than \$1,000,000 during the past calendar year.

The CHAIRMAN. It is only recently that we have had any imports of babassu oil.

Mr. LOOMIS. We have had only minor imports for quite a period.

The CHAIRMAN. And do you attribute the increased imports to the increase in price of other oils?

Mr. LOOMIS. Yes; I do.

The CHAIRMAN. It is because they are cheap that they have gradually found their way into the market?

Mr. LOOMIS. Exactly. And they have found their way fully into the market, and we can anticipate trouble in the coming years should this treaty be put in effect with the amendment.

Senator KING. Have not the prices of oils with which this would be competitive greatly increased this last year or two?

Mr. LOOMIS. The act originally was passed in 1934. Subsequent to the signing of this act the prices increased materially and remained up until late in 1935. Then there was a serious decline in the prices, which we generally attributed to the tremendous increase in imports of cottonseed oil and of tallow. I won't go ahead with that. That is not a factor. In the last year Congress straightened that out and included a few new items, and the basis for argument came up to about the early 1935 level.

Senator KING. Are they so high as to constitute impediment?

Mr. LOOMIS. No. There has been a large increase in imports of fats and oils in the last year.

The CHAIRMAN. There has not been yet much effect of the imports, it is not big enough to have much effect?

Mr. LOOMIS. Of babassu oil?

The CHAIRMAN. Yes.

Mr. LOOMIS. There were 40,000,000 pounds last year.

The CHAIRMAN. What is the total production of oils in this country?

Mr. LOOMIS. I do not keep figures in my mind, Senator, but a billion and a half or two billion pounds.

Senator KING. It is enormous.

Mr. LOOMIS. As to babassu oil imports, we feel potentially it is a bad thing for the dairy industry, because it is one of the fine oils for the manufacture of oleomargarine, and it creates a new price situation in the price of oleomargarine, and perhaps half of the babassu oil imported is going into oleomargarine.

Although hearings of the "shotgun" character heretofore provided for were held in anticipation of the Canadian agreement, their perfunctory character resulted in a dearth of practical information relative to the real effect of imports of Canadian cheese. Such imports there and now were ridiculed as to practical effect by the experts. The trouble with such ridicule is that the experts are statistical theorists, not practical businessmen. In the Canadian agreement the duty on Cheddar cheese was reduced from 7 cents to 5 cents a pound, a reduction of almost 35 percent, practically, due to the character of the Canadian cheese—over 35 percent.

That has been detailed to you by a previous witness.

To explain just a moment, these heavy stocks of Canadian cheese come in at the time of our heavy production. Their seasons and ours are the same. And consequently we always produce a surplus of cheese during the time they are doing so. And the trade cannot take care of the surplus storage stock.

Result: These imports of cheese although percentagely small compared with domestic production had two results both of which seriously and adversely affected the far larger and more important dairy product—butter—and its markets. One result was the direct bearish effect on the cheese-price-basing market, Plymouth, Wis., whenever dealers offered Canadian cheese on that market. The other result was that combined quantities of domestic and Canadian cheese exceeded domestic outlets for the high production months, piling up abnormal storage stocks of cheese which in turn had a depressing

price effect every time the Government reports disclosed the abnormal stock.

Cheese prices fell below their usual ratios with butter prices and the direct effect was to divert milk usually sold for cheese making into the butter industry. Larger production of butter followed. This is conclusively shown by the erratic movement of butter stocks from September 1 to January 1. During this period there has been one of the most disappointing butter markets in recent years. Already the Department of Agriculture has begun to buy surplus butter in a belated effort to correct this situation.

Within the last 5 minutes I have had a telegram handed to me to investigate certain new butter purchases which the Department of Agriculture has now engaged in.

Senator KING. Is the Department of Agriculture authorized to purchase products without restriction whenever it pleases?

Mr. LOOMIS. Practically that. The Surplus Commodities Corporation is engaged in that as well as other products at this minute.

Senator KING. And are they as successful in the profits which they derive as the Government when it was buying cotton under the Hoover administration?

Mr. LOOMIS. It is not on the same basis, Senator King. At the present time these purchases are being made for relief purposes, used for relief purposes, and the situation in the Ohio valley has made an outlet which it is essential should be filled. I think I can say the A. A. A. group in the dairy industry has made a pretty good job on this.

Comment: Experienced buttermen could foresee this when the treaty was under consideration. All that the "experts" could see—or now admit—is that the imports of cheese were but a small percentage of the total domestic supply. It is not the only time the futurity of the "expert" has been greatly in evidence.

In conclusion, we believe that good can and has come from certain phrases of reciprocal-trade agreements but we are afraid of results of consideration "in camera" and being bound blindly to follow decisions of bureaucratic committee of experts. In our own field we fear especially just now what may eventuate in the professed treaties with Great Britain and Norway, and in particular as to the entry of whale oil from those countries into our domestic markets at some manipulated reductions in duties and import taxes:

Whale oil is a perfect substitute for tallow in soap making; for domestic fish oils in the same and other inedible fields; and for cottonseed oil and for lard in edible uses. Congress has listened to businessmen and has placed a duty of 6 cents a gallon and an import tax of 3 cents a pound on whale oil. The imports have not been large since 1930 but prior to that averaged about 40 or 50 million pounds a year. However, there is a potential world supply of upward of 400 million pounds, most of which would seek our markets if a hole is broken into our duty and tax structure like that found in Babassu incident. This result will happen whether this oil comes in in natural form, or partially processed, or even if it is denatured, for the denatured or partially processed whale oil will displace all other oils for soap, thus crowding coconut, palm, palm kernel, Babassu, soybean, corn, and cottonseed oils into other uses, and overflowing our already level full oil reservoir.

We ask for the opportunity of hearings before someone else than a board of bureau experts, for the safeguarding of our domestic producers.

The CHAIRMAN. Thank you very much, Mr. Loomis.

Senator KING. Mr. Loomis, I am going to ask you to put in the statement of Mr. Vinson. You will find it on page 1259 of the Congressional Record of February 9. He states that:

In 1932 cheddar cheese averaged 10 cents per pound. In that year only 600,000 pounds were imported. In 1936 cheddar cheese averaged 15.3 cents per pound. There was an estimate of 11,000,000 pounds imported in that year. In 1932 there were 371,000,000 pounds domestically produced; in 1935 this rose to 469,000,000 pounds, and in 1936 to 404,000,000 pounds. The increase, 1936 over 1935, was 25,000,000 pounds. The imports in 1936 were less than 3 percent of the total domestic production. In 1932 the domestic producers received \$37,000,000; in 1935, \$67,000,000; and in 1936, \$75,660,000.

Mr. LOOMIS. I was over there in the other committee when that same matter was up, and those facts, as far as I know, are just about as stated.

Senator KING. And Mr. Sayre states, as you will find on page 110 of the hearings of the Ways and Means Committee:

Which is better for the cheese producers of this country—complete possession of a domestic market in which they can sell only 100,000,000 pounds of cheddar at poor prices, or 97 percent of a domestic market in which they can sell 200,000,000 pounds of cheddar at good prices? That is the nub of the whole matter.

Mr. LOOMIS. Yes. I hope that was Mr. Sayre's statement, and not yours.

Senator KING. That is his.

Mr. LOOMIS. I mean that last part. And that is not the nub of the whole matter.

Senator KING. I am reading the whole statement from him.

Mr. LOOMIS. Well, that is not the nub of the whole matter. Prices in business are not compared one year with another. The price which interests a businessman is that which happens to a product after it comes into his possession and before he sells it. And prices begin to increase in the United States 2 years before the first reciprocal agreement went into effect. And they have been continuing ever since. And there is no economic evidence that reciprocity agreements have had anything to do with the prices there quoted.

Senator KING. You are not complaining about the lack of increase in production or the prices which have been obtained?

Mr. LOOMIS. Neither one. I am complaining about a governmental agency injecting prices into the market which interrupt the usual elements as to things which we produce and sell.

The CHAIRMAN. Mr. Douglas.

#### STATEMENT BY L. W. DOUGLAS, NEW YORK CITY

Mr. DOUGLAS. Mr. Chairman and members of the committee, may I say first that, having been a Member of Congress for 6 years, I can well understand how grateful a Member of Congress might be when attempting to do something which he considers in the public interest to receive some support from a wholly disinterested source. It is because of that that I appear in connection with House Joint Resolution 96.

I must, Mr. Chairman, if I may take just a minute, make a confession. During my period of service in the Congress I opposed consistently the imposition of tariff subsidies with one exception, which had to do with copper. I am perfectly willing to confess to a certain degree of political cowardice, but there were certain extenuating circumstances. At that particular time, however, my particular State was unanimously in favor of a tariff. Moreover, at that particular time practically everything was on the tariff subsidy or the dutiable list. Under those circumstances it was very difficult to say to one's constituents that while the Congress was granting benefits, subsidies, and special privileges to other groups I as a Congressman would insist upon withholding a similar special privilege to that particular commodity on which the welfare of my State, Arizona, depended. These broad reasons which motivated in this instance are dealt with generally later in this statement.

The efforts of the Secretary of State, authorized by the Reciprocal Trade Treaty Agreement Act, constitute one of the few frontal attacks anywhere being made on the causes of the present almost universal economic and political distress. House Joint Resolution 96 authorizes a continuation of these efforts.

No one can objectively view the post-war public policy of higher and higher barriers to trade—a policy begun here and imitated elsewhere—without concluding that it immeasurably intensified the economic and political disturbances of the last few years.

It would be an error to hold barriers to trade solely responsible for these disturbances. It would be a greater error to hold them blameless.

The public policy of imposing excessive protective tariffs must be judged in terms of its effects on monetary policy; on agriculture, and the apparent existence of agricultural and industrial surpluses; on monopolistic practices and the distribution of wealth; on the growth of the public attitude that the Government should distribute a great variety of special privileges to favored groups; on the centralization of and increase in governmental power as a remedy for the existence of private power which rests upon special privilege and as a consequence of the dispensation of Government favors; and on the organization of the State for and the threats of war.

The United States emerged from the World War as a great creditor nation. Our foreign debtors—public as well as private—could not pay us except in gold or in goods. It was only by these two methods that they could buy the dollars necessary to service and reduce their debts. By our tariff policy we made it impossible for them to meet their obligations by importing goods. Theoretically they might have reduced their costs of production sufficiently to import in spite of our tariffs. Practically they encountered insurmountable obstacles. Thus they were compelled to ship gold. The Federal Reserve System attempted to stem the floodtide by adopting a cheap money policy. While this was temporarily successful in arresting the movement of gold, it formed the basis for the hectic inflation of the late twenties. But when the collapse came in 1929 the inflow of gold was resumed in such proportions that in 1931 England finally was compelled to abandon payments. The insolvency of the Credit Anstalt was the superficial cause. The outflow of gold caused largely by our tariff policy was the deep-seated one.

Senator KING. We have had a very large influx of gold during the past year.

Mr. DOUGLAS. Oh, yes; indeed we have.

Senator KING. Which may tend to inflation.

Mr. DOUGLAS. Senator, I think it would be difficult to deny that it does.

The influx of gold during the past few years, however, has resulted from both our tariff policy as well as the devaluation of the dollar, added to the threat of various political disturbances abroad. I think that is a statement of fact.

The depreciation of sterling which followed September of 1931 caused such a drastic decline in prices here—particularly in exportable farm commodities—that we, too, abandoned gold, depreciated the dollar in terms of gold and foreign currencies, and resorted to a managed money.

For the moment there appears to be stability of exchanges. But it is probable that the end of depreciated currencies is not in sight, and that permanent stability will not be attained until, among other things, the course of public policy runs strongly in the direction of a freer international movement of goods.

Thus those who seek stability of exchanges abroad and a sound currency at home must acquiesce in a reduction of our tariffs. They cannot enjoy the former without accepting the latter.

It is generally and quite rightly accepted to be true that our post-war tariff policy compelled a very large part of our agricultural population—particularly that part which sold the products of their effort in world markets—to pay for the things they purchased a relatively higher price than they received for the things which they sold. This has always been one of the injustices of the policy of protection.

During the whole post-war period agricultural and other exports were maintained by the granting of foreign loans which physically never left the country. When the collapse came and foreign loans ceased, exports decreased because foreign purchasers could not pay with goods, because they had little gold with which to buy and because import restrictions which many of their governments imposed in hopeless efforts to reinforce their own economies acted as effective barriers. Thus agricultural and, indeed, other raw material surpluses were created at home.

In efforts to reduce them we adopted a policy of paying people for producing less—a policy of scarcity—a policy of governmentally sanctioned monopoly. All of this stems from the post-war policy of protection. Those who object to an economy of scarcity should interpose no objection to the removal of its incentive.

The elimination of competition abroad, brought about by our tariff policy, has encouraged and fostered the growth of private monopoly, monopolistic practices, and many of the abuses which have crept into modern corporate management. Price fixing and restrictions on production imposed for the purpose of maintaining or elevating a price structure have the effect of limiting the amount of goods which can be purchased by the consuming public. Thus the practices retard the production of more goods at lower prices and thus they present, on the one hand an automatic distribution

of wealth, and give rise on the other to artificial methods of accomplishing this purpose. In the final analysis, wealth is goods. Any method for its distribution other than that which slowly results in the fabrication or growth of articles at lower real prices must have the effect of limiting the production of goods and raising the prices at which they can be bought. Thus in the final analysis any effort to balance monopoly, supported by legalized privileges, with artificial methods of distributing wealth, is in itself a restriction on production aimed to balance, but not to check, the restriction on production inherent in monopolistic practices themselves. While some monopolies exist because of exclusive-franchise privileges and in rare instances because of an exclusive control of a natural resource, they have been developed principally behind the protection offered by tariff subsidies. A removal of the tariff subsidy is a removal of one of the conditions which reinforces monopoly.

Those who seek a system of free bargains made in open markets and those who seek a distribution of wealth through producing more goods at lower prices must acquiesce in the efforts of the Secretary of State to reduce trade barriers everywhere. They cannot obtain the former without accepting the latter.

A protective tariff is an impost levied to prevent importation from abroad so that a domestic producer may charge a higher price than the public otherwise would be required to pay. Were this not true, there would be no demand for a tariff. Thus it is a subsidy paid by the public to ascertain private beneficiaries just as much as though a direct tax had been collected and a direct appropriation made from the Public Treasury. Only certain groups can be thus benefited. Indeed, by their very nature many groups are beyond the possibility of reaping a benefit from such a subsidy. Clearly, however, it is eminently unjust that certain groups should receive benefits at the expense of all others. And so to balance the benefits paid to the few, the many have gradually demanded and have received compensating benefits, immunities, subsidies and monopolies at the hands of government. The vested interests so created, the vast amount of private power so acquired, and the widespread abuse of that power lend support to the view that there should be vested in government an even vaster amount of concentrated authority as a check on the amount of private power which its policies have fostered. However, erroneous and reactionary this view may be, the fact is that it has its roots in the amount of power arising originally out of the inequalities and injustices inherent in a policy of excessive protective subsidies. Thus those who object to a centralized government vested with great authority to regulate, to tax, and to spend should offer no opposition to the removal of one of its causes. They cannot enjoy a special privilege from the government without subjecting themselves to its domination.

One of the sources of the present threat to the peace of Europe is the prevalence of economic nationalism—barriers to trade—encouraged as a matter of national policy. It would be straining the point to contend that barriers to trade alone are responsible for the explosive international political situation across the seas. Unrealistic provisions of the Treaty of Versailles, the ravages of inflation induced by government war-time expenditures, and deep-seated national



jealousies all directly and indirectly contribute to make a highly inflammable political fabric. These might, however, slowly have been forgotten had the nations which are the centers of the trouble been able to obtain through peaceful channels of trade the raw materials which they needed. Unable to purchase raw materials because of lack of gold on the one hand and because other countries prohibit the importation of their produce on the other, they are being driven to synthetic economic self-sufficiency. This sort of a policy, whether voluntarily selected or involuntarily imposed, is impossible in a free society. Its operation demands a government of unrestrained power, for to be economically self-sufficient, food must be rationed, and only a government of unrestrained power can do this; restrictions must be imposed on the uses to which certain commodities can be put, and only a government of unrestrained power can do this; to be effective the freedom of the press, of speech, of educational institutions, even of religion, must be abridged if not wholly withdrawn.

And, what is more, the standard of living must fall. As a matter of fact, it has fallen, for when a people cannot buy with their produce the things which they need, they endure—if, indeed, they do endure—a scarcity made up—if, in fact, it can be made up—by far more costly or far less effective substitutes manufactured by chemical synthesis or grown under wholly unnatural conditions. People whose standard of living is thus progressively depressed cannot long be held in leash. Eventually in desperation they will break their bonds and attempt to obtain by force that which through peaceful channels of trade other nations have prohibited to them.

Europe is rapidly approaching this precise condition today. If a war is to be prevented nations must be given an opportunity—by peaceful and natural intercourse, to obtain the things necessary at least for a reasonable subsistence level. This is wholly impossible as long as all the implements of economic warfare—quotas, exchange restrictions, excessive tariffs, depreciated currencies—are prevalently employed.

To some it may appear that war abroad is of no significance to us at home, that an assurance of our neutrality is all that is important. For them it is suggested that even if we escape active participation it is certain that we cannot escape from the economic consequences of hostilities. Thus neutrality is not enough to isolate us from the fearful effects of a war. Prevention is the only security. To avoid war there must first be economic peace. The Secretary of State is endeavoring to travel in that direction. It may, perhaps, be too late to be effective. It is not too late to try.

All of these consequences of a policy of excessive paternalistic protection which in the late twenties developed into almost economic isolation are matters of experience and not of theory. An unprejudiced view of the unhappy course of events during the last decade reveals the truth of this conclusion.

Many people wonder why it is that, having pursued a protective tariff policy for 150 years, these consequences have not sooner been made apparent. In answer, it may be said: First, that our real protective tariff policy did not begin until 1870 and that in a country as large as ours—3,000 miles wide by 3,000 miles long—as rich as

ours, with free trade throughout, consequences of given policies are frequently long delayed; second, that with only two exceptions the tariffs have been increasing in amount and the number of articles on the free list have been decreasing in number since 1870; that protection reached its height during the post-war decade. It is of the post-war decade to which this statement is directed.

The monetary consequences of our protective tariff policy were never before fully felt, first, because it was not until the termination of the World War that we became a great creditor instead of a debtor nation and, secondly, because, to repeat, protection reached its peak during the post-war decade.

Many who agree that our tariffs should be reduced believe that it should be done through bilateral quota treaties confined to specific articles. This is Government regimentation of foreign trade of the most vicious sort, necessarily accompanied by Government regimentation of our domestic economy. For Government regulation of the amount of a given article to be exported to a given country in return for a certain amount of a given article to be imported requires allotments among domestic producers on the one hand and Government distribution among domestic consumers on the other. Moreover, a commercial policy which imposes restrictions on the amounts which are to be exported ultimately leads either to its discontinuance or to restrictions on domestic production. Finally, an exclusive bilateral reciprocal treaty as a means of reducing trade barriers wholly ignores the fact that exchanges and foreign trade are not bilateral but multilateral, and that if it is to be reduced to a two-party basis it descends almost to the level of straight barter. This is the simplest form of exchange and the most restricted in nature. Even it requires much regimentation by the Government.

Thus the most-favored-nation policy is the only policy by which substantial reductions in trade barriers everywhere can be obtained.

The paternalism of our post-war policy, expressed, up to 1932, principally in the form of special tariff privileges is one of the most important causes of our present difficulties and of the difficulties which impend. Freedom of trade everywhere has been accompanied by freedom of institutions. Thus those who believe in the freedom of institutions, businesses, education, religion, speech, should applaud and support the efforts of the Secretary of State. They go to the very source of our present troubles. They should be continued.

Thank you very much, Mr. Chairman.

The CHAIRMAN. Thank you, Mr. Douglas. Before we adjourn I desire to have placed in the record a communication addressed to me by Mr. Matthew Woll, president, and Mr. M. J. Flynn, executive secretary, America's Wage Earners' Protective Conference; also a communication from Mrs. Harris T. Baldwin, first vice president, National League of Women Voters.

We will adjourn subject to the call of the chair.

(Whereupon the committee adjourned at 3:22 p. m., subject to the call of the chair.)

AMERICA'S WAGE EARNERS' PROTECTIVE CONFERENCE,  
New York City, February 15, 1937.

HON. TAIT HARRISON,  
Chairman, Finance Committee,  
United States Senate.

SIR: On behalf of America's organized workers, members of national and international unions, affiliated with the American Federation of Labor, workers

whose products are forced to compete in the American market with the products of foreign workers of lower standards of life and reward for services rendered, we respectfully reaffirm our opposition to the extension of the authority granted 3 years ago to an administrative agency of our government to enter into international treaties or agreements with foreign nations without ratification of such treaties or agreements on the part of the United States Senate.

More particularly do we wish to enter our most complete disapproval and protest in permitting any administrative agency of government making it possible, through our entry into such treaties or agreements, for the landing in the American market of goods, articles, or commodities, the product of foreign workers, which goods, articles, or commodities compete unfairly in the American market with products of American workers, at total landed costs which costs are less than the costs of production of similar or competitive goods, articles, or commodities, the products of America's workers. Three years ago this form of legislation was enacted and this character of delegated authority was approved. Congress, now, is again asked to extend this authorization for another 3-year term, and, again as a temporary measure. There is grave danger that such repetition of temporary authorization may later become or be made permanent by a subsequent administration, and thus Congress may then be led to divest itself of the responsibilities which it has to those it represents, the people of the United States.

We are not opposed to reciprocal trade treaties with foreign nations provided such treaties are subject to ratification on the part of the United States Senate, and, further, that no such treaty authorize or make possible the landing in the United States of the products of foreign workers, which products unfairly compete in the American market with the products of America's workers, at total landed costs which are less than American costs of production of similar or competitive products.

Those favoring the proposal that the Senate should divest itself of constitutional authority to approve or disapprove trade treaties or agreements support their contention in terms of values, and apparently without taking into consideration and disregarding the indispensable fact that American employment opportunities embrace more than merely the question of values. Such a commercial interpretation in no way truly portrays the picture of imports as compared with exports. We respectfully insist that the human element be given at least equal consideration.

Articles and commodities entering into the United States markets are based on the foreign value of such goods or commodities. Our exports, on the other hand, are predicated on the basis of the value of such articles or commodities in the American market. Herein lies a fundamental distinction and consequently of grave concern.

An illustration which indicates that foreign values are deceptive and illusive is found on page 567 of the recent hearings of the House Appropriation Committee wherein the United States Tariff Commission, in answer to a query, stated: "computing the value in the United States of the imported articles at two and one-half times their foreign value", or, on imports from Japan it is necessary to figure that for each dollar of goods we export, valued at American prices, we import two and one-half times the quantity we export because the import values are on Japanese home values.

If a similar question was asked as to our imports from continental Europe it is our considered belief that we should find that on an equal basis of values we import about twice the quantity of goods as we export.

America's workers are dependent for employment opportunities on the production of quantities rather than on the amount of value.

With several millions of America's workers unemployed—estimated at from 8 to 10 millions—and unable to secure employment in private industries, we do not believe that any agency of our Government should be authorized or permitted to make possible the delivery into the American market of products of foreign workers, which products compete with the products of American workers in the American market, at total landed costs which costs are less than American costs of production of similar or competitive products.

While our country—by law—prohibits the existence of trusts, cartels, or monopolies, our Government must realize and appreciate that several foreign governments have legalized trusts, cartels, and monopolies which are world-wide in scope. These world-wide trusts, cartels, and monopolies not only control production, wages, and prices but they also control and manipulate exports to the United States and stipulate the values which the products of

such monopolies shall be valued at on entry into the United States for purpose of tariff assessment.

To be consistent, we believe, our Government should prevent the entry into the United States of products of foreign trusts, cartels, and monopolies which products compete in the American market with the products of America's workers and farmers.

Further, the trade practices of several foreign nations, those of totalitarian type such as Russia, Germany, and Italy, and the monopolized control of exports which exists in Japan, makes impossible a fair comparison of conditions of production and especially does it make impossible a fair comparison of exports and imports of manufactured goods on the basis of values.

We repeat our apprehension that a continuance of so-called temporary authorization for the making of reciprocal trade treaties or trade agreements without ratification on the part of the Senate of the United States may result in a permanent policy. We further apprehend that the Congress may later be confronted with the further request that as an element of bargaining in the making of these trade treaties or agreements that it authorize such administrative agency to make a substantial elimination in the restrictions now imposed on the entry into the United States of the nationals of other countries. This may come first as a temporary expedient—and in the hope it may become established facts.

While we have an Asiatic exclusion law upon our statute books, of what real protection is such a law to the employment opportunities of these American workers, the products of which compete in the American market with the products of Japanese workers? Especially is this question appropos when we know that the products of these debarred workers of Japan are being landed in the American market at total costs which are less than American costs of production of similar or competitive products.

During the past 2 years we have entered into reciprocal trade treaties or agreements with 15 foreign nations, among which are Canada, France, the Netherlands, and Belgium.

Despite any concessions we may have secured from such countries, which concessions supposedly facilitates the delivery into such countries of the products of America's workers or farmers, no goods, articles, or commodities, the products of America's workers or farmers, can be landed in these countries below the wholesale value of comparable goods, the products of the workers or farmers of such countries.

A citation of the laws of these named countries will be of interest to those Members of Congress who would truly protect the employment opportunities of America's workers. Citations below are taken from a publication, issued by the United States Tariff Commission, *Bases of Values for Assessment of Ad Valorem Duties in Foreign Countries*.

Canada: "The fair market value of such goods in the usual and ordinary commercial acceptance of the term, and as sold in the ordinary course of trade, such value in no case to be lower than the selling price thereof to jobbers or wholesalers generally at the time of shipment direct to Canada."

France: "The value to be declared for the application of the customs duties is that which the merchandise has in the place and at the time when it is presented to the customhouse. This value includes the purchase price of the merchandise, plus all necessary importing expenses (transportation, freight, export duty, insurance, commission, cost of packing where not dutiable separately) up to the place of importation, exclusive of import duties."

The Netherlands: "Commodities subject to ad-valorem duties, the value of each article figured according to the current price in this country on the date of the declaration."

Belgium: "The value may not in any case be less than the normal wholesale price of similar goods on the Belgian market at the time of importation, less the amount of the duties (under the minimum tariff) which such products would pay on import."

In closing, we desire to state most emphatically that we are opposed to our country entering into international trade treaties or trade agreements with foreign nations without ratification of such treaties or agreements by the Senate of the United States. We are more particularly opposed to our entry into trade treaties or trade agreements with foreign nations which treaties or agreements permit the delivery into the United States of the products of foreign workers or farmers at total landed costs which are less than the production

costs of similar or competitive goods, articles, or commodities, the products of America's workers or farmers.

Respectfully submitted.

MATTHEW WOLL, *President.*

M. J. FLYNN, *Executive Secretary.*

NATIONAL LEAGUE OF WOMEN VOTERS,  
Washington, D. C., February 15, 1937.

HON. PAT HARRISON,  
*Chairman, Finance Committee, United States Senate,*  
Washington, D. C.

MY DEAR SENATOR HARRISON: It is my privilege to write to you concerning the National League of Women Voters' support of the continuance of the present reciprocal trade program by the reenactment of the Trade Agreements Act of 1934.

The league's support of this program, in common with its entire policy, is not a partisan stand but one considered in the interest of the general public welfare. Since 1924 the league has promoted study of tariff throughout its State and local branches. Members of the league have participated in study groups, mass meetings, institutes, radio programs, and projects for community education on the subject. As a result of this activity the league, at its last national convention held in April 1936, voted to support downward revision of tariff by reciprocal trade agreements.

The League of Women Voters' support of the present reciprocal trade program is based primarily on three points:

1. *The reciprocal trade program provides a scientific method for the adjustment of tariff schedules.*—As early as 1800 Congress recognized the desirability of granting the Executive some authority to adjust tariff rates in relation to foreign competition. It is being recognized increasingly that tariffs must be adjusted on the basis of complicated industrial, commercial, and monetary conditions both in this country and abroad. Knowledge of such conditions is necessarily the result of scientific investigation. Under the present trade program, Congress has defined the broad basis of our foreign-trade policy and has rightly left to experts of the interested Government departments and independent agencies the negotiation of trade agreements designed to promote and to protect American trade interests.

2. *The reciprocal trade program is a step toward the removal of economic friction between nations.*—Tariff barriers and other forms of trade discrimination have admittedly played an important role in the development of international friction with accompanying preparations for war. This country's reciprocal trade program is to date the major world attempt to stem the tide of economic nationalism. By recognizing the two-way quality of international trade, the present program is helping to eliminate former discriminations against American products. By applying equality of treatment, discriminations are being removed on a world front, with far more important results for purposes of international peace than would accrue from fifteen exclusive bilateral agreements.

3. *The reciprocal-trade program benefits the consumer.*—All citizens are consumers—laborers, manufacturers, farmers, financiers, housewives. It is approximated that of the 50,000,000 persons gainfully employed in this country only 7,000,000 stand to gain by protective tariff. The remaining 43,000,000 workers, plus those individuals dependent on them, are obliged to pay higher prices resulting from such protective tariffs. Interests which stand to gain by tariffs are well organized to work for the protection they desire. Consumers, on the other hand, are as a group unorganized and inarticulate, with the result that they are penalized with the tax that tariffs represent.

The scientific administration of the tariff under the reciprocal trade program minimizes lobbying activities in behalf of special protection and largely eliminates unnecessary protection for the benefit of the consuming public without real harm to efficient domestic production.

It is our hope that the Senate Finance Committee will deem it advisable to recommend the extension intact of the Reciprocal Trade Agreements Act of 1934.

Very sincerely yours,

Mrs. HARRIS T. BALDWIN,  
*First Vice President.*

Also, I submit two amendments intended to be proposed to the pending joint resolution by Senator Pepper, of Florida, together with

a memorandum prepared by Senator Pepper relative to the first of these amendments.

**AMENDMENT** Intended to be proposed by Mr. Pepper to the bill (H. J. Res. 96) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

On page 1, line 8; before the period, insert a colon and the following: "Provided, however, That no agreement or proclamation shall be made which directly or indirectly shall have the effect of restricting, or shall result in or require restrictions upon, the production or marketing in the United States of any agricultural commodity which is produced in the United States in quantities insufficient for the consumption requirements thereof."

**MEMORANDUM IN SUPPORT OF THE AMENDMENT INTENDED TO BE PROPOSED BY MR. PEPPER TO THE HOUSE JOINT RESOLUTION 96, EXTENDING THE AUTHORITY OF THE PRESIDENT UNDER SECTION 350 OF THE TARIFF ACT OF 1930, AS AMENDED**

The American market is by far the world's best market; and it is a known market. No one can possibly seriously deny this. That market belongs first to the American producer and the American laborer. It is doubtful that any one would seriously deny this. Florida is in favor of any trade arrangement or plan which helps to bring about a greater exchange of goods, whether the production of American farmers or of American laborers, between the United States and foreign countries, but it is unalterably opposed to any arrangement which exchanges the American market which the American producer and laborer can supply for an unknown and less important foreign market. Florida is entirely sympathetic with the necessity of exchanging surplus cotton, wheat, tobacco, and other surplus crops and surpluses of manufactured goods for things which we need and do not produce or produce in insufficient quantities. It is unalterably opposed to the opening up of our American market to competing low-wage countries so that they may sell us products which are already a surplus in this country. It is equally opposed to the opening up of the American market to low-wage countries so that they may sell a commodity which is a nonsurplus commodity which we can produce in this country, when the opening up of that market means reducing the production in the United States of that nonsurplus commodity.

The first is a matter of carrying out the trade-agreement powers in the interests of the United States. It would seem hardly necessary to have to tell those who are to carry out the trade agreements that they must not give low-wage countries the right to compete on the American market with respect to cotton, tobacco, wheat, or any other surplus crop. No arrangement giving up any part of the American market in respect to this question can possibly be in the interest of the United States. Yet our representatives did this very thing when they gave to Cuba the American market with respect to fruits and vegetables produced in ample quantities in the United States, and forced American producers to sell on the American market at a price below cost. No general rule would have to be prescribed or probably could be prescribed in this particular. It goes to the question of competency in effectuating trade agreements. If this part of the American market is to be taken away from the American producer and American laborer, then, obviously, we should terminate the power to make trade agreements, or insist that those who represent the United States be competent to trade our surplus commodities for things we need.

The second question is one which requires interpretation and requires a clean-cut understandable limitation upon the powers granted under the law. Clearly, we want to exchange our market for products in which we are deficient for a foreign market for the products of which we have a surplus. But just as the Congress has limited the tariff reduction to 50 percent, so, too, should the Congress tell the executive branch what the limitation should be with respect to the market which may be traded. The limitation should be such that no part of the market which the American producer or American laborer can supply shall be traded away. If we are deficient in the production of any commodity and the American market therefor is to be traded away, it should

not be traded away to the extent that we be required in this country to limit the production of that commodity.

For example, we are deficient in the production of flax, wool, and sugar. In the case of wool, we supply the entire American market with the sort of wool which we can produce. We import the cheaper variety, known as carpet wool, and a very high-grade wool which we use for blending. So long as we import those wools only, we are trading so much of the American market which we cannot supply. It should be made clear that the Congress does not want traded away any part of that market which we can supply. In the case of flax and sugar, the question of quality does not arise. We are confronted then with limiting the power to the trade away of so much of the American market as the American producer cannot supply.

There would seem to be every reason why the American market for sugar should not be traded away except to the extent that the American producer cannot supply that market. Less than 25 percent of our sugar requirements is produced in continental United States, and less than 40 percent if Hawaii be included, and we are capable of producing more, at a fair price to the consumer, if permitted to sell it.

The everglades of Florida have been endowed by nature with all of the worthwhile, and none of the sordid, elements that combine to make it the outstanding sugar-producing area of the United States. It is one of the greatest undeveloped natural resources of the country.

Based on Tariff Commission reports on sugar for other areas and United States Sugar Corporation annual reports for Florida, cane sugar can be produced at lower unit cost in Florida than in Hawaii or Puerto Rico, at approximately the same cost as the Philippines, and at but little higher than the Cuban average cost, and this despite the payment of American wages in Florida only.

Spokesmen for "offshore" areas, testifying under oath during Tariff Commission hearings, stated that during the period 1929-32 they did not pay their labor sufficient to house and feed themselves. In the Florida Everglades, field workers on cane plantations receive free housing; free medical care; free recreational facilities; free schooling for children; merchandise, food, and other supplies from company-operated stores at cost, no compulsory buying, no running accounts, no profit to company, and in addition receive in cash very much higher than average farm wages in the United States.

Hawaiian production costs are stated to be 2,854 cents per pound; Puerto Rican costs 2,818 cents and Philippine costs 2,369 (during hearings representatives of these areas stated such costs were too low to be used as averages); Florida costs in 1934 were 2,582 cents; 1935, 2,6459 cents; and 1936, 2,55 cents, including taxes, depreciation and transportation to continental refinery. While Cuban costs have in many instances, though not all, been under Florida costs, this is not surprising when it is considered that spokesmen appearing under oath have admitted that, in some instances, wages were from 15 cents to 20 cents a day, and that in some instances labor has been worked for their keep alone. If wages and working conditions are taken into account, then Florida is the low-cost area for the production of sugar and can still produce sugar at a fair cost for the consumer.

Florida can produce thousands of tons more of sugar to supply the American market, pay decent wages, and at the same time sell cheap sugar to the American consumer.

In addition, the per capita use of automobiles, radios, mechanical refrigerators, and telephones in Florida is many times greater than in any of the offshore sugar areas. This is accounted for by the fact that the wage scale and standard of living is very much higher in Florida. If Florida is permitted to sell the sugar which it is capable of producing on the American market it will mean not only the employment of thousands more persons directly in the production of sugar, but also the employment of many thousands of others in the factories of America.

It is, therefore, extremely logical to place the limitation upon the power given to the Executive in the manner proposed by this amendment.

Since the American market belongs primarily to the American people, they should not be deprived of that right through the trading away of so much of the American market as would require a restriction on the production of any nonsumptuous crop. Neither the American farmer nor the American laborer should be penalized even by partial exclusion from the market that essentially and by all historical precedent belongs to him.

No foreign country has any vested right to our continental market. Every foreign country is seeking and expending its every effort to become self-sufficient, all in furtherance of their national defense and economic policies. They buy from us only those things which they cannot themselves produce or obtain at lower prices from others. They are willing to trade and have been trading the right to their market only with respect to those articles which they do not produce or produce in insufficient quantities.

A similar policy is the only one fair to the American producer and American laborer. The amendment which I propose merely places a limitation upon that part of the market which may be traded in conformity with the principles which guide foreign nations on their side in negotiating those trade agreements. This amendment recognizes that the American market belongs first to the American producer and the American laborer, and Florida, therefore, urges that this amendment be incorporated in the law, so that the American market will be reserved for them and will not be traded away.

AMENDMENT Intended to be proposed by Mr. Pepper to the bill (H. J. Res. 90) to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended.

On page 1, line 8 before the period, insert a colon and the following: "*Provided, however,* That in the negotiation of any new agreement or agreements, or in the renewal or extension of any agreement or agreements, under the authority of this act, the tariffs or import duties upon all agricultural and horticultural products shall be maintained at a point which will at least equalize the difference in the cost of production of such products in the United States with the cost of production thereof in the country or countries dealt with, as determined by the United States Tariff Commission as of the date any such new or extended agreement becomes effective."