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THE CONGRESSIONAL FRONT.
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16th District.

KID MCCARL VS HANK WALLACE. There have been battles of the century and battles of the century but all would pale into drab insignificance if and when the battle between Comptroller General McCarl and Secretary Wallace begins in earnest. Mr. McCarl, former secretary to Senator Norris is the Comptroller General who determines whether a governmental expenditure, no matter how large or small and no matter what for, is legal. He holds office for 15 years, cannot be removed and will remain in his position until 1936. When Brain-Truster Tugwell flew to Miami recently to address a meeting and then turned in an expense account for air passage, McCarl disapproved it on the ground that the law provided only for passage at railway rates. And now for the battle, about which you've heard very little. Back in 1933, when Congress enacted the Agricultural Adjustment Act, it was implied that cash bounties were to be paid to farmers in return for acreage reduction. Since then, Mother Nature has been on a rampage with drouth and dust storms and the Secretary of Agriculture announced complete removal of restrictions on the production of spring wheat, with the added announcement that cash bounties would be paid just the same. Gently but firmly, McCarl indicated that if there were no acreage reduction there would be no cash benefits and that if acreage was partly reduced, cash benefits would have to be reduced proportionately. It is therefore apparent that hundreds of millions of dollars in benefits and the very heart of the AAA program hinge on the ultimate decision. Who will deny that that will constitute the battle of the century. Quietly, a search is on for some law or precedent or some authority to circumvent the Comptroller or to remove him. Ain't Government grand?

BACK TO THE LAND. There are 3071 counties in the U.S. Recent reports from the Farm Census concluded in 1633 of these counties show 3,309,561 farms or an increase of 307,794 over 1930. Remember the old dashing ditty, "How're Gonna Keep Them Down On The Farm, After They've Seen Patee." Apparently the depression has taught that all that glitters in the city is not gold and that the farm is not such a bad place after all.

DEATH OF LINCOLN. Every school child knows that February 12th is the anniversary of Lincoln's birth. Few remember that April 15th is the anniversary of his death. About ten blocks from the Capitol on 10th Street is a dull red three-story brick house with basement which stands right up to the sidewalk line. Standing among candy stores, beauty parlors, clothing stores within a few doors of the hotel where the American League baseball teams lodge when the play in Washington, a sign announces with a kind of apologetic modesty that in this house, Lincoln died on the morning of April 15, 1865. Seventy years ago! Seems incredible that the Great Emancipator has been gone so long. Across the street is the old Ford Theatre where John Wilkes Booth shot Lincoln while the President was witnessing a performance of the play "Our American Cousin."

HOPS. In the days when home-brewing was a fine art, hops took on a new dignity and a new importance. Until the home brew era most folks thought that hops was the plural for hop and nothing more. Then they learned that hops are a flower which is cultivated, harvested, dried, packed, sold and used in beer to impart tang, zest, taste, odor to make that beverage a kind of eau de vivre. Now, hops becomes important enough for legislative controversy and action. Principal source of hops is Ore. Wash. and Cal. About 35,000 acres are planted annually to produce a 1000 pounds or more per acre. When repeal restored beer, brewers began to contract for hops and prices soared. They ranged from 30¢ to \$1.10 per pound. Huge quantities were imported. Production was expanded. Then the market dropped and hops went to 10 and 12¢ a pound. The Federal Intermediate Credit Banks loaned money to hop growers on their stocks so they might hold them for better prices. Prices did not improve and as a result, the Senate considered the McNary Bill making hops a basic agricultural commodity so that a processing tax can be imposed in the hope of ringing the price to 29 or 30¢ a pound. There is a chance now for egg plant, rutabagoes, mint leaves, swiss chard, and black eyed peas of becoming basic commodities.

NEW BONUS BILL. The new bonus bill, introduced by Senator Harrison and said to have the unexpressed sanction of the White House begins as follows. "Be it enacted by the Senate and the House of Representatives of the U. S. of America in Congress assembled, that in view of the generous benefits accorded by the Government to veterans of the World War it is hereby expressly declared to be the policy of Congress that there should not be any general pension laws enacted for veterans of the World War or their dependents..." Then follows the provisions of the bill for dating the Adjusted Service Certificates back to 1918 with interest compounded at 4%. By the terms of this bill, the really needy veteran who converted his bonus into bonds and then into cash, would sacrifice \$235 of a \$1000 bonus. The veteran who did not need it could convert into bonds which on

maturity date in 1945 would be worth \$1115 instead of a \$1000. In a nutshell, this new measure would (1) penalize the veteran who is needy, (2) confer a bounty on the veteran who is not and (3) deny pensions to World War veterans in the future. So what?

HITS AND MISSES. Senate guides report that 99 out of every 100 tourists want to see Huey. Secretary Wallace still wakes up with the chickens, walks to work and holds conferences as early as 7:30 in the morning. Payroll of the TVA at Muscle Shoals is a million dollars per month. David E. Lilienthal active director of TVA was born at Morton, Illinois. The amount of processing tax in an overall is about 8¢. Those who charged Rep. Maverick of Texas with being a "dude" when he appeared at the State Dept. with a cane recently did not know that German shrapnel imbedded in his spine since 1918 made an operation at Mayo's necessary just before coming to Congress and that he needed that cane.

STATE VS NATIONAL BANKS. For years, a quiet but determined struggle has been going on between two groups in the country, the one group seeking to preserve the integrity of a dual banking system including state and national banks, the other trying to unify the banking system and make all banks national and members of the Federal Reserve System. The struggle cropped out in the New Banking Act of 1935 wherein was a provision to the effect that on and after July 1, 1937, any bank which failed to join the Federal Reserve System would automatically have its deposit insurance cancelled. This was in the nature of a club to compel entry into the Federal Reserve System. After much controversy, the provision was stricken from the bill. That issue will be refought in the Senate where hearings are now in progress on the bill. Senator Glass, author of the Federal Reserve System is the original exponent of a unified banking system and will fight to the bitter end to bring all banks into his system.

SILVER. Silver legislation furnishes an excellent example of unexpected results. By the terms of the Silver Purchase Act of 1934, Congress declared as a policy that the Treasury purchase silver until the ratio of silver to gold in our monetary system reached 1 to 3. To effectuate this policy required the purchase of hundreds of millions of ounces of silver. The theory was that as a demand arose for silver, the price would go up, which in turn would increase the purchasing power of such countries as China and India and thereby expand our foreign trade. Further, the recent proclamation whereby 71.11¢ was to be offered per ounce for newly mined silver has raised the world price to 70¢ per ounce. As a result of our silver policy, Chinese have been exporting silver to garner a profit. Heavy exports of silver from China have unsettled Chinese exchange and made restrictions on export necessary. Instead of increasing Chinese purchasing power, the actual result has been an increase of unemployment and a decrease in purchasing power. However, you can't convince silver advocates that such is the case.

OPEN RULE. Administration measures are invariably considered under a special rule or resolution which provides how and when such a measure shall be taken up in Congress. In the case of the Security Bill, embracing assistance to states for old age pensions, unemployment insurance, compulsory annuities and other items, the rule provided for 20 hours of general debate after which the bill should be read for amendment under the general rules of the house. During the course of the debate, the Committee became extremely liberal and extended it to 23 hours. This rule was hailed as a sudden burst of liberalism on the part of the leaders and an answer to those who were charging that the House was being gagged. Even old timers were fooled by this action. When the time came to read and amend the bill, the majority Whip of the House got busy and had the majority party members on the floor or around the House chamber to vote down all amendments. Perhaps a 100 amendments were offered. Not a single one carried. When the bill was finally reported back to the House for passage, only one motion to send the bill back to Committee was permitted under the rule and so the membership was denied the right to secure a roll call vote on such amendments as the Townsend Bill and the Lundeen Bill. Therein lay the strategy. The rule was open enough BUT all voting on amendments was done in Committee of the Whole House and no record or roll call vote can be secured when the House is acting as a Committee to consider a bill.

BUS & TRUCK REGULATION. Once upon a time, all freight was moved by railroads, all travellers carried by railroads. Then came the auto, the truck, the bus, the inland waterway system. Railroad freight rates and fares were closely regulated. Busses, trucks and vessels were not. They could make lower rates, cheaper fares and get the business. The Federal Coordinator of Transportation after exhaustive study estimated that in 1932, truck traffic was 44% of rail traffic in point of tons originated and 13% in terms of ton miles. As for busses, they carried 329,000,000 passengers in 1933. To permit them to operate across state lines without regulation seemed unfair and prejudicial to railroads, to railroad employees of which there are 1½ million, to investors in railroad securities. The Coordinator therefore prepared a regulation bill which was introduced in the Senate by Senator Wheeler and in the House by Rep. Huddleston. The Senate passed this regulation bill on April 18th. It now comes before the House.