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THE CONGRESSIONAL FRONT.  
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.16th Illinois District.

FREE FOREIGN TRADE ZONES. If you were a Japanese or German or Russian manufacturer and wished to send a boatload of merchandise to the U.S. and find buyers for it after it arrived, you could store it in a customs-bonded warehouse, take orders for it, pay the duty and then deliver it. This, however is a bit bothersome because there are fees to be paid and all kinds of goods, especially bulk goods cannot conveniently be stored. To obviate this and make it easier to store and warehouse foreign goods, so-called free foreign trade zones will be established at ports of entry. A port of entry is any port where a customs collector is stationed. Such zones will be operated by public or private corporations. If private corporations, they must get a permit from a Board consisting of the Secretaries of Commerce, Treasury and War. If public corporations, they must be chartered by the legislature. Such corporations shall have power to buy land, build warehouses, docks, wharfs and unloading facilities. Imported merchandise can be stored in such zones for a period of two years without paying duty. As soon as they are to be delivered to a consignee, they must pay duty, and be released. The argument against them is that, it will be convenient for foreign manufacturers to fill such zones with merchandise which is in competition with American labor, sell them and make delivery at their leisure and ultimately harm American factories. There may be a little colored gentleman in the woodpile in this bill but he hasn't come to light yet.

DUCK HUNTERS. Under provisions of the so-called Duck-Stamp Bill passed by Congress and approved by the President, all persons over age 16 who wish to hunt migratory water fowl (ducks) must secure a Federal stamp. These stamps bear a waterfowl scene. They cost \$1.00. They are affixed to the state hunting license. They can be secured at all post offices in towns over 2500 population or in any post office located in a county seat. Money derived from these stamps will be used to purchase and lease marshland for duck refuges.

BRAIN TRUSTER NO. 6. Benjamin V. (Bennie) Cohen, born in Muncie, Indiana, 1894, graduate of Chicago University and Harvard University (1916) member of Illinois and N. Y. Bar Associations, Attorney for U.S. Shipping Board from 1917 to 1919, attorney for American Zionists at London and Paris Peace Conferences 1919-1921, Director of the Amalgamated Bank of New York, assisted House Committee in Drafting the Securities Act of 1933, Associate General Counsel for the PWA, assisted Mr. Landis of the Federal Trade Commission in drafting the National Securities (Stock Exchange) Bill. Was referred to By Cong. Britten as "one of Felix Frankfurter's hot dogs from the Little Red House in Georgetown" because Dr. Frankfurter was one of Mr. Cohen's professors at Harvard and because he together with other young liberals live together in a sprawly, roomy house in Georgetown, just out of Washington proper. Has a sense of humor and smilingly watched the debate on the Securities Exchange Bill from a seat in the gallery.

SILVER. The "Silver Purchase Act of 1934" passed the House this week. It is neither fish nor fowl. It was resisted not only by those opposed to uncertain silver inflation but by the extreme inflationists and bi-metallists as well. Few know what it will do. Few if any know what it means. It is alleged to be a "sop" to the silver states to prevent the enactment of radical legislation on silver. It provides that a ratio of 25% silver against 75% gold shall be maintained as a monetary base for our money and to secure 25% of silver base, the Treasury is authorized to buy silver at home and abroad at reasonable prices, but not to exceed 50¢ an ounce for domestic and not to exceed 1.29¢ per ounce for foreign silver. Profiteers are circumvented by a provision which places a tax of 50% on the difference between the purchase price to the government and the cost of the silver to the profiteer. Silver certificates shall be issued against the silver acquired under this bill on the basis of it's cost. The U.S. must buy about 1 1/3 billion ounces to secure the 25-75 ratio which at the minimum will call for 650 million dollars and probably more. This additional quantity of a circulating medium will not help matters so long as there is a jam of credit. We have more money now than ever before, but we do not have a turnover of that money in the channels of trade. Such measures as the Housing Bill, Loans to Industry and others are all designed to bring about credit expansion and no silver advocate has as yet pointed out, wherein this silver measure will help in that direction. Seven states, with a combined population less than that of the state of New Jersey produce more than 90% of all silver mined in this country. They will be the beneficiaries if there are any benefits. Whether it will raise prices or not is speculative. The Gold Reserve Act passed in January was supposed to

raise prices but the Department of Labor Index shows that the general price level is lower in May than it was in February. That same act was supposed to help foreign trade by depreciating the dollar but other countries met it by establishing quotas and subsidies and restrictions to prevent their importers from sending money out of the country. The President was reported to have said on May 12th in a Washington paper, "I experimented with gold and it was a flop. I have no objection now to experimenting with silver to see how it works." If it don't work, labor and the farmer as well as business will be in for more uncertainty and will be penalized by an increasing difference in what it has to sell and what it must buy.

CHIPS AND SPLINTERS. There are on file with the PWA 6,106 city, county, state, and other non-federal applications for loans and grants on public projects totaling almost  $3\frac{1}{2}$  billion dollars. They are awaiting more money from Congress. The fact that of all wide-duck cotton cloth made in this country in 1931, 6 million pounds was made by convicts in a prison mill in the Federal Penitentiary at Atlanta, Ga., while only  $15\frac{1}{2}$  million pounds was made by all the free mills of the country draws attention to the fact that some industries are unduly harmed by prison labor. A bill, setting up a Federal Prison Industries Board seeks to remedy this condition and more uniformly distribute prison labor to other merchandise such as boots and shoes, furniture, brooms, etc. Opposition to the measure rests on the ground that the Attorney General already has this power. Southern Members of Congress retort that he does not use it which may be an indication that the real purpose of the bill is to aid cotton makers at the expense of furniture, broom and shoe makers and others. In any event, the furniture factories at Rockford might be penalized in order to benefit some southern mills.

SECURITIES EXCHANGE REGULATION. The final bill for regulation of stock exchanges, when it returned from the Senate was in more palatable form because the Senate added several pages of amendments applying to the Securities Act of 1933, established a new Commission for the regulation of exchanges, and another amendment which permitted the creation of an over-the-counter market in securities for the sale and purchase of unregistered securities that are predominantly intrastate in character, without the need for submitting to all the regulations and restrictions imposed on list securities.

FILIBUSTER. A filibuster is an attempt to prevent the passage of legislation by using all parliamentary tactics to delay consideration and final vote on such legislation. The filibuster which resulted in a gag-rule, more drastic, according to old timers than anything since the days of Uncle Joe Cannon began when the Speaker is alleged to have ignored the point of order made by a member from Kansas that no quorum was present, immediately after the Speaker had announced a vote which indicated that a quorum was not actually present. This was deemed to be a repudiation of the regular rules of the House and the filibuster started. The bill under consideration was a measure providing for the establishment of a Federal Prison Industries Board. Minority leaders insisted that the bill be read in full. They asked for division votes, teller votes, roll call votes, on every amendment, and every motion that was made. As a result, 13 roll calls were held in two days. It takes more than half hour to call the roll. The result was an impasse and a gag rule.