

might be an example for every other committee that comes into this House with any bill calling for funds to be taken out of the Public Treasury. I believe that in a great many other bills where there are larger items on projects and that sort of thing, a much larger saving proportionately could be realized with the same kind of treatment. [Applause.]

[Here the gavel fell.]

Mr. LUDLOW. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. Dickstein].

(Mr. Dickstein asked and was given permission to revise and extend his remarks.)

Mr. DICKSTEIN. Mr. Chairman, I read with keen interest the speech made by our colleague the gentleman from Colorado [Mr. Martin] on the question of Fascist groups and Nazi bands in the United States.

Having been close to the notorious New York meeting on Monday last, I made a number of observations. Most of the unsuspicious persons participating in that meeting had questionable allegiance to our country and the majority of them held dual nationality. Meeting under the cloak of purported Americanism at a so-called Washington celebration, they saw fit to denigrate the honored man whose birthday it was by openly preaching race hatred and obnoxious doctrines, attacking some of our most prominent public officials, including our own great President.

Similar meetings were held in other sections of the country, and I dare say, Mr. Chairman, that they could not get away with that in any other democracy of the world.

Free speech was used as a guise for free abuse of our Constitution, our form of government, and our people. Free speech was used to protect themselves from almost being massacred by red-blooded Americans, over 100,000, who stood behind Madison Square Garden protesting against the insidious attacks upon the principles George Washington stood for. It took 1,800 police officers of the city of New York to stop bloodshed.

I am surprised that as a result of this un-American meeting which was publicly announced there were only 15 arrests. I was also surprised that the Dies committee, knowing of this meeting, took no steps to check and recheck on the proposed so-called pro-Washington Birthday meeting. Mr. Chairman, I want to say it was horrible and disgraceful. To my great surprise and astonishment I read in the press yesterday—and I am only quoting from the press—that the Dies committee is going to have nine probes or so-called investigations, who are going to assemble evidence of subversive influences in the United States. It will take 3 or 4 months to make an examination, gather the evidence, and take the testimony for presentation at public hearings next summer. Do I understand that to mean that since last June the Dies committee had no evidence at all on fascism, nazism, and other isms? Do I understand from this press statement that we have to start all over again to find the culprits who are undermining this Government with a foreign ideology, foreign doctrines, and foreign principles in their attack upon democracy? Do I understand, Mr. Chairman, that we have to start this thing all over again?

Mr. DEMPSEY. Will the gentleman yield for a brief question?

Mr. DICKSTEIN. I will be glad to yield in a minute. A week ago I took the trouble to present certain specific facts on the floor of this House. If the Members will read the Record, or if these investigators will read the Record, and if the members of the Dies committee will take the trouble to do likewise, they will find it will not take 4 months to make this investigation. I have given you the names of persons, the leaders of alien groups in this country, whom you may subpoena forthwith and conduct your investigation so that we may have something in the form of legislation before we adjourn this Congress.

Before proceeding I yield to the gentleman from New Mexico [Mr. Dempsey].

Mr. DEMPSEY. Do I understand that the distinguished gentleman from New York is criticizing the procedure of the

will bring us decreased estimates for the operation of the Government, and that he will have culled out of the Budget estimates any outfit which is duplicating the functions of other outfits that should be doing the work. I want to see this Government put on a sound basis and get rid of the waste and duplication that exists.

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

Mr. TABER. I yield.

Mr. CLEVENGER. I find myself on the Committee on Expenditures in the Executive Departments. We have been here nearly 2 months. So far nothing at all of any importance has come before this committee. I looked up the history of the committee the other day. The committee is some 10 years old. I found that it succeeded to the duties of about 11 other expenditure committees. Does it not seem to the gentleman that some of these conditions he still finds prevailing and of which he complains—the use of W. P. A. employees in the departments, for instance—might have been discovered by this committee if it had functioned accordingly to the purpose for which it was created by the Congress?

Mr. TABER. I think one of the most outrageous things that has occurred in the last 6 years has been the failure of that committee to function. It was set up to get at the root of a great many evils in government and get rid of a lot of waste. It has absolutely failed to function.

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

Mr. TABER. I yield.

Mr. LUDLOW. I share 100 percent the gentleman's wish that the Budget Bureau would hold down these estimates. While we are contemplating that prospect, I wonder if we should not wish also that the Congress do its part and not go to extremes in the matter of authorizations.

Mr. TABER. I think Congress should stop authorizing the expenditure of funds except where it is absolutely necessary for the functioning of the Government.

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

Mr. TABER. I yield.

Mr. LAMBERTSON. A great many authorizations have come about in the last few years in a left-handed fashion. The President has been given power in relief bills without any direct authorization to start new projects which require hundreds of millions of dollars. Congress, therefore, is not responsible for many of these projects that were started under relief measures.

Mr. TABER. There is no question about that. Upward of two-thirds of the funds that have been appropriated for relief have not been used for relief but have been used for building structures that had nothing to do with relief, and for enlarging the functions of the Government and enlarging the activities of the departments of the Government; and we should stop this kind of activity.

Now I want to say a word or two about this bill and about this committee. The chairman of this committee, the gentleman from Indiana, Mr. Ludlow, and the members of the committee, Mr. O'Neal, of Kentucky; Mr. Johnson, of Indiana; Mr. Datz, of Pennsylvania; Mr. Mahon, of Texas; Mr. McLeod, of Michigan; and Mr. Ditter, of Pennsylvania, in addition to that you will note, if you look at the report from page 50 on, almost every item in the bill has received a cut. Some of the cuts some of us thought ought to be larger, and sometimes we argued quite a while, but finally reached an agreement on the amounts. When it is possible for a committee to cut over \$27,000,000 from an appropriation bill in an effort that called for so much personal service, it is a very considerable accomplishment. The committee has been able to report a net cut of \$27,926,000; and I want to commend the spirit with which the committee went at its job. I wish it

a pro-Washington rally. They did the same thing in San Francisco, where there was a riot involving over 2,000 persons.

The question I ask this House is, if this committee was created to look into exactly such situations, why should they wait 3 or 4 months to subpoena Fritz Kuhn or other members of the bund and to confiscate their records?

Mr. DICKSTEIN. I yield to the gentleman from New Mexico. Does the gentleman from New York have any knowledge of whether or not the Dies committee has a complete report on what occurred in New York City a few nights ago?

Mr. DICKSTEIN. I did not say they had.

Mr. DEMPSEY. Does the gentleman contend the Dies committee could have prevented that meeting in New York, which was held with the permission of the mayor of New York City, the city the gentleman represents in part in this Congress, and with police protection provided by the mayor of New York City?

Mr. DICKSTEIN. This is a proper question.

Mr. DEMPSEY. Is my question a proper question?

Mr. DICKSTEIN. I think it is a proper question, and I will be glad to try to answer the gentleman. The mayor, as well as I and, I believe, my friends, believe in freedom of speech.

Mr. DEMPSEY. Most assuredly I do.

Mr. DICKSTEIN. Because we cherish and love freedom of speech, we want to protect it. We gave these persons the right of free speech and assembly, but this right is being abused. They are clamoring and telling the public that they are not going to be investigated, that they have not been subpoenaed since the committee was created, that nothing has been done to them, and that they can carry on their work. These are their statements in their public meetings, and the newspapers carried them. Why have not subpoenas been issued since June of 1938? Why have not their records been confiscated? Why do we not know what they are doing here and what foreign dictator they represent? I could name to the gentleman and his committee, if they wished to listen, hundreds of names. I do not need 4 months to give you information if you want to take it, but I do not want to stand behind the back door of the Dies committee and say, "Please take this information," I say that if you had subpoenaed the Kuhn, the Fritzes, and the Hamstaengels, and all such groups before this meeting took place you could have exposed their activities to such an extent that people would not have dared to go into that hall, because every person who went in there and thus lent support to that movement would have been publicly acknowledging his being an enemy of this country.

Mr. DICKSTEIN. I grant that.

Mr. DEMPSEY. May I say with respect to uniforms that, as far as I personally am concerned—and I am sure every member of the Dies committee will agree with me—it is offensive to me that any persons dressed in the military uniform of any country in the world should be parading around carrying an American flag and attacking our form of government. I agree with the gentleman on that point.

Mr. DICKSTEIN. I thank the gentleman for his contribution.

Mr. LUDLOW. Mr. Chairman, I yield 5 additional minutes to the gentleman from New York.

Mr. DICKSTEIN. May I call to the attention of the Dies committee that you can destroy these groups and get the

Dies committee because of something he has read in the newspaper with reference as to how it is going to proceed?

Mr. DICKSTEIN. I just stated I quoted what I read in the newspapers. I was not the author of that statement. If it is correct, I have some criticism to make.

Mr. DEMPSEY. I am sure the gentleman realizes that the press is not always correct. I saw a picture of the gentleman from New York the other day, Mr. Samuel Dickstein, and underneath was the name Fritz Kuhn. That was not correct.

Mr. DICKSTEIN. If the gentleman wants to take my case, we can sue for libel.

Mr. DEMPSEY. I am not an attorney.

Mr. DICKSTEIN. I hope the gentleman will recommend one to me.

Mr. DEMPSEY. Do not take everything literally.

Mr. DICKSTEIN. I am not exactly making an attack. I am trying to awaken the American people. I have been trying to do this for 4 or 5 long years.

We all talk about the Dies committee, and I have the highest regard for the gentleman from Texas [Mr. Dies], the gentleman from New Mexico [Mr. Dempsey], and all the other members. I know they are trying to do a good job.

Mr. DEMPSEY. I thank the gentleman so much.

Mr. DICKSTEIN. One of the fillers, as they call it, or Nazi leader, got on the platform of Madison Square Garden the other night in front of 20,000 or more people, hundreds of whom were in Nazi uniform, a foreign uniform, and this leader said:

I have just returned from a tour out West and we now have 100 Nazi units in the United States. We have created four units in the State of Texas right near the place where Congressman Dies' congressional district is located. In the district of the great American, Martin Dies.

The crowd just went wild. I admit Mr. Dies is a great American, but he should try to destroy all Nazi Bunds in his district or any other district of Texas. He should try to destroy all other influences which are un-American and obnoxious to our people and to our Government.

You do not have to be an investigator and take 4 months to find all this out. You do not even have to be a G-man to do that. The evidence is on the surface and noticeable wherever one moves.

Mr. HAWKS. Will the gentleman yield?

Mr. DICKSTEIN. In a moment, I endeavored to give advice to the people. The mere fact I am not a member of this honorable committee does not change the situation at all. If you want to go places and if you want to destroy un-Americanism, do not bring up little insignificant labor problems or little insignificant Communist groups that do not mean a thing.

Mr. HAWKS. Will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from Wisconsin.

Mr. HAWKS. Did the gentleman say "little Communist groups" just now?

Mr. DICKSTEIN. I did say that; yes, sir. I said do not pick up little fires. Get after the big fellows.

Mr. HAWKS. The Communist movement, in the gentleman's opinion, is a little movement?

Mr. DICKSTEIN. No, I did not say that at all. Do not put language into my mouth. If the gentleman will follow me, I advocate bringing the big fellows here. Do not pick up a little labor dispute in which one accuses the other of being a "red." Let us get the real "reds" who are responsible for communism in this country, and God knows, I have no use for them. I would destroy them just as I would any other "isms" we have in this country.

Mr. LAMBERTSON. Will the gentleman yield?

Mr. DICKSTEIN. I yield to the gentleman from Kansas.

Mr. LAMBERTSON. Is it true that the main speaker at this New York meeting, Mr. Kuhn, I believe, wore a German military uniform?

Mr. DICKSTEIN. Absolutely; and not only he but hundreds of the Nazi troopers came there in foreign uniforms and attacked democracy under the guise of free speech at

public behind you by publicly exposing un-Americanism, which the committee could have done if it had taken the trouble to subpoena representatives of these groups, and I have named hundreds of them in the Record.

Mr. DEMPSEY. With what would the committee subpoena them?

Mr. DICKSTEIN. With a subpoena.

Mr. DEMPSEY. These hundreds of groups all over the United States?

Mr. DICKSTEIN. No; the men whose names I have given and which the gentleman's committee could itself obtain, who are actively engaged in undermining this Government.

Mr. DEMPSEY. What would the committee use for money to bring them here?

Mr. DICKSTEIN. The committee seemed to continue its office in New York without money, and it has an office in New York and has two men working there. Why do not the members of the committee do what I or any other American would do; that is, dig down in my pocket for two bucks and subpoena as many people as I could with the money I could spare?

Mr. DEMPSEY. Does the gentleman believe we are renting an office in New York?

Mr. DICKSTEIN. No; I did not say renting an office. You have an office in New York in the Federal Building.

Mr. DEMPSEY. We were permitted to use that office in the Federal Building.

Mr. DICKSTEIN. You have two men working there. How do you pay them?

Mr. DEMPSEY. We paid them out of the \$25,000 we were allowed and from no other source. We consumed every dime that was given us by this Congress. We went as far as we could, and we went as deeply into the Nazi un-American subversive activities as we did the Communist activities.

Mr. DICKSTEIN. I would not say that.

Mr. DEMPSEY. I know the gentleman would not say it, but I am saying we did.

Mr. DICKSTEIN. The gentleman is taking in a lot of territory. You have not even subpoenaed one real Nazi before you. You have not even subpoenaed the Communists before you. I have read the record of the gentleman's committee.

Mr. DEMPSEY. I have not yet heard the gentleman from New York, who has this mass of important information, make an attempt to give any of it to the Dies committee. It would certainly be most welcome. Instead, the gentleman has come on the floor of this House and attacked the committee, which is doing the best it can.

Mr. DICKSTEIN. I am not attacking the committee; I am merely constructively advising the committee.

Mr. DEMPSEY. The most constructive thing the gentleman can do is to give us the information he has. We will welcome it.

Mr. DICKSTEIN. The gentleman is the first member of the committee who has even asked for the information.

Mr. DEMPSEY. I am not asking for it; I am pleading for it.

Mr. DICKSTEIN. I will be glad to give it to the gentleman if he will ask for it, or to the committee if the committee asks for it.

Mr. DEMPSEY. We did ask for it.

Mr. DICKSTEIN. I disagree with the gentleman. The committee never asked me. I know the committee is capable of doing its job. All you need is a start, the knowledge of where to go, which at the present time you do not have.

Mr. DEMPSEY. We will welcome any assistance the gentleman gives us. If the gentleman can show us the way to go, I am sure we shall be pleased to follow the proper line.

Mr. DICKSTEIN. You just tell that to your chairman, and I will be very happy to put you on the right road. You do not have to take 4 months to make the investigation, and I can save you some money. I would rather have you hold it during the course of your investigation.

Mr. DEMPSEY. I feel sure I can speak for the chairman and say that he will welcome any cooperation the gentleman can give him.

[Here the gavel fell.]

Mr. TABER. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mrs. Rogers].

(Mrs. Rogers of Massachusetts asked and was given permission to revise and extend her remarks in the Record.)

Mrs. ROGERS of Massachusetts. Mr. Chairman, I wish to bring to the attention of the House a matter that vitally affects and distresses labor and the veterans, and also very many of us all over the country, and that is the rumored transfer of the United States Employment Service to the Social Security Board.

Very many protests have come to me already from both labor and the veterans. I am opposed to a transfer of the United States Employment Service to the Social Security Board, and I believe the Members will all agree with me in this matter.

I am opposed to this transfer on the following grounds: The United States Employment Service must be guaranteed its vigor and independence because it is one of the principal means of combating depressions. It puts men back to work, and that is assuredly what we all ought to be striving to do today.

The United States Employment Service was created by the Wagner-Feyser Act in 1933. Unfortunately, we lost Congressman Feyser a number of years ago. He made a fine contribution to the Congress and to the Nation.

The United States Employment Service was started under the Republican administration and has been continued under the New Deal and has been one of the most successful of the New Deal's activities. According to Labor Department figures it has made more than 25,000,000 placements during the last 5 years. There are now more than 1,600 employment offices affiliated with it, and I am sure other Members, just as I have done, have gone to the offices of this Service trying to secure employment for their constituents.

Undoubtedly transfer to the Social Security Board could not help but react adversely upon the placement function for these reasons:

The Social Security Board is an insurance agency, not a promotional, placement agency.

Experience shows that administrators are inclined to take the easier of two courses, which in this case would be benefit payments. Benefit payments are not so large as wages, so the shops as well as the workers and employers would lose, as would the taxpayers.

As an insurance-dominated employment service would almost certainly lead to neglect of aggressive placement activities, which in turn would lead to increased demands upon insurance benefits, the net result would be a static, dying economic order.

Of course, this would be most unfortunate in every way and would retard putting men back to work or providing more employment.

The Social Security Board's unemployment compensation program covers only 50 percent of the country's working population. The United States Employment Service, on the other hand, is available to all. Would you hurt 50 percent in order to give the other 50 percent alleged benefits, which I believe can be secured better by another means?

Surely the United States Employment Service belongs in the Department of Labor and nowhere else. The Department of Labor was created to protect labor, to give jobs, and to help labor with all of its problems. It is the agency to which all workers look for a whole-hearted effort to make jobs available.

In its functioning it should have in mind the operation of various labor laws, such as minimum-wage, maximum-hour, and child-labor legislation, and should in effect constitute a workers' center, and, of course, the Department of Labor does all these things. As I stated before, the veterans

man from New York [Mr. TAVAR] with regard to the silver policy that we have been pursuing. As I said in my interruption in his remarks, there are two phases to this silver question—the purchase of foreign silver and the purchase of domestically produced silver. You may logically object to one without logically objecting to the other. I am not here trying to say now that that is only one phase of it, and I am going to address myself to the other phase. However, I have heard some say that it might be well to buy silver from Mexico and China if thereby we could stimulate export trade with these nations.

I am not well enough versed in these matters to know whether that is a good thing or not. If it can be done, it may be a wise policy. But I leave that entirely and refer to this matter of domestically produced silver. Let us remember that in the early days of this administration—I am not sure whether it was 1933 or 1934—we had a Silver Purchase Act which provided for the purchase of silver to such an extent that our monetary supply of silver should be one-third that of gold. That is on the statute books. I hope it remains on the statute books. It should remain there. If you will look into the matter, you will find our present supply of silver is far less than one-third of our supply of gold. I just call that fact to your attention. I am not enough of a financial expert to know whether we ought to buy foreign gold, so I do not care to bring that into the discussion.

I am here to say that I believe it is a wise national policy for us to make wider use of the white metal in our monetary system. Throughout American history there has been a conflict between the two types of metallic money; gold versus silver. All of you remember the battle of the standards. Throughout our American history there has been a battle between the two types of paper money; bank currency on the one hand and governmental currency on the other. For the most part, I have always been a sound-money man. I do not believe in fiat money to any great extent, but I have come to believe that we have too long permitted this sovereign function of furnishing money to the Nation to pass out of the hands of the Government and into the hands of the banks and bankers.

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

Mr. MURDOCK of Arizona. Gladly.

Mr. VOORHIS of California. Can the gentleman think of any money that is more truly fiat money than bank deposits which are created by a bank in order to make loans there-with?

Mr. MURDOCK of Arizona. I cannot. I cannot think of any greater inflation than we have witnessed many times and shall continue to witness under this system. When you talk about inflation coming about because of the purchase of silver, that is trifling inflation as compared with the volume of deposit money or bank credit which can be expanded overnight.

Let me remind you of the plain fact in history that the white and yellow metals have attracted the attention of human beings ever since trade has been carried on. It seems that about one-half the world, the occidental half, loves the yellow metal, gold. The eastern half, at least, and I think more than one-half of the American Continent, is very fond of white metal, silver. Ever since the day when Abraham bought a burial place for his wife Sarah and paid for it in silver, gold and silver have constituted the money of the common people; but in our country we have gotten away from it.

Although the Constitution of the United States says that Congress shall have the power to coin money and regulate the value thereof, we have permitted that power to go into the hands of the banking class. I tell you the people of this country demand that this Government reassess its power, recapture that function of sovereignty which has been permitted to slide away from it.

Now, with regard to domestically mined silver, it has been said that we have been subsidizing a few great corporations

all over the country are anxious that it should be kept in the Department of Labor, just as are the members of the labor organizations and those outside of the labor organizations in this country. As a result of experience and constructive experimentation, the United States Employment Service has perfected a method of coordinating unemployment compensation work with that of the employment offices. With increased financial and legislative support, this program can be made increasingly and uniformly available throughout the entire country.

The placement function and the unemployment-compensation scheme are both big jobs. They are so big and so important that they should not be completely scrambled. This would invite disaster. I favor the closer coordination of the United States Employment Service and the Bureau of Unemployment Compensation, which might well be secured by coordination of the two agencies within the Department of Labor. In order to safeguard their strength and effectiveness, they would be maintained as separate bureaus. However, in order to secure unity in relationship with the several States, it has been suggested that they might both be directed by an assistant secretary, with power to make financial and other arrangements and also by increased financial support of the United States Employment Service under the terms of the Wagner-Peyser Act. We need jobs so desperately in the United States today every effort should be made to facilitate getting them.

I feel sure there will be great objection on the part of the Members of the House to any transfer of the Employment Bureau from the Department of Labor to the Social Security Board. I think we all agree that it belongs in the Labor Department, the Department created for labor, and I repeat again the distress and fear of various veterans' organizations that this transfer to the Social Security may be quietly effected. I ask the interest of the membership of the House in this question.

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

Mrs. ROGERS of Massachusetts. Yes; gladly.

Mr. VOORHIS of California. I am greatly interested in this program because in my own State the lack of coordination between the two agencies led in the few months prior to last fall to a very serious depletion in the effectiveness of the work of the employment service. Does the lady not agree that whatever is done about this matter, the first and primary job is the job of placement; that that ought to be a thing on which major emphasis is placed; and then referral should be made where jobs are available to other agencies?

Mrs. ROGERS of Massachusetts. Of course, they ought to be closely related, and their first job is to get people back to work. It is better for the unemployed and for the Federal Government both, for the shops, and for the taxpayer, economically and as a matter of humanity. It is much better for the entire country when people are employed. Does not the gentleman think it belongs in the Labor Department?

Mr. VOORHIS of California. I think probably it does, although my main concern is to see to it that the very thing is done which the gentleman suggests, that the Employment Service becomes the major consideration, instead of having the thing reversed and the major emphasis placed on the payment of benefits. How the thing can be worked out I do not know. For my part, anything that can be done to preserve and encourage the Employment Service as it now is, is to preserve all of the things about which the gentleman spoke, and to me they are of primary consideration and should be given primary consideration.

Mrs. ROGERS of Massachusetts. I thank the gentleman very much for his views. He always wants to be helpful. The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. LUDLOW. Mr. Chairman, I yield 10 minutes to the gentleman from Arizona [Mr. Murdock].

Mr. MURDOCK of Arizona. Mr. Chairman, and members of the Committee, I wish to use the few minutes allotted to me to direct my efforts toward the argument of the gentleman