

[April 16, 1938]

THE CONGRESSIONAL FRONT
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THE CALENDAR ON THE WALL. Examine it and what do you find? One month with 28 days, 4 months with 30 days, 7 months with 31 days. Few people undertake to memorize the calendar. It lacks a harmonious pattern. One never knows on what day the first of March or the first of December falls without looking at the calendar. It was this lack of uniformity which stimulated George Eastman, founder of the huge Eastman Kodak Company to become an enthusiast for reform of the calendar. He advocated a calendar with 13 months but the idea met opposition from churches, farmers, business men, and others. Now, however, comes a proposal for calendar reform, sponsored by the World Calendar Association which has taken root and may be presented to Congress for action within the next year or two. It not only conforms to sun time and star time but makes all quarters equal and all years equal. The first month in each quarter, namely January, April, July and October would have 31 days. Each of these four months would begin on Sunday. All other months would have 30 days and would all begin on Friday. Every month would have 26 week days. All quarters would have exactly 3 months, 13 weeks, 91 days. The 366th day in every fourth year would come after June 30th and be called Leap Year Day. Year End Day and Leap Year Day would be carried as an extra Saturday. It would be easy to memorize such a calendar. Branches of the World Calendar Association in all corners of the world are pushing the movement.

VICTORY WITH A STING. Business men, large and small, were unanimous in their opposition to the principle of the 1936 tax law which penalized them for failure to hand over all their earnings to stockholders and prevented them from retaining some of the earnings for a rainy day. This opposition grew into a swelling chorus when the 1939 tax bill was being written in Congress. The House of Representatives went only part way in repealing this punitive provision in the law by providing in the new measure that corporations which paid over all earnings were to be taxed a maximum of 16% whereas corporations which retained their earnings paid 20% on corporate income. When the Senate received this measure, this punitive principle was entirely stricken from the bill. But it was expensive relief for all corporations with income over \$5,000, as the following table will indicate:

<u>Income</u>	<u>Tax Under House Bill</u>	<u>Tax Under Senate</u>	<u>Difference</u>
\$ 20,000	\$ 2,725	\$ 3,510	\$ 785
10,000	2,025	2,520	495
10,000	1,325	1,530	205
5,000	625	540	85

THE NEW FEDERAL RESERVE PROPOSAL. In 1913, Congress enacted the Federal Reserve Act. This Act sets up a super-banking system consisting of a Federal Reserve Board and 12 Federal Reserve Banks. These banks are located in key cities like Chicago, St. Louis,

Atlanta, Richmond, Kansas City, etc. Each bank has a Board of Directors. The Federal Reserve Board in Washington and the Boards of Directors of the 12 Federal Reserve Banks cooperate to keep our money system on an even keel. The Federal Reserve System is not a government system however. It is really owned by the private banks of the country who subscribe to the capital stock of the Federal Reserve Banks. Uncle Sam only supervises the operations and gives them direction. The power of the Reserve System lies in its capacity to re-discount commercial paper held by banks and thus keep an adequate money supply in every community. It also holds a certain percentage of the deposits of all member banks as a kind of reserve against times when a money panic might get under way. The Reserve System has had power in the open market to buy and sell government securities thereby increasing or decreasing the supply of money. Now comes a proposal by Representative Patman of Texas to have the government take over the Federal Reserve System and the Federal Reserve Banks and make it a government system with the power to issue money.

THE BITTER IN THE SWEET. For some years, the Philippine Islands have been under discussion in Congress. They consist of several thousand islands, mostly small, 7000 miles from San Francisco. Ninety-six per cent of the land area is contained in 11 of these Islands. Their total area is about one half the size of Texas. Sugar is the principal crop. They now produce about 1-1/2 million tons annually. Eight years hence, the Philippines will be independent unless the present policy of this country is reversed. These Islands constitute a weakness in our national defense because they lie but five hundred miles off the coast of Indo-China. To defend them would be a costly and almost impossible task. Wages are incredibly low. The male worker receives about 26¢ a day, the female worker about 18¢ a day. Living is cheap, simple and primitive. Eighty per cent of the Islands' exports come to us. About sixty per cent of their imports come from us. That means that other nations get some of the money which the Filipinos extract from us on exports. We buy several hundred thousand tons of sugar from the Philippines annually, produced with cheap labor. Our own cane and beet sugar growers produce but twenty-five per cent of our sugar needs. The sugar which we buy from the Filipinos, if produced here would create jobs for from 75,000 to 95,000 of our people. Those 75,000 to 95,000 persons, employed at a decent wage could buy American radios, autos and other goods. Query: Wouldn't we be better off to produce as much of our own sugar requirements as we can? Yet, under the Jones Costigan Act, our own quota in the American Sugar Bowl is set at 25% of what we consume.