

6/1/35  
[June 8, 1935]

THE CONGRESSIONAL FRONT.  
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THE DRED SCOTT DECISION. Quite a number of news writers, editorialists and publicists have likened the importance of the recent NRA decision by the Supreme Court to the Dred Scott decision in 1857 and since it contains a curious analogy, it might be of more than passing interest. In 1818, the same year that Illinois was admitted to the Union as a state, Missouri also applied for admission as a slave state. Her application was met by a proposal in the House of Representatives that no new slaves be permitted to enter Missouri after her admission and that slaves subsequently born there should ultimately be set free. A storm of controversy arose. The South, having half of the Senators, could block such proposal in the Senate, while the North thru control of the House could prevent Missouri's admission to the Union. The result was the famous Missouri Compromise under which Maine came in as a free state, Missouri as a slave state, with the agreement that the remainder of the so-called Louisiana territory north of the parallel of latitude 36 degrees and 30 minutes should be forever free territory. This Compromise was effected in 1820. In 1856, Dred Scott a slave was taken by his master into the upper Louisiana Territory which was free soil by the terms of the Compromise. After living there for some time, his master took him back to Missouri. Dred Scott sued his master for his freedom on the ground that having been taken to free territory he was automatically a free man. The question of his right to freedom could have been determined simply and clearly and the case swallowed up in obscurity. Instead of so doing, the Supreme Court went out of its way to declare the Missouri Compromise null and void and that Congress under the Constitution could not abolish slavery in the territories. A storm of protest arose over this decision. It was the original inspiration for the Lincoln-Douglas debates a year later and hastened the oncoming of the Civil War. At the time of the decision Lincoln said that his party would accept the decree of the Court remanding Dred Scott to servitude but declared that the President and Congress ought to disregard the opinion of Chief Justice Taney as a rule of law. Lincoln stated that slavery should be abolished in the territories in spite of the doctrines of the Court and that the opinion of the Court should be reversed by peaceful methods. Such are the strange analogies of history.

ORDINANCE OF 1787. What is now Illinois, Ohio, Indiana, Michigan, Wisconsin, and Minnesota was known in the early days of our country as the Northwest Territory. Some of the original 13 states, laid claims to portions of this vast domain, feeling that sales of land in this area would give them some revenue with which to pay their share of the Revolutionary debt. Other states, having no claims to any part of the area objected. Finally it was turned over to Congress under the Articles of Confederation to be administered for the benefit of all states. Three ordinances were passed by Congress to handle this territory. The first, in 1784 provided that territories organized in this area should ultimately be admitted as states with the same rights as the original states. The second in 1785 provided for surveys so that counties, towns, farms and school districts could be carved out. It forms the basis for the land descriptions that now obtain and as everybody knows lands are still described by Township, Range and Principal Meridian. Despite these two ordinances, the Indians were still hostile and settlement of this area was difficult and dangerous. In 1786 a group of citizens met in Boston and organized the Ohio Land Company to colonize this area and speculate in land. They asked Congress to cede them some land, afford protection, and set up a territorial government. Congress was indifferent. They sent a minister named Cutler to New York to deal with Congress. He did. The result was the Ordinance of 1787 to administer this territory by a governor and the necessary courts. On May 24th, the House passed a Resolution appropriating \$100,000 to celebrate the 150th Anniversary of the adoption of the Ordinance of 1787. The following notation on Rev. Cutler's personal journal in 1787 is of interests. "We obtained the grant of nearly 5 million acres ... one million and a half for the Ohio Company and the remainder for private speculation, in which many of the principal characters of America are concerned. Without connecting this speculation, similar terms and advantages could not have been obtained by the Ohio Company." The government received about 8¢ per acre for the land.

THE RECORD. On June 3, the 74th Congress had been in session for 5 months. What have they done in all that time? Stripped of all inessentials, there is the record. Passed ten Appropriation Bills to provide funds for the various departments such as War, Navy, Labor, Justice, Treasury, Commerce, Interior,

Independent Offices, District of Columbia, Deficiency and the Legislative Branch. Passed the \$4,880,000,000 Work Relief Bill. Passed a Bill to amend the Home Loan Bank Board System, the Federal Housing Act, and the Home Owners Loan Act. Under the latter, 30 additional  $1\frac{1}{2}$  billions of dollars were made available. Extended the life of the RFC and granted additional powers to make loans. Repealed the pink slip provision of the Income Tax Act. Passed by the House and now pending in the Senate are the Banking Act of 1935, the Social Security Bill, and a bill to take the Profits Out Of War. Passed the Patman Soldier's Bonus Bill which was vetoed by the President and failed to override the veto. Senate passed the NRA Act which was killed by the Supreme Court. Passed the Farm Credit Bill of 1935 lowering interest rates on farm loans. Passed an emergency crop and seed loan act. Passed several hundred bills of no national importance such as private claims, extending time for building bridges over navigable streams, establishing national parks, Indian affairs, etc.

THE MUST PROGRAM. Toward the end of the first session of the 73rd Congress, President Roosevelt coined the phrase "must legislation," meaning measures which must be passed before Congress adjourned. In both the first and second sessions of the 73rd Congress, some of the "must" measures were abandoned. A new "must program" has appeared as the 74th Congress swings into its sixth month of continuous session. From all reports it includes (1) The Banking Bill now pending in the Senate, (2) The Social Security Act now pending in the Senate (3) The Wagner Labor Disputes Bill which passed the Senate and is now pending in the House. (4) The Wheeler-Rayburn Bill to abolish and regulate Public Utility Holding Companies which is pending in both Houses of Congress (5) a skeleton NRA Bill to permit the study and research groups of the NRA to continue their work so as to lay a foundation for some future proposal (6) The Guffey Bill to regulate the soft coal industry. How much of this "must" program may be abandoned will probably be determined by time, the summers' heat, the reactions of the people, and the attitude of the House and Senate on these measures. If the Senate should defeat the Wheeler-Rayburn Bill, it would not come up for action in the House.

THE WAR DEBT STALEMATE. On June 15th, 1935, there will be due the United States from the allied nations of Europe a semi-annual installment of \$166,000,000 on the so-called War Debts. Judging from past experience, it is safe to say that Finland alone will pay her installment which amounts to less than \$200,000. As for the rest of the nations, this debt constitutes a delicate problem. The original debt was 12 billion. A Debt Funding Commission appointed to negotiate with European nations scaled it down to 7 billion and drew up a schedule for payment extending over 62 years with a lower interest rate. Still, the European nations did not pay and hit upon the device of making so-called "token payments" to prevent them from being in default but Congress wrote a provision into a bill stating that failure to pay the full installment due plus all overdue installment would constitute default. Sentiment on War Debts is divided roughly into three classes: (1) Those who insist on full payment (2) those who favor cancellation and (3) those who favor waiting until the depression is over. Those who insist on full payment argue that we helped the allies win the war, that we entered at our own expense, that we got nothing out of the war, that we have even denied cash payment of the Bonus to our own soldiers and that Europe should pay. Those in the second group argue that cancellation will revive world trade and stimulate employment. Those in the third group feel that lack of currency stabilization everywhere in the world plus the fact that other nations are also in the slough of depression makes it advisable to wait. A real difficulty is this: War Debts like all international debts must be paid in gold and the allied nations do not have the gold. On the other hand, proposals to have them pay us in merchandise are resisted because it will only aggravate our unemployment problem. Now comes Senator Tydings of Maryland with a proposal for an international conference to (1) determine on a reasonable cash settlement of war debts to be paid over a period of 12 years (2) a five year holiday on arms construction (3) stabilization of currencies by international agreement (4) revival of world trade. So what?

MATCHES. Some years ago, Ivar Kreuger, brilliant young Swedish Match King and international financier died. Shortly after came disclosures of financial intrigue thru which Americans lost hundreds of millions of dollars in securities that turned out worthless. Ivar Kreuger is no more but his corporate brain-children, the Swedish Match Company, International Match Co. and Kreuger & Toll

are being reorganized. Just at present they are trying to take advantage of our Reciprocal Trade Treaty program and secure a 50% cut in the tariff on matches. Recently, the Swedish, Russian and Japanese match industrialists met in London, determined on splitting five million units of matches for export to the United States and are now laboring hard to have the duty reduced. If successful, they will grab off 62% of the American consumption of matches because they can pay the duty, tax and freight and sell matches over here for 54¢ per gross of small boxes whereas the American cost of producing a gross of such matches is 66¢. This arrangement would affect match workers, lumbermen, farmers, chemical workers, and paper workers. Illinois has four match factories.

NRA IN A NUTSHELL. In June 1933, Congress passed the National Industrial Recovery Act giving to the President, power to set up codes of fair competition or permitting trade groups and associations to make their own codes and submit them to the President for approval. Under this authority, there was created The National Recovery Administration with headquarters in Washington to supervise and administer this act. Trade groups then got together such as wholesale bakers, coal operators, steel manufacturers, textile mills, retail grocers, hotels and others and thru their representatives drew up and approved a code of fair competition which in a general way, recited who was included in the code, wage, hour and child labor provisions, trade practices, what they could do and what they could not do. Each such group then set up a Code Authority made up of a few members from that trade, of their own choosing who should administer the code. Each trade also set up Regional Code Authorities in different parts of the country to help in the administration. Both Code Authority and Regional Code Authorities received pay from assessments levied on all who came within the provisions of the Code. Thus in the Trucking Code, each truck had to buy a Blue Eagle plate and pay an annual fee of \$2.00. Hotels paid a certain amount per room. Code Authorities and Regional Code authorities had authority to hire investigators to check up and see that the codes were being obeyed. If a merchant or manufacturer violated his code by engaging in unfair trade practices, price cutting, working his employees overtime, etc., he was reported to the Regional Code Authority who heard the case, reported to the Code Authority in Washington, who in turn reported to the National Recovery Administration, who in turn could take away the Blue Eagle, impose or fine, etc. Under this Act, all rules and regulations had to be approved by the President. They were therefore Executive decrees or orders. It is estimated that 5000 laws have been promulgated by the Executive Departments, violation of which would constitute a crime and that over 17,000 rules and regulations were issued dealing with business conduct. It is estimated that it cost 41 million dollars to administer these codes.

REFLECTION. If the Administration sponsors a tax bill substantially increasing taxes on inheritances, gifts and estates for the purposes of redistributing wealth, it will give Senator Huey Long a splendid opportunity to say "I told you so."