Mr. Pou. Mr. Speaker, by direction of the Committee on Rules I submit a privileged report (No. 902), which I send to the Clerk's desk.

The SPEAKER pro tempore. The Clerk will report it.

The Clerk reads as follows:

House resolution 487.

Resolved, That immediately upon the adoption of this resolution the House shall resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 13274; that the amendment reported by the committee shall be read and considered in lieu of the original bill; that there shall be not exceeding three hours of general debate, to be equally divided between the two parties opposing the bill, which debate shall be confined to said bill, at the end of which time the bill shall be read for amendment under the first minute rule, and at the conclusion of such reading the committee shall rise and report the bill to the House, together with the amendments, if any, whereby the report has been made. The committee shall then adjourn. The House may, upon adjournment, take up the bill and all amendments thereto and determine on the same, without intervening motion or comment. A motion to reconsider the vote on any amendment shall be made without debate.

Mr. Pou. Mr. Speaker, I ask unanimous consent that the debate be determined.

Mr. Little. Mr. Speaker, I rise to a point of order.

The SPEAKER pro tempore. The gentleman will state it.

Mr. Little. Mr. Speaker, I make the point of order that this bill was improperly referred to the Committee on Military Affairs, which had no jurisdiction over it, and that the Committee on Rules had no jurisdiction to report upon it at this stage and it is improperly before the House, and I would like to be heard on it.

The SPEAKER pro tempore. The Chair will hear the gentleman. We will get exactly the point of order that is made by the gentleman from Kansas.

Mr. Little. Mr. Speaker, the point I make is that this bill was improperly referred to the Committee on Military Affairs, which never acquired any jurisdiction of it, and that by the method of procedure employed as yet the Committee on Rules has acquired no jurisdiction of it and has no authority to present it here, and it cannot be considered by the House as yet.

The SPEAKER pro tempore. Well, now, the Chair will state to the gentleman that the point of order on which he would like to hear from the gentleman from Kansas is as to the question of jurisdiction of the Committee on Rules. The other question can be determined later.

Mr. Little. Mr. Speaker, that is the point to which I was expecting to address myself. Section 4 of Rule XXI provides that no bill for the payment or adjudication of any private claim against the Government shall be sent to any committee other than four or five named there. The Committee on Military Affairs is not one of those committees. It is specifically omitted. For that reason the Military Affairs Committee never acquired any jurisdiction of this bill. That committee could not report it, and the Committee on Rules could not report it, and that by the method of procedure employed as yet the Committee on Rules has no jurisdiction of it and has no authority to present it here, and it cannot be considered by the House as yet.

Mr. Pou. Mr. Speaker.

The Speaker. Mr. Pou. Mr. Speaker.

Mr. Pou. Mr. Speaker, I rise not to be interrupted; the gentleman will have ample opportunity to reply.

Mr. Pou. Mr. Speaker.

The Speaker. Mr. Pou. Mr. Speaker.

Mr. Little. Now, as to that point, that point has been ruled on some time ago. I raised a similar point, in my amendment to a private bill, the same committee that was not entitled to jurisdiction, and the Chair held against me. The Chair evidently had not read 15 or 20 precedents the other way, to which my attention has now been directed. Hinds, section 4382, says:

The erroneous reference of a private bill to a committee not entitled to jurisdiction does not constitute it, and that not to the Committee to which the bill comes up either in the House or in the Committee of the Whole, the proper reference of House bill 13274. That which is before the House at this time is the resolution reported from the Committee on Rules, House resolution 487.

Mr. Little. Mr. Speaker, I am quite as familiar with that as the Chair is. I am reasonably well informed on it. That is the point. I say you had no business to bring it in here, and I am taking the first step on the stairs, and when I get to the top of the stairs I hope the Speaker will be with me; if not, very well. I will then have a decision on it. First, I have established that the Committee on Military Affairs had no jurisdiction of it, and they are the people who brought it to you, and I have now established the fact that the point of order that they had no jurisdiction is in order at this time. Mr. Speaker Crisp ruled on that and on that:

Mr. Joseph D. Sayers, of Texas, made the point of order that the bill was improperly referred to the Committee on Public Lands, and that to which the Chair had no jurisdiction and the Speaker Crisp ruled on that that the point of order that the bill was improperly referred to the Committee on Public Lands, and that to which the Chair had no jurisdiction and the Speaker Crisp ruled on that that the point of order that the bill was improperly referred to the Committee on Public Lands, and that to which the Chair had no jurisdiction and the Speaker Crisp ruled on that that the point of order that the bill was improperly referred to the Committee on Public Lands, and that to which the Chair had no jurisdiction and the Speaker Crisp ruled on that.

The Speaker sustained the point of order, holding in part as follows:

Therefore the Chair thinks that a private bill referred under clause 1 of any other and prior to any clause in that the House resolution 4382 of Hinds' Precedents, it says:

It does not make any difference what the Rules Committee would do with it. It can not be reported, under this ruling, by the Military Affairs Committee anyway, and they could not have taken it to them. But to continue:

And it seems to the Chair that the only time when the questions come up in this case when the bill is not to come to the Committee on Military Affairs, because these bills are reported just as they are introduced, through the box, and it does not come to the attention of the Chair until they are called up for consideration. The Chair never sees them or knows about them, because they are not presented as reports or public bills in the open House, but they come in through the box.

The Speaker also stated that when a point of order shall be made that a private bill on the calendar had been reported by a Committee on Rules that it shall be reported the same, the Chair would, if the point be made before the House, and the Committee had been entered upon, to give such bill be recommended to the Committee improperly reporting it for appropriate action under the rules of it.

The SPEAKER pro tempore. Can the gentleman give the citation of that?

Mr. Little. This is section 4382 of Hinds' Precedents. I thought I stated when I began reading.

On March 4, 1888, the House was in Committee of the Whole House considering the Private Calendar. They had passed from the House into the Committee of the Whole. Mr. Dalsell made the point of order that the bill was not properly within the Committee of the Whole when the Committee of the Whole had reported it, and the Chair held that it was not and that the point was raised in the Committee of the Whole that had no place there. If this Committee on Claims is to have the jurisdiction, this bill should go into the Committee of the Whole, and the House will have a decision on it. In my opinion, the only time when the questions come up in this case when the bill is not to come to the Committee on Military Affairs, because these bills are reported just as they are introduced, through the box, and it does not come to the attention of the Chair until they are called up for consideration. The Chair never sees them or knows about them, because they are not presented as reports or public bills in the open House, but they come in through the box.

The Speaker also stated that when a point of order shall be made that a private bill on the calendar had been reported by a Committee on Rules that it shall be reported the same, the Chair would, if the point be made before the House, and the Committee had been entered upon, to give such bill be recommended to the Committee improperly reporting it for appropriate action under the rules of it.

The SPEAKER pro tempore. Will the gentleman permit the Chair to ask you to answer some questions?

Mr. Little. I prefer not to be interrupted; the gentleman will have ample opportunity to reply.

Mr. Pou. All right.

Mr. Little. Now, as to that point, that point has been ruled on some time ago. I raised a similar point, in my amendment to a private bill, the same committee that was not entitled to jurisdiction, and the Chair held against me. The Chair evidently had not read 15 or 20 precedents the other way, to which my attention has now been directed. Hinds, section 4382, says:

The erroneous reference of a private bill to a committee not entitled to jurisdiction does not constitute it, and that not to the Committee to which the bill comes up either in the House or in the Committee of the Whole.
The Chair held with him. The French spoliation claims were a class, just as the claims involved here are a class. If the bill is a private bill, and it brings in French spoliation claims as private claims, the bill must show, as a bill taking up these bills as a class, and the pertinacy makes a parallel, as I think will be conceded by any fair-minded man. If so, that matter is disposed of. This bill, Mr. STAFFORD, if you return to 4831, you will find that Hinds says:

A bill to provide a commission to settle claims against the Government of France, involving several billions of dollars. The Committee on Claims and have them investigate it."

Now, I wish to say a word about the principles upon which are based the rules which I have suggested, and the reason why, to overrule this point of order would be in effect a destruction of all those rules. It is simply methodical. These rules are made, of course, as you all know, for the purpose of protecting and safeguarding the Treasury of the United States when such bills as this come forward.

A bill which applies to a class and not to individuals as such is a public bill. A private bill is a bill for the relief of one or several specified persons, corporations, institutions, etc., and is distinguished from a public bill, which relates to public matters and deals with individuals only by classes.

The Chair. The private claims bill, so is a bill taking up these bills as a class, and the pertinacy makes a parallel, as I think will be conceded by any fair-minded man. If so, that matter is disposed of. This bill, Mr. STAFFORD, if you return to 4831, you will find that Hinds says:

A bill to provide a commission to settle claims against the Government of France, involving several billions of dollars. The Committee on Claims and have them investigate it.

Mr. STAFFORD. Mr. Speaker, may I present two or three statements made by the Rules Committee.

Mr. McKENZIE. Mr. Speaker, I am not going to take the time of the House to undertake to make a parliamentary argument. That is not my forte, and the question of enacting the legislation is a matter perhaps I think this thing, more than any bill that has been before the House for years, should be proceeded with in a careful and orderly manner before we authorize somebody who has already violated the law to pay out billions of dollars, as this will, in 30 days, as they expect, according to the rule, the French department that has thus violated the law to pay out billions of dollars, as this will, in 30 days, as they expect, be done. Money is hard to get, Mr. Speaker, and the American people have paid taxes enough, "sight and unseen."

I do not think this House should ever pay out billions of dollars and the French and without knowing what they are for. It is our duty to interpret the rules of this House, not loosely but strictly now, in defense of the taxpayers.

I want to leave that thought, including this suggestion in regard to this matter, to show just briefly in review that I think this thing, more than any bill that has been before the House for years, should be proceeded with in a careful and orderly manner before we authorize somebody who has already violated the law to pay out billions of dollars. We have rules such as I have outlined and should use them. I ask that this bill be declared out of order and referred to the Committee on Claims and have them investigate it.
The Bureau of Internal Revenue is a part of the Department of the Treasury of the United States, which is a federal government department. It is composed of the Commissioner of Internal Revenue and other assistants who are appointed by the President with the advice and consent of the Senate. The Commissioner of Internal Revenue is responsible for the administration of the Internal Revenue Code, which is a comprehensive federal income tax law. The Commissioner and his assistants have the power to collect taxes, issue refunds, and carry out various other related tasks. They also have the power to make regulations necessary for the proper administration of the law. These regulations are known as Revenue Procedures and Revenue Rulings. They are published in the Federal Register and can be obtained from the Internal Revenue Service. The Commissioner and his assistants are also responsible for enforcing the tax laws, including those related to withholding and payroll taxes. They have the power to impose penalties for failure to comply with the tax laws and rules. They also have the power to issue letters of credit to certain taxpayers. These are essentially private agreements between the taxpayer and the government that allow the taxpayer to settle a tax liability in a more favorable manner. The Commissioner and his assistants also have the power to settle disputes between taxpayers and the government through the use of alternate dispute resolution procedures.
When America entered the war there were patriotic citizens who offered their all, who said to the Government, "Here is my business; take it." It was not an uncommon thing for a man who considered himself to be a large business to voluntarily surrender that business to the Government.

Suddenly the armistice was agreed to. Now it is of the utmost importance to these men that they be put back on a peace basis, yes, I am informed that the fact that the larger number who have been in the war are not put back until after the settlement with the Government. We have got to trust some one in the adjustment of these matters. There is always a danger that there may be a mistake in the settlement of these cases by the Government.

Mr. DILLON. Will the gentleman yield?

Mr. POU. Yes.

Mr. DENISON. Will the gentleman yield for a question?

Mr. POUl. For a question.

Mr. GREENE of Vermont. Will the gentleman explain upon what theory the claims could get larger?

Mr. POU. Well, men's memories are very elastic. Men forget about conditions. The gentleman from Illinois is a lawyer and knows how claims can grow. Witnesses who know about the Government know about the details. And that price agreed to in the beginning, the larger the amount the Government will pay. Any gentleman who has had experience to deal with claims against the Government knows that every day and every month matters of this kind are being rapidly demobilized. The persons are accessible, but the larger contractor was financed by the Government. He has gotten results far beyond the expectation of anyone, and his entire conduct has been above reproach.

Mr. DILLON. Will the gentleman yield?

Mr. POU. The very fact that they are illegal opens the door to any suggestion. That is true.

Mr. SNELL. Not now; if I have time later I will be pleased to yield. As far as the informality of these contracts is concerned they are just as legally binding on this Government, and this Government is just as much under obligation to pay for these claims as if they were the exact same in every way as the Government has used in the past. The comptroller has ruled that as long as these war supplies are not needed, it is not possible for the department to hold off a few days longer the contracts that the Comptroller has approved as a formal contract—that is, a contract that has been officially signed by the authorized representative of the Government and also by the individual contractor or corporation—and another which is known as an informal contract. And the only difference is, one has been all through all the red tape of the War Department, signed, sealed, and delivered, while the other has only been started on this long journey. The agreement has been made, or a contract approved, and in nearly all cases the contractors have begun the work, and if the armistice has been called off a few days later the contractors that the Comptroller has approved now rules as informal would have been completely signed and just the same as the others. The obligation and good faith of both contracting parties are exactly the same, only by cutting some of the red tape of the War Department and starting people working on these contracts before they were signed the department was able to expedite production of articles that were urgently needed by the Army.

There is absolutely nothing illegal about them. They are expressly not the same in the Government's expenditure of billions of dollars, and all the department is asking for is that they be put in the Government's expenditure of billions of dollars. That is the whole point of the legislation known as the Army contract bill. I listened very carefully to the statements made by Secretary Baker and his Assistant Secretaries, and the Committee on Claims. It is the same if he has had experience in dealing with claims against the Government, every day and every month matters of this kind are being rapidly demobilized. The persons are accessible, but every month that the settlements are put off the Government is the sufferer.

Mr. SNELL. Not now; if I have time later I will be pleased to yield. As far as the informality of these contracts is concerned they are just as legally binding on this Government, and this Government is just as much under obligation to pay for these claims as if they were the exact same in every way as the Government has always been and held off a few days longer the contracts that the Comptroller has approved as a formal contract—that is, a contract that has been officially signed by the authorized representative of the Government and also by the individual contractor or corporation—and another which is known as an informal contract. And the only difference is, one has been all through all the red tape of the War Department, signed, sealed, and delivered, while the other has only been started on this long journey. The agreement has been made, or a contract approved, and in nearly all cases the contractors have begun the work, and if the armistice has been called off a few days later the contractors that the Comptroller has approved now rules as informal would have been completely signed and just the same as the others. The obligation and good faith of both contracting parties are exactly the same, only by cutting some of the red tape of the War Department and starting people working on these contracts before they were signed the department was able to expedite production of articles that were urgently needed by the Army.

There is absolutely nothing illegal about them. They are expressly not the same in the Government's expenditure of billions of dollars, and all the department is asking for is that they be put in the Government's expenditure of billions of dollars.
the material contracted for of the various individuals throughout the country on account of these contracts as it is on account of a contract which has been fully signed and executed. Our moral and legal obligation is just exactly the same, but our obligation of course in the case of any contract that has not been fully signed is so that we can immediately settle up its war contracts and give the various contracts which are being to us under the able direction of the War Department have not been fully executed, and as I look at it the only thing they want to do is to be allowed to settle them up and that I believe is the sensible and businesslike thing to do. With these speculations of the foreign situation, as we have millions of dollars of contracts over there, and the large majority of them, according to the comptroller's ruling, are informal ones.

For instance in Great Britain three kinds of contracts: First, a contract direct with the British Government for artillery, which can only be purchased from the Government; second, contracts which were placed for us by the British with the manufacturers; they were simply our agents, and of these there are a very great number; third, contracts of more recent date, which have been placed with British commercial houses by the British Government for us, but made on their own responsibility, with the understanding that we would stand back of them. Now, all these English contracts have termination clauses, which the British Government are taking advantage of, and they will settle ours in the same way if we will only give the War Department power to go ahead and settle them. They are at the present time settling their contracts with the individual contractors by paying them about 10 or 12 percent. If they had a contract with a man or a corporation for $100,000 worth of supplies, none of these supplies would be delivered, but the contracting party having entered upon the manufacture of the same, they would go to the company and say, "Here, we will pay you $10,000 or $12,000; you keep all your profits, and we to keep the balance from any further transactions in regard to the contract." We can settle all of our contracts on practically the same basis if you give the War Department authority to act, and act now. And I am frank to say that if we can get out of these foreign contracts on that basis, that is as cheap a settlement as you will ever be able to make, and one that should be entirely satisfactory to our Government. On the other hand, if we do not accept this plan, then these young men who are doing a great deal of this work and are ready to deliver to us hundreds of millions of dollars' worth of supplies and equipment of various kinds that we have absolutely no use for whatever and will be practically a dead loss to the Government.

Mr. GORDON. Mr. Speaker, the gentleman does not claim anybody would deliver any supplies under the contracts covered by this bill, because they are not contracts at all?

Mr. SNELL. That is exactly what I mean. The gentleman may have his time later. Let me make my statement in my own time. These contracts were entered into in good faith by the Government and morally and legally are binding on the American people as they would be if they had all the seals of the War Department of Washington on them, and you will find they are so considered by the British Government.

In France, Italy, Spain, and Switzerland we also have similar contracts that must be settled, and there is no possible way of settling them except by some special legislation, and I maintain it is economy on the part of this Government to act at once and get out from under these foreign contracts as quickly as possible; that it is better to pay a few hundred thousand to settle than to continue hundreds of millions of dollars' worth of contracts for supplies in a foreign land that we cannot use, and we are entirely convinced that we can settle every one of our contract obligations now cheaper than we can at a later date, and the longer they go the more it will cost the Government.

For instance in the case of any country, to our own country rightly demand to know what the immediate policy of the Government is toward its contractors. The larger part of our manufacturing power has been devoted to Government work. Thoroughly and entirely capitalized, tied up or obligated on these Government contracts, and they can not adjust themselves to peace-time industry or start their normal activities until they get their pay from the Government, and it is very proper that they get to get their pay from the Government and contracts satisfactorily disposed of, and early data a large number will be forced to suspend activity for the present.

Suspension of activity by any of our industries at the present time would be one of the greatest calamities that could possibly befall us. The question of surplus labor and what to do with the discharged soldiers and the thousands of men let out by munition, shipping, and various war manufacturers is most serious at the present time, and I know of no one thing that will go further toward solving the labor problem than the enacting of some enabling legislation whereby the War Department can begin to employ this surplus labor in the channels of legitimate peace industries.

Therefore I maintain by passing this enabling act you will not only save money for the Government but you will do something that will prove a positive advantage to the labor situation during the reconstruction period.

I am willing to join with you in placing all the safeguards possible around it, and no one can successfully contend but that this legislation is needed, and if there is any fault anywhere, it will be in the administration of the act rather than in the enabling principle contained in the act itself and for which I am contending at this time.

Mr. LANGLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the Record on the life of Col. Roosevelt. The SPEAKER pro tempore. Mr. Speaker asks unanimous consent to extend his remarks in the Record on the life of Col. Roosevelt. Is there objection?

There was no objection.

Mr. FOSTER. Mr. Speaker, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, I have asked for this time in order to call the attention of Members of the House to two matters which I deem of importance. One is a hardship which some men in our Navy now seem to be undergoing after having their discharge withheld under false pretense. The fact is that they are indebted to the Navy in a small sum and are kept in the service until they settle the account owing to the Government, illustrated by the following letter, which I have received from a young Concho County, Texas, constituent:

Mare Island, Cal., December 31, 1918.

Hon. Thomas L. Blanton,
Washington, D. C.

Dear Congressmen: I desire to call your attention to a rule in the Navy that is working quite an injustice with many who have had their applications for discharges approved by the proper authorities. Many of these men have made allotments out of their salaries to their parents. They have taken out insurance, and it all leaves them with only two or three dollars each. When applications for discharge are already approved, if they are a little in debt to the Government they can pay the debt only by serving it out. Since their salary is all taken up except a few dollars it may take quite a while in some cases to pay this amount to the Government.

I wouldn't be trusted with this small sum, when it would mean so much to the men who bought more bonds than they were really able to pay for.

I call this to your attention, believing that it is your wish to aid these men in the service who have given their time and all to aid democracy.

Thanking you in advance, I am, your friend,
Emily H. Swain.

Mr. BLANTON. Mr. Speaker, I have not; but that leads me to another matter. Several months ago I received a telegram from one of my constituents in Ovalo, Tex., asking for a report on a young sailor named Enoch Silsbee, whose company number was 1137, and so on. I called on The Adjutant General's Department for a report. It reported to me from the casualty branch that no casualty has occurred to this sailor, and so I wired the adjutant general at the time, and in a few days received by mail from my constituent in Ovalo, Tex., the following telegram, dated October 2, 1918, from The Adjutant General's office advising that the soldier had been
seriously wounded in France on September 17, 1918, sent by the department several weeks previous to their report to me of no casualty.

Mr. REEDER S. SHAW, 226 South Fifth Ave., Tex.

Deeply regret to inform you that it is officially reported that Pvt. Clyde Enoch Shaw, Infantry, was severely wounded in action September 17. Department has no further information.

HARRIS, Acting The Adjutant General.

I then by telephone called upon the department time and again for them to ascertain and report to me what had become of this soldier, who was severely wounded September 17, 1918, but could not get any information. Finally, on December 19, 1918, The Adjutant General on December 19, 1918, the following letter:

HARRIS, Acting The Adjutant General, Washington, D. C.

Mr. DEAN HARRIS: I herewith inclose a letter from one of my constituents, Miss Nesta Sha, of Ovilo, Tex., requesting information concerning her brother, about whom I have had several conversations with your office over the telephone during the past four weeks. Five letters have been given in this letter identifying this matter, and the family is very uneasy about him, and inasmuch as several incorrect reports were given me by the casualty division of your office, increasing their suspense, I ask you to kindly give me a definite, correct report as to his present condition.

If it is possible for you to do so, I would like for you to cable for definite information, if same is necessary.

Very sincerely yours,

THOMAS L. BLANTON.

Not getting a reply, I continued to telephone the casualty branch of The Adjutant General's Department, but the only information I could get was that Clyde E. Shaw was severely wounded September 17, 1918. Finally, on January 3, 1919, I received the following letter from The Adjutant General advising that all the information he could give was that Clyde E. Shaw was severely wounded on September 17, 1918, and he referred me to the Red Cross here in Washington for further information.

For more information concerning his condition his sister should write to Bureau of Communication, American Red Cross, Washington, D. C.

Mr. BLANTON. I ask unanimous consent for two additional minutes.

Mr. BLANTON. I think he can pass upon it, because if he had the right to make the contract in the first place he has the right to adjudicate it now.

Mr. McCULLOCH. Will the gentleman yield?

Mr. BLANTON. I do not know; but, as I say, this is in the hands of the War Department, and we ought certainly to be able to get information concerning a man who has been wounded since BLANTON, Yes, and I am getting tired of making the demand for information that the mother and the father of the soldier are entitled to receive and having my letter sidetracked and pigeonholed for a month and a half and not getting any reply. [Applause.]

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

Mr. BLANTON. I do.

Mr. JUUL. Does not the gentleman know the cables have been pretty busy reporting the festivities abroad?

Mr. BLANTON. I want some action to be taken. I want my constituents, the mother and father, to be able to get information concerning a man who has been wounded since LITTLE. Will the gentleman yield?

Mr. LITTLE. Does the gentleman think a department that can not keep track of the people who were killed is a competent department to pass upon four billions of claims in 30 days?

Mr. BLANTON. I think he can pass upon it, because if he had the right to make the contract in the first place he has the right to adjudicate it now.

Mr. LITTLE. I am glad to get the gentleman's view.

Mr. REEDER S. SHAW. If this is the last recourse, then in my judgment there is something wrong with the efficiency of such a system. If this was the only case of instances I have been unable to get definite information from your department. I might not complain. But in numerous instances the casualty branch of your department has reported to my office by telephone that it had no such information concerning the father of the soldier. When I have telephoned upon such a report I have sent a telegram to the relatives of such soldier that he had either been severely wounded or killed.

I will thank you for a prompt answer.

Very sincerely yours,

THOMAS L. BLANTON.

Up to this good day I have not received a reply. Since their notification October 2 that Clyde Shaw had been seriously wounded in France on September 17, the family of this soldier has been waiting in vain, for months and months. It is our duty to help them in their inquiry.

Mr. REEDER. I want to ask the gentleman about the Red Cross. Do they say they are permitted to use the cables to inquire about wounded soldiers?

Mr. BLANTON. I do not know; but, as I say, this is in the hands of the War Department, and we ought certainly to be able to get information concerning a man who has been wounded since BLANTON, Yes, and I am getting tired of making the demand for information that the mother and the father of the soldier are entitled to receive and having my letter sidetracked and pigeonholed for a month and a half and not getting any reply. [Applause.]

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

Mr. BLANTON. I do.

Mr. JUUL. Does not the gentleman know the cables have been pretty busy reporting the festivities abroad?

Mr. BLANTON. I can not help that, but I think we ought to be able to get this information from the War Department and ought not to be referred to the Red Cross for it.

Mr. McCULLOCH. Will the gentleman yield?

Mr. BLANTON. I do.

Mr. McCULLOCH. The gentleman's experience is no different, I apprehend, from the experience of every other Member. Does the gentleman expect to introduce a resolution so as to get some results about it or is he satisfied that the mother and the father of the soldier are entitled to receive and having my letter sidetracked and pigeonholed for a month and a half and not getting any reply. [Applause.]

Mr. JUUL. Does not the gentleman know the cables have been pretty busy reporting the festivities abroad?

Mr. McCULLOCH. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. McCULLOCH. The gentleman's experience is no different, I apprehend, from the experience of every other Member. Does the gentleman expect to introduce a resolution so as to get some results about it or is he satisfied that the mother and the father of the soldier are entitled to receive and having my letter sidetracked and pigeonholed for a month and a half and not getting any reply. [Applause.]

Mr. JUUL. Does not the gentleman know the cables have been pretty busy reporting the festivities abroad?

Mr. McCULLOCH. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. McCULLOCH. The gentleman's experience is no different, I apprehend, from the experience of every other Member. Does the gentleman expect to introduce a resolution so as to get some results about it or is he satisfied that the mother and the father of the soldier are entitled to receive and having my letter sidetracked and pigeonholed for a month and a half and not getting any reply. [Applause.]

Mr. JUUL. Does not the gentleman know the cables have been pretty busy reporting the festivities abroad?

Mr. McCULLOCH. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. McCULLOCH. The gentleman's experience is no different, I apprehend, from the experience of every other Member. Does the gentleman expect to introduce a resolution so as to get some results about it or is he satisfied that the mother and the father of the soldier are entitled to receive and having my letter sidetracked and pigeonholed for a month and a half and not getting any reply. [Applause.]

Mr. JUUL. Does not the gentleman know the cables have been pretty busy reporting the festivities abroad?

Mr. McCULLOCH. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. McCULLOCH. The gentleman's experience is no different, I apprehend, from the experience of every other Member. Does the gentleman expect to introduce a resolution so as to get some results about it or is he satisfied that the mother and the father of the soldier are entitled to receive and having my letter sidetracked and pigeonholed for a month and a half and not getting any reply. [Applause.]

Mr. JUUL. Does not the gentleman know the cables have been pretty busy reporting the festivities abroad?

Mr. McCULLOCH. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. McCULLOCH. The gentleman's experience is no different, I apprehend, from the experience of every other Member. Does the gentleman expect to introduce a resolution so as to get some results about it or is he satisfied that the mother and the father of the soldier are entitled to receive and having my letter sidetracked and pigeonholed for a month and a half and not getting any reply. [Applause.]

Mr. JUUL. Does not the gentleman know the cables have been pretty busy reporting the festivities abroad?

Mr. McCULLOCH. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. McCULLOCH. The gentleman's experience is no different, I apprehend, from the experience of every other Member. Does the gentleman expect to introduce a resolution so as to get some results about it or is he satisfied that the mother and the father of the soldier are entitled to receive and having my letter sidetracked and pigeonholed for a month and a half and not getting any reply. [Applause.]

Mr. JUUL. Does not the gentleman know the cables have been pretty busy reporting the festivities abroad?

Mr. McCULLOCH. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. McCULLOCH. The gentleman's experience is no different, I apprehend, from the experience of every other Member. Does the gentleman expect to introduce a resolution so as to get some results about it or is he satisfied that the mother and the father of the soldier are entitled to receive and having my letter sidetracked and pigeonholed for a month and a half and not getting any reply. [Applause.]

Mr. JUUL. Does not the gentleman know the cables have been pretty busy reporting the festivities abroad?

Mr. McCULLOCH. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. McCULLOCH. The gentleman's experience is no different, I apprehend, from the experience of every other Member. Does the gentleman expect to introduce a resolution so as to get some results about it or is he satisfied that the mother and the father of the soldier are entitled to receive and having my letter sidetracked and pigeonholed for a month and a half and not getting any reply. [Applause.]

Mr. JUUL. Does not the gentleman know the cables have been pretty busy reporting the festivities abroad?

Mr. McCULLOCH. Will the gentleman yield?
made enormous investments of their own, enormous investments through capital or credit, going to their bank and bankers, and these funds they employed in the enlargement of plants and the acquisition of raw material, the hiring of labor at enormous figures, until the mighty wheels of industry of this country were set in motion. Before, and in the other contract let the War Department make with the Government, industry as never before on the face of this earth in all recorded time. They made this war machine so powerful and irresistible that we conquered the forces which were opposed to modern Chariots.

Now, when the Government said, "I am going to get this thing done and I will pay you for it," they had a "C" and a "Q" that was not crossed, and therefore the Comptroller of the Treasury rules, and properly so, that those sums of money which ought to be paid for this vast material which made up this mighty war machine cannot be paid because the exact wording of the statute has not been followed—the technical requirements provided by statute as to the proper officers to execute the contracts, or only memoranda instead of complete executed contracts, and so forth, notwithstanding the Government got full value and appropriated their products as contemplated.

It is honest to pay it. We, a Nation of 100,000,000 people, with $300,000,000,000 of wealth, owe this money to these American business men. We should pay them, and pay them immediately. We have broken down the mighty plant of German autocracy and the military machine which had been built up for 60 long years, and the excitement passes away and men become economical and critical. We can turn to the 7,000 inspectors and collect the losses. I did not make the contract, and I am not responsible for the contract, and s o forth, notwithstanding the Government got full value and appropriated their products as contemplated. I rather think I can not be condemned for doing it. If there is any condemnation, it would be on the War Department in not having the necessary comprehensiveness of the needs of the Government. The War Department is quite different from the usual contractors. In that case, and I am of the opinion that if the contractor would have been placed under suspicion at once. I n such case the War Depart­ment told him to go ahead and the formal contract will follow—should the contractor still refuse until he got the contract, when he proceeded with what he was asked to do, although the order may have gone over the telephone, with no written evidence of the supplemental authority, and no one would argue that he should suffer because he responded to the request. For he would refuse to do it under those circumstances we all know the contractor would have been subject to adverse criticism. But in the case of the other contract let the War Department make with the Government, the War Department is quite different from the usual agreement in that it sometimes took the form of an approach to commandeering. At least it was of the mandatory character.

Now, the clause from one of many cases, and it is but one of many very many cases, where an order was given by the War Depart­ment and the party said that he could not do it because he had not the necessary equipment, when the War Depart­ment told him to go ahead and the formal contract will follow. It was found the contractor could supplement his liability by improving the plant just slightly. Such an order in time of war meant really if he did not do it the Government might be called upon to do it, using the equipment after making the necessary changes. The general effect of such a situation was mandatory on the part of the contractor to put the equipment in, which necessitated an additional expense of no permanent value to the plant.

Mr. JULI. Will the gentleman yield for a question?

Mr. FESS. In a moment. And if the contractor would refuse to respond, he would again be subject to adverse criticism on the basis that he was not taking the necessary steps to bring the necessary raw material industry in this Nation going with prosperity; they paid out the money to the workmen of the Nation at high wages and enabled them to keep pace with the high cost of living; but unless they can collect the losses, the costs, and their profits, their expenses so extensive that they can not borrow again. It is simply common honesty to pay these men inasmuch as you invited them to furnish their money, plants, ingenuity, resources, and experience, all of which were mobilized in this mighty American cause. Just as we invited them to do that, so now we ought promptly to settle their just accounts so that they can run their businesses. [Applause.]

Mr. CAMPBELL of Kansas. Mr. Speaker, I yield 10 minutes to the gentleman from Ohio [Mr. FESS].

Mr. FESS. Mr. Speaker, I did not oppose the report on the rule, but I did ask for time enough to examine into the claims of the proponents of the bill in order that I might vote intelligently. I have no doubt now as to what we ought to do, because these contracts or agreements that have been technically spoken of as illegal are not illegal in the sense that they are without just grounds for fulfillment and are therefore unjustifiable or unlawful, except that the terms of the contract were not written and fully set out, but are supplemental through additional authority, sometimes given over the phone, and at other times by personal instruction without a formal contract, as required by law, and at other times by letter which might alter or modify a former understanding which could not well have been ignored. There is no doubt in my mind about our justification in making these informal agreements legal in a technical sense, now are illegal because of the terms of the contract, and should have made that protection a condition of his agreement to respond to the Government's needs, he would have been placed under suspicion at once. In such case the War Depart­ment told him to go ahead and the formal contract will follow, and should have made that protection a condition of his agreement to respond to the Government's needs, he would have been placed under suspicion at once. In such case the War Depart­ment told him to go ahead and the formal contract will follow.

Mr. JULI. Will the gentleman yield for a question?

Mr. FESS. I n a moment. And if the contractor would refuse to respond, he would again be subject to adverse criticism on the basis that he was not willing to cooperate for this purpose.

Mr. JUTT. Now, in the case described by the gentleman from Ohio there would be a written memorandum on one side, at least, and probably on both sides.

Mr. FESS. Yes; quite likely that would be true.

Mr. JUTT. And if the Government made a proposition and that was accepted by a contractor there was a complete meeting of minds and a contract such as any honest man would respect. Is not that correct?

Mr. FESS. Assuming your premise is correct. I am basing my question on your statement. In the case stated by the gentleman from Ohio there was an actual offer made by the Government, and it was accepted by a contractor, and I would suggest in such case no honest legislator would want to not pay the bill.

Mr. FESS. I do not think anyone would refuse to pay a bill based upon such a contract, and it seems to me we ought not to hesitate in our duty, even though there is a lack of business sense or a looseness in the method of procedure on the part of the Government, and we ought to not harm some one who did nothing in the matter of the State because of the necessary or urgent nature of it.

Mr. JUTT. If he acted in good faith?

Mr. FESS. Yes; quite likely that would be true.

Mr. JUTT. And if the Government made a proposition and that was accepted by a contractor there was a complete meeting of minds and a contract such as any honest man would respect. Is not that correct?

Mr. FESS. Assuming your premise is correct——

Mr. JUTT. I am basing my question on your statement. In the case stated by the gentleman from Ohio there was an actual offer made by the Government, and it was accepted by a contractor, and I would suggest in such case no honest legislator would want to not pay the bill.

Mr. FESS. I do not think anyone would refuse to pay a bill based upon such a contract, and it seems to me we ought not to hesitate in our duty, even though there is a lack of business sense or a looseness in the method of procedure on the part of the Government, and we ought to not harm some one who did nothing in the matter of the State because of the necessary or urgent nature of it.

The Government's duty in the fulfillment of its obligations is clear even though there appear irregularities on the part of the Gov­ernment. The law of these irregularities is not the Government's in­competency, which is too apparent throughout this administra­tion, as attested in numberless cases, or whether due to a busi­ness too stupendous to be comprehended, should not be ground for discrimination against one who in good faith responded to the Government's needs.

Mr. JUTT. If he acted in good faith?

Mr. FESS. Yes; if he acted in good faith.

Now, I yield to my friend from Nebraska [Mr. Sloan].
Mr. GORDON. Has the gentleman received any evidence or does he know of any statement showing authoritatively what proportion of these informal contracts were entered into in the last five days preceding the 12th of November?

Mr. FESS. I do not have the information as to the proportion.

Mr. GORDON. It would be an important fact, would it not, to know when these claims were prepared and when they were signed?

Mr. FESS. I am of the opinion that that would not change the duty on the part of the Government to fulfill its obligation, to pay the obligation that the contractor had undertaken, especially if the contractor had no choice in his contract, as was often the case.

Mr. GORDON. It should probably prompt a special investigation, however, relative to it.

Mr. FESS. I reply to my friend that I am talking on why we submitted this rule and not on the merits of the bill. I am, however, of the opinion that there should be some amendments made to this bill.

Mr. LAZARO. Mr. Speaker, will the gentleman yield?

Mr. FESS. I yield to my friend.

Mr. LAZARO. Is it not a fact that any individual, any good business man, who would have a contract, as the Government did, under pressure, would want to settle these claims as soon as possible while his memory was fresh?

Mr. FESS. I am of the opinion that it would be rather unwise to allow any cumulative claims that might come with the lapse of time. We are all well aware of the case with which claims against the Government are filed, and I would also advise a state, although I did not intend to say it at this time, that the question of submitting these points to commissions might delay the adjustment, and it might, since with the lapse of time of settlement claims multiply, increase the expense, to the Government, however, with the different decisions before us, I am not wholly satisfied in my own mind that it would be wiser for the Secretary of War to undertake all of these adjustments himself, for many reasons, among which I mention one: Not longer ago than this noon I was told that out of the 4,000 officers housed here in Washington under the War Department in our temporary quarters on the Mall, from 40 to 50 of the men are about to be detached, to be attached to the Judge Advocate General's office, in order to pass on properly located in different sections of the country to make the adjustment of these claims before the proposed commission. I am also told that if that adjustment is not satisfactory to the parties in interest, they propose to appeal to the Court of Claims. I do not like that suggestion at all. However, that is somewhat extraneous and is a mere mention of the reported expectation of some of our many officers stranded here in Washington on Uncle Sam's pay roll.

Mr. GORDON. Mr. Speaker, to that last observation that the gentleman has made, I want to say to him that under this bill there can not be any appeal from the Court of Claims because the decision of the Court of Claims is final, so that the gentleman may rest assured as to that.

Mr. FESS. I think that is a good point, and evidently has not been detected by the parties quoted.

Mr. GORDON. I would like, since the gentleman has investigated this question so closely and is an authority on constitutional law.

Mr. FESS. Oh, leave that out——

Mr. GORDON. To know what the gentleman has to say as to the propriety, from the standpoint of the public, of having these claims submitted to judicial scrutiny?

The SPEAKER pro tempore. The time of the gentleman from Ohio has expired.

Mr. GORDON. Will not some gentleman yield to my colleague some time?

Mr. FOSTER. I will yield to the gentleman two minutes.

The SPEAKER pro tempore. The gentleman from Ohio [Mr. Fess] is recognized for two minutes more.

Mr. FESS. My colleague desires not to embarrass me, evidently, although that prefatory remark of his would indicate that he has some mischief in his make-up. [Laughter.]

Mr. GORDON. No; it is in good faith, I will say to the gentleman.

Mr. FESS. The adjustment of any point of dispute, I think, ought to entail the privilege of a judicial settlement.

Mr. GORDON. This does not, however.

Mr. FESS. For that reason I wish to me that anything we can do in the way of expedition so as not to bankrupt innocent men who have gone into this business in good faith ought to be resorted to immediately.

Mr. GORDON. But the gentleman forgets that the whole argument for this bill is that if you subject these claims to judicial scrutiny you are going to bankrupt the contractor.

Mr. FESS. Yes. That danger comes through delay of adjustment. The reason I looked with suspicion originally upon this curative legislation was that in the stress of war we so readily and often would think, if we were not in war, we would not do it at all, and we justify ourselves, and quite justifiably, on the grounds that we have no choice. This sense of compulsion excuses the most palpable and inexorable wastefulness. We pass over what ordinarily would look as if we have in mind such cases as the Hog Island situation, for example, where $21,000,000 was the original contract, afterwards increased to $27,000,000, and now we find that it has reached $61,000,000, or 300 per cent above the original agreement. When we urge that there ought to be expedience, we excelled ourselves. "Oh, my capacity is so limited that I must needs fight the war." That was a very popular thing to do and say. It was an expression of the determined will of the Nation to win at all cost. No one will find fault with the determination, but it can not be the shield of rank inefficiency and a wastefulness that is simply appalling, as is evidenced in every activity of the War Department, not only while the war was on, but even to-day. We must put on the brakes to this wastefulness, and I know it will be done in time, but it must not work an injustice to men who are carrying out agreements because of some technicality caused by the Government. We have got to adjudicate these differences with the best facility possible, and with the least expenditure, on the basis that it is a bad situation in which we have found ourselves, out of which we must emerge in the best way possible, and with the least injury to innocent parties.

The SPEAKER pro tempore. The time of the gentleman from Ohio has again expired.

Mr. FOSTER. Mr. Speaker, I yield five minutes to the gentleman from Mississippi [Mr. HUMPHREYS].

The SPEAKER pro tempore. The gentleman from Mississippi is recognized for five minutes.

Mr. HUMPHREYS. Mr. Speaker, I just wanted to ask some questions of somebody who is able to give me the information desired about this procedure. I gather that certain contracts were in process of negotiation when the armistice came. Now, if the armistice had not been signed for 30 or 60 days longer and these informal agreements had been entered into as they were. Following the procedure which the department had adopted heretofore, would they then have been properly executed? Mr. DENT. I suppose perhaps I may be able to answer that, in view of the fact that I heard the testimony before the Committee on Military Affairs and before the Committee on Rules. Of course, it was the purpose that these contracts should be executed in due form.

Mr. HUMPHREYS. And signed by the proper authorities?

Mr. DENT. Yes.

Mr. HUMPHREYS. What put a stop to that right?

Mr. DENT. The Court of Claims. The Court of Claims has ruled that the representatives of the Government, the officers of the Government, have no authority to ratify any agreement not formally executed at the time it was made.

Mr. HUMPHREYS. I understand that; but do the contracts end with the armistice?

Mr. DENT. Oh, no; indeed; the contracts do not end with the armistice.

Mr. HUMPHREYS. The right to contract, as I understand it, extends through the period of the war?

Mr. DENT. Undoubtedly.

Mr. HUMPHREYS. Well, is the war over? Is the war ended?

Mr. DENT. No; the war has not ended.

Mr. HUMPHREYS. Then why can not the official who would sign them now?

Mr. DENT. Because the Comptroller of the Treasury says he will not recognize any such contract.

Mr. HUMPHREYS. Is that because of the signing of the armistice?

Mr. DENT. No; because further production and delivery has been stopped.

Mr. GORDON. Let me give you an additional answer.

Mr. HUMPHREYS. I yield to the gentleman from Ohio.

Mr. GORDON. I will say to the gentleman from Mississippi that that precise question was put up to the Comptroller of the Treasury as to why these contracts could not be ratified by the department after the signing of the armistice, and I am advised that his reply was that if they did, somebody would go to the penitentiary, under a statute which makes it a felony to buy goods that the Government does not need, or something of that sort. I have not examined into the question.

Mr. LITTLE. That is a simple explanation.
Mr. HUMPHREYS. My understanding is that there is a statute, passed many years ago, perhaps during the Civil War—

Mr. LITTLE. In 1862.

Mr. HUMPHREYS. In 1862. I am advised, requiring the Secretary of War from Ohio, Mr. CAMPBELL of Kansas, Mr. Speaker, I refer to is due here.

Mr. GORDON. Speaker, I yield four minutes to the gentleman from New York [Mr. CALDWELL].

Mr. GORDON. Speaker, it is a pretty good-sized rule and bill to discuss in four minutes. There is some misapprehension on the part of some gentlemen who have spoken here as to the rights of the Government and the rights of individuals. I take it that where a man has furnished and delivered supplies to the Government, without any contract at all, he is entitled to recover the value of the goods. In fact, he could sue in the Court of Claims for the proceeds of these supplies and the Government has the right to allow and pay for the goods so delivered. This legislation is not invoked for any such purpose as that. It is intended to authorize the reimbursement to contractors for the equitable rights arising under contracts which were in fact and in law invalid contracts. There were no contracts at all.

It is an exceedingly difficult question which has confronted the committee. I think it is a matter that we have gone to the Committee on the Judiciary or the Committee on Claims; but it came to us, and we did the best we could with it. We adopted ten provisos to protect the public interest. The difficulty is that Congress cannot confer executive department power of the kind the six thousand and more claims that the loss of time entailed in conducting that investigation would bankrupt some of these men. Personally, I do not think that is a sufficient answer. But because of the other members of the committee having some knowledge of the case and therefore I did not feel justified in bringing in a minority report. The truth about it is that you are conferring upon an executive department of the Government power to admit and pay claims that is an authority that ought to be conferred only on some court.

Mr. LONDON. Will the gentleman yield?

Mr. GORDON. Yes.

Mr. SANFORD. Do the formally executed contracts contain a method of settling disputes?

Mr. GORDON. Yes; our Supreme Court held in the first United States that a formal legal contract partially completed, executed in a time of war, might still be adjusted by the payment of a lump sum. Such a settlement as that was made, but that is in apparent conflict with the general rule of law that no executive department of the Government may settle and adjust any claims, if the six thousand and more claims that the loss of time entailed in conducting that investigation would bankrupt some of these men. Personally, I do not think that is a sufficient answer. But because of the other members of the committee having some knowledge of the case and therefore I did not feel justified in bringing in a minority report. The truth about it is that you are conferring upon an executive department of the Government power to admit and pay claims that is an authority that ought to be conferred only on some court.

Mr. LONDON. Will the gentleman yield?

Mr. GORDON. Yes.

Mr. SANFORD. Does the formally executed contracts contain a method of settling disputes?

Mr. GORDON. Yes; our Supreme Court held in the first United States that a formal legal contract partially completed, executed in a time of war, might still be adjusted by the payment of a lump sum. Such a settlement as that was made, but that is in apparent conflict with the general rule of law that no executive department of the Government may settle and adjust any claims, if the six thousand and more claims that the loss of time entailed in conducting that investigation would bankrupt some of these men. Personally, I do not think that is a sufficient answer. But because of the other members of the committee having some knowledge of the case and therefore I did not feel justified in bringing in a minority report. The truth about it is that you are conferring upon an executive department of the Government power to admit and pay claims that is an authority that ought to be conferred only on some court.

Mr. LONDON. Will the gentleman yield?

Mr. GORDON. Yes.

Mr. SANFORD. Does the formally executed contracts contain a method of settling disputes?

Mr. GORDON. Yes; our Supreme Court held in the first United States that a formal legal contract partially completed, executed in a time of war, might still be adjusted by the payment of a lump sum. Such a settlement as that was made, but that is in apparent conflict with the general rule of law that no executive department of the Government may settle and adjust any claims, if the six thousand and more claims that the loss of time entailed in conducting that investigation would bankrupt some of these men. Personally, I do not think that is a sufficient answer. But because of the other members of the committee having some knowledge of the case and therefore I did not feel justified in bringing in a minority report. The truth about it is that you are conferring upon an executive department of the Government power to admit and pay claims that is an authority that ought to be conferred only on some court.

Mr. GORDON. Yes; our Supreme Court held in the first United States that a formal legal contract partially completed, executed in a time of war, might still be adjusted by the payment of a lump sum. Such a settlement as that was made, but that is in apparent conflict with the general rule of law that no executive department of the Government may settle and adjust any claims, if the six thousand and more claims that the loss of time entailed in conducting that investigation would bankrupt some of these men. Personally, I do not think that is a sufficient answer. But because of the other members of the committee having some knowledge of the case and therefore I did not feel justified in bringing in a minority report. The truth about it is that you are conferring upon an executive department of the Government power to admit and pay claims that is an authority that ought to be conferred only on some court.
Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas. For a very brief question.

Mr. LONDON. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas. This bill should be very material, upon which the gentleman has been degumming for some length of time, would have been made less by waiting for an interminable length of time in order to have new contracts made to fill the supplies.

Mr. CAMPBELL of Kansas. I would rather proceed. American business men were furnishing arms and ammunition to the belligerents before we entered the war, and the war department, therefore, for the condition in which our war department found itself during the progress of the war and the signing of the armistice.

I have no doubt there are many claims that should be adjusted. I have no doubt that many contractors have expended much money and material in preparing to supply the Government with the necessary munitions of war, for which they should be paid, but I doubt whether the War Department is competent to make that adjustment. The War Department has not shown itself possessed of the business ability and the judgment necessary to the conduct of large business.

But it is true that the Senate, if this bill should pass, that it be amended to add a billion and three-quarters of dollars' worth of claims for the sincere, hardworking, conscientious body of the American people. Now, observe the attitude of the War Department in its enthusiasm and haste to adjust a billion and three-quarters of dollars' worth of claims without regard for the necessary munitions of war that the President measured him as "the Secretary of War has failed to make good with the men who gave their life, for want of pay, for want of the ordinary attention they should have.

Mr. SUMNERS. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas, No. The inefficiency of the War Department in failing to provide munitions of war through American contractors is a reflection upon the War Department rather than upon American business men and American business men.

Mr. SUMNERS. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas. I would rather proceed. American business men were furnishing arms and ammunition to the belligerents before we entered the war, and the war department, therefore, for the condition in which our war department found itself during the progress of the war and the signing of the armistice.

I have no doubt there are many claims that should be adjusted. I have no doubt that many contractors have expended much money and material in preparing to supply the Government with the necessary munitions of war, for which they should be paid, but I doubt whether the War Department is competent to make that adjustment. The War Department has not shown itself possessed of the business ability and the judgment necessary to the conduct of large business.

But it is true that the Senate, if this bill should pass, that it be amended to add a billion and three-quarters of dollars' worth of claims for the sincere, hardworking, conscientious body of the American people. Now, observe the attitude of the War Department in its enthusiasm and haste to adjust a billion and three-quarters of dollars' worth of claims without regard for the necessary munitions of war that the President measured him as "the Secretary of War has failed to make good with the men who gave their life, for want of pay, for want of the ordinary attention they should have.

Mr. SUMNERS. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas, No. The inefficiency of the War Department in failing to provide munitions of war through American contractors is a reflection upon the War Department rather than upon American business men and American business men.

Mr. SUMNERS. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas. I would rather proceed. American business men were furnishing arms and ammunition to the belligerents before we entered the war, and the war department, therefore, for the condition in which our war department found itself during the progress of the war and the signing of the armistice.

I have no doubt there are many claims that should be adjusted. I have no doubt that many contractors have expended much money and material in preparing to supply the Government with the necessary munitions of war, for which they should be paid, but I doubt whether the War Department is competent to make that adjustment. The War Department has not shown itself possessed of the business ability and the judgment necessary to the conduct of large business.

But it is true that the Senate, if this bill should pass, that it be amended to add a billion and three-quarters of dollars' worth of claims for the sincere, hardworking, conscientious body of the American people. Now, observe the attitude of the War Department in its enthusiasm and haste to adjust a billion and three-quarters of dollars' worth of claims without regard for the necessary munitions of war that the President measured him as "the Secretary of War has failed to make good with the men who gave their life, for want of pay, for want of the ordinary attention they should have.

Mr. SUMNERS. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas, No. The inefficiency of the War Department in failing to provide munitions of war through American contractors is a reflection upon the War Department rather than upon American business men and American business men.

Mr. SUMNERS. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas. I would rather proceed. American business men were furnishing arms and ammunition to the belligerents before we entered the war, and the war department, therefore, for the condition in which our war department found itself during the progress of the war and the signing of the armistice.

I have no doubt there are many claims that should be adjusted. I have no doubt that many contractors have expended much money and material in preparing to supply the Government with the necessary munitions of war, for which they should be paid, but I doubt whether the War Department is competent to make that adjustment. The War Department has not shown itself possessed of the business ability and the judgment necessary to the conduct of large business.

But it is true that the Senate, if this bill should pass, that it be amended to add a billion and three-quarters of dollars' worth of claims for the sincere, hardworking, conscientious body of the American people. Now, observe the attitude of the War Department in its enthusiasm and haste to adjust a billion and three-quarters of dollars' worth of claims without regard for the necessary munitions of war that the President measured him as "the Secretary of War has failed to make good with the men who gave their life, for want of pay, for want of the ordinary attention they should have.

Mr. SUMNERS. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas, No. The inefficiency of the War Department in failing to provide munitions of war through American contractors is a reflection upon the War Department rather than upon American business men and American business men.

Mr. SUMNERS. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas. I would rather proceed. American business men were furnishing arms and ammunition to the belligerents before we entered the war, and the war department, therefore, for the condition in which our war department found itself during the progress of the war and the signing of the armistice.

I have no doubt there are many claims that should be adjusted. I have no doubt that many contractors have expended much money and material in preparing to supply the Government with the necessary munitions of war, for which they should be paid, but I doubt whether the War Department is competent to make that adjustment. The War Department has not shown itself possessed of the business ability and the judgment necessary to the conduct of large business.

But it is true that the Senate, if this bill should pass, that it be amended to add a billion and three-quarters of dollars' worth of claims for the sincere, hardworking, conscientious body of the American people. Now, observe the attitude of the War Department in its enthusiasm and haste to adjust a billion and three-quarters of dollars' worth of claims without regard for the necessary munitions of war that the President measured him as "the Secretary of War has failed to make good with the men who gave their life, for want of pay, for want of the ordinary attention they should have.

Mr. SUMNERS. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas, No. The inefficiency of the War Department in failing to provide munitions of war through American contractors is a reflection upon the War Department rather than upon American business men and American business men.

Mr. SUMNERS. Mr. Speaker, will the gentleman yield?

Mr. CAMPBELL of Kansas. I would rather proceed. American business men were furnishing arms and ammunition to the belligerents before we entered the war, and the war department, therefore, for the condition in which our war department found itself during the progress of the war and the signing of the armistice.

I have no doubt there are many claims that should be adjusted. I have no doubt that many contractors have expended much money and material in preparing to supply the Government with the necessary munitions of war, for which they should be paid, but I doubt whether the War Department is competent to make that adjustment. The War Department has not shown itself possessed of the business ability and the judgment necessary to the conduct of large business.
Mr. LITTLE. How would the Committee on Rules get such a bill?

The CHAIRMAN. The Committee on Rules is not a legislative committee. The Committee on Rules is not now considering any legislation. The Committee on Rules can bring in a special order for the consideration of legislation and could provide that any Member of the House or any committee could offer a bill on a special order. The Speaker is in the chair.

Mr. LITTLE. May I make one suggestion there?

The CHAIRMAN. Yes, sir.

Mr. LITTLE. Have not chairmen ruled, and I think properly, it could be done in Committee of the Whole?

The CHAIRMAN. I do not think the Chair held that I think the Chair stated it was not for him to pass upon it. But I think it was not up then for consideration. The present occupant of the Chair has distinct ideas on the point of order, and while I do not think it necessary to rule on the point, the Chair will do so. In the opinion of the Chair, the bill before the House for its consideration that had never been before any committee at all. In the opinion of the Chair, the House having adopted this special order providing that this bill should be considered, and determining how it should be considered, the occupant of the Chair as committee chairman is bound by that decision. Therefore the Chair overrules the point of order.

Mr. LITTLE. May I make one suggestion there?

The CHAIRMAN. Yes, sir.

Mr. LITTLE. Have not chairmen ruled, and I think properly, it could be done in Committee of the Whole?

The CHAIRMAN. I do not think the Chair held that I think the Chair stated it was not for him to pass upon it. But that question was not up then for consideration. The present occupant of the Chair has distinct ideas on the point of order, and while I do not think it necessary to rule on the point, the Chair will do so. In the opinion of the Chair, the bill before the House for its consideration that had never been before any committee at all. In the opinion of the Chair, the House having adopted this special order providing that this bill shall be considered, and determining how it should be considered, the occupant of the Chair as committee chairman is bound by that decision. Therefore the Chair overrules the point of order.

Mr. LITTLE. Have not chairmen ruled, and I think properly, it could be done in Committee of the Whole?

The CHAIRMAN. I do not think the Chair held that I think the Chair stated it was not for him to pass upon it. But that question was not up then for consideration. The present occupant of the Chair has distinct ideas on the point of order, and while I do not think it necessary to rule on the point, the Chair will do so. In the opinion of the Chair, the bill before the House for its consideration that had never been before any committee at all. In the opinion of the Chair, the House having adopted this special order providing that this bill shall be considered, and determining how it should be considered, the occupant of the Chair as committee chairman is bound by that decision. Therefore the Chair overrules the point of order.

Mr. LITTLE. Have not chairmen ruled, and I think properly, it could be done in Committee of the Whole?

The CHAIRMAN. I do not think the Chair held that I think the Chair stated it was not for him to pass upon it. But that question was not up then for consideration. The present occupant of the Chair has distinct ideas on the point of order, and while I do not think it necessary to rule on the point, the Chair will do so. In the opinion of the Chair, the bill before the House for its consideration that had never been before any committee at all. In the opinion of the Chair, the House having adopted this special order providing that this bill shall be considered, and determining how it should be considered, the occupant of the Chair as committee chairman is bound by that decision. Therefore the Chair overrules the point of order.

Mr. LITTLE. Have not chairmen ruled, and I think properly, it could be done in Committee of the Whole?

The CHAIRMAN. I do not think the Chair held that I think the Chair stated it was not for him to pass upon it. But that question was not up then for consideration. The present occupant of the Chair has distinct ideas on the point of order, and while I do not think it necessary to rule on the point, the Chair will do so. In the opinion of the Chair, the bill before the House for its consideration that had never been before any committee at all. In the opinion of the Chair, the House having adopted this special order providing that this bill shall be considered, and determining how it should be considered, the occupant of the Chair as committee chairman is bound by that decision. Therefore the Chair overrules the point of order.

Mr. LITTLE. Have not chairmen ruled, and I think properly, it could be done in Committee of the Whole?

The CHAIRMAN. I do not think the Chair held that I think the Chair stated it was not for him to pass upon it. But that question was not up then for consideration. The present occupant of the Chair has distinct ideas on the point of order, and while I do not think it necessary to rule on the point, the Chair will do so. In the opinion of the Chair, the bill before the House for its consideration that had never been before any committee at all. In the opinion of the Chair, the House having adopted this special order providing that this bill shall be considered, and determining how it should be considered, the occupant of the Chair as committee chairman is bound by that decision. Therefore the Chair overrules the point of order.

Mr. LITTLE. Have not chairmen ruled, and I think properly, it could be done in Committee of the Whole?

The CHAIRMAN. I do not think the Chair held that I think the Chair stated it was not for him to pass upon it. But that question was not up then for consideration. The present occupant of the Chair has distinct ideas on the point of order, and while I do not think it necessary to rule on the point, the Chair will do so. In the opinion of the Chair, the bill before the House for its consideration that had never been before any committee at all. In the opinion of the Chair, the House having adopted this special order providing that this bill shall be considered, and determining how it should be considered, the occupant of the Chair as committee chairman is bound by that decision. Therefore the Chair overrules the point of order.

Mr. LITTLE. Have not chairmen ruled, and I think properly, it could be done in Committee of the Whole?

The CHAIRMAN. I do not think the Chair held that I think the Chair stated it was not for him to pass upon it. But that question was not up then for consideration. The present occupant of the Chair has distinct ideas on the point of order, and while I do not think it necessary to rule on the point, the Chair will do so. In the opinion of the Chair, the bill before the House for its consideration that had never been before any committee at all. In the opinion of the Chair, the House having adopted this special order providing that this bill shall be considered, and determining how it should be considered, the occupant of the Chair as committee chairman is bound by that decision. Therefore the Chair overrules the point of order.

Mr. LITTLE. Have not chairmen ruled, and I think properly, it could be done in Committee of the Whole?

The CHAIRMAN. I do not think the Chair held that I think the Chair stated it was not for him to pass upon it. But that question was not up then for consideration. The present occupant of the Chair has distinct ideas on the point of order, and while I do not think it necessary to rule on the point, the Chair will do so. In the opinion of the Chair, the bill before the House for its consideration that had never been before any committee at all. In the opinion of the Chair, the House having adopted this special order providing that this bill shall be considered, and determining how it should be considered, the occupant of the Chair as committee chairman is bound by that decision. Therefore the Chair overrules the point of order.
Mr. DENT. I was suggesting that an hour and a half be consumed by those in favor of the bill, the time to be controlled one-half by myself and one-half by the gentleman from Kansas, as represents those on this side of the House, and the other hour and a half I do not know who wishes to control.

Mr. ANTHONY. I will state to the gentleman that I am not entirely in favor of the bill as it stands, but I am in favor of its general principles.

Mr. GREEN of Iowa. May I make a suggestion to the gentleman from Alabama?

Mr. ANTHONY. I do not think there will be any difficulty about the control of the one hour and a half on any side. I suggest that an hour and a half be controlled by myself, to be dispensed among those who are in favor of the bill, and the other hour and a half I do not know what gentlemen want to control. I do not know of any member of the committee who wants to oppose the bill. The committee reported the bill out unanimously.

Mr. GORDON. Mr. Chairman, if the gentleman will yield to me, I may have discovered from my few observations with respect to this bill that I am not entirely clear as to the attitude I should take about it. I feel strongly that these claims should be adjusted, but I believe the Government should be protected, and I do not believe it is sufficiently protected by the bill as it now stands. The Government should be continually on its guard with the contracts.

Mr. DENT. This statement surprises me, because the motion was made by the gentleman from California [Mr. KAUS] that the bill be reported out with several amendments, one of which was unlimited amendment of law with the contract. I made the statement deliberately—and I thought I had the right to make the statement. I reported it to the unanimous report of the committee. I make this statement informally.

Mr. GORDON. If that statement was intended to apply to me, I would like to be heard in regard to it.

Mr. MAN. As I understand it, under the rule three hours' debate was provided for on the bill?

Mr. DENT. That is the case.

Mr. MAN. What will be the procedure as to recognition? Will the Chair recognize a gentleman for an hour, the time to be controlled by the gentleman recognized, and then a gentleman in opposition will occupy an hour, the time to be controlled by the gentleman recognized, or will the time be limited unless some arrangement is entered into?

The CHAIRMAN. Unless some arrangement is entered into, the Chair will recognize the gentleman from Alabama [Mr. DENT] for an hour, and if anyone opposed to the bill seeks recognition the Chair will recognize him for an hour. If the gentleman from Kansas [Mr. LITTLE], who led the opposition to the bill, wants recognition, the Chair would recognize him for an hour. Then the Chair would recognize some Member in the body for 30 minutes, and for 30 minutes, on the ground that the rule changes the general rule governing the disposition of time, giving each Member recognized an hour.

Mr. DENT. I suggest that the time be divided in the regular way and that the gentleman from Alabama [Mr. DENT] control an hour and a half and that this side of the House control an hour and a half. A number of Members have spoken to members of the Committee on Military Affairs on this side of the House and the time has been promised to them regardless of whether they are for or against the bill.

Mr. DENT. I think that is reasonable.

Mr. MAN. Will not the gentleman from Kansas and the gentleman from Alabama agree to divide the time as equitably as possible between gentlemen favoring and gentlemen opposed to the bill? If so, I think the membership are willing to trust the gentlemen.

Mr. LITTLE. Mr. Chairman, I have no desire to dispose of the time, but I would be satisfied if the time were divided between both sides of the House, providing that those who are opposed had two hours and a half of the time, and that I have a reasonable time myself. If I have that assurance I shall be glad to accede to the suggestion of the gentleman from Kansas. If not, I think the time should be divided equally between the two parties and those who oppose the bill.

Mr. ANTHONY. How much time does the gentleman from Kansas desire?

Mr. LITTLE. I would like to have about 20 minutes.

Mr. DENT. I will give the gentleman 10 minutes of the time allotted to this side.

Mr. LITTLE. I would like to have 20 minutes.

Mr. DENT. I will give the gentleman 10 minutes of the time allotted to this side.

Mr. ANTHONY. I ask that the time be equally divided, to be controlled equally by the gentleman from Kansas [Mr. ANTHONY] and myself.

The CHAIRMAN. The gentleman from Alabama asks unanimous consent to the time be equally divided, to be controlled by the gentleman from Kansas [Mr. ANTHONY] and myself. Is there objection?

There was no objection.

Mr. DENT. Mr. Chairman, I would like to have the attention of the gentleman from Alabama.

The CHAIRMAN. The gentleman from Alabama yields to the gentleman from Kansas.

Mr. DENT. I yield.

Mr. ANTHONY. Would the gentleman from Alabama indicate about how far he intends to go in the debate this afternoon before adjournment?

Mr. DENT. My idea is that we will run for about an hour. I thought that would be long enough. That would take us to half past 5. Then I would move to rise. As I understand it, the bill will be reported to the Senate and the bill would be in order tomorrow morning under the rule.

The CHAIRMAN. The present occupant of the chair could not undertake to rule on that.

Mr. DENT. Mr. Chairman, the Committee on Military Affairs has given full and elaborate consideration, I may say, to the proposition involved in this proposed bill. We have had full and complete hearings, and did not adopt the bill as it was prepared in the War Department, and sent to the committee. The committee itself worked out a solution, as it thought, of the problem.

I think there has been a great deal of misunderstanding, which can be easily cleared up, on the subject matter of this legislation. Under the provisions of sections 3445 and 3446 of the Revised Statutes it is provided that no Government contract shall be recognized as valid unless it is in writing and signed at the end thereof by the contracting officer and the contractor and an affidavit is made by the contracting officer in the form and manner prescribed by those sections.

The testimony before the Committee on Military Affairs demonstrates that there were some 6,000 contracts, involving about $1,000,000,000, that were not executed with the ceremony and the formalities required by those two sections of the Revised Statutes. The object and purpose of this bill, as the Committee on Military Affairs understands it, is simply to do this, nothing more and nothing less—to authorize the Secretary of War to settle, adjust, and discharge the obligations of these contracts under the same law in the same manner and in the same way that the War Department settle contracts that were legally executed and duly and ceremoniously signed, because they involve many millions of dollars than are involved under the contracts that this bill undertakes to take care of.

Mr. DENT. Now, I wish the gentleman to yield.
order, and the representative of the Quartermaster's Department immediately followed the telegram with a duly executed contract, which was signed by the contractor and the proper officer in the Quartermaster's Department. The goods were delivered and every requirement of the contract was complied with. On the same day, another representative of the Quartermaster's Department sent a telegraphic order to some contractor or manufacturer to supply the Government with so many rifles or so much ammunition, but the contracting officer failed to follow his telegraphic order with a formal written contract. Instances in which the manufacturer compiled with the telegraphic order, the Government received the goods, the Government got the benefit, I would like to ask if any honest man would distinguish between those two cases? Now, that is what this bill under­ takes to cover.

Mr. HUMPHREYS. Will the gentleman yield now or would he prefer not to?

Mr. DENT. I would like to finish my statement first.

Mr. HUMPHREYS. All right.

Mr. DENT. In other words, this bill simply declares that the Secretary of War shall be authorized to discharge obligations which were entered into in good faith, where the contract was executed either on the 12th or in whole or in part, during the emergency, and that that contract was the product of fraud and conspiracy. In other words, the Secretary of War shall be authorized to discharge obligations which, had they been entered into between private parties under similar circumstances, would be enforced by any court of Justice in the land.

Now, coming to the proposition that gentlemen are afraid that they are violating frauds, that they are perhaps putting their approval upon corruption, let me call attention to these facts. As I stated a few moments ago, the informal contracts, as they have been called, amount in number to some 6,579. I believe, and involve a little over $1,000,000,000. Now, let us see what I mean by the word good faith. I state in the proposition in other words, I state the fear of successful contradiction that this bill does not do anything more than to authorize the War Department to discharge obligations which, had they been entered into between private parties under similar circumstances, would be enforced by any court of Justice in the land.

Mr. DENT. I do not make any distinction, and that is the very purpose of the bill. It says there ought not to be a horrible and a terrible proposition that is presented to Congress.

Mr. DENISON. Does the gentleman make a distinction between the settlement of illegal contracts and the settlement of legal contracts?

Mr. DENT. Of course when we appropriated all those vast amounts of money, we assumed that it would be expended legally and under legal contract. That was assumed, was it not?

Mr. DENT. I thank the gentleman for the suggestion. I think the man who went to work and supplied material under orders given by the Secretary of War without hiring some lawyer to see that the law was compiled with is entitled to more consideration than the one who hired a lawyer to see that the contracts were properly executed.

Mr. MANN. Will the gentleman yield?

Mr. DENT. No; it is not claimed that they could not do it on account of the armistice.

Mr. MANN. If the war had continued could they have gone ahead and executed the contracts?

Mr. DENT. I can not answer that, but the comptroller holds, as I interpret his statement before the Military Committee of the Appropriations Committee, which handles appropriations for fortifications and heavy artillery, added $2,500,000,000 to that sum. In October of last year the Appropriations Committee were called on for a deficiency bill of over $5,000,000,000, which Congress passed, most of it applying to the Army. So that within the last seven or eight months we have appropriated over $21,000,000,000 in order to carry on the Military Establishment during the war. And now, because we come before Congress and ask that the Secretary of War be permitted to authorize the War Department to discharge obligations involving $1,600,000,000, it is said to be a horrible and a terrible proposition that is presented to Congress.

Mr. DENISON. Will the gentleman yield?

Mr. DENT. I yield to the gentleman from Illinois.

Mr. DENISON. Of course when we appropriated all those vast amounts of money, we assumed that it would be expended legally and under legal contract. That was assumed, was it not?

Mr. DENT. Why, of course.

Mr. DENISON. Does the gentleman make a distinction between the settlement of legal contracts and the settlement of illegal contracts?

Mr. DENT. I do not make any distinction, and that is the very purpose of the bill. It says there ought not to be a horrible and a terrible proposition that is presented to Congress.

Mr. DENT. I do not so understand the comptroller's ruling. Perhaps I have not made myself clear. My understanding is this: Suppose the contract was made and the order was given by telegram or telephone, or by a memorandum on the 1st of October; the contractor had made partial delivery but had signed a contract which was not in the least a contract upon that, it must be consistent with the contract itself.

Mr. MANN. If that is the only reason, the War Department could revoke its order long enough to sign the contract and then order the delivery stopped.

Mr. ANTHONY. Will the gentleman yield?

Mr. DENT. Will the gentleman?

Mr. ANTHONY. Did not the comptroller make a ruling to the effect that when the armistice was signed the emergency was passed, and that Congress having provided an appropriation to be expended during the emergency, after the armistice they could not be legally paid?

Mr. DENT. I do not so understand the comptroller's ruling. Perhaps I have not made myself clear. My understanding is this: Suppose the contract was made and the order was given by telegram or telephone, or by a memorandum on the 1st of October; the contractor had made partial delivery but had signed a contract which was not in the least a contract upon that, it must be consistent with the contract itself.

Mr. MANN. If that is the only reason, the War Department could revoke its order long enough to sign the contract and then order the delivery stopped.

Mr. ANTHONY. Will the gentleman yield?
Mr. McCulloch. Has there been any question raised by anyone as to whether or not the Government should settle these contracts? Has anyone contended that the Government should not settle these contracts?

Mr. DENT. I have not heard of anyone that was contending it should not.

Mr. McCulloch. There have been, then, irregularities that this bill seeks to correct.

Mr. DENT. That is true.

Mr. McCulloch. So that the only question is who shall determine the irregularities, whether it shall be the Secretary of War or a commission?

Mr. DENT. Yes.

Mr. McCulloch. Mr. Chairman, will the gentleman tell the House why he believes the men who are responsible for the irregularities should settle the question or why it should not be settled by board of disinterested and impartial and who is not responsible for the error?

Mr. DENT. I expected to come to that point when I had an opportunity. I had not yet arrived at it.

Mr. McCulloch. Will the gentleman answer the question?

Mr. DENT. I expect to come to it in due order, but the gentleman will let me state it in my own way.

Mr. Little. Is it not a fact that every one of these alleged informal contracts is a performance in violation of the law of 1862 and renders the men engaged in it all liable to go to penitentiary—one of them?

Mr. DENT. I do not think there is any question but that a contract that was signed contrary to the act of 1862, passed during the Civil War, would make the officer liable. I do not remember what the punishment is.

Mr. Caldwell. But, if the gentleman will yield, the question is whether it was done willfully or with an intent to defraud.

Mr. Little. Is it the purpose of this to make an amnesty for these men?

Mr. Dent. Not at all. If the gentleman has read the bill, he will recall the clause in it that nothing in this act shall estop the Congress of the United States from reviewing it or the Government from recovering for fraud, nor shall it justify the failure of any officer to sign the contract which is prescribed by law.

Mr. Little. May I ask why we should return to these gentlemen who are all sitting there with a rope around their necks the authority to execute and complete these performances by which they rendered themselves liable to punishment?

Mr. Greene of Vermont. Mr. Chairman, may I ask a question in order to reply to the question of the gentleman from Kansas?

Mr. Dent. Yes.

Mr. Greene of Vermont. How can we punish these men sitting around with ropes around their necks by denying money to honest men who have no ropes around their necks?

Mr. Little. Everyone who got such a contract is liable to the same punishment as an accessory.

Mr. Greene of Vermont. Then, when a fire breaks out, the village hose company must go to the place to find out where the fire is and then come back to the hose house to consult the minutes before they put out the fire.

Mr. Little. Oh, there is nobody hollering fire except the fellows who started the fire.

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

Mr. Dent. Yes.

Mr. Juul. I would like to ask the gentleman from Alabama whether, if the House votes the authority sought by this bill, all of the safeguards that the department failed to use when the contracts were let informally will be used before the money is paid? Will the affidavits and the formal protections called for by law be made use of before the money is paid?

Mr. Dent. I can not state to the gentleman that they will require an affidavit in order to do that, but I can state this to the gentleman, that for certain purposes of the War Department in the hearing before the Committee on Military Affairs of the House and before the Committee on Rules stated—I think they did before the Committee on Rules, and I know they did before the Committee on Military Affairs—that the War Department had a representative, an inspector, at each plant scattered throughout the country, or in different regional sections of the country, that they had a local board representing the Government there, that the contractor, together with the inspector and this local board, would get together upon a settlement of the contracts. This settlement is submitted to a board of review in that particular branch of the War Department and finally may be reviewed by a board acting directly under the Secretary of War. That is the way they settle the valid contracts, and they propose to settle these informal contracts the same way.

Mr. Juul. If the gentleman will forgive me for just one more question. Is it the intention under this bill to attempt to draft some sort of a legal contract, a contract which they fail to draw up, or is the settlement is effected?

Mr. Dent. Not at all.

Mr. Juul. They do not intend to legalize the illegal contracts?

Mr. Dent. On the contrary, there is a proviso in this bill expressly declaring that the settlement made under authority of this resolution shall not give any contracting party the right to sue the Government in any court in the land.

Mr. Dillon. Will the gentleman yield to me?

Mr. Dent. Yes.

Mr. Dillon. I want to propose a question to the gentleman relative to real estate. Suppose an officer should make a loose contract for a piece of real estate and some Army officer should enter into possession of that real estate. Does the gentleman think that a contract of that kind should be legalized and the Government compelled to take the land?

Mr. Dent. Well, I really did not catch the first part of the gentleman's question.

Mr. Dillon. The question is, Suppose an officer should make a loose contract with a landowner that the Government would buy his land for a certain purpose and should enter into possession of it and occupy it for a few days, does the gentleman think that that contract should be legalized and compel the Government to take that land?

Mr. Dent. No; the contract would not be legalized. The gentleman does not catch the point. There is no legality, given to any of these contracts. It is simply intended to surmount the ruling of the Comptroller of the Treasury, so that the War Department can proceed to a settlement and an adjustment which will be recognized by the Comptroller without recognizing the validity of the contract or giving the contractor the right to sue.

Mr. Dillon. Then would the gentleman say the Government should pay for the land under the circumstances I mentioned?

Mr. Dent. I do not know what the gentleman means by "loose" contract.

Mr. Dillon. Suppose he made a verbal contract.

Mr. Dent. If the Government did not get any benefit from it.

Mr. Dillon. But say the Government did.

Mr. Dent (continuing). And the contracting party did not suffer any liability or damages, then it would not be—

Mr. Dillon. But assuming the Government did enter into possession of it. Should not the damages be confined to the rentals rather than taking the property?

Mr. Dent. Well, it would be confined to actual loss under this bill.

Mr. Dillon. I do not think so. Now, another question. I would like the gentleman to tell us what portion of contracts in Europe have been made by the English Government—

Mr. Dent. I can not tell.

Mr. Dillon. Acting for our Government and what the gentleman proposes to do with those governmental contracts?

Mr. Dent. The gentleman means the contracts made between this Government and the English Government?

Mr. Dillon. Where the English Government were acting for us through the English Government.

Mr. Gordon. If the gentleman will permit, I will state that it was testified before the committee that 90 per cent of the contracts this Government made with English manufacturers were made through the English Government, and if they were they would be subject to the English statute of fraud, which requires every such contract to be in writing and signed by the party to be charged.

Mr. Dillon. Suppose the English Government had a building in France for certain purposes and they should turn it over to the American Government. What would your bill do with that if they should prove an overcharge?

Mr. Dent. Well, of course, that is a matter of dollars in the case. If the Government paid for something that was not worth it to trust somebody to settle these things, of course we can not pass any legislation. Somebody must be trusted. You have to trust Gen. Pershing and his organization in France to carry out the obligations of the Government. You have got to trust the War Department to carry out the obligations which were made on this side, and if gentlemen are not willing to trust anybody, then let us not pass any legislation. So far as I am concerned, I
Mr. DENT. I think the bill is so worded now. As between private parties there can be a recovery under the same circumstances, and we are simply authorizing the Government to fulfill its obligations under such circumstances.

Mr. LAGUARDIA. The gentleman expects that he would not have to make the contract valid under the common law, under the statute of frauds? Would the gentleman so word his bill?

Mr. DENT. If anybody will make the affidavit, I will do the rest myself. [Laughter.]

Mr. LITTLE. May I ask the gentleman a question?

Mr. DENT. Certainly.

Mr. LITTLE. Is it not a fact that many of these did hire lawyers and the lawyers advised that they had better not have the affidavit made?

Mr. DENT. I have no information about inside facts. I believe as a Member of Congress, that it is just as much our duty to see that Uncle Sam acts fairly and squarely as it is to see that he is not defrauded. [Applause.]

Mr. MCCULLOCH. Will the gentleman yield?

Mr. DENT. Certainly I do not contend that.

Mr. MCCULLOCH. Does the gentleman contend that an impartial judge would fail to do that?

Mr. DENT. Certainly I do not contend that.

Mr. LAGUARDIA. The gentleman has got the notion in his head which has been in the heads of some others, and which I cannot understand to save my life. It is true that I may be very obsture on the subject, but I can not, to save my life, see that the appellate court is going to sit on these questions of validity. If the gentleman will consent to strike out the word 'implied' in the bill, I believe, as a Member of Congress, that it is just as much our duty to see that the Government acts fairly and squarely as it is to see that he is not defrauded. [Applause.]

Mr. DENT. That is so.

Mr. LITTLE. Not the affidavit. If anybody will make the affidavit, I will do the rest myself. [Laughter.]

Mr. LITTLE. May I ask the gentleman another question?

Mr. DENT. Certainly.

Mr. LITTLE. What do you mean by the phrase 'the Government was originally divided into three parts.'

Mr. DENT. That is so. That seems to be the distinction.

Mr. LAGUARDIA. The gentleman says they had disposed of all these claims that accrued at the beginning of the war.

Mr. DENT. That is so. That seems to be the distinction.

Mr. LITTLE. Is it not a fact that many of these did hire lawyers and the lawyers advised that they had better not have the affidavit made?

Mr. DENT. Certainly I do not contend that.

Mr. LITTLE. Why does the gentleman say they had disposed of all these claims that accrued at the beginning of the war?

Mr. DENT. That is so.

Mr. LITTLE. Why does the gentleman say they had disposed of all these claims that accrued at the beginning of the war?

Mr. DENT. That is so.

Mr. LITTLE. If anybody will make the affidavit, I will do the rest myself. [Laughter.]

Mr. LITTLE. Not the affidavit. If anybody will make the affidavit, I will do the rest myself. [Laughter.]
Mr. WATSON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. DENT. Yes.

Mr. WATSON of Pennsylvania. I recall that at the time of the declaration of war the newspapers had their columns filled with statements to the effect that the soldiers had no shoes and no clothing.

Mr. DENT. I do not want to yield for the gentleman to make a speech in my time.

Mr. WATSON of Pennsylvania. I do not want to make a speech. I want to ask the gentleman if it was not physically impossible for the Secretary of War to sign all agreements, and therefore he was compelled to sign some agreements by telegraph? I refer to the signing of the gentleman’s bill. In one instance in Philadelphia a firm received a telegram asking for 100,000 yards of cloth for the boys, just before the armistice was concluded. Does not the gentleman think that contract should be paid?

Mr. DENT. Yes. As the gentleman stated, it would have been a matter of physical impossibility for the contracting officer, the chief of the bureau, in the big program that we have here, to have personally signed every contract and made the affidavit. It would perhaps have been a physical impossibility.

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

Mr. DENT. Yes.

Mr. PLATT. As a matter of fact, were not the contracts nearly always quite a way behind the orders for the goods?

Mr. DENT. Yes; that is true.

Mr. PLATT. And the manufacturers very often had to come down here to Washington and dig up the contracts?

Mr. DENT. Yes. And in that connection I want to call the attention of the committee to section 120 of the national-defense act, which in time of war or during imminent thereof gives the President the authority to make orders for war supplies, and requires the contractor to fill those orders, and makes it obligatory on him, under a penal provision, to fill them.

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

Mr. DENT. Yes.

Mr. FAIRFIELD. Will the gentleman inform the House as to whether a considerable number of these orders date back two or three or four or five or six or eight months? Are they not comparatively recent?

Mr. DENT. Are they not practically all after the 1st of July?

Mr. BOBBINS. Because this technical statute requires the contractor to fill these orders over any other contracts he may have had before, and then gives the party the right to recover a fair and just value of the property that he delivered to the Government on the strength of that order. That is in the law, that is in the act, and that is still the law.

Mr. DENT. Yes; that is still the law; and the trouble about that is that there is no method provided by which the party who complied with the order can get his settlement made without going into the Court of Claims.

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

Mr. DENT. Yes.

Mr. FAIRFIELD. Will the gentleman inform the House as to whether a considerable number of these orders date back two or three or four or five or six or eight months? Are they not comparatively recent?

Mr. DENT. Yes.

Mr. FAIRFIELD. A number of the committee told me that they date mostly from the 1st of July.

Mr. GREENE of Vermont. Apropos to what the gentleman from Kansas says, it appears that the Engineer Corps during the war followed the practice that obtained in the Engineer Corps as to production before the war, and it went ahead in good faith and piled up a lot of contracts which were found subsequently to differ technically from the form of contracts by which the War Department generally was governed under the statutes. Therefore they were informal contracts, although they had been completed and the memorandum of agreement had been written and intended to be compiled with.

Mr. DENT. I believe that is true, that they were following the rule of the Engineer Department.

Mr. LITTLE. Are they not practically all after the 1st of July?

Mr. DENT. Where the party—a party—

Mr. GORDON. Then you and I do not agree about the law.

Mr. DENT. I do not think so.

Mr. GORDON. The gentleman from Ohio has had that notion in his mind all the way through. He is a good lawyer, but to save my life I can not see why parties can not agree together to settle their differences, and why that is a delegation of judicial authority.

Mr. ROBBINS. Would not the same power exist between private parties?

Mr. DENT. Yes.

Mr. GORDON. Private parties can do that, but the Government can not.

Mr. ROBBINS. Because this technical statute requires it to be in writing, you want to shut these people off.

Mr. GORDON. It might be possible that you and I do not understand the question at all. [Laughter.]

Mr. REED. Will the gentleman yield?

Mr. DENT. Yes.

Mr. REED. A farmer from my State came to me three days ago in great trouble. He said the Government had taken some of his land, had fixed the price, and had told him: “Unless you take this price we will take it anyhow and condemn it.” They levelled up the land, put it in great concrete foundations; and then came the armistice, and everything was called off. He came to me and said they would not recognize the agreement to purchase the land, and would not recognize any claim for damages. Does this bill reach that?

Mr. DENT. This bill would cover that kind of a case. It authorizes the Secretary of War to settle a case of that kind.

Now, I am opposed to the proposition authorizing a commis­sion to award a contract, because I believe that you ought not to make a discrimination between the honest contractor who did not get the regular legally executed contract and the man that did get one. That
is the first thing. I think the War Department ought to be allowed to settle his contract just the same as the man who had a deal with the Navy Department. In the second place, I am opposed to it because I think it is

stirring at a gut and swallowing a camel when gentlemen urge that there be no commission to settle claims amounting to $15,000. I think the War Department has not settled the

fifteen billion contracts. I think it is absurd. In the next place, the history of every commission that has ever been created in this country is that it is interminable, and you do not know when the government will find a final disposition of the contract. These are the three reasons why I am opposed to the commission idea.

Mr. MCCULLOCH. Will the gentleman yield?

Mr. DENT. Yes.

Mr. MCCULLOCH. Take the other end of it, take the case noticed by the gentleman from West Virginia [Mr. REM], where his constituent had got his ground plowed up and went to the War Department and asked for Justice, and they would not listen to him, would not do anything about it. If he was a jurist, if this bill passes he must go before the very officer who refused to do him justice. But if we had a commission he could submit his claim to the commission, and therefore he would have a better chance for justice being done.

Mr. ROBBINS. The phrases used by the gentleman to give effect to the bill do not do anything. He could not do it unless this legislation passes. If it does pass, he has a right to go back to the officer, and he will see that justice is done. These are the reasons why I am in favor of the committee passed as a commission.

Now, in conclusion—and I am going to reserve the balance of my time—I wish to call the attention of the committee to the fact that this same proposition came up during the Civil War, and it can be shown that during the Civil War, and in the midst of that war, charges were made against the Government, and language was used by the investigating committee by Members of the House against the War Department that would make the record now appear as praise.

And I would like to call the attention to some of it, although I am not going into it at length. This is some of the language used in the report of the committee of Congress investigating war contracts in 1863.

The mania for stealing seems to have run through all the relations of the Government—almost from the general to the drummer boy; from those nearest the throne of power to the nearest tidewater; nearly every man who deals with the Government seems to feel the desire that it would not long survive, and each had a common right to plunder while it lasted.

Colones intrusted with the power of raising regiments colluding with contractors... While it is no justification the example has been set in the very departments of the Government. As a general thing none but favorites gain access there.

That is the kind of language used during the Civil War about contracts. The War Department is a number of Members of Congress, including Mr. Conkling, called attention to the fact that these charges were absolutely hindering the Government in the prosecution of the war, and finally Congress adopted a bill which was not only called to my attention and is so much like this that had we seen it beforehand we might have been charged with having copied it.

I quote from Bolles's Financial History, page 240:

Many claims, however, were irregular, and these rapidly multiplied during the war. The Court of Claims investigated and reported a number of cases, in a number of Members of Congress, including Mr. Conkling, called attention to the fact that these charges were absolutely hindering the Government... By reason of said acts and failures of the Government to pay according to the prescribed terms, parties have been obstructed and prevented from the payment of all just claims that have arisen during this war emergency.

Mr. ROBBINS. That is, authorized the Secretary himself to settle it?

Mr. DENT. Yes; just like this does.

Mr. DEMPSY. The Senate bill provides, as I understand it, for the committee to the departments until a number of Members of Congress, including Mr. Conkling, called attention to the fact that these charges were absolutely hindering the Government in the prosecution of the war, and finally Congress adopted a bill which was not only called to my attention and is so much like this that had we seen it beforehand we might have been charged with having copied it.

The mania for stealing seems to have run through all the relations of the Government—almost from the general to the drummer boy; from those nearest the throne of power to the nearest tidewater; nearly every man who deals with the Government seems to feel the desire that it would not long survive, and each had a common right to plunder while it lasted.

Colones intrusted with the power of raising regiments colluding with contractors... While it is no justification the example has been set in the very departments of the Government. As a general thing none but favorites gain access there.

That is the kind of language used during the Civil War about contracts. The War Department is a number of Members of Congress, including Mr. Conkling, called attention to the fact that these charges were absolutely hindering the Government in the prosecution of the war, and finally Congress adopted a bill which was not only called to my attention and is so much like this that had we seen it beforehand we might have been charged with having copied it.

I quote from Bolles's Financial History, page 240:

Many claims, however, were irregular, and these rapidly multiplied during the war. The Court of Claims investigated and reported a number of cases, in a number of Members of Congress, including Mr. Conkling, called attention to the fact that these charges were absolutely hindering the Government in the prosecution of the war, and finally Congress adopted a bill which was not only called to my attention and is so much like this that had we seen it beforehand we might have been charged with having copied it.

The mania for stealing seems to have run through all the relations of the Government—almost from the general to the drummer boy; from those nearest the throne of power to the nearest tidewater; nearly every man who deals with the Government seems to feel the desire that it would not long survive, and each had a common right to plunder while it lasted.

Colones intrusted with the power of raising regiments colluding with contractors... While it is no justification the example has been set in the very departments of the Government. As a general thing none but favorites gain access there.

That is the kind of language used during the Civil War about contracts. The War Department is a number of Members of Congress, including Mr. Conkling, called attention to the fact that these charges were absolutely hindering the Government in the prosecution of the war, and finally Congress adopted a bill which was not only called to my attention and is so much like this that had we seen it beforehand we might have been charged with having copied it.
contracts that ought to have the scrutiny of the representatives of the people. At the proper time I shall offer an amendment to this bill proposing that the Secretary of War shall be joined in the oversight of these contract settlements by a congressional committee made up of two Senators and four Representatives—members of both parties.

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

Mr. MOORE of Pennsylvania. I can not yield in five minutes. Mr. GORDON. I would like to make a suggestion which, I think, will not be out of place.

Mr. MOORE of Pennsylvania. That amendment will bring enmity not only to the Congress, which has been ignored in many things up to date during this war, but to the country that the Congress is to advise the country about. The country is the source of all money; and in this instance the preliminary expenditure is to aggregate $1,600,000,000, or twice as much as is necessary to conduct the Government under normal conditions for two years.

Those who have awarded these contracts should not object to an audit by those who desire to be satisfied about the validity of them; but this bill as presented proposes to keep with those who made the awards the exclusive right to audit and settle. There is danger in that proposition, as I shall endeavor to show in the few minutes at my command.

This Congress without a dissenting vote passed an appropriation for $640,000,000 to build aircraft and put the country in position to defend itself in the event of its most probable external threat; and in that battle we must have a fighting plane. There was delay in completing the work, and, charges having been made that it had fallen down, the Senate appointed a committee to investigate. The report of that committee was presented a short time later, in which it was said that as a result of the expenditure of this $640,000,000—

(b) We have not a single American-made chase (or plane of attack) upon the battle front.

(c) We have not a single American-made heavy bombing plane upon the battle front.

and forty million dollars gone, and a senatorial committee made the bald statement that we had not a single plane to defend ourselves with in the face of its most probable external threat. But it is too late to stick the country at this rate.

The War Department was assailed for its failure in aircraft, and charges were made to the President. In his own time the President started an investigation. He appointed a special committee of the Senate to look into the matter of culpability at some length, and has this to say concerning one Col. Edward A. Deeds:

I quote from the Attorney General's report:

"I also find that Col. Deeds was guilty of censurable conduct in acting as confidential adviser to H. B. Talbott and in conveying information to him in his capacity of United States Attorney, and generally using these confidential relations to the advantage of himself and others without the consent of the Attorney General.

"I quote from the Attorney General's report:

"Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

"Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

"the colonel's delicate dashes of sentiment may not be distorted, I quote it literally:

"Chair hears none."

Mr. MOORE of Pennsylvania (continuing). Unless we do cooperate with him, I fear we "will not see and apply the spiritual value of the war."

Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

Mr. MOORE of Pennsylvania. I am a little afraid that we will not get out of the war what France wants out of it, what England is getting out of it, and what other nations, saved, with a wise or a foolish war, are saving and apply the spiritual value of the war."

"Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

So it is seen that Col. Deeds, who was recommended for court-martial by rank outsiders, like Justice Hughes and the Attorney General, commends "his associates" for their splendid services. He was not court-martialed by them—or has not been so far, as the War Department did not court-martial him.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

Mr. MOORE of Pennsylvania. I am a little afraid that we will not get out of the war what France wants out of it, what England is getting out of it, and what other nations, saved, with a wise or a foolish war, are saving and apply the spiritual value of the war."

"Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

So it is seen that Col. Deeds, who was recommended for court-martial by rank outsiders, like Justice Hughes and the Attorney General, commends "his associates" for their splendid services. He was not court-martialed by them—or has not been so far, as the War Department did not court-martial him.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

Mr. MOORE of Pennsylvania. I am a little afraid that we will not get out of the war what France wants out of it, what England is getting out of it, and what other nations, saved, with a wise or a foolish war, are saving and apply the spiritual value of the war."

"Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

So it is seen that Col. Deeds, who was recommended for court-martial by rank outsiders, like Justice Hughes and the Attorney General, commends "his associates" for their splendid services. He was not court-martialed by them—or has not been so far, as the War Department did not court-martial him.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

Mr. MOORE of Pennsylvania. I am a little afraid that we will not get out of the war what France wants out of it, what England is getting out of it, and what other nations, saved, with a wise or a foolish war, are saving and apply the spiritual value of the war."

"Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

So it is seen that Col. Deeds, who was recommended for court-martial by rank outsiders, like Justice Hughes and the Attorney General, commends "his associates" for their splendid services. He was not court-martialed by them—or has not been so far, as the War Department did not court-martial him.

"Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

So it is seen that Col. Deeds, who was recommended for court-martial by rank outsiders, like Justice Hughes and the Attorney General, commends "his associates" for their splendid services. He was not court-martialed by them—or has not been so far, as the War Department did not court-martial him.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

Mr. MOORE of Pennsylvania. I am a little afraid that we will not get out of the war what France wants out of it, what England is getting out of it, and what other nations, saved, with a wise or a foolish war, are saving and apply the spiritual value of the war."

"Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

So it is seen that Col. Deeds, who was recommended for court-martial by rank outsiders, like Justice Hughes and the Attorney General, commends "his associates" for their splendid services. He was not court-martialed by them—or has not been so far, as the War Department did not court-martial him.

Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

Mr. MOORE of Pennsylvania. I am a little afraid that we will not get out of the war what France wants out of it, what England is getting out of it, and what other nations, saved, with a wise or a foolish war, are saving and apply the spiritual value of the war."

"Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

So it is seen that Col. Deeds, who was recommended for court-martial by rank outsiders, like Justice Hughes and the Attorney General, commends "his associates" for their splendid services. He was not court-martialed by them—or has not been so far, as the War Department did not court-martial him.