

# Seventy-First Congress

Apr. 15, 1929-Mar. 3, 1931

## Administration of Herbert Hoover

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### Historical Background

The lingering farm depression which had confronted the United States since 1919 loomed large during the Presidential campaign of 1928. Fulfilling a campaign pledge, President Herbert Hoover, shortly after his inauguration, summoned a special session of Congress to provide relief for the American farmer. On April 15, 1929, Congress approved the administration-sponsored Agricultural Marketing Act, establishing a Federal Farm Board with power to oversee the purchasing and selling of surplus farm commodities. The Board had not yet begun to function, however, when the Wall Street Crash of 1929 occurred, generally nullifying its endeavors.

Continuing his assault on the farm problem, Hoover, only a few hours after his first agricultural remedy had been signed into law, urged Congress to increase duties on agricultural products as a means of raising prices for agricultural commodities. After a fierce and complex struggle over the next three months, the Tariff Act of 1930, otherwise known as the Hawley-Smoot Tariff Act, was approved, providing for the highest overall tariff in U.S. history. Although Hoover was less than pleased with the results, and despite the strenuous objections of a number of individuals including a group of 1,028 economists who signed a petition calling for Hoover to veto the bill, the Smoot-Hawley Tariff was signed into law. Hoover argued that the legislation's revitalized tariff provision would resolve all the objections to its higher rates by instituting a process for their systematic reduction.

In June 1929, Congress enacted the Reapportionment Act of 1930, a law designed to permanently establish the method for apportioning seats in the House of Representatives according to the results of each decennial census and limiting the number of House seats to 435. The law did not, however, restate or repeal requirements of earlier apportionment laws, including the requirement that Congressional districts be contiguous, compact, and

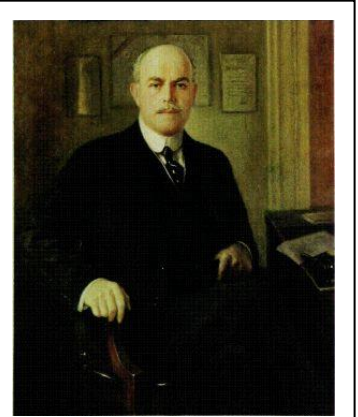
House	Senate
Majority Party: Republican (270 seats)	Majority Party: Republican (56 seats)
Minority Party: Democrat (164 seats)	Minority Party: Democrat (39 seats)
Other Parties: Farmer-Labor (1 seat)	Other Parties: Farmer-Labor (1 seat)
Speaker of the House: Nicholas Longworth	Majority Leader: James E. Watson

equally populated, which would lead to some confusion in the ensuing years. The law further did not provide any specific guidelines for how states should redistrict their Congressional seats, which led to states creating districts of various sizes and shapes, in addition to some states choosing to reserve seats for at-large districts, as opposed to those tied to a geographically delimited area.

Other major legislative initiatives tackled by the 71<sup>st</sup> Congress included the National Institute of Health Act, enacted in May 1930. The Act reorganized and renamed the Hygienic Laboratory as the National Institute of Health, and established a system of grants and fellowships to promote research in the fields of health and medicine, becoming one of the world's premier medical research organizations. That July, Congress enacted the Veterans' Administration Act, consolidating all Federal functions for veterans under a single agency, to be named the Veterans Administration. In March 1931, Congress enacted the Davis-Bacon Act, which established a Federal policy of paying prevailing local wage rates on all Federal and Federally-funded public works projects for the first time. Finally, on March 3, 1931, the last day of the 71<sup>st</sup> Congress, the body approved the Star-Spangled Banner National Anthem Act, which officially designated Francis Scott Key's "The Star-Spangled Banner" as the national anthem of the United States.

Source:

Dell, Christopher and Stephen W. Stathis. [Major Acts of Congress and Treaties Approved by the Senate, 1789-1980](#). Government Division (CRS), Sept. 1, 1982. 97<sup>th</sup> Congress, 2<sup>nd</sup> Session, 82-156 GOV. ProQuest Congressional, CRS-1982-GOV-0005



Speaker of the House  
Nicholas Longworth



Senate Majority Leader  
James E. Watson

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## War or Peace?

### Peace and the London Naval Treaty

With the Kellogg-Briand Pact in place, the U.S. was at peace and continuing to promote non-violent resolutions as a national policy. President Hoover even announced in his Message to Congress in 1929 that the "foundations for future peace are being substantially strengthened." The U.S. also maintained its distance from the League of Nations while agreeing to an International Court of Justice after amendments were made to meet the Senate's reservations. With the signing of the London Naval Treaty in July of 1930, the U.S., along with Great Britain, France, Italy and Japan, agreed to limit and reduce naval armament.

Despite political unrest and revolutions in Brazil, Argentina, Peru and Bolivia the U.S. continued to pursue diplomatic relationships with Central and South American countries, resumed cooperation with new governments and maintained a policy of protecting U.S. interests and life internationally. In September of 1930, the National Socialist Party (Nazi Party) began its rise to power in Germany, when it won 18.3% of the vote in the Reichstag (legislature) elections, making it the second largest party in the body. One of the issues that the Nazi Party raised that found substantial traction with

German voters was the question of the enormous reparations payments Germany was required to pay as part of the Treaty of Versailles.

The previous August, in the months leading up to the 1930 Reichstag elections, attempts to negotiate a final settlement on the question of reparations resulted in the adoption of the Young Plan. The plan, named for the U.S. industrialist Owen D. Young, who chaired the committee that negotiated the matter, settled the total reparations owed at 112 billion Gold Marks. German anger at the debilitating payments required by the agreement led to greater sympathy for the electoral platform of Adolf Hitler's Nazi Party, resulting in the tremendous gains they saw in the following year's Reichstag elections. In any case, historical events would take over not long after the adoption of the plan, including the Stock Market Crash of 1929 and the ensuing global economic depression, and the reparations scheme would almost immediately fall apart.

Sources:

Hoover, Herbert. [\*Message of the President of the United States Communicated to the Two Houses of Congress at the Beginning of the Third Session of the Seventy-First Congress 1930.\*](#) House, Dec. 2, 1930. 71<sup>st</sup> Congress, 3<sup>rd</sup> Session, H.doc.519 (Pr30.1:928). ProQuest Congressional, 9380 H.doc.519

Hoover, Herbert. [\*Message from the President of the United States Transmitting Treaty for the Limitation and Reduction of Naval Armament, Signed at London on April 22, 1930.\*](#) Committee on Foreign Relations. Senate, Apr. 30, 1930. 71<sup>st</sup> Congress, 2<sup>nd</sup> Session, S.doc.141. ProQuest Congressional, 9220 S.doc.141

Hoover, Herbert. [\*Message from the President of the United States. Transmitting Communication to the Two Houses of Congress at the Beginning of the First Session of the Seventy-first Congress. 1929.\*](#) Committee of the Whole. House, Apr. 16, 1929. 71<sup>st</sup> Congress, 1<sup>st</sup> Session, H.doc.1 (Pr31.929/1). ProQuest Congressional, 9134 H.doc.1

Hoover, Herbert. [\*Message of the President of the United States Communicated to the Two Houses of Congress at the Beginning of the Second Session of the Seventy-First Congress. 1929.\*](#) House, Dec. 3, 1929. 71<sup>st</sup> Congress, 2<sup>nd</sup> Session, H.doc.176 (Pr31.1:929/2). ProQuest Congressional, 9251 H.doc.176

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## Economic Trends and Conditions

Early in 1929, President Hoover discussed the continued stress on the agricultural sector and pushed for the Federal Farm Board to be created to organize the agricultural marketing system and help bring relief to the sector. The President also pushed for tariff reform in order to equalize the difference in production costs internationally with the belief that these measures would improve the stability of U.S. agriculture. The Department of Agriculture reported that the gross farm income for 1928-1929 was \$12.5 billion up from \$12.1 billion in 1926-1927, prompting President Hoover to assert that the agricultural situation was improving.

Throughout 1929, particularly during the summer, speculation continued to run rampant in the stock market, with capital continuing to be placed in stocks rather than enterprise. But investors were also starting to become nervous and whenever there was upsetting news, the market would drop

sharply, only to recover afterwards. In February 1929, the Federal Reserve Board issued a warning, stating that “a member bank is not within its reasonable claims for rediscounts facilities at the Federal Reserve’s Bank when it borrows for the purpose of making speculative loans.” By the end of the summer of 1929 dire predictions began to be made and the market started to show signs that its continuous upward movement was nearing its end. On October 24, 1929 anxiety began to show in the market with 12,894,650 shares changing hands. The following Monday true panic set in and the *Times* industrial average closed down 49 points. On Tuesday, October 29, 1929, which came to be known as “Black Tuesday,” the stock market took its most devastating hit yet, with 16,410,030 shares traded, the industrial average down another 43 points and the stock-ticker running two and half hours behind schedule.

Despite these losses, President Hoover maintained at the end of the year that the country was still prospering, although admitting to some inequalities within this prosperity. He also maintained faith in the Federal Reserve System and the banks to carry the country through the crisis “without impairment,” downplaying the threat of unemployment. He stated that the long upwards trend “gave rise to over-optimism as to profits, which translated itself into a wave of uncontrolled speculation in securities, resulting in the diversion of capital from business to the stock market and the inevitable crash. The natural consequences have been a reduction in the consumption of luxuries.”

By the end of 1930, however, it became apparent that the U.S. was entering a broad depression. The average price of farm produce had fallen roughly 80 per cent from 1928 levels. In June of 1930, President Hoover used the belief that the depression had been caused by more than just speculation in the stock market, but also by forces outside of the U.S. in the form of world-wide overproduction in commodities, to push the Hawley-Smoot Tariff Act through Congress. During his State of the Union Address of December 2, 1930, the President enjoined the Congress to appropriate up to \$150 million as an emergency measure to fund public works projects and other initiatives aimed at forestalling the economic slide.

Moreover, the prevailing opinion of economists at the time was that the Government should not intervene, allowing panics and crashes to run their course, while maintaining its own financial soundness by balancing the budget. President Hoover stated that “economic depression can not [*sic*] be cured by legislative action or executive pronouncement.” Instead, President Hoover stated that recovery was to be achieved through cooperative action between producers and consumers.

Sources:

Coolidge, Calvin. [\*Message of the President of the United States Communicated to the Two Houses of Congress at the Beginning of the Third Session of the Seventy-First Congress 1930\*](#). House, Dec. 2, 1930. 71<sup>st</sup> Congress, 3<sup>rd</sup> Session, H.doc.519 (Pr30.1:928). ProQuest Congressional, 9380 H.doc.519

Hoover, Herbert. [\*Message from the President of the United States, Transmitting Communication to the Two Houses of Congress at the Beginning of the First Session of the Seventy-first Congress\*](#).

[1929](#). House, Apr. 16, 1929. 71<sup>st</sup> Congress, 1<sup>st</sup> Session, H.doc.1 (Pr31.929/1). ProQuest Congressional, 9134 H.doc.1

Hoover, Herbert. [Message of the President of the United States Communicated to the Two Houses of Congress at the Beginning of the Second Session of the Seventy-First Congress, 1929](#). House, Dec. 3, 1929. 71<sup>st</sup> Congress, 2<sup>nd</sup> Session, H.doc.176 (Pr31.1:929/2). ProQuest Congressional, 9251 H.doc.176

Joint Committee on Economics. [Great Depression: Can It Happen Again?](#) GPO, Oct. 29, 1979. 96<sup>th</sup> Congress, 1<sup>st</sup> Session, 80-J841-22 (Y4.Ec7:D44). ProQuest Congressional, HRG-1979-ECJ-0021

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## Major Treaties

**Treaty for the Limitation and Reduction of Naval Armament (London Naval Treaty)**. Limited and reduced naval armament, including submarines. Approved by the Senate July 21, 1930. ([46 Stat. 2858](#))

Source:

Dell, Christopher and Stephen W. Stathis. [Major Acts of Congress and Treaties Approved by the Senate, 1789-1980](#). Government Division (CRS), Sept. 1, 1982. 97<sup>th</sup> Congress, 2<sup>nd</sup> Session, 82-156 GOV. ProQuest Congressional, CRS-1982-GOV-0005

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## Landmark U.S. Supreme Court Decisions

*Wisconsin v. Illinois*, also known as the Chicago Sanitary District Case, holding that the equitable power of the U.S. can be utilized to impose positive action on one state in a situation in which non-action would result in damage to the interests of other states, 278 U.S. 367 (1930)

*Taft v. Bowers*, holding a donee is taxed on the appreciation of a gift in the hands of the donor (not only on the appreciation in the donee's hands), 278 U.S. 470 (1929)

*United States v. Schwimmer*, holding that pacifists are liable to be incapable of the attachment for and devotion to the principles of the U.S. Constitution that is required of aliens seeking naturalization. Overruled by *Girouard v. United States* (1946), 279 U.S. 644 (1929)

*Pocket Veto Case*, holding that the President may pocket veto a measure not only after the final adjournment of a Congress, but also during the adjournment after the first session, 279 U.S. 655 (1929)

*Lucas v. Earl*, holding all of a husband's earnings are to be taxed to husband even though husband and wife had previously entered into an agreement under which all earnings were owned in joint. Origin of Assignment of income doctrine, contract to divide income between husband and wife, 281 U.S. 111 (1930)

Sources:

Committee on Immigration and Naturalization, House. [To Reconcile Naturalization Procedure with the Bill of Rights](#). GPO, Jan. 26-27, 1932. 72<sup>nd</sup> Congress, 1<sup>st</sup> Session, H620-2 (Y4.Im6/1:N21/12). ProQuest Congressional, HRG-1932-IMN-0005

Shampansky, Jay R. [Pocket Veto: A Legal Analysis](#). American Law Division (CRS), Jan. 11, 1990. 101<sup>st</sup> Congress, 2<sup>nd</sup> Session, 90-43 A. ProQuest Congressional, CRS-1990-AML-0022

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## 1929 Events

- **Feb. 9:** Litvinov's Pact is signed in Moscow by the Soviet Union, Poland, Estonia, Romania and Latvia agreeing not to use force to settle disputes
- **Feb. 11:** Italy and the Holy See of the Catholic Church sign the Lateran Treaty establishing the Vatican City as an independent sovereign enclave within Rome
- **Feb. 14:** Saint Valentine's Day Massacre occurs wherein five rival gangsters of Al Capone and two civilians are killed in Chicago
- **Mar. 2:** [San Francisco Bay Toll-Bridge opens, the longest bridge in the world at the time](#)
- **Mar. 28:** Imperial Japanese Army forces withdraw from Shandong province in China bringing an end to a crisis between Japan and Chiang Kai-shek's Kuomintang originating in anti-imperialist attacks against foreign consulates in Shandong by Chiang's forces
- **May 1:** [National Commission on Law Observance and Enforcement appointed by President Hoover](#)
- **May 16:** The 1st Academy Awards are presented
- **July 27:** [The Geneva Convention addresses the treatment of prisoners of war](#)
- **Aug. 31:** [The Young Plan is finalized, setting the total WWI reparations owed by Germany at 112 billion Gold Marks to be paid over a period of 58½ years](#)
- **Oct. 28-29:** *Wall Street Crash of 1929 (Black Tuesday)* - [Record point drops in New York Stock Exchange cause the market to lose over \\$30 billion in two days](#)
- **Nov. 7:** In New York City, the Museum of Modern Art opens to the public

## 1930 Events

- **Jan:** [NAACP campaign against nomination of Judge John J. Parker to the U.S. Supreme Court](#)
- **Feb. 2:** The Communist Party of Vietnam is established
- **Mar.28:** Turkey requests the international community to adopt Istanbul and Ankara as the official names for Constantinople and Angora
- **Mar. 31:** [The Motion Picture Production Code \("Hays Code"\) is instituted in the U.S., imposing strict guidelines on the treatment of sex, crime, religion and violence on films for the next 40 years](#)
- **Apr. 5:** At the end of a 200-mile protest march begun on March 12th, Mahatma Gandhi makes salt by the sea as an act of civil disobedience against the British monopoly on salt



- **Apr. 17:** Neoprene is invented by DuPont
- **Apr. 22:** [The United Kingdom, Japan and the United States sign the London Naval Treaty to regulate submarine warfare and limit shipbuilding](#)
- **Sept. 14:** National Socialists Party (Nazi Party) wins 18.3% of the vote during the elections, making it the second largest party in the Reichstag
- **Nov. 3:** [Getúlio Vargas becomes president of Brazil](#)
- **Nov: 25:** Cecil George Paine achieves the first recorded cure using penicillin
- **Dec. 2:** [President Herbert Hoover asks Congress for a \\$150 million public works program to stimulate the economy and create jobs](#)

Sources:

[Bulletin of the Pan American Union](#). Pan American Union, June 1, 1932. 72<sup>nd</sup> Congress, 1<sup>st</sup> Session, H.doc.63 (PA1.6:v.66/1). ProQuest Congressional, 9629 H.doc.63

Committee on the Judiciary, Senate. [Confirmation of Hon. John J. Parker To Be Associate Justice of the Supreme Court of the U.S.](#) GPO, Apr. 5, 1930, 71<sup>st</sup> Congress, 2<sup>nd</sup> Session, S331-12 (Y4.J89/2:P22). ProQuest Congressional, HRG-1930-SJS-0006

Committee on Ways and Means, House. [Moratorium on Foreign Debts. Part 1](#). GPO, Dec. 15-16, 1931, 72<sup>nd</sup> Congress, 1<sup>st</sup> Session, H584-7-A (Y4.W36:M79/pt.1). ProQuest Congressional, HRG-1931-WAM-0007

[Enforcement of the prohibition laws \[...\], both before and since the adoption of the eighteenth amendment to the Constitution](#). Senate, July 23, 1930, 71<sup>st</sup> Congress, 3<sup>rd</sup> Session, S.doc.307. ProQuest Congressional, 9341-2 S.doc.307

Hale, Frederick. [London Naval Treaty of 1930](#). Committee on Naval Affairs, Senate, June 25, 1930. 71<sup>st</sup> Congress, 2<sup>nd</sup> Session, S.doc.197. ProQuest Congressional, 9220 S.doc.197

Hoover, Herbert. [Message of the President of the United States \[...\]](#). House, Dec. 2, 1930. 71<sup>st</sup> Congress, 3<sup>rd</sup> Session, H.doc.519 (Pr31.1:930). ProQuest Congressional, 9380 H.doc.519

["International convention relating to the treatment of prisoners of war. Signed at Geneva, July 27, 1929; proclaimed, August 4, 1932."](#) (47 Stat. 2021; July 27, 1929). ProQuest Congressional

Johnson, Hiram Warren. [Bridge across San Francisco Bay](#). Committee on Commerce, Senate. June 4, 1929. 71<sup>st</sup> Congress, 1<sup>st</sup> Session, S.rp.33. ProQuest Congressional, 9185 S.rp.33

[Motion Pictures and Juvenile Delinquency. Interim Report](#). Subcommittee to Investigate Juvenile Delinquency in U.S.; Committee on Judiciary. Senate, Jan. 1, 1956. 84<sup>th</sup> Congress, 2<sup>nd</sup> Session. ProQuest Congressional, CMP-1956-SJS-0023

["Views on Final Adjournment."](#) Congressional Record, 71<sup>st</sup> Congress, 1<sup>st</sup> Session (Nov. 20, 1929) Vol. 71, pp. 5836-5839. ProQuest Congressional, CR-1929-1120

## Major Acts

**Agricultural Marketing Act.** Established the Federal Farm Board (of eight members and the Secretary of Agriculture) for promoting the marketing of farm commodities through agricultural cooperatives and stabilization corporations. Authorized a revolving fund of \$500 million for low interest loans to such agencies in the interest of the orderly purchasing, handling,

and selling of surplus commodities. The board was also authorized to make agreements with cooperatives and stabilization corporations in order to prevent losses caused by price fluctuations. Approved June 15, 1929 ([46 Stat. 11, Chap. 24; PL71-10](#))

**Reapportionment Act of 1929.** Permanently established the method for apportioning seats in the House of Representatives and fixed the number of seats at 435. Approved June 18, 1929. ([46 Stat. 21, Chap. 28; PL71-13](#))

**National Institute of Health Act.** Reorganized and renamed the Hygienic Laboratory as the National Institute of Health and organized a system of grants and fellowships to promote research. Approved May 26, 1930. ([46 Stat. 379, Chap. 320; PL71-251](#))

**Tariff Act of 1930 (Hawley-Smoot).** Raised import duties on imported agricultural products from 38 percent to 45 percent, providing special protection for sugar, textile, citrus fruit, and cotton, and removed many items from the free list. Also reorganized the Tariff Commission and outlines more specifically its powers and detailed procedures for its advisory functions in conducting flexible tariff, unfair trade practices, and foreign discrimination investigations, as well as in carrying out studies and preparing reports on all aspects of international trade systems. Approved June 17, 1930. ([46 Stat. 590, Chap. 497; PL71-361](#))

**Veterans' Administration Act.** Consolidated all Federal functions for ex-servicemen in a single agency to be known as the Veterans Administration. Approved July 3, 1930. ([46 Stat. 991; PL71-522](#))

**Davis-Bacon Act.** Required the payment of prevailing local wage rates on all Federal or Federally-assisted public works projects. Approved Mar. 3, 1931. ([46 Stat. 1494, Chap. 411; PL71-798](#))

**Star-Spangled Banner National Anthem Act.** Designated Francis Scott Key's "The Star-Spangled Banner" as the national anthem of the United States. Approved Mar. 3, 1931. ([46 Stat. 1508, Chap. 436; PL71-823](#))

Source:

Dell, Christopher and Stephen W. Stathis. [Major Acts of Congress and Treaties Approved by the Senate, 1789-1980](#). Government Division (CRS), Sept. 1, 1982. 97<sup>th</sup> Congress, 2<sup>nd</sup> Session, 82-156 GOV. ProQuest Congressional, CRS-1982-GOV-0005

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