

D 635

.C56

Copy 1

THE WAR PLOTTERS OF WALL STREET

By CHARLES A. COLLMAN



Class II 635

Book C56



THE WAR PLOTTERS OF WALL STREET

BY
CHARLES A. COLLMAN

11

THE FATHERLAND CORPORATION
NEW YORK

1915

D635
. C56

Copyright, 1915, by
THE FATHERLAND CORPORATION

Transferred from
The Reading Room
June 23, 1928

CONTENTS

CHAPTER	PAGE
I. YOUNG MORGAN, BRITAIN'S MUNITIONS AGENT	7
II. THE WAR STOCK GAMBLERS	16
III. THE CURTAIN RAISED ON WALL STREET'S UNDERWORLD	26
IV. WALL STREET'S BRITISH GOLD PLOT	37
V. OUR BANKRUPT "LADY OF THE SNOWS"	48
VI. THE CRIME OF THE YEAR 1915	59
VII. THE SHAM PEACE SOCIETIES	68
VIII. RED LIGHTS AHEAD!	78
IX. THE "AMERICAN" PILGRIMS	88
X. THE MEN WHO TOASTED THE CZAR	98
XI. WHO IS USING OUR LIFE INSURANCE FUNDS?	105
XII. IS WALL STREET USING SAVINGS BANK DEPOSITS IN SECRET LOANS TO RUSSIA, FRANCE AND ENGLAND?	119
XIII. THE GREAT NEWS CONSPIRACY--HOW UNSCRUPULOUS NEWS- PAPER OWNERS, AT THE BEHEST OF WALL STREET, DE- LIBERATELY DECEIVED THE AMERICAN PEOPLE	121

W. L. S. L. 22. 1926

PREFACE

These stories were written under fire, at a time when treason stalked through the land. They are human records of the amazing acts of men who schemed and strove and plotted to blind ninety million people.

Then these men, with immense cunning, set themselves to work at a game that is old as history. They coined great fortunes for themselves from the mad passions and blind hatreds they had instilled into their fellow-men.

We, who tried to expose these conspirators, were villified, threatened, hounded by the most powerful and unscrupulous band that ever organized itself to ruin a country and its people in the interest of a foreign race.

Even to-night, as I write these lines, the plots proceed apace (October 22, 1915). Wall Street millionaires are calling on Congress to expend a billion and a quarter dollars in the coming year, most of it on armament. They have sent the war stocks skyward, Bethlehem Steel the leader, with a gain of 59 points in a single afternoon, for they expect huge dividends to be paid on the hundreds of millions that will flow into their pockets from the "National Defense." They have announced that they shall elect Elihu Root, the Wall Street corporation lawyer, as their President. England has deserted her ally, the Serb. The Germans are marching on Constantinople.

Some plots have miscarried. Other war plots are brewing for the further enrichment of financiers. Shall we let them succeed, these fearful crimes planned by the men who, for a long year, have hoodwinked us, used us as their pawns—THE WAR PLOTTERS OF WALL STREET?

CHARLES A. COLLMAN.

WAR PLOTTERS OF WALL STREET

I.

YOUNG MORGAN, BRITAIN'S MUNITIONS AGENT

One autumn day as I was passing the corner of Wall and Broad Streets, where the new but rather unsightly home of J. P. Morgan & Co. had just been erected, a friend, one of the leading financial writers of the Street, seized me by the arm, and pointing across the way, he exclaimed: "Do you see that stone there, streaked with red in the front wall of Morgan's building? That's the blood of the New Haven."

We laughed. It was jestingly said, but in it was the tragedy that lurks behind most jests. The leading men of New England, trusting in the integrity of the Elder Morgan, had invested their family fortunes in New Haven stock. And when the great blow fell, no men knew better than we in Wall Street of the many women, the widows of those men, who had come to interview their bankers on the wrecking of their all. Those strained, tear-stained faces of the New England widows haunted the Street for weeks. It was the bitter story of lost homes, of sons taken from college, sent to work in the factories their fathers had once owned.

The Elder Morgan inflated the costly bubble that disintegrated the New Haven. Throughout his career he had trusted confidently in the future. And she was kind to him. He died before she could confront him with an accusing finger.

The Elder Morgan died and we saw his son step into his place, into his fortune and the seat in the banking house that heads the Money Trust and controls the finances of our country. Wall Street was breathlessly curious to learn what manner of man was this who now headed the banking world.

Young Morgan, as he is still known, bears the same name as his father and possesses the same facial characteristics. He is tall, with a strong, athletic frame, a firm step and a pleasant face.

He is popular among his friends, and no whisper of scandal has been breathed against his moral life.

The Elder Morgan had a genius for great financial operations, he built immense corporations, and was an art collector without being a connoisseur. He diverted himself by buying known works of art at the highest possible prices. There was a sort of bluff heartiness about the Elder Morgan even in his despotism. He once scandalized Wall Street by slapping his chief partner in the face. They called him a pirate, and the old joker dubbed his yacht the *Corsair*. When he died, I wrote his four-page obituary in the *Herald*. In order to get my material, I read about everything that had ever been written about Morgan, I questioned his friends and associates and consulted my personal experiences with the banker.

When I had completed that obituary, I was struck by a most remarkable fact. Not once by a gratuitous and kindly act, in no incident of his long career had he displayed the slightest sympathy for his human kind.

No wonder we in Wall Street were curious to learn the manner of man Young Morgan should prove to be.

I think the first revelation came to us all as a shock. On February 21st of this year Young Morgan testified before the United States Industrial Relations Committee. Chairman Walsh asked him what he considered the proper length of a working day for his employees.

"I haven't any opinion on that subject," replied Young Morgan.

"What do you regard as the proper income for an unskilled workman?"

"There again I have no opinion."

"Do you consider \$10 a week sufficient to support a long-shoreman?"

"I don't know. If that is all he can get and he takes it, I suppose it is enough," and Morgan laughed.

"At what age do you think children should go to work?"

"I haven't any opinion."

The spectators at the hearing began to regard the witness with curious interest.

"How far do you think stockholders are responsible for labor conditions?" continued the Chairman.

"I don't think stockholders have any responsibility in that matter," was the reply.

"How about directors?"

"None at all."

The witness was so indifferent and unresponsive to questions affecting laboring men and the causes of industrial unrest that the members of the Committee gladly let him depart with the remark: "You are permanently excused, Mr. Morgan."

Now Young Morgan would tell you that he is a private banker. He has resigned from most directorates of the banks and corporations with which he is connected. Yet he still owns and controls those banks and corporations, steamship lines, steel and iron plants, and the great world-wide financial machinery that his father raised, and for which his father's father laid the foundations.

Young Morgan as a result of all this has immense power. It seems to me that there lies a source of uneasiness, if not acute danger to us in that the head of all this industry and banking, which concerns the welfare and personal safety of many millions of our people, should openly profess such unconcern, such a total absence of sympathy with his fellow-men. Of course, a man may think as he likes. But in our day it has become a sort of unwritten duty that the man who makes a great and easy fortune from the labor of others, who controls the public's money, and earns it from the public by the sale of large security issues, should exhibit some interest at least in those who work for him. I don't recall a single instance in public life of another man confessing the sentiments that Young Morgan has avowed. We see that the laws of heredity have been observed, and that the son has inherited his father's indifference to his human kind.

When the Elder Morgan died, his son at once sold the Chinese porcelains on which his father had spent vast sums gained from "financing" the Erie and New Haven. He sold his father's Fragonard panels. There had been some expectation that the son would bequeath to the public museums his father's art collections—an act of expiation, one might say, for past plunderings of the public. But Young Morgan cared nothing for the public's good wishes. He wanted the money.

We read in Carl Hovey's life of the Elder Morgan that the banker gained his education at the University of Göttingen.

Those early associations in Germany maintained a warm spot in the old corsair's hardened heart. Now we see his son selling bayonets and shrapnel that savage Sikhs and Senegal negroes may ravage the land where his father spent his youth. Young Morgan has little sentiment for his father's memory.

At the beginning of the European war, Young Morgan completed arrangements for making a loan to the Bank of France. This was on August 6, 1914. The Washington administration immediately asked American citizens to observe neutrality, and declared its opposition to the proposed French loan. Young Morgan then abandoned the French loan, to the great satisfaction of the people of this country.

Months passed, demand sterling dropped, English credit was affected, and England owed Morgan money. Then one day Young Morgan left this country for England. He landed in London. When the American correspondents there questioned him about his errand, he refused to talk. Young Morgan rarely talks. He went into the country, where he sought security from observation, and remained there for several weeks. In the United States Mr. Morgan's visit to England at such a crucial time was viewed with many misgivings. That the foremost American banker, noted for his British associations and sympathies, known, in fact, to be completely under the domination of this foreign influence, should be in England, secretly conferring with the heads of the British government, was sufficient to alarm every one of his countrymen. And Morgan was acting thus apparently against the expressed wishes of the Washington administration.

What was being plotted in England between Morgan and the heads of the British government?

"The danger hid, breeds dreadful doubts."

These dreadful doubts were soon to be verified. Young Morgan returned to this country and triumphantly announced that he had been appointed the official agent of the British government for the purchase of war munitions.

An American multi-millionaire had again set himself above the law. He had committed an unneutral act, while his less wealthy fellow-countrymen were besought to remain neutral.

It must be confessed that Mr. Morgan's countrymen received this announcement that he had become a foreign government agent with feelings of grief and shame. It was incomprehensible

to them that an American citizen, a man of enormous wealth, driven by no necessity, should deliberately have gone into the business of buying shrapnel for the killing of his human kind.

Hatred stalks wide through the land. Lifelong friendships have been disrupted. Wounds have been opened which may never heal again. And Morgan has brought all this upon his country—the country which has showered upon him and his family all the opportunities, the ease and comfort that an enormous fortune brings.

But Young Morgan cares nothing for all that. He wants the money.

When recently charges were made in the British Parliament that Morgan was asking too high a price for his shrapnel, Lloyd George, Morgan's friend, defended him by saying that Morgan was making only two per cent. The trade in munitions is said to be approximating \$2,000,000,000. Two per cent. of two billions is \$40,000,000.* That a man, lured even by the spectre of this sum, should go into this bloody trade demands the possession of a cold and hardened heart. Young Morgan has all that.

We remember that the grief and destitution of the widows and orphans of New England left the Elder Morgan as unmoved as the ash on the tip of one of those black cigars from his private Cuban plantation.

I do not believe that any reproach or remonstrance would move Young Morgan to abandon his dreadful trade—no, not even though the widows and orphans he has made should plead with him, because, you see, he has no sympathy with his human kind.

If the general public was amazed by the act of Young Morgan in becoming the paid agent of a foreign government, what was the emotion of Wall Street? Bankers are the most conservative species of the money-making genera. A banker, as a rule, takes sides on public questions only in the most cautious and deliberate way. He wishes to get everybody's deposits, and sell his bonds and mortgages to the greatest number, as a baker sells his loaves of bread. He enters into no antagonisms, he challenges no enmities, since such courses are fatal to his trade.

* NOTE:—This sum represents only Mr. Morgan's commission as Britain's agent. Immense additional profits are also being made by him and his money trust associates from the companies engaged in the manufacture of munitions in which they are interested.

To say that the banking element of Wall Street was thunder-struck would be to put it mildly. I have spoken with many bankers on this subject, and the general sentiment can be summed up in the words of an old and conservative member of the frater-



THE TWO MORGANS

nity: "The Elder Morgan would never have done this thing. His son has left his father's ways. What the future will now have in store for him and the house his father left him no man may foretell."

I have before me a copy of the London *Daily Chronicle* of

June 24, 1915, containing the speech of Lloyd George, Morgan's friend, before the House of Commons:

"In consequence of the great importance of the American and Canadian markets, I have asked Mr. D. A. Thomas—(cheers)—to go over and assist in developing that side of the work. *He will exercise control over the production of munitions in Canada and the States, and will be given the fullest authority. Mr. Thomas will act in co-operation with the representatives of the government in the States and in Canada.* There is not the slightest idea of superseding the existing agencies there. These agencies have worked admirably, and, I believe, have saved this country millions of money. He will co-operate with Messrs. Morgan & Co., *the accredited agents of the British government.*"

Can this boast of the British politician possibly be true? Has our country reached so low a pass that the representative of the British government exercises control over American industries, acting in co-operation with America's leading banker, the agent of the British government?

Not long ago a demented man went to Young Morgan's home and shot at him. The crack of a pistol smoked out the fact that the British Ambassador was present in Morgan's home.

That the British Ambassador was a visitor at the home of a pro-British banker would not be noteworthy. But what are we to suspect when the British Ambassador is secretly found in conference with the agent of the British government? What was he doing there? "The danger hid, breeds dreadful doubts."

If Young Morgan still retains his American citizenship, if he has not abandoned it as a result of his contract with the British government, as so many of his pro-British friends have done—Waldorf Astor and Sir (?) Thomas G. Shaughnessy, who spat upon republican principles and renounced his American citizenship to swear allegiance to the English throne—if, I say, Mr. Morgan is still one of us, he owes it to his countrymen to take them into his confidence before a Congressional inquiry is made into these grave affairs.

Young Morgan should tell the American people with whose consent he became the accredited agent of the British government, and whether he first consulted the Washington authorities before he compromised his country in this wise. He should tell us whether, as Lloyd George says, he really is co-operating with

Mr. Thomas in supervising American industries, and how far the financial resources of our people are being used in this contraband trade with England.

Young Morgan should tell us why, after abandoning his loan to France in the summer of 1914, he now makes a French loan in the summer of 1915; why he makes a \$45,000,000 loan to Canada and is contemplating a loan to the British government of \$500,000,000 of the American people's money, after the Administration in Washington made him abandon these loans twelve months ago.

Clear explanation should allay the dreadful fears that a British plot exists to make this country fight England's war in Europe as the price of \$40,000,000 in commissions for the purchase of \$2,000,000,000 worth of war material.

I am sure that the entire country sympathized with Mr. Morgan when a crack-brained fool tried to strike him down. It sympathized also with his mother and his wife who were prostrated when they learned of the dreadful attempt. One can almost hear the two women pleading with the son and husband: "Jack, give up this dreadful business. You see what it is leading to."

And the man remains unmoved.

About the time that deed occurred, there was in one of the Sunday newspapers a halftone picture taken from a Galician battlefield. It was not a pleasant picture. It showed a group of Galician peasant women assembled about a wooden shack, waiting patiently for a dole of black bread and salt. They were barefooted, and some of them had beastlike faces, torn with suffering and grief. I fear that our women also would be barefooted and show beastlike faces, if ever our homes were ravaged by Russian Cossacks. In the same paper Lloyd George was boasting that Britain would win the war, not by the valor of British arms, but by starving women such as these. These ragged Galician peasant women knew that an Austro-German regiment had captured on that spot, from the Russians, boxes of ammunition "Made in America." They knew who had sold these arms to the Russians via Archangel. Oh, it is known by this time over the world. They had come from Britain's munitions agent, who thereby was earning his two per cent.

But these ragged, wretched Galician peasant women WERE ALSO WIVES AND MOTHERS. THEY ALSO HAD SEEN

THEIR SONS AND HUSBANDS STRICKEN DOWN. And these women were primitive natures. They knew how to curse and wail.

The old Assyrian kings were conspicuous for a peculiar streak of cruelty. When they captured a town, they proudly record making mounds outside of the city gates of the hands and ears of their captives. "Those whom I spared, I put out their eyes and cut off their noses." Modern historians explain this peculiar trait of the Assyrians by stating that these people lacked imagination—that is, they could not conceive suffering in others as applied to themselves.

I think this rule applies to Young Morgan. I fear he fails in imagination.

I confess that if I were Britain's munitions agent, I would wake o' nights sweating with fright, my ears ringing with those shrieks and wails from the Galician battle-fields:

"Cold fearful drops stand on my trembling flesh,
 What do I fear? Myself? there's none else by:
 There is no creature loves me;
 And if I die, no soul will pity me:
 Nay, wherefore should they? Since that I myself
 Find in myself no pity to myself.
 Methought the souls of all that I had murder'd
 Came to my tent."

I have never before written a word in criticism of Young Morgan, and what I add now I write with reluctance and regret. But this pro-British banker, this handsome, stalwart man, with his satiate eye, with his lack of human sympathy, with absence of sentiment and imagination, walking to and from his banking house in Wall Street to earn his bloody two per cent., I regard to-day as the man most dangerous to the peace of his country.

II.

THE WAR STOCK GAMBLERS

Wall Street has many moods and guises. It dresses them in externals, as an actor does his parts.

The other day I strolled into the entrance of the Stock Exchange, and my eyes met the large placard posted there:—

“Gallery Closed for Repairs.”

No repairs are ever needed for the gallery of the Stock Exchange. I knew the portents of that sign. I have seen it there before, and know the reason why. It meant that the public had been excluded from the observation stand where it is permitted to watch the brokers' hubbub about the trading posts in the country's greatest money market. It meant FEAR.

So I went around to the Wall Street entrance, where I satisfied the uniformed watchers stationed there as to my good intentions. For all entrances to the Stock Exchange are guarded, as are many Wall Street banking houses now, whose partners are kept under secret protection when they go about.

I went to the fifth floor of the building to the “Library,” where the financial writers congregate. One of them came up to me and whispered: “Collman, do you know they've just put a new steel wire netting over the roof of the Exchange?”

We interchanged significant glances. “Why,” I asked, “have they been getting letters again?”

“Yes,” he answered, in a lowered tone, “but they asked us not to mention it in the newspapers.”

In order to verify my friend's statement, I later ascended to the sixteenth floor of the Commercial Cable Building and looked down upon the shaft which opens on the great glass dome over the floor of the Exchange. My friend had not been mistaken. There it spread, a new, glittering steel wire netting, strong and durable, protecting the men, who, far below, were buying and selling war stocks, to the accompaniment of a clamorous din.

And I could not refrain from asking myself, Why should men

be working way down there in secret, screened from the public eye?

Now in all this fair land of ours, those who are engaged in honest work do not hide behind steel screens, surrounded by guardsmen to protect them from the public gaze. When we go to see other men at business, we are accustomed to a bright American smile, a hearty handclasp and a cheery response that times are good and trade is booming.

When men work in secret hiding places, we are accustomed to associate them with those wretches who make explosives for the slaying of their fellows, or hatch some plot to strip them of their coin.

Is it possible that Wall Street can be engaged upon the commission of a crime?

Let us see.

On the New York Stock Exchange there are 1,100 memberships. These brokers, as a rule, are handsome, hearty fellows, generous and good natured as are most men who make easy money. They do not produce, but absorb from the surplus provided by those who do the work of the land. Wall Street men know this so well that many of them engage in public movements and philanthropies. Wall Street must be made respectable. Mr. Henry Clews, for instance, who may be termed the Nestor of the brokerage world, is head of the American Peace and Arbitration League. To some it might appear an inconsistency that war stocks should be permitted to be posted on the quotation board in his brokerage office. But then that is business. Since the great war started, however, Mr. Clews, both as a publicist and a public speaker, has seen fit to single out for attack one of the many nationalities that go to make up the population of our country, and that is not so well. People who live in glass houses, you know.

Mr. Clews and I have known each other for a great many years, and we have always been good friends, although, if he will permit me to say so, he is a foreigner and I am an American.

Mr. Clews was born in England and came to this country a poor boy, for his native land had nothing to offer him. We, in our country, have welcomed Mr. Clews, have given him the privilege of making a large fortune and enjoying an easy life. I think we all have rejoiced in seeing Mr. Clews prosper. So far as I know, nobody has ever attacked Mr. Clews because he is of

English birth, so it does not seem quite just that he should assail another race. Coming from a man of his age and standing, such words as he has uttered are calculated to awaken hatreds and dissensions that might tend to plunge our country into war. I think it is regretful that he should have brought over to us his old-world hatreds. I could probably say to him: "Mr. Clews, if you don't like the views of my country and the people of my country, you had better return to your own." But that is not the American way. I should not like to see Mr. Clews returned to his country. I like him too well. I admire him for his many gifts which have been useful to our people. Besides, I think he has a kindly heart, and is merely subject to an English fault.

I mention this attitude of Mr. Clews because I am convinced that it has a direct bearing on the fact that Wall Street to-day conducts its work in secret. This secretiveness is an admission of the Money Trust that in backing the Allies it is wronging other races in this country, and that it works in guilty fear of them. How much better would it be for Mr. Clews to prove his loyalty to his adopted country by advocating an embargo on the shipment of arms and ammunition to the warring nations, thus putting to shame his next door neighbor, Mr. J. Pierpont Morgan, American by birth, but official agent for Great Britain, who, for the sake of the money he makes, brings upon his country crisis after crisis because of his traffic in war material.

Throughout the United States millions of men are looking upon Wall Street and its Stock Exchange with eyes red in hatred. They see there disloyalty on every hand, bankers making themselves agents for foreign governments, naturalized citizens eager for war in the interest of the land from which they came, and which they seem to love better than their own. And among such are the War Stock Gamblers.

Mr. Noble, you are the President of the New York Stock Exchange, which is the medium through which the Money Trust unloads upon the public the stocks in its war enterprises.

You will recall that several years ago, after the public had been lured into Wall Street, plundered and stripped, a great outcry arose to incorporate the Stock Exchange.

As at present constituted, the Exchange is a private club. Its members do as they like, subject only to the club's restrictions.

"In case of the insolvency of a member, his obligations to

other members take precedence over even the claims of a customer who has been defrauded.”

The proposal to incorporate the Exchange was greeted with fury by your members. Your predecessor, Mr. Mabon, pronounced it a monstrous injustice, and at a dinner members hissed the name of New York's governor and threatened to remove their organization from the state.

But when the Pujó Committee recommended that Congress prohibit the use of the mails, telegraph and telephone to your association, the Exchange promised to reform. It appointed a press agent, Mr. William C. Van Antwerp, at a salary of \$15,000 a year—or is it \$25,000?—whose duty it was to make the Exchange popular again. I received some of these reform promises from the hands of Mr. Van Antwerp, and as I thought they were earnestly meant, I published them.

In view of that fact, Mr. Noble, I am entitled to ask you, How have those promises been kept?

To-day on the Stock Exchange the old game of swindling the public is in full blast again, but in a form crueller, meaner and more contemptible than ever.

You know to what I am referring—the War Stocks.

What are war stocks?

Since Mr. Morgan the Younger made himself Britain's munitions agent, the pro-British Money Trust has jumped in to manufacture arms and shrapnel for the Allies. They think they will make “fat money” by selling this material for the purpose of arming savage mercenaries, through whom England hopes to wipe out the Germanic races of Central Europe, from which more than one-half of our people have sprung. Well and good. But the Money Trust hopes also to make money in another way, namely by foisting upon the public, at high prices, the stocks issued on its war plants.

Among these war stocks I shall pick out a few conspicuous examples. They are Bethlehem Steel, Crucible Steel, Westinghouse, American Coal Products and Pressed Steel Car. There are also many others.

As I write this, Pressed Steel Car has been manipulated from \$25 to \$59¾ a share; Crucible, from \$18¼ to \$92¾; Westinghouse, from \$64 to \$115; Coal Products, from \$82 to \$170½, and Bethlehem, from \$29½ to \$311.

Those are huge advances. On what are they supposed to be based? Large cash dividends looming in sight? Mr. Noble, you know as well as I do that the members of the Money Trust never share their profits with the people. They will put such profits as they make into plants, and issue more stock against the latter, unloading it at still higher prices through the members of the Stock Exchange upon the public, which is to be neatly fleeced again.

Mr. Noble, did not the Exchange promise us that such reprehensible manipulations would be prohibited?

You know far better than I how the hidden machinery of the stock boomers is being used to stimulate the public appetite for speculation in war stocks. Paid tipsters float about uptown hotels; marvelous stories appear in venal newspapers of fortunes coined by lucky gamblers. Stories of phenomenal war orders from Russia or Great Britain are impudently invented, such as a \$90,000,000 war contract by American Can, or the 400,000,000 cigarettes supposed to have been ordered from the P. Lorillard Tobacco Company. In these two instances, well-meaning directors denied the lying stories. But the rumors augment daily, the faked contracts grow in number and volume, and the gambling fever is whetted sharper by the harpies who prey upon the savings of the foolish and credulous.

Now and then a high official of one of the war stock companies has the courage to step out to try to stem the rising tide of gambling which always leads to ruin. A member of the Crucible Company warned the public the other day that the stock was not worth its selling price. He said that there was outstanding in unpaid scrip and accumulated dividends on preferred stock \$7,300,000, that the company is guaranteeing \$7,800,000 of bonds, and has \$2,500,000 to \$3,000,000 of bonds outstanding on its subsidiary companies. He pointed out that, with these obligations in sight, and with the large expenditures necessary to finish its new plants, the common stock could not be expected to pay dividends for years to come. The shares of the company at once dropped five points, but impudent price boosters took up the song of "huge profits" again next day, and the market plungers soon forgot a warning sincerely meant.

Let me give you an example from my personal observation, of how the public "makes money" out of war stocks. I met in

the office of one of the members of your Exchange, a trader who, several days before, had bought 100 shares of Crucible Steel. It went up three points, and he took on 200 shares more. I was talking with him on the morning of Thursday, July 29. Crucible had opened with a gain of nearly five points, and this trader had again plunged to the extent of 500 shares. The stock still advanced. Flushed with the sense of coming riches, he turned to me and said: "I've already made \$3,000 in Crucible, and that'll pay for the killing of 1,000 Germans. What do I care. Business is biz. I would like to see us get into the war. Crucible would extend its plants and get still bigger war contracts from the government. Why, you'd see it jump to \$1,000 a share."

Crucible went to 79 that day. My acquaintance, the trader, became delirious with speculative fever. You know the symptoms, Mr. Noble. You are a broker, and make your commission out of such men. When Crucible went to 79, this man bought 500 additional shares. It went to 83, and he bought 1,000. This was at about two o'clock in the afternoon, if my memory serves me right. Then from one of those corrupt sources, which the Exchange manipulators know so well to use, there came a story that Bethlehem had bought the Crucible company. Traders reasoned that, since the news was out, they had better sell. Crucible began to melt until it declined to 66, only a fraction above the price at which it had closed the day before.

I met my trader a few days later. In the decline he had lost more than \$20,000 and was in debt even to his broker. He was wandering about like a stricken thing.

He had thought to make money by following the war stock gamblers. Poor fool! The Money Trust had made short shrift of him.

Do you ever stop to think, Mr. Noble, what a cruel business your members are engaged in? Do you not think that at least it ought to be played fair?

Let me call something to your attention.

In the last five weeks, as I write this, 130,540 shares of Bethlehem were traded in upon the Exchange, or nearly as much as the entire outstanding stock in the hands of the public; in Coal Products, 109,898 shares were traded in, or more than all the outstanding stock; in Westinghouse, 1,445,490 shares were traded in, or four times the amount of the outstanding stock; in the

instance of Crucible, 1,135,400 shares were traded in, or five times the amount of the outstanding stock, which aggregates only 245,784 shares.

This undoubtedly indicates that these stocks are "cornered." The war stock gamblers do not sell the stock itself, of which the floating supply is small, but sell contracts to receive and deliver it.

Mr. Noble, was not one of the reforms promised us, a prohibition of the "cornering" of stocks? Is stock "cornering" permitted under the law?

Into what deep waters have thy rowers led thee?

The old argument that the Exchange has nothing to buy and nothing to sell, and is only a meeting place for its members, will no longer hold. The representatives of the Exchange did not make that plea in Albany, three or four years ago, when they pleaded against incorporation, and promised honest trading methods for the future.

One of the members of your Exchange recently said to me: "We may not be doing the right thing, but we hope to get away with it, anyhow." He is mistaken. This time you will not get away with it. There is an old saying in the financial district: "The men who drop their money in Wall Street are good losers. They never squeal." That is true. The man who has been trimmed in the Street slinks away from the district. He has been carefully educated to the fact that it is considered bad form to blow one's brains out in a broker's office.

Already the financial district is filling with the stories of the heart-breaks of ruined men, of suicides, of families left penniless through the work of the war stock gamblers. The public is in an ugly temper. It is not the same public that rose against the Stock Exchange in 1912-13. This time you have aroused the anger of a great people. It is an undemonstrative, conservative and industrious race, that forms the bone and sinew of our nation, and when it is deeply wronged, IT NEVER FORGIVES, AND IT NEVER FORGETS.

Have you read the official organ of Wall Street (*Commercial and Financial Chronicle*, July 31), and the warning it has addressed to you? It says:—

"The war order business will in any event be of short duration. There may be large immediate profits (waiving altogether

the question of risks), but these large profits cannot in any event last very long. But the prospect of these large profits, albeit of a very risky nature, is being dangled before the eyes of the public and a gigantic speculation is being carried on, evidently by powerful cliques, with the view of utilizing the situation.

“Similar schemes have been worked in the past, but never has the transparent character of the undertaking been so manifest as on the present occasion. It is the duty of all who are in position to influence popular sentiment or who have access to the popular thought, to warn the innocent public against allowing themselves to become the prey of the designing band of manipulators.

“Has not the Stock Exchange a duty in the premises which it should not neglect to perform?

“*The Stock Exchange authorities must proceed as the District Attorney would in ferreting out crime.* And after the offending parties have been discovered, further dealings with them or for them must be prohibited.”

These are pretty strong words, Mr. Noble, but do you know why they have been uttered? All over the country people are withdrawing their money from banks of deposit and demanding gold. They have learned that the Money Trust, which is selling war munitions to the Allies, cannot get gold from the latter, and is now using the people's money to reimburse itself. French, Russian and British securities, received by the Trust from those countries, are being planted in all the banking institutions, which are loaning the public's money upon them.

If you do not believe what I say, send to me and I will show you the written admissions of banking officials to that effect.

Russia is bankrupt, one-fourth of France is in ruins, and Great Britain has scaled down the principal on the premier security of the British Empire, Consols, which it redeems at only two-thirds of the par value in new securities. These countries will not hesitate to make a partial default on the securities planted by the Money Trust in American banks, on which it has borrowed the people's money. When that day comes, the Wall Street banks will have to call in the loans they are making on the inflated war stocks. And the war stock gamblers will have made another panic.

Do you remember the panic of 1907, which was precipitated

by the Wall Street stock gamblers? Do you recall how the streets in the financial district were filled with the mob, and the steps of the Sub-Treasury were black with them? Don't provoke them to come like that again, for in the year 1915 the results will be different.

In 1907 you relied upon the Elder Morgan to save the district. But now the Elder Morgan is dead, and can no longer lend Wall Street the millions he obtained from the United States Treasury, and you have only Britain's munitions agent to depend upon.

The other day, Mr. Noble, you issued a defense of the Stock Exchange. Sleek, smug and smiling, you leaned back and blamed the "speculative excitement," and said that "human nature" could not be curbed. *Caveat emptor*, eh? Let the buyer beware.

But you well know that you can regulate the transactions on the Exchange. Does not the Constitution of the State prohibit horse racing and gambling? Did not the Hughes Committee, which investigated the practices of your association, say: "In its nature it is in the same class with gambling upon the race track or at the roulette table, but is practiced on a vastly larger scale. It involves a practical certainty of loss to those who engage in it."

If you do not wish a Federal regulation of the Exchange, which will permit an inspection of the methods used in the manipulation of the war orders, then call a meeting of your Board of Governors and proceed against the war stock gamblers, and strike all the manipulated stocks from the Stock Exchange list. Abolish your useless publicity bureau, and devote the large sums thus needlessly spent toward reimbursing in some measure the miserable victims of the Stock Exchange gamble.

You are the responsible head.

I urge you most earnestly to take this step.

You and I know why you have excluded the public from the gallery of the Stock Exchange, why you have installed your wire netting and posted your guards. You fear that some poor wretch who has lost his all in the war stocks swindle may try to hurl a bomb at the men whom he blames for having despoiled him. Or that some crackbrained foreigner may attempt the act, because his brother was killed abroad by the Money Trust shrapnel.

In that you may be right or wrong. I have no opinion in the matter.

But if you do not act quickly, I fear that you are threatened with a much greater danger, from which wire nets and armed guards will fail to save you and your members, and that is the condemnation of the GREAT SILENT MAJORITY.

III.

THE CURTAIN RAISED ON WALL STREET'S UNDERWORLD

It was high noon in Wall Street on August the eleventh, of the Christian year nineteen hundred and fifteen. The Sub-Treasury stretched its gloomy length along the east side of Nassau Street, all the way from Pine to Wall. But at this hour the financial district wears its cheeriest smile.

Little typists strolled along, arm in arm, chatting and flirting; messenger boys whistled; brokers' clerks, accountants, bank runners, bond men, all the rout that makes up the workers of the Street, were pouring from their haunts into the thoroughfares of the money market.

Then a change flashed over the scene. There was a rush of many feet westward along Wall Street. A body of mounted police, with stern faces, pistols in their holsters, galloped up.

From around the Wall Street corner there came slowly up Nassau Street a long parade of motor trucks, its mounted guards on either side. The crowds, that quickly gathered, looked on these guards who had driven them from the eastern sidewalk, with curious and sombre faces. They seemed to view a funeral cortège. And, indeed, something in our public life, something that was very dear to us, was buried there that day.

There were twenty-five trucks. The rear end of each was closed with a thick steel wiring. From behind each of these gratings one could distinguish the grim forms and faces of four men, with rifles and automatic pistols in their hands.

It was in this wise that King George of England sent to J. Pierpont Morgan, his accredited agent, the gold in payment for bayonets and shrapnel.

And as I stood there on the sidewalk the blood welled to my face and rage surged through my heart.

For I asked myself, whom do armed men threaten on the open street? At whom do they aim those loaded rifles?

Brothers, they were meant for you and me.

It was the defiance of Morgan and his Money Trust to the silent wrath of honest men. He said: "Bow to my will, or I shall

shoot you down." The pleasing masks these bankers wear had dropped, and there were revealed the hideous males, the primal brutes, cowering over the gold they had earned by the mangling of human flesh, gnashing their tusks in rage at the people whose sympathies they had thwarted, whose ideals they had crushed, by the shameful trade in war munitions.

To those who dwell in the vast stretches of our country that spread far west of the Hudson River, the doings of Wall Street are an unsolved mystery. They suspect and fear. They do not know.

WALL STREET'S UNDERWORLD

I shall draw back a corner of this mysterious curtain and disclose the workings of Wall Street's underworld. You shall read here something incredible, unbelievable,—of men who have duped, deceived, dishonored you, and are now bent on plundering you on a scale vaster than has ever before been attempted in the history of our time.

Colonel Robert M. Thompson, a high-minded American patriot, inaugurated on June 6th the organization of the Navy League of the United States. He advocated an immediate issue by the government of \$500,000,000, to be devoted to the construction of a greater army and navy. He then invited a large number of citizens, supposedly imbued with similarly patriotic sentiments, to attend a luncheon and conference on this important subject.

But hold, one moment, Colonel. Why, when you issued those invitations, did you not address them to public-spirited and disinterested men, who have the peace and welfare of our country at heart? Why, on the contrary, did you invite the members of J. P. Morgan & Co., official agents of the British government in the purchase of war munitions, and financial backers of the Steel Trust, whose products are being turned into bayonets and shrapnel for the Allies? Why did you invite to your patriotic luncheon the directors of companies making millions in the manufacture of war material, and bankers who make further millions from such concerns by selling their securities and acting as their transfer agents?

Why, when you purposed to spend \$500,000,000 of the public money, without consulting the people who earn it, did you confer

with the members of Wall Street's Money Trust, into whose pockets those \$500,000,000 would flow?

Here are some of the gentlemen to whom that ardent patriot, Colonel Thompson, addressed himself:

☛ J. Pierpont Morgan	☛ S. H. P. Pell
☛ Thomas W. Lamont	☛ Cornelius Vanderbilt
☛ William H. Porter	☛ Ogden L. Mills
☛ Henry P. Davison	☛ Frederic R. Coudert
☛ Charles Steele	☛ Francis L. Hine
☛ Paul D. Cravath	☛ Edmund C. Converse
☛ Elbert H. Gary	☛ Daniel G. Reid
☛ Harry Payne Whitney	☛ Percy Rockefeller
☛ Seward Prosser	☛ Frank A. Vanderlip
	☛ L. L. Clarke*

The luncheon was held. The innocent Colonel, addressing his distinguished and "disinterested" guests, broached his pet plan of distributing \$500,000,000 of American money to America's armament manufacturers. To his gratification, the issue was "enthusiastically advocated," as promptly recorded in the Money Trust's organ, the *New York Times*.

Now let us analyze some of the activities of this assemblage of American patriots:

Messrs. Morgan, Lamont, Porter, Davison, and Steele are members of the banking house of J. P. Morgan & Co., agents of the British, French, and Russian governments for the purchase of war material, and interested in huge corporations making huge profits from the manufacture of war supplies.

The *Wall Street Journal* on May 6th said that "the United States Steel Corporation has been getting and will get orders for steel from concerns in this country, which have taken orders for shrapnel and other war munitions." And it added on August 3rd that "the United States Steel Corporation has obtained a Russian rail order amounting to \$25,000,000." Now Messrs. Morgan, Gary and Converse are members of the Steel Trust board.

*NOTE:—This story has been republished throughout this country and Europe. It has put Colonel Thompson on the defensive. He pleads that some of these men did not attend his luncheon. He does not deny having invited them. He does not deny that he read, at his luncheon, the receipt of money subscriptions from them. He does not deny that Morgan sent him money, and that Morgan is the leading member of his Navy League.

The Wall Street *Journal* added that "the Lackawanna Steel Company has been helped in war orders to the extent of \$7,000,000 for rails and steel." Two of the invited patriots, Messrs. Cornelius Vanderbilt and Ogden L. Mills, are directors of this company.

The Wall Street *Journal* further related on May 4th: "The President of the National Surety Company estimates that \$1,500,000,000 in war material has been contracted for. The estimate is based on the applications for surety bonds which his company has received." Strange to relate, we find among the directors of the National Surety Company the name of Mr. Frederic R. Coudert who, in the public prints, so bitterly denounces Germany every time a delicate diplomatic crisis occurs between that country and our own. Surely, Mr. Coudert does not desire to see this country go to war on behalf of his beloved France, that the National may underwrite more surety bonds?

THE COLONEL UNMASKED

Again we find that on May 4th the Wall Street *Journal* informs the Street that "the International Nickel Company is enjoying an improvement in its business because of the increase in the consumption of nickel brought about by the war." And what do we find here? Oh, shame to tell it! Oh, Colonel, Colonel, is it thus you dupe your countrymen? *Colonel Robert M. Thompson is chairman of the board of the International Nickel Company*, and among the directors are Messrs. Edmund C. Converse, S. H. P. Pell, and Seward Prosser.

The Wall Street *Journal* further chronicles that "the American Locomotive Company's order for shrapnel amounts to approximately \$65,000,000," which must be of specific interest to Mr. L. L. Clarke, one of the directors.

Westinghouse Electric & Manufacturing is one of the deadliest of the "war stocks" on the Stock Exchange, and Mr. Paul D. Cravath is a member of its board.

Another "war stock" is General Electric, one of whose directing geniuses is Mr. Charles Steele, of J. P. Morgan & Co.

The Farmers' Loan & Trust Company is transfer agent for the General Electric Company, and on the trust company board we locate Messrs. Percy Rockefeller and Frank A. Vanderlip.

The Guaranty Trust Company is the transfer agent for the

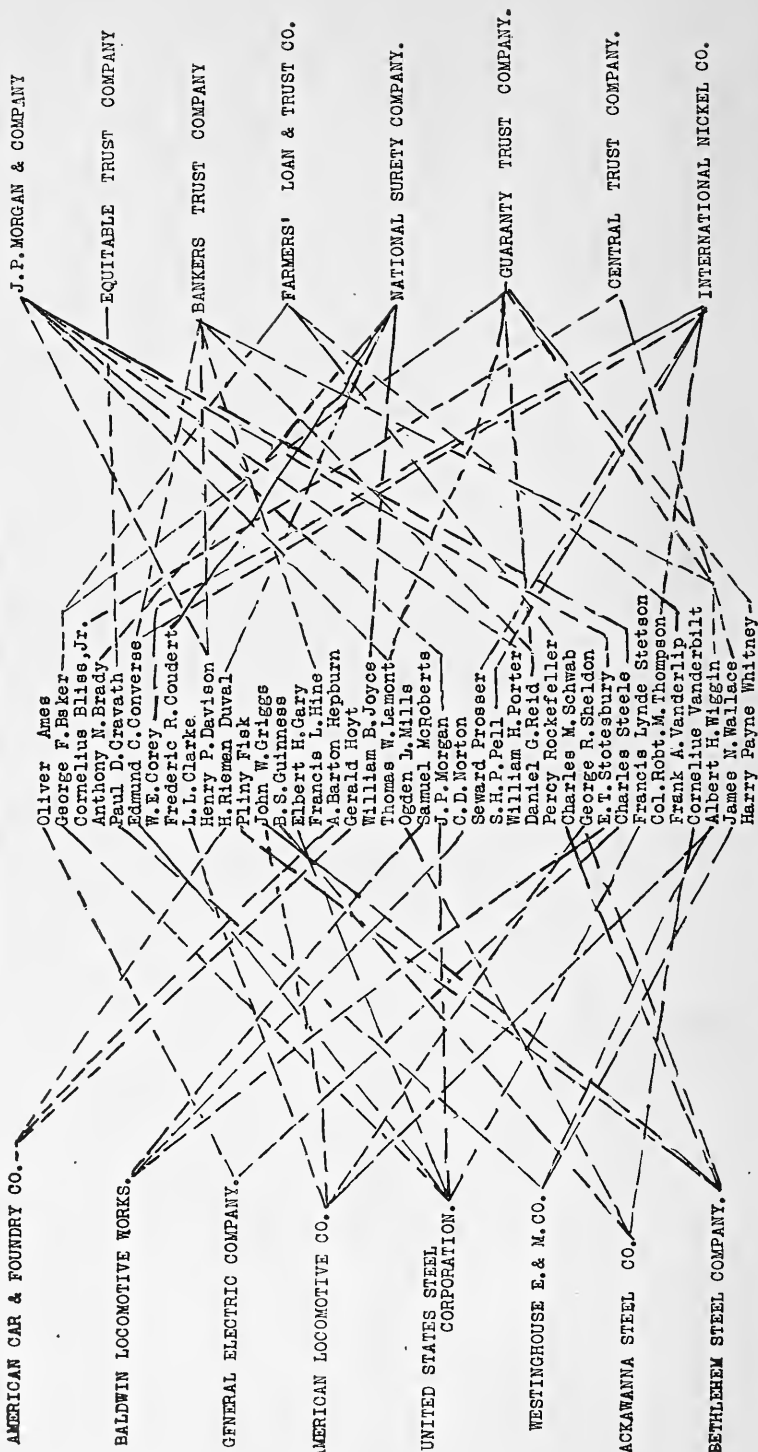
WALL STREET'S SPIDERS' WEB

Showing

WAR MUNITIONS COMPANIES

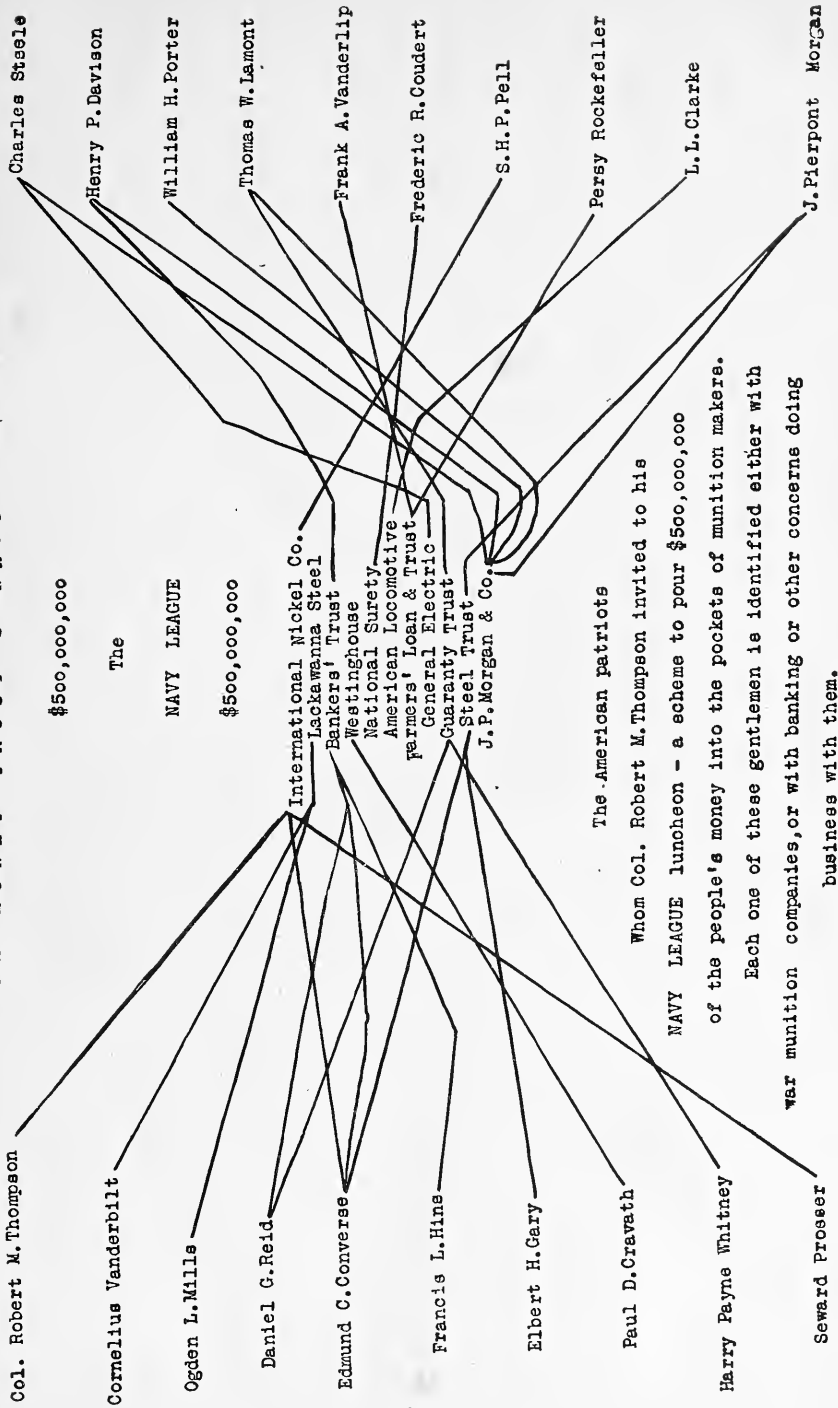
THOSE DOING BUSINESS WITH
WAR MUNITIONS COMPANIES

WHY THE MONEY TRUST BACKS THE ALLIES.



HERE ARE FORTY MEN OF WALL STREET, EACH ONE OF WHOM IS IDENTIFIED WITH WAR MUNITION COMPANIES, OR WITH BANKS, BONDING COMPANIES, OR TRANSFER OR FISCAL AGENTS FOR SUCH CONCERNS.

THE MONEY TRUST'S NAVY LEAGUE



\$500,000,000

The

NAVY LEAGUE

\$500,000,000

The American patriots

Whom Col. Robert M. Thompson invited to his

NAVY LEAGUE luncheon - a scheme to pour \$500,000,000

of the people's money into the pockets of munition makers.

Each one of these gentlemen is identified either with

war munition companies, or with banking or other concerns doing

business with them.

Westinghouse, American Car & Foundry, Atlas Powder Company, Hercules Powder Company, and other war munitions concerns. Messrs. Daniel G. Reid, Harry Payne Whitney, and Thomas W. Lamont are its directors.

The Bankers Trust Company is transfer agent for the Baldwin Locomotive Works, and among the directors of this concern are Messrs. Reid, Hine, Davison, and Converse.

So there, all the disinterested patriots are accounted for, yea, even the founder of the Navy League.

Why then, I ask, should not Colonel Thompson's scheme to spend \$500,000,000 of government money have been "enthusiastically advocated" by gentlemen so closely affiliated with the war munitions factories? Why should they not have leaned back in their chairs at the obliging Colonel's luncheon, clinked their glasses and cheered, laughing in their sleeves over the jest they were having at the expense of their simple-minded countrymen, while they slapped their capacious pockets in the hope of soon secreting there the \$500,000,000 to be spent on armament.

For, you see, the war in Europe some time will be ended, and the Money Trust's war munitions plants must not be idle. No, it is the duty of Wall Street patriots to organize Navy Leagues and National Security Leagues and the like, that the government may be urged by the great patriotic clamor to spend vast sums on war material.

Colonel, I have a further word to say to you. You are a personal friend, I believe, of Mr. James Gordon Bennett,* owner of the *Herald*, who, I see, subscribed several thousand dollars to your singular scheme. Mr. Bennett is an expatriate, who is cabling frantically to this side of the water that the United States must join the war to rescue his adopted country, France.

Colonel, if the people of this country wish to have a larger army and navy, they will not consult the chairman of the International Nickel Company, nor Bennett, the Franco-American, nor your friends, the makers of shrapnel. Their representatives in Congress will attend to that. And the government will build

* They are cronies. Both have broken their country's laws. James Gordon Bennett was fined \$30,000 in the Federal Court for sending obscene matter through the mails. Colonel Robert M. Thompson was fined \$4,000 by Judge Holt in the Federal Court, August 4, 1910, for violating the Sherman Law in cornering cotton.

its own armament plants. It will not buy the idle ones of the Money Trust when the war has ended.

So much for the Navy League.

STILL DRAWING BACK THE CURTAIN

Let me draw back this mysterious curtain further and disclose to view the great spider's web that has been spun in Wall Street:

On the first chart you may see a list of names of forty Wall Street men, who are identified with the war munitions concerns, or with companies that profit from their work, or with banking houses engaged in contraband traffic, or with bonding concerns that insure the war contracts, or with banks and trust companies that act as fiscal or transfer agents for the munitions companies.

Now Wall Street financiers are far-sighted men. From the very nature of their business they look ahead, yes, ever far ahead. These men, presiding at their board meetings, are authorizing vast extensions to their armament plants. What do they mean to do with these great new plants after Europe's war is over?

Let us look into this phase of the question for a moment.

"Bridgeport is making such strides in the manufacture of arms and munitions and war machinery, that predictions are freely heard on all sides that it will grow to a city of half a million population within the next few years. In the transformation of Bridgeport into the American Essen, the Remington Company and the Union Metallic Cartridge Company began to branch out and put up great buildings that dwarf those used in the past."—(Sunday newspaper.)

June 18th.—Charles M. Schwab, of the Bethlehem Steel Company, will build the third factory for the manufacture of shrapnel. August 22nd.—Following the recent trip here of Charles M. Schwab, with British and Russian army officers, it is announced that the Bethlehem Steel Company will build a large factory near its shell proving ground at Cape May Point, for the making of powder and shells.

August 12th.—The Dupont Powder Company has begun the work of staking out the buildings on the fourth addition to the Dupont plant at Carney's Point. The addition will be larger than any of the other three plants now in operation. When the

war began, the company had only one plant, the others having been added in quick time as orders increased.

August 20th.—The Dupont Company is to distribute \$58,000,000 in new stock in a new corporation.

August 11th.—The plant of the Smith & Wallace Company, manufacturers of electrical supplies, has been leased to an association of New York financiers and will immediately be converted into a war munitions factory.

August 11th.—The Bethlehem Steel Company has purchased the modern plant of the Detrick & Harvey Machine Company. The manufacture of munitions of war will be begun as soon as possible.

May 29th.—The Atlas Powder Company has secured control of various powder mills on the Pacific coast. Stockholders of the company have authorized \$5,500,000 6% cumulative preferred stock for necessary financing.

Here is a faint conception of the tremendous new enterprises of the Money Trust. Now I shall quote the *Wall Street Journal* of July 19th:

“Will the demand for war material outlast the conflict? Will the great industry that has been established in so short a time end with the war? It is noticeable that those concerns that are erecting plant extensions or new plants to take care of the war business, *are not providing temporary and inexpensive structures. They are building modern and permanent structures of brick or concrete and steel.*”

MORE WARS TO COME

“If the war continues or *is followed by others, the munition makers would be in a position to reap enormous profits as a result of having the plants ready.*”

Yes, our far-sighted financiers will see to it that this war “is followed by others.” And they will “reap enormous profits.”

But who, at the dictum of the Money Trust, will toil to pay for those untold millions to be spent by our country on armament for the upkeep of the new war plants? Who, at the dictum of the Money Trust, must shed their blood in the wars that are “followed by others”?

Brothers, you and I.

Yes, and then we, too, shall echo the bitter groans we have

heard emitted by despairing millions, staggering under the military burdens of Europe's monarchies.

And now are we to be the dupes of Wall Street "patriots"?

If we investigate the patriotism of the members of the Money Trust we shall find it to be thin-skinned, indeed. Their ambition is to amass great fortunes, and then to seek their homes abroad. They choose new homes in France and England for reasons such as to escape unpleasant public inquiries, or that they may lead lives that would not be approved by their fellow countrymen.

I refer to expatriates such as James Stillman, one-time president of the National City Bank; James Hazen Hyde, of insurance scandal fame; William E. Corey, of the Steel Trust, and James Gordon Bennett, of unsavory name. I refer to men like Henry James, who renounced his country; to men like Sir Thomas Shaughnessy, who sold his American birthright for a foreign title.

But when the day of trouble comes, such fine gentry troop back home, as these have done. And then they read us a lesson in patriotism, and tell us that we must fight for the countries of their adoption.

Yes, they say that to us; we, the millions who stay here and toil and suffer for our country's good; we, who are descended from races other than the English; we, whose fathers tilled the soil in pioneer days, and shed their blood in all our country's wars.

They tell us that we must fight for England, these expatriates, these lip-patriots, their pockets fat with British gold—we must fight for England, the hereditary enemy of our land, for her against whom our fathers fought, for England, our worst enemy to-day.

"If I am asked what I mean by a 'reasonably possible enemy,' I reply—any power except Great Britain."—Former Attorney General Charles J. Bonaparte, at a meeting of the National Security League in Carnegie Hall on June 15th.

I say to you, you Forty Gentlemen of Wall Street's Spider's Web:

Gentlemen, many of you were born of gentle blood. Most of you have all the money you require.

Gentlemen, you are standing with foreigners against your

own countrymen. You are defying the sentiments of millions; you are outraging their highest and holiest beliefs.

I ask you to arise in your board meetings and protest against this bloody trade. I ask you to help us with your great influence to check this fury-mad pro-British crew that seeks to hurl our country into a foreign war in which it has no share.

If men of your type remain quiescent in this hour of danger, then our country has sunk to a low pass indeed. Thousands of years ago men, such as we, founded republics very much like ours, in Greece and Rome. But they succumbed to plutocrats.

Gentlemen, are there those among you who have courage and no fear?

Some among you I know well. I can see them lean back and sneer: "Oh, I don't care what is published about me in THE FATHERLAND. THE FATHERLAND is bought with German gold," and then they laugh and wink and jingle in their pockets their British gold made in a shameful trade.

Do you know why this is published in THE FATHERLAND? I shall tell you. I can point out among you and your Wall Street friends the names of men who are part owners of the great New York dailies, who finance them, and dominate them with their advertising. Small wonder that the Money Trust has poisoned the public mind with the tainted syndicate news services sent broadcast throughout our country.

The New York newspapers know that what I write about the Money Trust is true, but they do not dare to print the truth. And that is why it is printed in THE FATHERLAND.

Brothers, these men have wealth and power, but they are few. We are many, and as Edwin Lawrence Godkin truly said: "In the voice of the majority there is all the majesty of doom."

You, who love your country, join us, work with us, for "the dark night cometh when no man can work."

IV.

WALL STREET'S BRITISH GOLD PLOT

I intend to tell an amazing story of a plot engineered by London bankrupts, with whom miserable men in Wall Street have combined to ruin us—their own fellow-countrymen. I shall describe how all the insidious weapons of the Money Trust are being used to further this traitorous design.

It was nearing the end of last June, when the munition makers of Wall Street found themselves in an embarrassing, if not terrible, position. Their trade in guns, bayonets and shrapnel had swollen to enormous proportions; in fact, far beyond their initial calculations—approximating \$2,000,000,000. *Two Billion Dollars*. And suddenly their customers, the Allies—England, France and Russia—could no longer pay them!

A series of bond flotations has just failed in London—Canadian, Australian and South African loans. A large war loan had just been launched in Threadneedle Street. Private cable advices reached Wall Street, with disquieting rumors concerning the solvency of the United Kingdom.

Then Mr. Henry P. Davison, the partner of Mr. J. Pierpont Morgan, of "Morgan, Grenfell & Co., London," departed hastily on the swiftest steamship bound for English shores. Mr. Davison investigated the situation abroad, and returned, accompanied by a bodyguard of private detectives, to protect him from bodily harm. He made his report.

The conditions resulting from Britain's great war loan had been found ghastly. The government had placed a minimum price of 65 on Consols, the premier security of the British Empire, to prevent their price from dropping to 40. And Consols were unsalable.

Then the British government, driven to desperate straits, found itself obliged to scale down its great national debt, by forcing the holders of Consols to exchange them at the ratio of £75 in Consols for £50 in the new war loan. By this autocratic

act Englishmen were compelled to reduce the capital of their fortunes by one-third. A man who had invested £300,000 in Consols had now a fortune of but £200,000, although his income was temporarily higher.

Bankers who hold London's finance in their hands were coerced and blackmailed by their own government to exchange their securities.

Many of them were the heaviest holders of Consols, and the threat was made that if they did not exchange, the minimum price of Consols would be lowered to 40, and they would be ruined.

So England treats her own subjects, the holders of her best security. *What will she do to the Americans who have been forced by pro-British bankers to take over already \$500,000,000 of her paper?*

And the proportion of the reserve to liabilities of the Bank of England had dropped during the week ended July 21st to 18.09%! This reserve in July, 1914, had been 52.4%; in July, 1913, 53.69%; in July, 1911, 54.5%. Great Britain's credit was lost! She could send us no more gold in sufficient quantities to pay her debts to us.

I am quoting the official figures. No man can dispute them. They are accessible to everyone, but not one of the Money Trust newspapers in New York dared to print the facts. For the Money Trust holds in its bank vaults loans on many of these dailies, or finances them, or would withdraw its immense advertising were they to offend.

Then there came to a Wall Street banking house this private cable, which struck like a thunderbolt: "A BOLD SCHEME OF INTERNATIONAL FINANCE IN LINE WITH THE BRITISH CHANCELLOR'S HANDLING OF THE RECENT WAR LOAN IS TO BE APPLIED TO BRITAIN'S INTERNATIONAL OBLIGATIONS."

This "bold scheme" was the inauguration of Wall Street's British gold plot. The British Chancellor of the Exchequer, who planned it, is the friend of Morgan, of "Morgan, Grenfell & Co., of London."

England fears bankruptcy. And in this she is now using us as she used Belgium to fight her battles—and deserted her. As she used France to do her fighting—and now fails to aid her.

As she has used Russia and Italy, and will in turn desert them.
And she is using us, to ruin us.

WE PAY BRITAIN'S DEBT

But England has promised to "finance" Belgium, France, Russia and Italy. True to her traditions, she has done it in this wise. She has said to the representatives of those four countries, through the Chancellor: "Gentlemen, I have no money to give you, but I shall use Morgan, my agent in Wall Street. I shall get him to force the Yankees to give you credit for your war munitions, and he and his friends will pay themselves by taking the money the Yankees have put in their banks. My financial agents shall take your agents to Wall Street, and there we will close the deal."

And these financial agents are coming to us: Sir Edward Holden, Baron Reading, Sir Henry Babington Smith, and Basil B. Blackett. They bring their French dupes, Octave Homberg and Ernest Mallet.

It is a case of "Hands Across the Sea"—but this time the thieving hands are in our pockets.

As well may be imagined, there was fear and trembling in the councils of the Money Trust bankers in Wall Street when they learned the orders the British Chancellor had issued to them through his British agent, Morgan. You see, they had expected months before that England would crush Germany, and she had done nothing of the sort. They had expected it, as the Belgian dupes had expected it, as the French dupes had expected it.

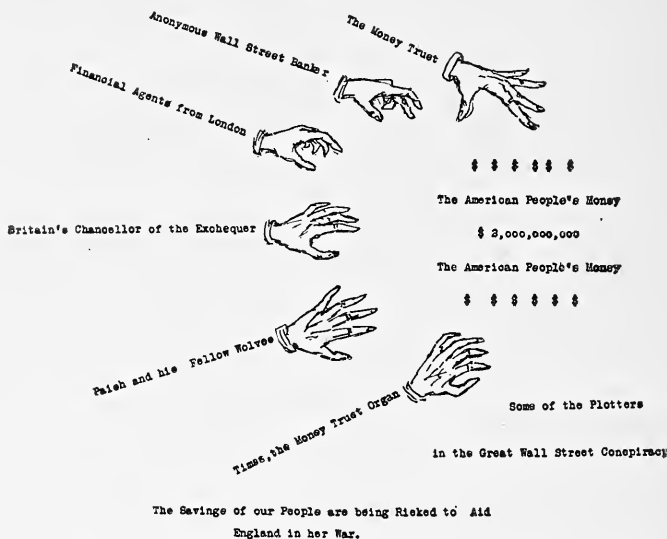
But how were the Money Trust, munition makers to be paid? England could not pay them; France and Russia could not pay them. THEN THE MONEY TRUST BANKERS DECIDED THAT THEY MUST OBEY THE BRITISH CHANCELLOR'S INSTRUCTIONS; THAT THEY WOULD SAVE THEMSELVES BY MAKING THE AMERICAN PEOPLE PAY THEM FOR THE BAYONETS AND SHRAPNEL THEY HAD SOLD TO THE ALLIES.

Quickly, secretly, hurriedly the members of the Money Trust began to "plant" the "paper" of England, France and Russia in their banks. And these banks, without the knowledge or con-

sent of their American depositors, gave the money of their depositors to the members of the Money Trust.

When Britain, France and Russia default on their securities, or scale them down, as they have done with their securities at home, the American people will lose their money. It is the same old story over again. The Money Trust has the cash. What does it care for the people?

We have seen that the British Chancellor's bold scheme is to be "in line with his handling of the recent war loan."



Through his handling of the war loan we have seen that Englishmen were forced to sacrifice one-third of their fortunes. What proportion of American fortunes are to be sacrificed to the British Chancellor's orders?

On July 15th Dr. E. E. Pratt, Chief of the Bureau of Foreign and Domestic Commerce, before the Virginia Bankers' Association, estimated that the total loans of American money and credit to Europe, so far during the war, amounted to \$500,000,000. He suggested that these loans were an "economic fallacy."

I quote the following letter from one of the leading trust companies in New York:

New York, July 27, 1915.

"We beg to state that this company is not lending its funds to any person, firm or corporation engaged in the manufacture or dealing in arms and ammunition to be used to further the interests of any of the countries now at war.

"It is, however, impossible for us to trace the actual amounts of money loaned, and it could happen that funds loaned by this company, to one person, could in turn be loaned by him to another, and in this manner the funds might be used for the purposes above mentioned.

"We might add, however, that we hold for investment some of the securities of the French government, and have obligated ourselves to later take over a participation in a loan to the Dominion of Canada.

"*It is the writer's opinion that you will find that all of the important financial institutions in this city own securities of this kind, on account of the safety of the investments and the profitable character of such business.*"

HALF A BILLION LOANED

We have seen then that up to July 15th \$500,000,000 of the American people's money had been loaned to countries whose solvency is doubtful, if not altogether gone. And all this had been done, swiftly, secretly by the Money Trust, through its power of holding the whiplash over financial institutions, in order that it might get back its money.

But the public had by this time become uneasy. It had made inquiries at its banks and learned the truth. Then the Money Trust adopted the methods it knows so well to use in order to disabuse the public mind of any apprehensions. The people might become alarmed, you see, and withdraw their money from the banks. So reports were carefully spread throughout the country that the finances of England, France and Russia were in excellent shape, and that they were sending us vast sums of gold.

Accordingly, on August 10th, the Money Trust, through one of its bankers, "planted" a story with glaring headlines in the New York *Times*, an organ which it uses for such purposes. The story dwelt on the importance of the shipment of \$100,000,000 in English gold to this country, and alleged that it had been sent to this side on a British warship commanded by Admiral Beatty. Through its syndicate news service, which has been

serviceable to the Money Trust in misleading the public for the last year, the *Times* sent this story broadcast.

Of course, everyone knows that British admirals skulk in British harbors for fear of the German submarine, and that the Bank of England would fear to separate itself from \$100,000,000 in gold because of its low reserves. And the next morning the truth could not be concealed, since the Sub-Treasury figures could not be falsified, and the reluctant official statement was to the effect that the shipment amounted to only about \$19,000,000. But the lie had served its purpose in calming the public mind.

On June 26th the *Times* had published a story that the Teutonic Allies were bankrupt, that Austria could pay only 11% of her obligations, while Germany might be able to pay 16%. This was done also to bolster up the waning British credit.

But this was not sufficient. It was to be impressed upon the unquiet mind of the American people that England was anxious, nay eager, to send here large quantities of gold. The public had to be reassured in order that the Money Trust could take its money from the public banks with impunity. So again, on August 13th, the Money Trust "planted" the following in its organ, the *Times*:

AN INFAMOUS STATEMENT

"We don't want gold," said an international banker, who is taking an active part in negotiations with financiers in London and Paris. *"The gold is of no use to us, and might better stay in London. The banks in this country have unprecedented cash reserves, which are not doing any good. What is needed is a credit arrangement, under which the money can be paid out on behalf of foreign nations."*

The subtle infamy of this statement can best be appreciated by the average American merchant who has tried to obtain credit from the Wall Street banks within the last twelve months.

Who hides in the underbrush, clinking the coins in his neighbor's stolen purse, the while whispering: "We don't want gold. The gold is of no use?"

I would ask this anonymous Wall Street banker why he skulks in hiding when he sends out a poisoned whisper intended to mislead the public mind? I would ask him to step out in the open and reveal himself. For you see I know this man who hides

himself behind his anonymity, I have met him, and I know why he spoke those words.

I would like to call to the attention of this anonymous banker the fact that eleven great mercantile houses went under in New York City in the last eighteen months, because his banks refused them credit. I would tell him that many of our great railroad systems went bankrupt in the same period because the Money Trust would not lend them money.

I would ask this banker why he is so eager to give "foreign nations" the credit which he refuses to the American merchant and the American railroad man?

I would ask this same banker, Was it not you who "inspired" the following lines?—"The amount of gold that it is proposed to send is stated by some correspondents (from London) *to be as high as \$250,000,000. Why, under circumstances that at present exist, this stupendous movement of the precious metal should be insisted upon in London* is incomprehensible to large New York banks and bankers. The gold is neither desired nor required on this side of the Atlantic." (*Commercial and Financial Chronicle*, August 28th.)

The bullion in the Bank of England last week was only about \$335,000,000, so this statement of the financial authority of Wall Street that the English wished to send us \$250,000,000 is palpably misleading. However, so work the corrupt Money Trust bankers, itching for the gold that England owes them and cannot pay them, while they befool their own countrymen in order that they may seize their countrymen's money to reimburse themselves.

Let us learn the truth of this thing. We shall transpose ourselves across the ocean to London and learn whether London "insists on sending us \$250,000,000 gold against our will."

WE MUST KEEP OUR GOLD

Sir George Paish, addressing his fellow-countrymen in the *Statist*, says: "No country can purchase more than its income permits, unless it is able to borrow." Again he says: "*We are glad to see that steps are to be taken to mobilize our gold reserves.*" And he quotes the Prime Minister in the House of Commons. "*It is highly important for us to keep and to increase*

our supply of gold. We have already given directions that all these smaller payments which are made to those in our employ, are not to be made in gold, but in the paper currency."

We read nothing here of London's eagerness to send us gold. On the contrary, just before the departure of London's financial agents for Wall Street, there is a concerted move on the part of London's financial spokesmen to educate the Yankees to the fact that it is their duty to extend a vast credit to England by means of the money stored in American savings banks. They say: "The amount we may need to borrow in the United States is about \$500,000,000. We might arrange a \$400,000,000 or \$500,000,000 issue in New York and Boston, and if necessary, in other American cities. *A good deal of the amount we ask for must be what Americans call savings bank investments.*"

Do you see the plot progressing for the spoliation of the American people? There is first the over-extension of credit by the Wall Street munition makers; the concealment of London's war loan fiasco; the Money Trust's realization that it has been selling goods to bankrupt countries; then come the British Chancellor's instructions to the Money Trust bankers; swiftly ensues the secret seizure of \$500,000,000 of the public money; and the Printed Lie is used to delude the people into the belief that England sends us great stores of gold; the Hidden Voice of the anonymous banker is used to further the belief that we do not want this gold; then comes the chorus from the financial wolves of London that we must give England credit; now come the financial agents, hands extended, asking for only half a billion more.

Is it not the highest duty of every banker in the land to see that these financial agents are sent back with empty hands?

There is given here a list of seven Wall Street bankers, who possess great power and exercise wide influence.

We see, on the one hand, that they officiate as managing directors in the great war munitions companies, such as Bethlehem Steel and Distillers' Securities and Lackawanna Steel. On the other hand, they head large banking institutions, which handle public money and sell issues of securities to the people. Again, these banking institutions they control, act as fiscal agents for the war munitions concerns, such as American Can, Crucible Steel and Railway Steel Spring.

They run the directorates

They head the Trust Companies

They act for the Munitions Companies



Distillers Securities, Chairman
 National Surety Company, Director
 Virginia Carolina Chemical Co., Director
 Sloss-Sheffield Steel & Iron, Director
 Lackawanna Steel Co., Director
 Virginia Carolina Chemical, Chairman
 Railway Steel Spring Co., Director
 Bethlehem Steel Company, Director

Otto T. Barnard, President
 Alvin W. Krech, President
 James N. Wallace, President
 Edwin S. Marston, President
 Alex. J. Hemphill, Chairman
 Seward Prosser, President
 Pliny Fisk, of the firm

New York Trust Company
 Equitable Trust Company
 Central Trust Company
 Farmers' Loan & Trust
 Guaranty Trust Company
 Bankers' Trust Company
 Harvey Fisk & Sons

Pressed Steel Car Company
 Republic Iron & Steel Company
 American Steel Foundries Company
 Bethlehem Steel Company
 Crucible Steel Company
 Distillers Securities Corporation
 Sloss-Sheffield Steel Company
 Westinghouse E.&M. Company
 General Electric Company
 American Car & Foundry Company
 Atlas Powder Company
 Hercules Powder Company
 American Can Company
 Baldwin Locomotive Company
 Railway Steel Spring Company
 American Locomotive Company

The Power of Wall Street Bankers.

They direct the affairs of Munition Companies.

They handle the people's money in their banks.

They are agents for the War Stocks.

WHAT BANNARD SAID

The list is headed by Mr. Otto T. Bannard, President of the New York Trust Company. Mr. Bannard, about twelve days ago, was responsible for something that must have been deplored by most of his countrymen. On the eve of leaving London, he made a public statement, saying: "Great Britain will be able easily to float a loan of \$500,000,000 in this country. The President, to uphold the dignity of his position, must take drastic steps. If President Wilson says war we will all be with him—the whole American people would be behind him."

That a Wall Street banker, who takes his orders from the Money Trust, should give voice to such expressions, must render him an object of suspicion to his countrymen. Why should he so readily bestow upon England \$500,000,000 of his country's money? And why should he so light-heartedly breathe such sentiments of war?

Does Mr. Bannard know what war between this country and Germany would mean? Does he realize that fathers would be torn from their families and sent to detention camps, that sons would fight for their fathers, that mobs would roam the streets, and blood would be shed in every town and city of the land?

It is to be hoped that Mr. Bannard's fellow bankers do not echo his sentiments. They are prosperous men. Some of them earn for their stockholders sixty per cent. dividends, and at Christmas time grateful directors present them with \$150,000 bonuses. In view of what their country does for them, should they not show their countrymen that Wall Street bankers in return are ready to act for their country's good?

There are men in Wall Street far more powerful than these seven bankers—the members of the Money Trust, who are plotting a great crime against the people. The Money Trust has already given to the Allies a credit of \$500,000,000. It now purposes to give them \$500,000,000 to \$750,000,000 more.

At a recent meeting of London bankers, Harold Cox, the political economist, said: "The war will not end without England having to borrow two billion pounds."

Two billion pounds—that is ten billion dollars. And from whom will England borrow it? There is only one lending country left.

Men of the Money Trust, if you lend these agents of the Allies one billion dollars, you may have to lend them ten. Then, when they default, we must go to war to save our loans.

Men of the Money Trust, if you do this thing you will sow the wrath that reaps the whirlwind that may sweep you from your feet. The fate of men who defy the people is as well known as is human history. It would be lamentable if ever the day should come when the people would descend into Wall Street and swarm angrily about your white stone and marble palaces.

I am one of those who believe that all the sins and crimes of men are expiated here on earth. Some members of the Money Trust have already committed crimes. They are already expiating them in the horror and loathing of their fellow-countrymen.

V.

OUR BANKRUPT "LADY OF THE SNOWS"

This is a story telling how the cruel British satraps of Canada have brought ruin and misery upon a once fair land. With tempting bonuses and honeyed words, they lured simple and honest men from distant countries, to hew their woods and till the soil.

Suddenly there came an order to these satraps from London financiers, the masters of Canada. And terror followed. Fathers were torn from wives and children and thrown into squalid prison camps, where thousands since have died. Others were forced with threats to go abroad again and fight and die for a foreign king whom they hated, and of whom others had not even heard.

History has on its records no blacker crime than this. Three men, all of them "Colonial Knights," are deeply concerned in these affairs. They are the Rt. Hon. Sir Robert Laird Borden, Premier of Canada; Sir Thomas Shaughnessy, born in Milwaukee, Wis., now president of the Canadian Pacific Railway, and "Major General Sir" Sam Hughes, Minister of Militia and Defense.

The Canadian Pacific Railway owns Canada, they say. It owns the Dominion's greatest railway lines, its greatest hotels, its greatest steamship companies, and its most expensive land grants. It is owned in London. Thus London financiers own Canada.

The concern of these financiers is to fill the land with people. They wish to sell farms from the land which was stolen from the Dominion. They wish to transport the products of farm and forest over the railway that they own. And they used to boast: "The Nineteenth Century belonged to the United States. The Twentieth Century will belong to Canada." And where is Canada to-day?

Canada has a population of 6,200,000 people. But it will not grow. For years agencies in Ireland and England drained those

countries of stalwart sons, until whole villages were depopulated. But Canada's sons and daughters crossed the border and came to live with us. Like Mr. James J. Hill, they despise the patronage of cheap titles, and can find no future in a land that is ruled by foreign plutocrats.

The decline of British immigration and the reluctance of immigrants to remain in the country, induced the London financiers to seek other fields of propoganda. They extended one of their steamship lines to Austria-Hungary and began a widespread agitation in Germany, Austria and Hungary to obtain farmers and artisans from those populous lands. They offered tempting inducements, money bonuses, gifts of homesteads to be paid off in installments, and even free passage.

How well this movement, begun in 1910, succeeded, may be seen at a glance in the following table:

Immigration to Canada

	1910	1914	Increase
Austro-Hungarians	9,757	28,321	18,564
Germans	1,533	5,537	4,004

DEPORT THEIR COUNTRYMEN

But what was the calibre of these immigrants of German and Austro-Hungarian origin, as compared with English immigrants? Here is another table of the deepest significance.

	Rejections of Immigrants by Nationalities From 1902 to 1914	Deportations, after having been admitted From 1902 to 1914
Germans	260	113
Austro-Hungarians	745	279
British	1,411	5,310

The London workman, narrow-chested, incapable, and unruly, was rejected and deported in great numbers, for the English race has become degenerate, while the Teutonic races proved themselves of inestimable value to Canada.

When Europe's war began, there was in Canada a heterogeneous populace, of men who had been persuaded to come to a new land by the fair promises of capitalists who hoped to profit from their labor. These people did not dream of ever returning

to Europe to fight in England's war. And among them were Germans, Austrians, and Hungarians to the number of 229,147.

But the war began, and there came a call to Canada's satrap, Borden, from his London masters: "*Intern all alien enemies. Give them no protection. We must terrify the Germans.*"

The servile satrap paled at these instructions, but obeyed them. He sat aside and stayed his hand. In all Canadian towns and countrysides, from British Columbia to Quebec, the Canuck ran riot and typified himself with brutal Cossack deeds. He burned houses, plundered shops, and stoned unoffending men, women and children in city streets and country roads. No one deterred him. German, Austrian and Hungarian men and women were dragged from their homes and slaughtered in the open. Native-born sons who defended foreign-born parents were slain, the daughters were brutalized by the mob.

Then these fathers who survived were dragged to desolate detention camps, old sheds, open to winter winds and rains, flung into factory ovens, starved, and left unclad. The mortality among them has been frightful. The permanent illness worse. One-third of these men can never work for themselves again,—and they had been lured into this country, remember, by the soft persuasions of the men who had done them these wrongs. And their wives and children in rags to-day still roam the streets and byways of Canadian cities, butts of the mocking mob, begging in vain for food and shelter.

It is very painful to me to recapitulate this sad story, but the reason is manifest. These dreadful deeds were done to a **QUARTER OF A MILLION TEUTONIC PEOPLES IN CANADA**. If war should come to us, they would be attempted upon **THIRTY MILLIONS OF TEUTONIC PEOPLES IN THE UNITED STATES**.

For that is what J. Pierpont Morgan wished when he made himself Britain's war agent. That is what his associates in the Money Trust wished, and their cringing satellites in Wall Street, who feed upon their crumbs. That is what the war-mad British bankers in Wall Street wished, and the pro-British writers with their poisoned pens. It is what Otto T. Bannard, of the New York Trust Company wished when he went to London and said that the "President must take radical steps"; it was what James Gordon Bennett wished when he cabled from his home in Paris,

urging mob attacks upon men of German blood; it is what Adolph S. Ochs wishes, when he incites race hatred in his evil sheet, ruled by the Money Trust.

After the mob and massacre in Canada, the Canuck stopped, breathless, terrified by his own work. Factories had been ruined, farms burned down, and unemployment began to raise its grisly head. The blow was beginning to recoil—upon the mob—upon the capitalist.

Shaughnessy, the "American Knight," crawled cowering into the light in Winnipeg, and feebly said: "The most vital problem confronting the government of the Dominion to-day is the immigration question."

CANADA'S DARK SHADOW

And Canada's Minister of the Interior said: "It was perhaps to be expected that, after the strong light in which Canada has stood during the past few years, the shadow should be correspondingly dark."

The shadow is now dark indeed.

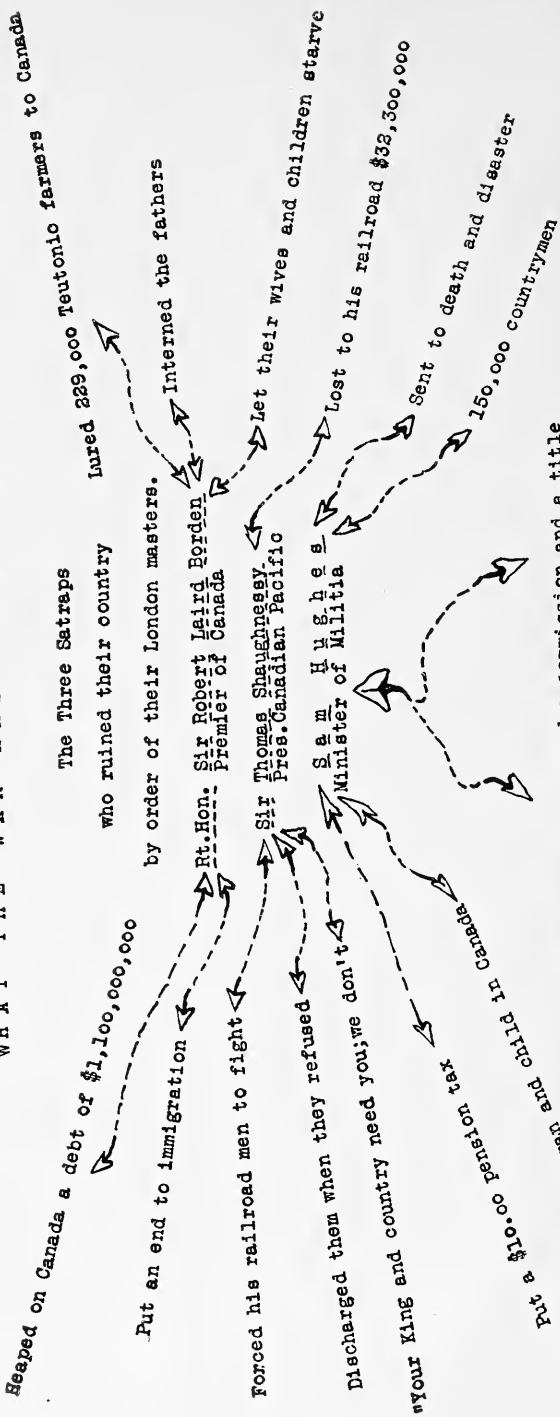
The blow was to recoil dreadfully upon the heads of men who had done evil thoughtlessly, incited thereto by capitalist masters.

The dreadful fact was driven home to the plutocrats of England that English workmen, whom they had ground down to pauperism, would absolutely not go to war for them. They conferred in the Order in Council, and sent out instructions to their satraps in many lands: "*Drive in the men from the Colonies, and make them fight.*"

Borden, Canada's satrap, trembled, but obeyed. He called in a simple and inexperienced man, Sam Hughes, Minister of Militia, and gave him orders. The war propaganda began, born of English falsehood and fear. Canada must save England. The Germans were but knaves and cowards. They had been defeated by the Belgians. The French and Russians had invaded the German country and crushed the foe. It would be an easy task. The Canadians could march into a defeated country triumphantly, where there would be plunder and glory galore.

Fifty thousand young men of Canada were sent to France and Gallipoli. Sam Hughes came to New York to sail after them. And in the simple way of an ignorant countryman, he

WHAT THE WAR HAS COST CANADA.



boasted on the pier: "One hundred thousand of my brave boys can conquer Germany alone."

Then were sent away 50,000 more young men of Canada's best.

Time passed. Then came the dreadful story from Flanders—not through the press, for that is censored. But truth must out in its thousand ways. It was that Canadians had gone to face brave men who were not afraid to die. And the Canadians, deserted by English regiments, retreated from the field of battle, and they left behind them, on a ridge, 2,000 Montreal Highlanders, who were unwilling to advance and unable to retreat. Nothing has ever been heard from them again.

When the fearful news came to Ottawa, there was mourning and weeping throughout the Dominion. Sam Hughes in the meantime had returned. White-faced and pallid-lipped he stutted: "They were heroes—that's what they went over for."

Hughes later slunk back to England. He was to be rewarded by his masters.

But the order from London had been: "Drive in the men from the Colonies, and make them fight." The satrap, Borden, must obey. He called in his henchman, the "American Knight," Shaughnessy. The employers must be mobilized. Canada was tired of the war. The men would not enlist. But the Canadian Pacific Railway, owned by London plutocrats, must save them.

On August 1st, this note was placed in the pay envelopes of employees of the Canadian Pacific: "Your King and country need you; we don't." Men, young enough to fight, were notified that they must enlist or quit their jobs. This was done in all companies owned by the railway, its hotels, its factories. It was done in the departments of the Dominion, and it was compelled to be done by all the large employers of labor in the cities.

The plutocrats were forcing men to war. Irishmen, who hated England, must fight for her, or starve. In Montreal, a mob of 5,000 unmarried men who had been discharged by their employers for failing to enlist, held a meeting at which they denounced the newspapers advocating compulsory service, and they attacked newspaper offices, breaking their windows. Several days later, a soldier, bearing a recruiting placard, was mobbed in the Champ de Mars. Soldiers attacked the mob and arrested its leaders.

The Canucks were now turning on their masters. An ugly

story had come back to Canada. It was the order of Lieutenant-Colonel Taylor, Adjutant of the Fourth Division of the Third Canadian Infantry Brigade. "During the last battle, several of the division surrendered to the enemy. It is the first and most urgent duty to shoot down every man that tries to surrender, no matter who it may be. If the group is large enough to give promise of success, artillery fire must at once be turned in that direction."

And Canadian newspapers were printing their "must" stories, "All Are Heroes In Princess Pat's Regiment," and speaking of "courage" and "fortitude" and the "spirit of determination that must win."

And they are printing the same stories in Canada to-day, for the censorship is stricter there than in England.

But now the Canadian people "know."

They know the cost. The cost has ruined them.

One hundred and fifty thousand men have been sent abroad by Canada. Few of them will ever return.

A year ago, in the first flush of the war fever, artificially stimulated by the corrupt English press, the Dominion boastfully granted the highest pay ever given to soldiers, \$1.10 per day. Widows and orphans were liberally provided for—\$22 a month for the widow, and \$5 a month for each child. Annual pensions for wounded or disabled ran from \$264 to \$100 for the rank and file, according to the nature of the disability. So whether death came to the soldier, or he were disabled, or left widow or orphans, the \$1.10 practically went on for perpetuity.

THE RUINOUS CHARGE

This was thoughtlessly done. It was kindly meant. But it spells ruin to Canada. It is an annual charge of \$60,225,000. And this military burden upon the backs of 6,000,000 people!

Before the war began, Canada had a national debt of \$544,391,000, and annual interest and other charges of \$15,000,000. When the war began, the Dominion expended \$20,000,000 in the initial equipment of her men. She made advances to finance purchases made in Canada by British, French, Russian and New Zealand and South African governments, of \$25,000,000.

When Borden interned the Teutonic farmers, who had, by

their labor, enriched the Canadian Pacific Railway, a catastrophe happened to the London plutocrats and to the entire Dominion. The gross earnings of the Canadian Pacific Railway in 1914 amounted to \$129,814,000. In the statement issued for 1915, these earnings had shrunk to \$97,500,000, a loss of \$32,300,000. Operating expenses were at once cut by the frightened capitalists. They cut them \$22,588,000, which sum had previously been paid out in wages and expenses. The surplus of the great railway has shrunk by \$9,600,000.

But worse was to come to Canada's railways. Despite the warnings of men who knew, the Canadian government largely took over the charges and responsibilities of two of her lines, the Grand Trunk Pacific and the Canadian Northern railroads. She guaranteed the securities of both. They are not now earning their fixed charges. "The government must step in to avoid disaster," says Finance Minister White. Canada must now take over the two lines to prevent their bankruptcy.

Bankruptcy has overtaken the timber and lumber industries of British Columbia. The great real estate boom that prevailed for years has collapsed. Canada has borrowed capital for municipal and industrial enterprises to such an extent that the annual tax in interest alone is about \$140,000,000. Towns are now obliged to ask for time to meet the interest due on their bonds. Cities are threatened with bankruptcy. A receivership is announced in contemplation for the City of Montreal, the bonds of which are held by many banks in the United States. A committee has been formed to consult with the distracted satrap, Borden, to devise some means for meeting the obligations of the city.

But the London plutocrats who own Canada have no mercy. They tried to stem the tide of the fall in demand sterling in New York, which is costing untold millions to English capital. They could not send gold from the imperilled gold reserve of the Bank of England, so they ordered their satraps to strip Canada of her gold and send it to New York. And the Dominion, staggering under her financial burdens, which she is no longer able to bear, sent the gold to New York at the behest of her masters, more than \$100,000,000.

These matters are mostly kept from the newspapers. New censorship regulations have been enforced in Canada. The pub-

lication of military, naval or financial information is prohibited, as well as criticism of the British government or her Allies. For violations, the offending papers may be seized and suppressed.

But so many facts can no longer be concealed. Canada has refused any longer to give credit to her master's ally, Russia, for Russia, also, is bankrupt. "We simply cannot do it," said a Canadian banker months ago. "Even if the government did help by issuing Dominion notes and thereby inflating bank circulation, with the evils attendant, banks cannot wisely tie up Canadian money in Russian securities."

Since this man spoke, the evil he feared has come over Canada, and not through the financing of Russian orders. The Canadian government has issued Dominion notes to an unprecedented extent, to an extent, indeed, that has ruined her credit and resources—inflation by the reckless issue of paper currency, the stupid subterfuge that always ruins governments, such as Russia under Catherine the Great. The London market, which in past times jealously supplied all Canada's wants, is now closed to her. The Englishmen who ruled Canada are now ruined themselves, and come to us begging for alms. And now Canada has come to us. Morgan, Britain's agent, was instructed by his British employers to lend to Canada, and he obeyed in his characteristic way. He could not refuse, much as he might wish to do so, for Canada's gold had been siphoned into his vaults. Morgan lent Canada the money of the American people by forcing American banks to participate in Canadian loans.

OUR FORCED LOANS TO CANADA

From last December, until the end of May, American banks, at the order of the Money Trust, a member of which is the local agency of the Bank of Montreal in Wall Street, took over Canadian securities valued at \$85,900,000. That value has since shrunk terribly. But since then, other loans have come in swift succession, such as \$11,500,000 of Canadian Railway notes, issued by a railway that Finance Minister White of Canada says "is facing disaster." Our Rock Island, and Missouri Pacific, and other great American lines, remember, could not obtain loans from the pro-British bankers in Wall Street to "save them from

disaster." But Wall Street is now British soil, dominated by Money Trust plutocrats, who make larger profits by lending the American people's money to the English than they could by lending it to the American merchant or railroad man. Finally Morgan forced Wall Street to take a \$45,000,000 Canadian government loan.

Canada has placed these loans with the Money Trust at ruinous rates of interest, as all bankrupts must do. For this is the only market in the world in which she can borrow, and we have taken 80 per cent. of her securities. Canada has now obligated herself to annual charges of more than \$250,000,000. She has borrowed from us more than \$150,000,000 in seven months. She has contracted debts since the war began of \$527,525,000. She had a national debt before the war began of \$544,300,000. Canada now owes more than \$1,100,000,000.

And all this debt is laid upon the backs of 6,000,000 bankrupt people. Every adult male in Canada owes on behalf of his town, his province or his county more than \$1,000. Much of this sum represents an annual tax. None of it includes his private debts. And Canada's factories are closed, her great industries ruined, her cities filled with unemployed and bitter men.

All the satrapies of Great Britain have been brought to a similar pass through the German submarine warfare. The Indian government announces that its budget will create a deficit of \$15,000,000. England cannot help. Australia, instead of exporting, is importing 12,000,000 bushels of wheat. The Colonial governments have sent frantic pleas to Whitehall for ships to transport their frozen meats. New Zealand is prostrate. All through the United Kingdom the butcher shops are closing; prices of foodstuffs have doubled, and this has caused strikes among industrial workers that cannot be adjusted.

And still the hysterical asseverations come from England's public men: "*The German submarine warfare has failed.*"

We have taken a mortgage on Canada. She cannot pay us. Shall we foreclose that mortgage?

The satrap, Borden, went to England for six weeks to discuss this crisis with his masters. The other day he returned, bringing with him his poor henchman, Sam Hughes, Minister of Militia. These two pitiful figures slunk to an obscure hotel in New York. With lined faces, and downcast spirits, they still spoke of

“heroes” and “courage” and “fortitude” and the “spirit of determination that must win.”

This pair had sent to death and disaster more than 100,000 of their countrymen at the behest of cruel masters. They had heaped upon their country a new and crushing debt of more than half a billion. They put an end to immigration.

But the Minister of Militia had at last received his “reward.”

No longer plain “Sam” Hughes. Say now, Major General, Sir Sam Hughes.

A commission and a knighthood!

May these cheap favors bring him joy!

VI.

THE CRIME OF THE YEAR 1915

In an inclosed garden just east of Madison Avenue, in Thirty-sixth Street, rises a marble building in the museum style. It was built by the Elder Morgan as a storehouse for his works of art. It is known as the Morgan Library. It has been the scene of strange events.

It was here that Morgan, in the panic of 1907, loaned to the banks of Wall Street the millions he obtained from the United States Treasury, making great profits for himself on the borrowed money of the people. It was here that late one night a whispered word went forth, that struck the next day like a thunderbolt and caused the tragic run on the Trust Company of America, which bled a \$60,000,000 institution dry.

The Morgan Library is now owned by Morgan's son, the agent of a foreign government.

On the night of September 11th, 1915, a street crowd had run together at this corner of Murray Hill. These people watched the lighted front of the marble building with uneasy faces. With the dumb instinct of the mob, they had scented the fact that there was being staged here an event that threatened a terrible danger to the future of their country.

At intervals vehicles rolled up, the iron gates swung back, and a dull murmur rose from the street throng as it recognized some familiar personage who had alighted.

But let us not mix with the rabble. Let us penetrate the marble portal and see the parts that our masters, the plutocrats, are playing. They are giving an ovation to titled personages. And monstrous as it may seem, one finds among the latter Americans, who have renounced republican principles, accepted foreign "knighthoods," and sworn allegiance to a foreign king.

Here, in the spacious apartment, we see J. Pierpont Morgan, the accredited agent of England, France and Russia for the purchase and manufacture of war munitions. Beside him is his partner, Henry P. Davison, just returned from London, where

he has been conferring in secret with the heads of the British government.

With that species of adulation that is deserving only to the aristocracy, they bid welcome to Sir Robert Borden, Premier of Canada, who has won the gratitude of the British government by herding in detention camps the Teutonic farmers of Canada. Then comes Thomas, Lloyd George's representative in the "States" in the supervision of American industries in the interest of England, soon to be knighted as a reward.

The next arrival is "Sir" Thomas Shaughnessy, President of the Canadian Pacific Railway, once an American, born in Milwaukee, Wis., now a Colonial Knight. And we see Americans bowing and scraping before this man who has spurned his American citizenship.

Now comes a murmur of awe and reverence from the Wall Street bankers assembled here. The lions of the evening have arrived—the foreign bankers sent here by bankrupt Britain to get the use of the American people's gold that Morgan, their agent, has promised them: Baron Reading, once plain Rufus Isaacs; Sir Edward Hopkinson Holden, Sir Henry Babbington Smith and Basil B. Blackett. They have in their train two French bankers, to whom they have promised the Yankees' money, if France will continue to fight England's battles.

An hour passes now in Morgan's Library. There is a low hum of voices, of pledges made on foreign soil, now renewed and substantiated in the home of Britain's agent.

What is being concocted here in secret by private bankers?

Our country is being committed, its safety, its fortune, its wealth, its future—and yet we, the people, have nothing to say. We have voiced protests. They have been ignored. We have made pleas. They have been met with cynical laughter. Our destinies are in the hands of plutocratic masters.

But the deed is done. The hour has passed. One hears from the outer court that the iron gates are swinging back again. There is the roll of wheels. Another chain of vehicles is arriving. They are bringing other guests. Who are these?

WHO COMES NOW?

These are men whose smallest actions concern us deeply, since they involve the safety and happiness of all we hold most dear.

They are the heads of our largest savings banks, in which are stored the results of our labor; they are the presidents and managers of great life insurance companies, in which our existence is pledged; they are the officials of fire insurance companies, of powerful banks with which we do business.

I shall name them, but only as their names have been made known. And that we may know them better, I shall prefix their names with the institutions they represent, in which are deposited the money of the people.

THE MEN WHO CAME AT MORGAN'S CALL

Savings Banks:

Albany Savings Institution, Director, Charles H. Sabin; Bowery Savings Bank, Second Vice-President, William A. Nash; Bank for Savings, Trustees, August Belmont and Robert Bacon; Greenwich Savings Bank, Trustee, Albert H. Wiggin; Union Dime Savings Bank, Trustee, John R. Hegeman.

Insurance Companies:

Atlantic Mutual Insurance Co., Trustee, Charles A. Peabody; City of N. Y. Insurance Co., Director, Albert H. Wiggin; Fidelity-Phenix Fire Ins. Co., Directors, Francis L. Hine, Charles H. Sabin and Albert H. Wiggin; Fidelity & Casualty Co., Director, Alex. J. Hemphill; German-American Insurance Co., Director, Samuel McRoberts; Home Insurance Co., Director, Lewis L. Clark; Home Life Insurance Co., Directors, William A. Nash and Francis L. Hine; Mutual Life Insurance Co., Trustees, George F. Baker and Charles A. Peabody, President; Metropolitan Life Insurance Co., President, John R. Hegeman; Trustees, Otto T. Bannard and Albert H. Wiggin; N. Y. Title Insurance Co., Director, Lewis L. Clark; Pennsylvania Fire Insurance Co., Edward T. Stotesbury; Penn Mutual Life Insurance Co., Trustee, Edward T. Stotesbury; Prudential Insurance Co., President, Forrest F. Dryden; Queen Insurance Co., Director, William A. Nash; Royal Insurance Co., William A. Nash; United States Casualty Company, Director, Forrest F. Dryden.

Banks:

American Exchange National Bank, President, Lewis L. Clark; Chase National Bank, President, Albert H. Wiggin; Director, Francis L. Hine; Chatham & Phoenix National Bank, August Belmont; First National Bank, President, Francis L. Hine; Liberty National Bank, Directors, Albert H. Wiggin and Francis L. Hine; Metropolitan Bank, Director, John R. Hegeman; National City Bank, Vice-President, Samuel McRoberts; President, Frank A. Vanderlip; National Bank of Commerce, Directors, Frank A. Vanderlip, Alvin W. Krech, Francis L. Hine, Charles A. Peabody and Albert H. Wiggin; Riggs National Bank, Director, Frank A. Vanderlip; Union Exchange National Bank, Directors, Albert H. Wiggin and Charles H. Sabin.

Trust Companies:

Astor Trust Company, Directors, Francis L. Hine, Albert H. Wiggin, Charles A. Peabody and George F. Baker; Bankers' Trust Company, Directors, Francis L. Hine and Albert H. Wiggin; Brooklyn Trust Company, Trustee, Francis L. Hine; Farmers' Loan & Trust Co., Directors, Charles A. Peabody, Frank A. Vanderlip and George F. Baker; Fidelity Trust Company, Edward T. Stotesbury; Girard Trust Company, Edward T. Stotesbury; Guaranty Trust Company, President, Charles H. Sabin; Chairman, Alex. J. Hemphill; Directors, Albert H. Wiggin, Charles A. Peabody and George F. Baker; Hamilton Trust Company, Trustee, John R. Hegeman; New York Trust Company, President, Otto T. Bannard; Title Guarantee & Trust Co., William A. Nash and Charles A. Peabody; United States Trust Company, Lewis Cass Ledyard.

Surety Companies:

American Surety Company, Trustees, Alex. J. Hemphill, William A. Nash, Francis L. Hine and Albert H. Wiggin; American Security & Trust Co., Frank A. Vanderlip; First Security Company, President, George F. Baker; National Surety Company, Directors, Samuel McRoberts, Alvin W. Krech and John R. Hegeman.

WHAT A CONFERENCE IN MORGAN'S LIBRARY MEANS.



THESE EIGHTEEN VISITORS CONTROL THE LARGEST SAVINGS BANKS, TRUST COMPANIES, INSURANCE COMPANIES, BANKS AND SURETY COMPANIES IN THE COUNTRY.

Officers of Banks

- Chatham & Phenix National Bank
- National City Bank
- National Bank of Commerce
- Liberty National Bank
- Union Exchange National Bank
- American Exchange National Bank
- Riggs National Bank
- Metropolitan Bank
- First National Bank
- Chase National Bank

Trustees of Savings Banks

- Bank for Savings
- Union Dime Savings Bank
- Greenwich Savings Bank
- Bowery Savings Bank
- Albany Savings Institution

Officers of Trust Companies

- New York Trust Company
- Farmers' Loan & Trust Co.
- Girard Trust Company
- Hamilton Trust Company
- Bankers' Trust Company
- Brooklyn Trust Company
- Titus Guaratee & Trust Co.
- United States Trust Co.
- Fidelity Trust Company
- Astor Trust Company
- Guaranty Trust Company

Heads or directors of Insurance Cos.

- German American Insurance Co.
- Mutual Life Insurance Co.
- Metropolitan Life Insurance Co.
- Home Life Insurance Co.
- Prudential Insurance Co.
- First National Life Insurance Co.
- City of New York Insurance Co.
- Home Insurance Co.
- New York Fidelity Insurance Co.
- Pennsylvania Fidelity Insurance Co.
- Fidelity & Casualty Co.
- Royal Insurance Co. of America
- Queen Insurance Co. of America
- Aachen & Munich Fire Ins. Co.
- Fidelity-Phenix Fire Ins. Co.
- United States Casualty Co.

Officers of Surety Companies

- National Surety Company
- American Surety Company
- First Security Company
- American Security & Trust Company

WILL THEY USE THEIR FUNDS FOR THE LOAN TO THE ALLIES?
WRITE TO THEM AND FIND OUT.

THE AMERICAN PEOPLE UNEASY

It is a matter of distinct uneasiness to the American people that the heads and trustees and managing directors of the great institutions in which their fortunes are bound up, should in these days and on a mission such as this, visit the private house of the agent of a foreign government, to confer in secret with emissaries sent by that government to this country for the purpose of obtaining a huge credit, based on the moneys lying in savings banks, insurance companies and banks of deposit representing the property of the American people.

It instils fear in the public mind when such men associate themselves with the House of Morgan, whose fortunes are committed to foreign lands and foreign interests.

This fear of the public is not the fear which, in 1913, caused the appointment of the Pujo Committee to investigate the concentration of control of money and credit. It is now become a fear more keen and poignant than before. It has caused a sudden growth of radicalism in this country, which is assuming proportions that are alarming.

For Morgan is serving a foreign king; he cannot serve two masters.

Under his guidance, committed as he is, American interests must suffer. Is it not then a matter of dreadful peril that at Morgan's beck and call, the financiers, controlling our greatest institutions, should lend him their vast influence and proffer him the funds which have been entrusted to them by the people?

Was it not thought that by the abolition of the interlocking directorates the Morgan group would be shorn of their illegal power? Yet here we see that they still exercise their malignant influence.

I shall quote from the conclusions of the Pujo Committee, after its investigation of the Money Trust: "It accordingly behooves us to see to it that the bankers who require and are bidding for the money held by our banks, trust companies and life insurance companies to use in their ventures *are not permitted to control and utilize these funds as though they were their own.*

"At best it is a dangerous situation, with its boundless temptations and opportunities, no matter how high or lofty

may be the sense of responsibility of those who hold the power. It is too vast and perilous a power to be safely intrusted to the hands of any man or set of men, be he or they ever so patriotic or unselfish. We have no right to assume that he or they or their successors will never use it in his or their own interest and to the detriment of the public welfare."

We see that the day has now come when these successors are using this power in their own interest and to the detriment of the public welfare. These foreign agents are working in secret. They tell us insolently that they are working for our country's good. Can we believe them? *No, we cannot take the word of Morgan & Co., who have earned the distrust and condemnation of their fellow countrymen in the management of the New Haven and Erie Railroads and the perpetration of the Cincinnati, Hamilton & Dayton scandal.*

I urge upon all the readers of THE FATHERLAND to write to their Congressmen, demanding a Federal investigation into the recent acts of J. P. Morgan & Co., on behalf of their client, England. Congress must drag these secret financial transactions—which affect our most vital interests—into the open light of day.

But we must go farther. We must safeguard our personal interest from the thieving fingers of the Money Trust.

In the insurance investigation of some few years ago, it was vividly impressed upon the managers of such companies that *they must not act without the authority of their policyholders.* It is to be hoped that they have not forgotten this wise counsel.

Let every man or woman who is a policyholder in any of the companies above enumerated, write at once to the responsible heads of such companies, asking whether their funds are being used to finance the war munitions of foreign countries.

Let every depositor in the savings banks in the above list address a similar request to his official representatives.

Let every depositor in the above banks and trust companies take similar action.

A PATRIOTIC DUTY

Citizens, this is your patriotic duty. It is your right. The banking power exists only in the money of the people. The people have the right under the law to demand that such power be not misused.

Protest against this commission of an unneutral act! Protest against the illegal use of the American people's savings for the furtherance of a war on behalf of Russian Cossacks. Protest against the use of our money for the arming of African and Asiatic savages by their decadent French and English masters, who wage war by bringing blacks into a white man's country.

We, in the East, are doing our share. Do you, in the West, do yours? And it is with deep gratification that we see the sturdy West responding. We are Americans still—not the helots of pro-British plutocrats.

The action of Dr. Charles Hexamer, of Philadelphia, head of the National German-American Alliance, in his open protest, urging citizens to thwart the loan, has brought dismay to the English bankers of Wall Street.

Mr. Jeremiah O'Leary, President of the American Truth Society, has demanded of Baron Reading, the head of the foreign banking delegation, what assurance American investors would have, when the Anglo-French notes fall due, that Great Britain will not tender Confederate bonds in payments.

Our logic is unanswerable.

For an entire year, the Morgan group have been our plutocratic rulers. They have had their own way. Now is coming the reaction. The public has awakened to its peril. This morning was announced the resignation of one of the Morgan partners, Mr. Willard Straight.

The panic of fear and rage reigns in the Morgan camp. On September 15th, through one of their organs, they issued a WARNING to those who opposed them. They applied an epithet to those who worked against the loan to their foreign clients, and their warning ended in these words:

THE THREAT OF REPRISAL

“The potentialities of retaliation are not the exclusive possession of any body or organization in the United States. This fact is not without a definite present significance. The weapons that hyphenated Americans are now urged to raise against their neighbors are not the subject of monopoly, and it would be lamentable in the last degree if patience and forbearance should take the form of reprisal.”

The following day they sent a man to James J. Hill to enlist his support, with the suggestion that "reprisals be tried upon pro-German interests by withholding American money."

Mr. Hill shook his head. "*That gun would kick harder than it would shoot,*" he said.

When the man was sent to Mr. Hill in the endeavor to foment discord and stifle opposition to the Morgan loan, he was not sent aright.

Again the same organ came out with a threat from the Morgan group. Sections were quoted from the Penal Law of New York State, in the false efforts to intimidate opponents to the Morgan loan.

To this THE FATHERLAND must respond by the following quotation from Section 5281 of the Revised Statutes of the United States:

THE LAW IN THE CASE

"Section 5281. Accepting a foreign commission.

"Every citizen of the United States who, within the territory or jurisdiction thereof, accepts and exercises a commission to serve a foreign Prince, State, colony, or people, in war, by land or by sea, against any Prince, State, colony, district or people with whom the United States are at peace, shall be deemed guilty of a high misdemeanor and shall be fined not more than \$2,000 and imprisoned not more than three years."

Let the partners of J. P. Morgan & Co., ponder this. Does it apply to them?

As yet the Republic exists. As yet the plutocrats have not exercised the power to crush free speech and freedom of opinion.

Since that memorable meeting in the Morgan Library, many other gatherings have been held by Wall Street bankers with the financial emissaries from England. But the subsequent meetings have always been held in different places, and in secret. We see them meet at the Hotel Biltmore at midnight. Why? We learn that these Wall Street bankers leave their institutions and secretly board Morgan's yacht, the *Corsair*, in the East River, to hold their conferences for the disposition of the public's funds.

Why do these men work in fear and secret?

How do they purpose to work in the dark after time, when a crime against their own countrymen has been committed?

VII.

THE SHAM PEACE SOCIETIES

I was walking on Seventh Ave., New York, one Winter's night, some four short years ago—it was in December, 1911, if memory serves me right—when my attention was called to the movement of great numbers of people. I saw them pouring into an auditorium.

I am always interested in the guiding spirit of a throng, so I made myself a part of this concourse. I entered the auditorium. It was filled to the galleries. I seated myself, and, turning to my neighbor, asked for the purpose of the gathering.

“It's a peace meeting,” he replied.

I turned my attention to the stage. I saw there the conventional semi-circle of three rows of chairs. Seven men were seated in the foremost row. I can see their faces as plainly to-day as on that Winter's night, four years ago:—Andrew Carnegie, Henry Clews, J. Pierpont Morgan, Thomas W. Lamont, George F. Baker, Frederic R. Coudert and Dr. Lyman Abbott.

Now I knew the origin and histories of these men, and I wondered what had brought them together there. I listened to some of the speakers, and gathered that they were making an appeal to the audience to give their support to some arbitration treaties which these seven men wished to make between our country, England and France. Then I understood.

Suddenly, at the conclusion of one of the addresses, a man arose from a chair in the semi-circle on the stage, and advanced to the footlights. He was a mild appearing man, slender of figure, and wearing long mustaches. He began to speak. All in that large audience listened breathlessly, for it was evident that this speech was not on the prepared programme.

The man at the footlights spoke:—“I wish to offer as a substitute that this meeting approve the resolution already adopted by the Senate Committee on Foreign Relations *in opposition to the treaties between Great Britain and France, such treaties being breeders of war.* This arbitration movement is

aimed not in the interest of peace, but in that of war with another power,—Germany.”

The audience sat stunned for a moment. Then came a burst of cheers from the galleries, followed by others from the orchestra chairs:—“How about Germany? This is all aimed at Germany!”

A great uproar ensued. The chairman was compelled to dismiss the gathering. The audience had not given its approval to the plan cherished by the seven men seated there on the public stage.

Now this meeting became historic in the annals of the peace agitations of that day. I remember my surprise at the upshot of the morrow. For certain newspapers controlled by Wall Street bankers tried, for some secret reason, to heap obloquy on the heads of the men who had objected to the proposed treaties. They called them “ruffians” and “hoodlums.”

Why was that done?

Here was an American citizen who had spoken in support of the wishes of the Senate Committee on Foreign Relations, of the Congress of the United States. That was certainly a patriotic duty. And free speech is not prohibited in America, nor is liberty of thought.

The man who had so spoken was a New York lawyer. Yet Adolph S. Ochs, in his newspaper, assailed him in these words:—“He is a bad American. In fact, he is not an American at all. We mean that he is not an American citizen. For all we know, he may have been born here, but he must be reborn.”

There seemed a sinister purpose in all three attacks, and dreadful doubts succeeded in the public mind concerning these “peace” negotiations. It was felt instinctively that foreign influences were at work to compromise the future of our country.

Time passed. But the foreign agitation kept secretly at work.

THOSE SEVEN MEN

In the meantime, keep in mind, indelibly, the names of those seven men whom I noted on the stage front of Carnegie Hall, that troubled Winter's night.

Men who nurse shameful ends know neither haste nor rest. The schemes of these seven men had been frustrated at the

Carnegie Hall meeting. But the result of that meeting was the formation of two "peace" societies, the American Peace and Arbitration League and the New York Peace Society. *How strange to note that the presidents of both were Englishmen, Henry Clews and Andrew Carnegie.*

Wall Street's English bankers are far-sighted men. They have resources and cunning. They had made a shade of differentiation between these two organizations, in the hope that they might meet the objections of suspicious or unsuspecting Americans.

It was on January 25th, 1913, that we find the "peace" friends meeting again. And it is again in Carnegie Hall. There we find two members of this Group of Seven, the two Englishmen, Andrew Carnegie and Henry Clews. By this time they had enlisted the services of Dr. Charles W. Eliot, once of Harvard. They expressed their extreme disappointment at the failure of the peace treaties they had planned to make between England, France and the United States. Mr. Carnegie, however, asserted his conviction that the end of all war was in sight, and said that he believed that the doctrine of the exemption of private property on the seas was soon to be a reality, since it had been approved by eight of the nations and needed only the sanction of Great Britain.*

Six days later, Mr. Carnegie gathered a meeting of his (American) New York Peace Society, and appealed to the American people to force the repeal by Congress of its legislation governing the Panama Canal tolls, which was detrimental to England's interests. Not like the "hoodlum" who had supported the cause of the American Senate Committee on Foreign Relations, Mr. Carnegie appealed to the American people *to destroy an act of Congress*. But the Wall Street newspapers did not call Mr. Carnegie a "hoodlum" or a "ruffian." Mr. Adolph S. Ochs treated him most tenderly.

At this meeting, Robert Underwood Johnson, vice-president of the "Peace" Society, declared: "For the first time in their lives, as they have confessed to me, Americans (?) could not look Englishmen fair in the face because of the interpretation put by our Congress upon our treaty obligations."

* Who has confiscated \$15,000,000 worth of American meat cargoes, and hundreds of millions of American cotton cargoes?

Twenty-three days later (still in 1913, remember) Henry Clews, the English President of the American (?) Peace and Arbitration League, called a gathering of his people, among the members of the committee being Andrew Carnegie, Dr. Lyman Abbott, Dr. Charles W. Eliot and FRANCIS LYNDE STETSON. Mr. Carnegie predicted that the day of universal peace was not far distant, *and expressed the hope that the differences with England might be arbitrated.*

Then came the great war in Europe. When had the English plotters expected it? Before this, at Agadir? Who can sound the secrets of human thought?

Now it was found necessary to bring about an alteration in this English plot. There was no longer a question of "peace." Now the secret agitation of Wall Street's English bankers was to be on behalf of the "patriotic" duty of national defense. Patriotism, they say, is the last refuge of scoundrels. The world's history always shows how plutocrats play upon the sincere patriotic instincts of their countrymen, that they may make money out of the intoxication of the heedless rabble.

We shall see Roman history now repeat itself.

THE PATRIOTS MEET

One hundred and fifty "American patriots" assembled at the Hotel Belmont in December, 1914, and organized the National Security League. It is necessary, of course, that somebody must advance the funds for any public movement. Among the committee chosen were Mr. Frederic R. Coudert, counsel for the French government, and Mr. Herbert L. Satterlee, the brother-in-law of J. Pierpont Morgan. The committee demanded that the government at once spend \$100,000,000 on armament.

At this meeting, Mr. George Haven Putnam, an Englishman, London born, spoke as follows:

"Suppose England is crushingly defeated in this war, and her enemies wish to invade Canada. A big fleet and expeditionary force appears off New York and asks permission to march an invading army up the Hudson Valley. We refuse. You can see all the towns along the Hudson River in ruins.

"A military authority in Berlin recently said that when Germany had obtained a coaling station on the American coast, there would be no difficulty in smashing the American coast cities and crushing the Republic."

Of course we all know that no Berlin authority ever made such a statement, and that no army intending to invade Canada would be so idiotic as to wish to march up the Hudson Valley. But this statement was made by this English agitator simply in the interest of the English propaganda in order to create fear in the minds of the ignorant and feeble-minded.

The English, you see, feared the thirty millions of American citizens of German blood, whose fathers had fought in all our country's wars. It was necessary for their plot to cow and discredit all Americans of German descent.

For this, the National Security League was not enough, as the American (?) Peace and Arbitration League and the New York Peace Society had not been sufficient. There must be a monopoly on the part of the English bankers of Wall Street, of all "patriotic" and "defense" movements, so that real Americans should not have liberty of action in such organizations.

Now we reach the culminating step in the plans of the Group of Seven men, whom we recall as having been seated on the front of the stage at that meeting in Carnegie Hall four years before.

J. Pierpont Morgan had appointed himself the official war agent of England in this country. He had made contracts with all the munitions factories, so that all their output would be assured to the country that he loves better than his own. He had organized other great munitions factories, for the manufacture of shells and shrapnel while England's war should last. But he is a far-sighted man. When the war ends, he intends that these factories shall be sold to the United States government. To accomplish this purpose, the American public must be educated to the fact that "national defense" is a great and patriotic duty.

The National Security League had asked an immediate appropriation of \$100,000,000 for the national defense. That was only a feeler to "educate the public." The sum must be made much higher.

Colonel Robert M. Thompson, chairman of the board of directors of one of the war munitions companies, was selected as the stalking horse in this development. As a one-time graduate of Annapolis, he had organized a Navy League. This moribund society was now to be used in the furtherance of the Morgan plan. Colonel Thompson inaugurated a "defense" luncheon, and invited to it the members of the Group of Seven. Invitations were

extended by him to the heads of all the war munitions companies and the Wall Street bankers who do business with them.

Among the gathering invited we note:—J. Pierpont Morgan, Thomas W. Lamont, George F. Baker, Frederic R. Coudert, Dr. Lyman Abbott, as also most of the other partners of Morgan, and his brother-in-law, Herbert L. Satterlee.

At this meeting, Colonel Thompson proposed that the government immediately expend not \$100,000,000, but \$500,000,000 on armament. The method in educating the public was the same later adopted in the machinations of this same group for a billion-dollar loan to the Allies.

This \$500,000,000 was to flow, of course, right back into the pockets of the men invited to Colonel Thompson's luncheon.

STIFLING THE PUBLIC CONSCIENCE

But these people had something else to fear, and that was that the conscience of the American people would be awakened, and they might have an embargo placed on the exportation of war material. That, of course, would be fatal to the Morgan group of munitions makers, who were expecting to make their millions out of a world catastrophe. But they cleverly executed their campaign for the stifling of the public conscience. College professors were hired to write articles, informing us that it would be "unneutral" to place an embargo on arms shipments. That weak nations would be unable to protect themselves against strong nations if we did so. That German militarism must be crushed.

And they did not call attention, of course, to the fact that the "weak nations" to whom Morgan was supplying arms were the great empires of Russia and Great Britain, and that so far from suppressing militarism, the Morgans were trying to impose militarism upon the country by the expenditure of a half billion on armament.

In the meantime a movement was begun in Carnegie's New York Peace Society for an embargo on the shipment of arms. Morgan had provided means to oppose that. His men, Lyman Abbott and his counsel, the corporation lawyer, Francis Lynde Stetson, of the Steel Trust, and the Englishman, George Haven Putnam, hastily formed a committee and issued a statement

September 6th, protesting against any interruption to the shipment of arms, since that might curtail the profits of Morgan and the Steel Trust. Similarly, when John Wanamaker, in Philadelphia, advocated an embargo on arms, Morgan's men in the National Security League made him resign at once as chairman.

When some women in Baltimore issued posters, calling on Americans to protest against the arms shipments, Ochs, the Money Trust tool in New York, did not spare American womanhood to serve his Wall Street masters. Absolutely, this man Ochs attacked American women, assailing them as doing a shameful thing in protesting against arms shipments, since that might curtail Morgan's profits.

Corporation lawyers all flew to the rescue of Morgan profits, in which most of them always share. A Baltimore corporation lawyer, Charles Jerome Bonaparte, once an attorney general, in agitating for the National Security League, said at Carnegie Hall:—"If I am asked what I mean by a reasonably possible enemy, I reply—any power except Great Britain." And more recently he wrote to the American Defense Society:—"I am in cordial sympathy with prompt provision for the national defense. We have become involved in controversies with powerful nations. When the war shall end, *those whom we have offended may be victorious.*"

I think a child could detect a false ring to these words. They brought something to my mind, and impelled me to look up Mr. Bonaparte in "Who's Who in America," where I found that he had given his lineage as follows:—"Charles Jerome Bonaparte, grandson of Jerome Bonaparte, King of Westphalia." That's enough!

I think that if we revert to that stormy Winter night in 1911, when our countrymen experienced misgivings that all was not well with the sham peace propaganda, and that it was in reality a movement to ally this country on the side of England in her coming war, we have found **THAT THEIR FEARS WERE JUSTIFIED.**

WHO THEY ARE

Let us analyze the affiliations of the seven men who sat on the stage in Carnegie Hall that memorable night.

There was Andrew Carnegie, born in Great Britain, with a

home on Fifth Avenue, and one in Scotland; casting his vote in both countries; holder of \$300,000,000—odd Steel Sinkers,—five per cent. bonds of the Steel Trust, which now earns its income from the manufacture and sale of shells and bayonets, used to arm Russian Cossacks and Senegal negroes for the destruction of a white race.

Should an Englishman, so conscienceless as this, head an American peace society?

There was Henry Clews, born in England; for years a pro-British agitator; who derives his income from a score of little branch brokerage offices, where men speculate in war stocks on margin. One of the leading brokers in Wall Street told me one day that, at the end of the year, when he balanced his books, there was rarely a customer who had not lost his all in the stock market gamble.

Is an Englishman such as this qualified to head an American peace society?

There was J. Pierpont Morgan, war agent of England, whose record in "Who's Who" is given thus:—

J. Pierpont Morgan—Homes:—	Offices:—
231 Madison Ave., N. Y.	23 Wall St., N. Y.
12 Grosvenor Sq., London, W.	22 Old Broad St., London.

Clubs:—White's, St. James Club and the City of London Club.

Is this English banker qualified to lead an American peace or defense movement?

There was Thomas W. Lamont, the partner of Morgan, England's war agent.

There was George F. Baker, one of Wall Street's Big Four, and a leader of the Money Trust, investigated and censured by the Pujó Committee.

There was Frederic R. Coudert, son of a French father and counsel for the French government, director of a company doing a business of billions with the war munitions concerns, and a bitter anti-German agitator.

There was Dr. Lyman Abbott, of the *Outlook*, whose venomous pen has worn itself dull in the last shameful year in pro-British agitations.

And now it is these men, the inflamers of public sentiment, who laughed at us when we opposed an arms embargo, who now

tell us that "we have offended" powerful nations by the shipment of arms to their enemies. They instruct us we must arm in our own defense, and that the government must buy Morgan's war plants, and slip \$500,000,000 into the pockets of this multi-millionaire.

Why not let us ape England, and tax the munitions makers for the national defense? They are the only ones who have made money in this country during the year that is dead and gone.

But these Englishmen now evidently fear the 120 millions of Germans in Central Europe, whom they "have offended" by their sale of arms to England. I would call to their attention that there are others nearer home whom they have cause to fear,—that is, the thirty millions of Americans of German blood, upon whom they have tried to heap infamy during the last twelve months. How do they purpose to defend themselves against these enemies? These thirty millions are now welded together as one, they think as one, and they are strong enough to bring to a stern accounting the English crew who, for the last year, have singled them out of the social body for attack.

MORGAN'S "PEACE" TRUST

Is it not clearly proved that Morgan, years ago, took care to monopolize the sham "peace" movements and the "fake" defense movements? His father and his partners organized the "arbitration treaties" in favor of England. Morgan and his lawyers and creatures were instrumental in founding and controlling the New York Peace Society and the American Peace and Arbitration League, the Navy League and the National Security League. Morgan's hand has been in all this. He is the evil genius of his race.

Is this disloyalty, or treason?

Morgan is restless and untiring to swing this country into England's maw. He is dogged and determined in his actions. Congress has a stern duty to perform. It must check this dangerous man. If Congress does not act, then the people will. It is dangerous to goad the people into action.

Morgan's wrath is bitter in this hour of the miscarriage of his plans. He has been unable to force this country into war on

England's side. His loan to the Allies was cut in half. What is he plotting now?

When the people objected to Morgan's billion-dollar loan, his organ, the *Sun*, came out and said:—

“Should the loan be withheld, and the war thus cut short, to whose advantage would it be? How much of Russia would Germany annex? What would become of Morocco? What would become of Egypt? What would Germany do to British commerce? What would Germany do to Britain's natural defense, her navy?”

In this, Morgan at last unmasked himself. He has not been working for America. What do Americans care how much of Russia Germany annexes? What do they care what becomes of British commerce, or whether she remains in Egypt, which she has stolen from the Turk? What care have we to maintain the French in the filched country of Morocco?

But that is Morgan's will. He would have us fight for England and France—he would have us lend our billions to them for the purposes of their war, regardless of the consequences to our welfare.

Is Morgan now seeking to precipitate a panic in this country? The thing is by no means improbable.

Morgan's father is said to have doubled the family fortune in the panic days of 1907. He was enabled then to get the Tennessee Coal & Iron Co. for his Steel Trust without the expenditure of a dollar, and merely by the printing of a few bond certificates.

When a Morgan railroad goes into receivership, Morgan makes a million dollars commission in reorganization.

Wall Street does not fear panics. It thrives on the misfortunes of the people.

VIII.

RED LIGHTS AHEAD!

“Red lights ahead!” In this picturesque railroad phrase, grown famous in financial annals, James J. Hill, then chairman of the Great Northern Railroad, predicted the oncoming panic of 1907.

I was reminded of this prediction, made by Mr. Hill, a man whom I greatly admire, as I walked through Wall Street a few days ago. These panics, which the public fears so justly, come for some strange reason upon us every seven or eight years. Panics are not wholly man-made. They are often made unwittingly, through the madness of men.

I remember the panic of '93, when I had just “struck” New York City from Ohio, a poor lad. And another one came later, in 1901, made solely by Wall Street gamblers. Six years later came the “rich man’s panic.”

What reminded me of “Jim” Hill’s fine phrase as I strolled through Wall Street this late September day? There was much to contemplate. To the left hand, at the corner of Broad and Wall Streets, topping the new white structure of the House of English Morgan, a great steel screen had been placed above the court that opens on the glass roof covering the ground floor of his banking house. A cordon of armed detectives was stationed about his office doors.

From the right hand there came to me the subdued uproar of shouting, shrieking voices—voices of maddened brokers on the guarded floor of the New York Stock Exchange, also still topped with a steel wire screen. And at the entrance of the Exchange, the greatest money market of our country, there still hung the sign “Gallery Closed for Repairs.” Wall Street brokers still refuse the public admittance to the scene of their operations.

And I felt downcast and depressed as I thought back on those long-gone years when I had come to this city, a poor boy from Ohio. How the days had changed! Then there was public spirit

and free thought. Newspapers like the *World* and *Sun* would have had electrifying stories of the fear in which Morgan and his creatures dwelt, of the manner in which they had screened themselves from public vengeance. And our country would not have been unwarned.

But to-day the word of a powerful English banker is sufficient to still the columns of newspapers, which in the past thought it their best endeavor to strive for the public good.

“Red lights ahead!” Races become decadent through corruption—yes, those races that we love the best. When we were boys we all read Plutarch, and loved him for the knowledge of human nature he displayed. You remember old Timon of Athens, and the words he spoke to Alcibiades, when he saw him driving his countrymen to madness? “Go on, my brave boy, and prosper, for your prosperity will bring ruin on all this crowd!”

And I thought of Young Morgan and his English banking friends of Wall Street. Here are bankers, mad with race hatred, throwing all conservatism and caution to the winds. They try to fling away the public’s billion, as though it were so much chaff. It is hard to earn a billion dollars. No man has ever done so. The slender savings of the people, always hard earned, are a mere bauble in the hands of thoughtless bankers.

Read the columns of Ochs, the tool of the Money Trust, and he will blabbingly tell you of the “millionaires made by war stocks.”

Yes, there are men in Wall Street who have made millions in war stocks. They are making them by juggling the money of the people, which blind confidence and honest faith had entrusted to their care. Then comes the great Day of Reckoning—as it came in '93, in 1901, in 1907. And then who has won out? The men who do not care for panic days—the men of Wall Street. They will lean back and laugh at you then, glutted with their millions, and you and I shall have to pay their bills.

WARNING VOICES IGNORED

“Red lights ahead!” Back in those days the voices of warning were ignored. They were spoken by Hill and Jacob Schiff. But in 1906-07 there were the same conditions that prevail to-day.

The mad market, the million-share days. The inflation, the banks loaning the people's money on mushroom stocks, while happy brokers laughed and made their coin. The same conditions prevail to-day—the clerks working overtime in the gambling houses of Wall Street, sleeping on improvised cots, working day and night, in the fever and furor, trying to keep track of the accounts of the poor dupes who are misled by the intoxicating songs of corrupt newspapers of “fortunes made in stocks.”

The Day of Reckoning is as sure as the tides and the floods and the setting of the moon. It is the world old story of human credulity, of human faith in the lying tongues of scheming men.

“Red lights ahead!” It is now October, in the year 1915. Clip out this story and file it away for the future day—the great Day of Reckoning, when men must pay for the sins of others, when factories will close their gates, and the store and the warehouse will ring to empty footfalls. And far away, in Europe, perhaps, you may see the faces of mocking English bankers, the expatriates of the Money Trust, who have coined their swag and made their homes abroad, and who now laugh at their foolish dupes, whom they hoodwinked with false tales and lying profits, living lives of ease on stolen money.

The Wall Street-owned newspapers, with their powerful and unscrupulous news syndicates, which ferret out the ignorant and unsuspecting in every hamlet in the land, are regaling the public to-day with their stories, “Wall Street is a street of gold,” “millionaires are being made daily,” “there are fortunes to be made in war stocks.”

Poor, foolish human frailty! Will that day ever come when men will listen to those who wish them well? When the honest and unsuspecting will no longer heed the voices of plutocratic tempters?

“Wall Street is paved with gold!” And the poor fellow, workless and worrying, who walks the streets, is tempted to take his money from the savings bank and put it in war stocks.

If there are those who are willing to listen, let them pay heed to this. Do you know that only a week ago the Missouri, Kansas and Texas Railroad went into a receiver's hands? The Missouri Pacific is bankrupt. What has become of the Rock Island? Have you seen the dreadful loss in the earnings of the Union Pacific?

Those are our great properties on which our fortunes and our wealth depend. In those roads, the arteries of the business life of the country, the money of the savings banks is invested. Are they prospering? No.

Who prospers? The munitions makers? Perhaps. But from what source do their profits come? From France, from England, from Russia? From countries devastated by the greatest war in history? No, England, Russia, France are not sending gold to our country to enrich the munitions makers. Those English bankers of Wall Street have paid themselves for the debts the bankrupt countries of Europe owe by taking the millions of savings of the American people, which are deposited in savings banks, in life and fire insurance companies, and these men, who love foreigners better than their own countrymen, have placed in these companies the notes of their bankrupt friends, whom they toasted and flattered in New York at their Pilgrim dinners and their bankers' feasts, at which they drank the healths of King George of England, the Russian Czar, the King of Italy and the assassin rulers of Servia.

But business is bad in the United States. We all know that.

The Money Trust newspapers of Wall Street, drunk with the advertising profits that now fill their columns, do not tell you such facts as these. The *Commercial and Financial Chronicle*, of September 25th, says: "England has huge resources to draw upon, no matter what may happen, and she has never in her entire history undertaken to place one of her Government loans in a foreign country. Even if we take an extreme view of the case and *contemplate the possibility of partial insolvency as the result of the putting out of huge additional masses of debt* with the continuation of the war, it is inconceivable that this \$500,000,000 or \$600,000,000 foreign loan will ever be in danger."

THE BANKRUPT'S TOLL

This is the still and silent voice of a financial organ, which few will read. It does not say that England has had to pay the bankrupt's toll of six per cent. for her money by placing a first mortgage on the Empire. It does not call attention to the fact that her premier security, Consols, is selling at a "minimum" price of 65. This minimum means that the British Government

dares not let a free market prevail in her chief security, that if the minimum price were removed, it would drop to a panic figure. The figure is easily calculated. Consols bear interest at $2\frac{1}{2}$ per cent. The British loan forced upon the American people by the publicity campaign of the Morgan group pays 5 per cent., but sells at $96\frac{1}{4}$. Then a security paying one-half that interest is worth only one-half the price—or $48\frac{1}{8}$. That figure is the price of British Consols to-day—no, it is not the price, for the loan imposed upon America is a first mortgage upon the taxing power of the British Empire, and Consols take the rank of a second mortgage, and can be worth only 40 or thereabouts.

I shall quote a warning issued at the Investment Bankers' Association of America, at Denver last week, which your Money Trust newspaper did not dare to print and which was uttered by Mr. A. B. Leach, the President of the Association, who said: "Gentlemen, I have presented three pictures, which perhaps have a somewhat gloomy atmosphere, three pictures which bespeak possible disaster even.

"As investment bankers we face the problem that the capital, which has been expended for the development of this country, derived in the past from Europe, will not be available.

"I have heard it prophesied by the very wise that at the end of the war we would face a financial catastrophe, that wreckage and repudiation would be worldwide."

"The capital which has been expended for the development of this country, derived in the past from Europe, will not be available." And at the siren voice of Morgan, the credulous American people have been tempted to give of their own capital \$500,000,000 to France, England and Russia, to the accompaniment of the enthusiastic cheers of English bankers.

And thus, while Wall Street bankers throw away one-half billion of the people's money, what is being done with the reserves of Wall Street banks?



Let us see.

In the chart that is given below, we can clearly see what game the conscienceless houses of Wall Street are perpetrating. In the last seven weeks, ended with October 2nd, in only twenty of the war stocks, and there are perhaps as many more, thirteen million five hundred and eleven thousand shares were traded in, and in this gamble, solely in these twenty stocks, remember, the

WHAT THE WAR STOCK GAMBLERS ARE DOING:
WALL STREET BANKS, IN SEVEN WEEKS, HAVE LOANED THE WAR STOCK GAMBLERS
ONE BILLION, ONE HUNDRED MILLION DOLLARS, OR 80% OF THE INFLATED VALUES.

Twenty War Stocks	No. of shares traded in seven weeks, ended Oct. 2:	Money wasted in war stocks gamble, based on maximum price, week ended Oct. 2:
American Agricultural Chemical.....	64,225	\$4,624,200
American Can.....	1,286,900	85,575,850
American Car & Foundry.....	522,810	49,666,950
American Coal Products.....	61,980	10,567,590
American Locomotive.....	480,720	34,971,875
American Steel Foundry.....	172,337	11,201,905
Baldwin Locomotive.....	804,550	120,783,068
Bethlehem Steel.....	65,710	24,641,250
Crucible Steel.....	1,324,630	145,700,000
Distillers' Securities.....	181,920	6,321,620
General Electric.....	149,597	26,698,364
General Motors.....	63,795	23,922,125
Lackawanna Steel.....	340,330	32,246,267
Maxwell Motors.....	219,930	12,753,940
New York Air Brake.....	215,982	35,583,034
Pressed Steel Car.....	333,845	25,372,220
Railway Steel Spring.....	170,310	9,196,740
Sloss Sheffield.....	61,160	3,975,400
United States Steel.....	4,651,369	376,760,889
Westinghouse.....	2,338,900	326,272,550
Total Shares,	13,511,000	Inflated Values, \$1,366,835,837

Who Are Responsible For This?
Two Men, Who Work Under The Shelter Of Great Steel Wire Screens.

 **J. Pierpont Morgan, England's War Agent.**
 **President Noble, of the New York Stock Exchange**

brokers, their victims and the bankers manipulated the immense sum of one billion three hundred and sixty-six million eight hundred and thirty-five thousand eight hundred and thirty-seven dollars.

What a dreadful situation here presents itself. On the one hand, the Morgan group helps itself to a half billion of the people's money, to repay itself for the munitions sold to the bankrupt Allies. On the other hand, great railroad systems go thundering down into bankruptcy, imperilling the resources of the country, while not a hand is raised to help them. And now the Wall Street bankers further use the funds of the public to lend one billion one hundred millions to the war stock gamblers on twenty inflated war stocks in seven weeks.

These are termed "call" loans. They must be met and paid on demand. WHAT WILL HAPPEN IN WALL STREET WHEN THE CALL LOANS ARE CALLED?

Two months ago THE FATHERLAND called attention to the fact that the members of the Stock Exchange were working in guilty fear, hidden from the public eye. At that time the officials of the Exchange explained in the Wall Street organ, the *Times*, that the gallery was being "repaired," and that the steel screen had been placed above the building because of the fear of falling bricks. Must not Mr. Noble feel very silly to-day at his attempted deception of the public? Now, after the lapse of months, the gallery is still closed to the public, and the steel wire covering has been adopted across the way, on the roof of Morgan's building.

Mr. Noble and his friends, hiding and working in guilty fear, are too drunk with the war stock gamble to heed the kindly meant warning. They have since even added to their list other war stocks, and added to the financial danger.

It is essential then that the public take heed of its savings and see that they are not secretly invested in guilty stocks and the blood-stained war bonds of the Money Trust.

THE AACHEN & MUNICH FIRE INSURANCE CO.

We have received the following letter from the Aachen & Munich Fire Insurance Company:

"In the issue of THE FATHERLAND, dated the 29th inst., an article appears in which the name of our company is quoted in

a manner which might suggest to some readers that the Aachen & Munich Fire Insurance Company would buy the bonds of some of the countries involved in the European war.

"In order that there may be no misunderstanding on this point we would greatly appreciate your mentioning the fact in your paper that the securities owned by this company in the United States consist exclusively of United States Government, State, Municipal and Railroad bonds, and any further investment which may be made in the interest of the Aachen & Munich Fire Insurance Company will be limited to bonds of the same character.

Yours very truly,
(Signed) J. A. KELSEY,
Manager."

THE PENN MUTUAL LIFE INSURANCE COMPANY

Similarly THE FATHERLAND receives the following communication from the Penn Mutual Life Insurance Company:

"I notice in the issue of your paper of September 29th that you publish, on page 128, an inference that the Penn Mutual Life Insurance Company is connected with or will invest in the war loan securities about to be issued. I beg to state that this company carries no money in foreign securities. It is prohibited from owning them. Its life insurance business and its investment field (all its operations) are confined to a territory within the borders of the United States. I think this will assure you and your readers that the funds of our company are carefully guarded.

Yours very truly,
(Signed) GEO. K. JOHNSON,
President."

It is a pleasure to THE FATHERLAND to publish these frank letters. Undoubtedly the public will also appreciate the fact that the investments of the Aachen & Munich and the Penn Mutual Life are not to be risked in foreign loans. In the same article the names of other fire and life insurance companies were mentioned, whose directors or officials had attended the conference at the Morgan Library in the interest of the Anglo-French war loan. And still even more significant was the fact that this private conference was attended by officers of great public savings banks, such as the Union Dime, the Greenwich Savings Bank and the Bowery Savings Bank. Such institutions are

restricted by law as to their investments, but many of them keep surplus funds on deposit in other banking institutions, which use them as they wish. The German Savings Bank came out the other day and announced that it would withdraw such deposits from other institutions unless it received assurances that such funds would not be used in the hazards of the Anglo-French loan of Morgan's.

This announcement was highly appreciated by the bank's depositors. Is it not of deep moment to the depositors in the Greenwich, the Bowery and the Union Dime to receive similar assurances that their money will not be employed contrary to law in hazardous loans? Failing to receive such assurances, it is to the interest of such depositors to place their savings in institutions like the German Savings Bank, which give promise of safety for their funds. Similarly, policy-holders of fire and life insurance companies should be heedful to deal only with companies such as the Aachen & Munich and the Penn Mutual Life that give similar assurance.

BANKERS OF GERMAN BLOOD

It has been a matter of extreme regret to persons who opposed the hazardous Morgan loan to the Allies, that in the announcement made by the Morgans, there should have been included as underwriters, certain banking houses, the members of which are of German origin, such as Heidelbach, Ickelheimer & Co., Hallgarten & Co., Ladenburg, Thalmann & Co., and J. & W. Seligman. Such bankers should have recalled the statement issued by Mr. Jacob H. Schiff, explaining why Kuhn, Loeb & Co. could not participate in the loan, namely, that assurances would not be given by the Morgans that the funds thus used would not be in part handed over to the Russians. Certainly, patriotic Americans would not share in such a loan in the interest of a race that perpetrated the pogroms of Kishinef and Gomel, and so outraged the feelings of this country that it ended its commercial treaty with the Romanoff brutes. How far more bitterly, then, must men of German blood feel toward the Russian race responsible for the foul crimes committed by barbarous Cossacks in East Prussia.

But it was thought that there was still another reason why

bankers of German origin would not share in the loan. Such bankers must remember that, about six short months ago, the English government announced officially that any Englishman would be found guilty of treason *if he traded with a foreign banking house that had a German partner.* This was done to ruin German bankers. But the effect was opposite. England found herself ruined, and had to come to the German bankers, hat in hand, begging them to lend her money at six per cent., giving as security a first mortgage on the British Empire. Bankers of German origin, who shared in the Morgan loan, must have shorter memories than other men of German blood.

IX.

THE "AMERICAN" PILGRIMS

On the night of September 30th, 1915, I saw, in a hotel on Fifth Avenue, a Memorial* that will yet thrill the world. I heard the story of the titled leaders of a race who had provoked a war, but found that their own people would not fight for them. So these men brought mercenary savages into a white man's country to wage a barbarous warfare.

But these titled men feared the condemnation of the world, so in order to forestall all censure, they selected from amongst them a man who bore a once honored name, and whose words might carry weight abroad. Upon him they urged an infamous task. He shuddered—but obeyed. He made charges † against the enemies of his race, so as to alienate from them the sympathy of the world. But when proofs of his infamy were produced, he concocted other charges, ‡ that the Memorial might not be believed.

The Memorial that I saw that night showed photographs of men staring into vacancy, with surgeons' stitches over sightless orbs. They were wounded men, *whose eyes had been cut out by black savages*, with special daggers with which their masters had provided them for this purpose, fastened in the sheath of their sidearms.

There are some thoughts that cannot be uttered in words. I confess, I staggered from the room in that hotel, with a groan in my heart at the thought that a race of white men could be so vile.

I descended the stairway, and as I passed along the carpeted hall, there was a faint burst of cheering as one of the side doors opened. The sound affected me unpleasantly. I wondered that men could laugh.

* Foreign Office, Berlin, July 30, 1915. Suppressed by newspapers in New York at request of Wall Street bankers, since it might awaken sympathy for the Germans, and thus frustrate the billion-dollar loan to the Allies.

† Bryce—Belgian atrocity charges.

‡ Bryce—Armenian atrocity charges.

At my questioning glance, an attendant who was passing, said: "It's a banquet, sir. One of the finest we've ever given. Would you like to see it?"

He opened the door through which the cheering had penetrated, and mechanically I followed him. A cloud of hot, smoke-laden air met my face as I entered upon a mezzanine balcony. Below me four hundred men were seated at tables in a great apartment.

The last course had been served. Pale-faced waiters were removing from stained table cloths the wax lights, sparkling beneath their pink silk shades. Wine men, with service chains about their necks, were filling the glasses.

At the guests' table an aged man arose, with a wine glass in his upraised hand. I recognized him as a corporation lawyer, whom I have met in Wall Street for many years. His lips opened, and he spoke. At his words I started back as though I had felt the crack of a whip in my face.

For this Wall Street lawyer said: "*I propose three cheers for the King of England.*"

An outburst of cheering succeeded. Men grew mad. They pounded on the tables. Bottles and chairs were overthrown.

The Wall Street lawyer motioned for silence. Again he began to speak: "I am an old bencher of the Middle Temple, London. You all know Lord Bryce, for no man ever lived in America who made himself more honored. Some of us would have preferred to have something more said in this war, something more done, a protest when the invasion of Belgium occurred. You have read his reports of the acts against those men, and you have read his recent appeal. Putting these two reports of his together, with the two nations whom he indicted, they are exactly alike. If you scratch one of them, you find the blood of the other underneath. There is no possibility of distinguishing them in character or conduct. Constantly, daily and nightly, I am sympathizing with the Allies."

Another wild outburst of applause ensued.

These words affected me strangely. I marveled that they had been uttered on American soil. For you see, on the floor above, I had just seen the dreadful indictment of the English race—that they had filled a line in Europe, from the North Sea to the Swiss frontier, with Gurkhas, Sikhs, Sepoys, Turcos,

Goums, Moroccans and Senegalese, who, under the eyes of the highest commanders of England, had committed atrocities which set at defiance all the usages of civilization and humanity.

Leaning over the balcony railing, I eyed the speaker intently. I noticed that he had grown very old. There was a touch of senility about the lips of this bencher of the Middle Temple.

Silence again ensued. Again the corporation lawyer spoke. This time his subject was the \$500,000,000 loan that had just been made to the Allies by Morgan, in forcing the use of the public's money in the banks and insurance companies of the country, which are all under his control.

The lawyer said: "*Fourteen months the war has been waged, and I now hope that every man, woman and child of the United States who has got a hundred dollars will invest it in this loan, and, what's more, I hope that this is only the first instalment. It's a great thing for us to have the opportunity to keep, and I think that the people here are grateful for it.*

"Lord Reading is going back with \$500,000,000 in his pocket. He has dealt splendidly with the American people."

An uproar of mad enthusiasm succeeded, with wild cheers for England's King.

But the words just uttered made me ponder. For this bencher of London's Middle Temple had once been, I knew, a man of high intelligence. I felt assured that he knew at least as many facts as I about the loan. That Russia had lost sixteen of her governments to the Germans, the most productive and profitable sections of her Empire, thus destroying the chief resources of her revenue. That she had defaulted on her vast obligations to France and England, threatening impending bankruptcy to both countries. That, since the end of August, the Bank of England's gold had shrunk \$35,900,000, while there was a rapidly increasing expansion of paper war currency issued through her joint stock banks.*

Was it possible that a man of repute should urge the men, women and children of this country to imperil their hard-earned savings in a loan to bankrupt foreign nations? Morgan and his private banking friends, of course, did not wish to hold the bag for the \$500,000,000 credit they had advanced to foreigners, and they were working to unload upon the public the bonds

* New York *Evening Post*, October 7.

whose flotation so far had been a failure. But could even a corporation lawyer of Wall Street thus urge ruin upon the people of the country in which he had made his fortune?

Involuntarily there occurred to my mind the words of President Wilson, when he issued his neutrality proclamation on August 6, 1914: "And I do further declare and proclaim that the statutes and treaties of the United States and the law of nations alike require that no person within the territory and jurisdiction of the United States, shall take part, directly or indirectly, in the said war, but shall remain at peace with all the said belligerents."

And I asked myself, Who are these men, so strong that they may with impunity defy the power of the President of our country, and the wishes of its people? I turned to the attendant on the mezzanine balcony and asked him: "Who are these men?"

Owing to the din below, his lips came close to my ear. He whispered: "It's a society they call the American Pilgrims."

Who are these Pilgrims? I have since made a study of them. Their organization is one of immense power, and just now they seem to hold our country in the hollow of their hands.

In the "Rules" of the handbook of the Society, which I obtained, I found the following given as the purposes of the organization: "The object of the Society shall be the promotion of the sentiment of brotherhood among the nations."

I shall now enumerate the members of this great Society. But before I do so, I wish to utter an appeal to my fellow-countrymen in the South, in the Middle West and in the West, where American principles and the belief in democracy still live. I wish to tell them that here in the East a powerful and unscrupulous aristocratic plutocracy has seized upon the strength and resources of our nation. Great English bankers have been plotting here for years to seize the reins of government. So far, these men have succeeded. They control the banks of the country, all the institutions in which the people have placed their savings; they at last control the press, and can sway public sentiment by means of their corrupt news services, from one end of the country to the other. They are determined to throw the financial resources of the United States into England's lap and to force this country into war on the side of that land they love better than the country of their professed adoption.

Whoso doubts my words, let him look upon this list. It is taken from the official handbook of the Society.

THE SOCIETY OF PILGRIMS

SIR CECIL SPRING-RICE—Britain's Ambassador.

J. PIERPONT MORGAN—Britain's war agent.

ANDREW CARNEGIE—British born; making his income from the Steel Trust's war contracts.

COL. ROBERT M. THOMPSON—President of the Navy League; indicted and fined for violating the Federal laws.

LORD MURRAY, MASTER OF ELIBANK—English Whip, who lost his party's funds by speculating in stocks.

HENRY P. DAVISON—Partner of Morgan, Britain's war agent.

THOMAS W. LAMONT—Partner of Morgan, Britain's war agent.

JOHN REVELSTOKE RATHOM—British born; editor of the *Providence Journal*, mouthpiece of the British Ambassador.

ADOLPH S. OCHS—Owner of *New York Times*; conducting English propaganda.

OGDEN MILLS REID—President Tribune Association; conducting English propaganda.

GEORGE GRAY WARD—Born in Hertfordshire, England.

BRADLEY MARTIN—Educated at Oxford, England.

JAMES M. BECK

JOHN W. GRIGGS

JOSEPH H. CHOATE

ALTON B. PARKER

FRANCIS LYNDE STETSON

FREDERIC R. COUDERT

} Wall Street Corporation Lawyers

GEORGE T. WILSON—Vice-President Equitable Life Assurance Society.

PLINY FISK

FRANCIS L. HINE

ALBERT H. WIGGIN

FRANK A. VANDERLIP

ALVIN W. KRECH

A. BARTON HEPBURN

} Underwriters of the \$500,000,000 loan.

Let us now analyze the acts of these sham Americans, and see how they have made sport during the last year of the American people.

These are the men who cheered
the King of England.



They cheered the
\$500,000,000 loan.

They cheered Joseph H. Choate when he begged every man, woman and child
in the country to buy a \$100 Russo-Anglo-French bond.

What they are:—	Who they are:—	Why they are:—
Britain's Ambassador ———	Sir Cecil Spring-Rice ———	Britain's Ambassador
Britain's war agent ———	J. Pierpont Morgan ———	Engineer of the \$500,000,000 loan
British born ———	Andrew Carnegie ———	President of the New York Peace Society
President of the Navy League ———	Col. Robert M. Thompson ———	Indicted for violating Sherman Law
British party whip ———	Lord Murray, Master of Elibank ———	Speculated with his party's funds
Vice President Equitable Life ———	George T. Wilson ———	Vice President Equitable Life
British war agent's partner ———	Henry P. Davison ———	Syndicate manager of the \$500,000,000 loan
British war agent's partner ———	Thomas W. Lamont ———	Syndicate manager of the \$500,000,000 loan
British born ———	John Revelstoke Rathom ———	Editor of the Providence Journal
Britain's apologist ———	Adolph S. Ochs ———	Owner of the New York Times
Britain's apologist ———	Ogden Mills Reid ———	President Tribune Association
British born ———	George Gray Ward ———	Educated at Cambridge
British education ———	Bradley Martin ———	Director Metropolitan Trust Company
Britain's apologist ———	James M. Peck ———	Trustee Mutual Life Insurance Company
British bencher of the Middle Temple ———	Joseph H. Choate ———	Trustee Equitable Life Assurance Society

Sir Cecil Spring-Rice certainly is a typical American Pilgrim. He has been plotting for the last fourteen months with his English secret service men to discredit his fellow Ambassadors from belligerent countries. And in this he has used Lansing as his little woolly lamb.

We see that J. Pierpont Morgan, the English banker, founder and controller of the New York Peace Society, the American Peace and Arbitration League, the Navy League and the National Security League, now also, with his partners, has full swing in the Society of the Pilgrims of the United States. Just as his two peace societies are shams, since they do not work for peace, and as his defense societies are shams, since they are working only to put \$500,000,000 in his capacious pockets, so the Society of Pilgrims, ostensibly founded to "promote brotherhood among the nations," is, as is plainly evident from the aged Choate's address, operating to promote hatred, if not war, between this country and the Central Powers of Europe.

And what are we to think of the patriotism of Colonel Robert M. Thompson, President of the Navy League? He demands that the Federal Government expend \$500,000,000 on armament, so that the munitions plants of himself and his friends in Wall Street may prosper. Yet this man violated the laws of the Federal Government when he cornered cotton, in the endeavor to make this necessary commodity more expensive to every man, woman and child in this country. Will the Federal Government listen to this lawbreaker now? Do the members of the Navy League believe that he is a patriotic leader for them to follow?

Then we come to English propagandists. It is an interesting subject. Here we find three American Pilgrims, one of whom is John Revelstoke Rathom, born in Britain, but who, like so many of his countrymen to-day, finds it safer to fight Germans on this side of the water than to go to the front. This man Rathom is the mouthpiece of the British Ambassador. What spies learned in their campaign of persecution against the British Ambassador's colleagues in Washington was featured as "news" by this editor of the *Providence Journal*. In turn, Rathom delivered his "news" to his two fellow Pilgrims, Adolph S. Ochs, of the *New York Times*, and Ogden Mills Reid, of the *New York Tribune*. And how these three "American" Pilgrims have had the laugh on the American public for the last fourteen months.

While they were prosecuting their English propaganda under the direction of Rathom, the English editor, their columns were filled with animadversions against the dreadful "German propaganda." They well might say, as I have heard they said: "Englishmen are so clever, you know, while the Americans are so very dull."

We see among these Pilgrims, who cheered so frantically for the King of England and the \$500,000,000 war loan, an alarming number of Wall Street corporation lawyers. Most of them have taken an active part in the English propaganda. Many of them are directly interested in the war munitions companies, and corporations associated with them. But what is still more alarming is that a great number of them are trustees of the great life insurance companies of the country. There is Mr. Choate, who, as we have seen, says that the \$500,000,000 loan is only the "first instalment," and who gloats over the fact that Lord Reading is going back with \$500,000,000 in his pocket. Yet this aged lawyer, who was educated at Oxford, is trustee of the Equitable Life Assurance Society. There is James M. Beck, who has made himself the apologist, if not the press agent, for England, trustee of the Mutual Life Insurance Company. There is Alton B. Parker, also trustee of the Equitable. And among those Pilgrims on that shameful night was even the vice-president of the Equitable Life, Mr. George T. Wilson.

It is certainly a matter of great moment to Americans that men who avowedly would sacrifice the best interests of their country for a foreign land, should have control of those great corporations in which are invested the savings of the American people. There is no assurance or guaranty that the funds of those institutions are not being surreptitiously used in the hazardous loan to warring countries, whose credit has waned and who may repudiate their obligations.

We find also among these Pilgrims a long list of bankers, the heads of financial institutions that are the underwriters of the loan. Since they applauded Choate, we must be led to believe that they also regard this loan as a "first instalment," and that they will try to force further use of the money of their depositors in advancing another billion to the Allies.

A serious feature of the situation is the truculent attitude these bankers have suddenly assumed, under the tutelage of

Morgan, to those who are opposed to the loan. They bitterly term such persons who disagree with their views, "hyphens," "German-Americans," "Teutons." In their blind worship of England, they do not hesitate to strike at their own countrymen. I shall instance some of the recent actions of these bankers in New York City. One bank president, when questioned by his depositors whether he was using their funds for the purposes of the loan, angrily instructed them to remove their accounts from his bank. Another incident I shall quote bodily from the *Times* of October 7th:

"One instance was reported in which the committee of 100 called on a large savings bank to serve notice that if that bank deposited any part of its funds in institutions helping in the flotation of the loan, all German-American depositors would be asked to close out their accounts. The President of the savings bank said that it was true that he had funds in some of the State and national banks known to be in sympathy with the loan. 'Also,' he is reported to have told the committee, 'we hold mortgages on about 5,000 homes of German-Americans, and if you want to make a test of the matter, we shall begin insisting on the payment of all of these mortgages as they come due.'"

Here we see an English banker deliberately coercing his depositors into the commission of an unneutral act, and threatening them, if they disobey him, with foreclosing the mortgages on their homes. This is undeniably the most scandalous story ever recorded in the banking history of New York State. This man says to his depositors: "I shall use your money as I see fit. If you dare to object I shall drive you from your homes." And this he said in spite of the warning of the Pujo Committee, that bankers and financiers must not use the money of public institutions in their operations as though it were their own.

Further comment is needless. Does not this prove clearly how we have become subjects of a pro-British group of plutocrats, who sneer at the wishes of the public, and force it to do their will?

The end is not yet to the shameful history of the Allies' loan. To date the immense flotation has been a failure, in spite of heavy advertising, the puffing of Wall Street newspapers and the great campaign of publicity inaugurated by Morgan, who is desperately anxious to unload upon the people the bonds which

he and his private bankers underwrote. False stories of "victories" for the Allies were brazenly published in order to hurry the completion of the loan. But consternation struck the banking group when the news came that Bulgaria had joined the Central Powers. The collapse of Russia has evidently swung the Balkan states into line with Germany. Is it the beginning of the end?

This episode, however, was fatal for Morgan. He betrayed the frightened state of his feelings on October 8th, when he hastily summoned eight hundred bond salesmen from Boston, Philadelphia, Baltimore and Pittsburgh. He gathered these men in the Waldorf-Astoria, and in a personal appeal, he besought them to make a determined campaign in hawking the bonds among their acquaintances, to unload them as quickly as possible. And Morgan even told them what arguments to use, in convincing the American people that England and France would not dare to repudiate the obligations, since, to use his own words: "They may need to come to us again."

I think that enough has been shown here to demonstrate the great peril to our country of this sinister organization, the Pilgrims of the United States. And again I address myself to my fellow-countrymen in the South, the Middle West and the West to caution them and to warn them of the dreadful consequences that will undoubtedly ensue if this English banking group of Wall Street, under the guidance of its unscrupulous corporation lawyers, is permitted to continue in power. Their co-ordinated operations are of so menacing a character, their combined power is so vast, their control of public funds so immeasurable, that if we do not combine against this association of foreigners, a catastrophe will certainly come upon our country that has no parallel in history.

X.

THE MEN WHO TOASTED THE CZAR.

A few weeks ago I was a guest in one of the leading clubs of Philadelphia. We sat at a table in the grill room. One of my friends related a shameful story. It was the life story of a man who had won a nation-wide reputation as a philanthropist. He was the reputed owner of a great newspaper, through which his beneficences flowed. One day a will was probated in Philadelphia, and it was then revealed that the man who had been regarded throughout the country as a generous benefactor had been merely the tool of a powerful banker, who had used him, under the guise of philanthropy to work his own ends. When this will was probated, the revelations broke the heart of the philanthropist, and he died.

The philanthropist I mention was George W. Childs. The banking family bears the name of Drexel.

I left the club that night and walked down Broad Street. The blood had surged to my face, and my ears were ringing. I had said nothing when I heard that story, but alone, with only the black night and the deserted street between me and my thoughts, I knew how that tale had burned into my heart. For, you see, I was born in Philadelphia. A man loves the place where he was born and I had just listened to my native city's shame.

And the name of Drexel had recalled so very much to my mind. In 1904, when I first went to Wall Street, that name was cut in marble over the door of a great banking house at the corner of Wall and Broad Streets, "J. P. Morgan & Company, in the Drexel Building." Young Morgan has built a new house, and the name of Drexel has vanished. But sons of the Drexel family are fighting at the front in France with Turcos and Senegal negroes, to wipe out the race from which their father sprang, for Drexel was of German blood.

And I could not help exclaiming: "There is infamy in everything connected with the name of Morgan." For Drexel had

been the Elder Morgan's partner. When his puppet, Childs, died, A MASK HAD DROPPED, AND HIS COUNTRYMEN KNEW HIM FOR WHAT HE WAS.

THE BANQUET OF THE BANKERS

An extraordinary scene occurred in the banquet room of the Hotel Knickerbocker on the afternoon of October 1st, 1915. Two hundred men assembled there at a luncheon given to the foreign bankers who had come to this country at the invitation of J. P. Morgan, England's war agent, to receive the \$500,000,000 credit for the war munitions sent to England, France and Russia, which those countries found themselves unable to pay.

At this dejeuner, a toastmaster arose. His name is William D. Guthrie. He is a Wall Street corporation lawyer, whom I have known for many years. In *Who's Who*, Mr. Guthrie has given this information about himself: "Educated in Paris and England." And at the dejeuner, speaking in the French tongue, this Wall Street corporation lawyer made this remarkable statement, to which I wish to call the attention of every American citizen:

(Reported from the New York *Sun* of October 2nd, the organ of J. Pierpont Morgan.)

(Words of William D. Guthrie):

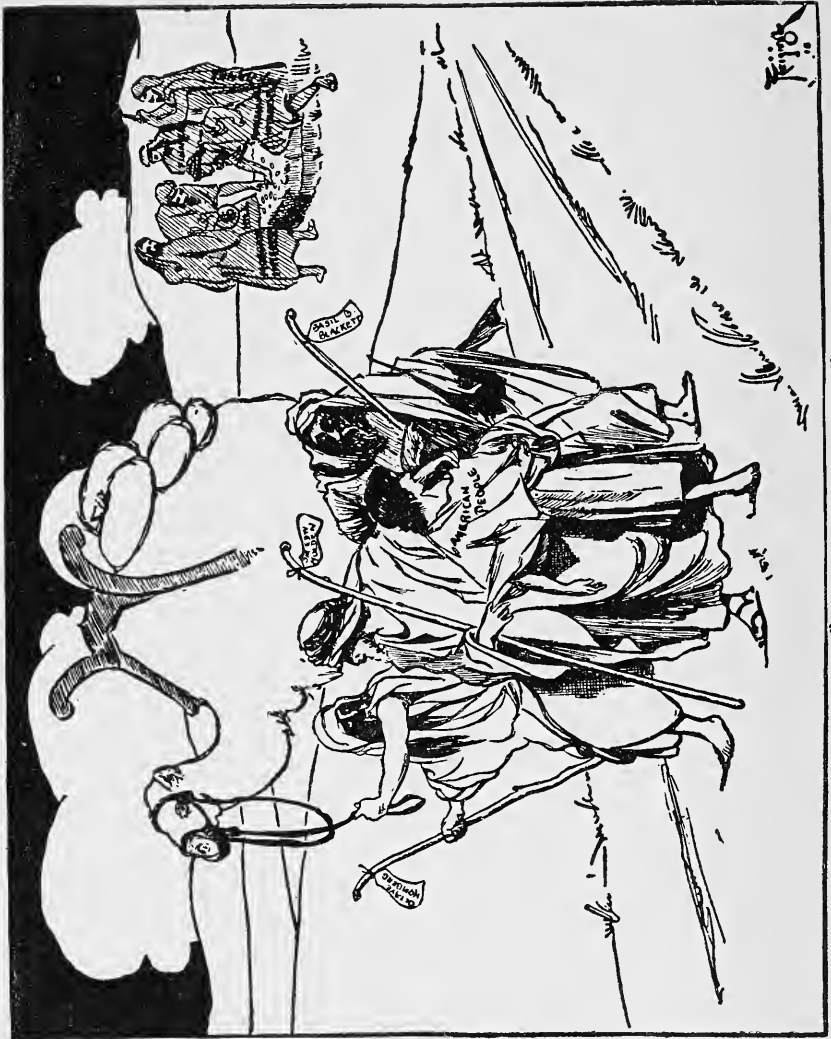
"That country (France), according to reliable historians, having expended in behalf of the American colonies, between 1776 and 1781, the great sum of \$772,000,000, for which she afterward refused payment, it was time now for the United States to create a credit for the French Republic to a similar amount to be repaid when France can do so."

"These words of the speaker, the climax of an impassioned address, aroused every man present and profoundly affected M. Octave Homberg and M. Ernst Mallett, the French commissioners." (Still quoted from Morgan's *Sun*.)

The two French commissioners were impressed. AND NO WONDER.

What shocking debtors we Americans are! And we never suspected until Guthrie (educated in Paris and England), informed us that we owed Frenchmen the sum of \$772,000,000.

Now you know I had always had a much different impression



"Joseph sold into Egypt"

of our obligations to France, but that is probably due to the fact that I was not "educated in Paris and England," and merely went to the little country school in northern Kentucky, where I received my primal education. I recall quite plainly our little country school ma'am apprising us of the fact that, during the French and Indian War, the French race in this country incited the savage Indian tribes upon us and with their aid, massacred the white inhabitants of North America. This is a national trait of the French race, which may be recognized to this day, for, instead of fighting their own battles in their native land, they have imported thousands of African Turecos and Senegal negroes to defend their land against the Germans.

THE TWO HEROES

Furthermore, I have walked up Riverside Drive, in New York, and seen the bronze statues erected there to the heroes of the American race, who have fought for and saved the integrity of the country. And there, in vain I looked for tributes to Frenchmen, Englishmen, Russians, Italians, Servians, Belgians. No, I could see only two bronze statues erected to two men who fought for their country in the Civil War, and shame to tell it, BOTH OF THEM WERE GERMANS—GENERAL CARL SCHURZ AND GENERAL FRANZ SIGEL.

Nevertheless, the Wall Street corporation lawyer asked his audience to arise and drink to his toast: "The King of England, the King of Belgium (betrayed by the English), the President of France (whom the English have failed to help), the King of Italy (who betrayed his Allies, and now betrays the English), and the RUSSIAN CZAR."

Yes, incredible as it may seem to us Americans, Guthrie toasted the Russian Czar. And the New York *Sun* records the fact that, by the men present, the toast was "enthusiastically drunk."

THE MEN WHO TOASTED THE RUSSIAN CZAR

The same newspaper recorded the men who were conspicuous by their presence at the dejeuner, and who toasted the Russian Czar:

HENRY CLEWS—Born in England, President of the American Peace and Arbitration League.

ROBERT A. C. SMITH—*Chairman of the board of directors of the White Rock Mineral Water Company. Director of the Holmes Electric Protection Company.*

ROBERT UNDERWOOD JOHNSON—*Vice-President of the New York Peace Society, of which Andrew Carnegie is President.*

JOHN HARSEN RHOADES—*Trustee of the Greenwich Savings Bank.*

ROBERT BACON—*Director of the Steel Trust. Trustee of the Bank for Savings. Former member J. P. Morgan & Co. Once Ambassador to France.*

THOMAS W. LAMONT—*Partner of J. P. Morgan, England's war agent.*

BRADLEY MARTIN—*Educated at Oxford, England. Director Metropolitan Trust Company. Director Security Bank, New York.*

LEWIS L. CLARKE—*Secretary of Morgan's Navy League. Director of the American Locomotive Company.*

ALTON B. PARKER—*Director of the Equitable Life Assurance Society. Wall Street corporation lawyer. Vice-President of Morgan's National Security League.*

PAUL FULLER—*Member of the firm of Coudert Brothers, counsel for the French government.*

OGDEN MILLS REID—*President New York Tribune Association.*

FRANK A. VANDERLIP—*President National City Bank. Director of the Farmers' Loan & Trust Company.*

ELBERT H. GARY—*Chairman of the Steel Trust.*

MICHEL OUSTINOW—*A subject of the Czar's.*

TAKASHI NAKAMUDA—*America's yellow friend (?).*

WILLIAM D. GUTHRIE—*Educated in Paris and England. Wall Street corporation lawyer.*

As in the case of the stalking horse of Drexel, Morgan's partner, THE MASK HAS DROPPED, AND OUR COUNTRYMEN KNOW THEM FOR WHAT THEY ARE.

Yes, these are the men who toasted the Czar! To me it seems a dreadful thing to toast the Czar, and yet I am not a Russian Pole. Poor Polish race, poor Polish Jews, victims of the pogroms of Kishinef and Gomel. The Russian Czar, the Romanoff, sprung from the loins of a fanatic priest, now the mental slave to an ignorant peasant pope. Is it possible for a citizen of our great

Republic to drink health and success to the man whose Cossacks lash their whips on the backs of Russia's Slavic workmen?

No! For it is we, the Americans, who abrogated our commercial treaty with the Romanoffs because they would not respect the passports of American citizens, because we could bear no longer the recital of the outrages of the Black Hundreds.

So what do those hundreds of thousands of Slavic workmen, the Poles, the Polish Jews, who have become our citizens, think of these men who TOASTED THE RUSSIAN CZAR? What do the Americans who worked for the abrogation of the treaty with Russia think of the men who TOASTED THE RUSSIAN CZAR? What does the man with human sympathy and human love think of the men who TOASTED THE RUSSIAN CZAR?

What do the thirty millions in this country, sprung from German blood, think of the men who TOASTED THE RUSSIAN CZAR? To these I shall merely give a hint of the dreadful story that shall yet break upon the world,* of the dreadful deeds performed by England's ally in East Prussia, of the massacre at Santoppen, where twenty-one innocent men and women were dragged from church and shot by brutal Cossacks; of the women burned to death in the village of Dembenofen, of the outrages in Ortelburg and Bischofstein!

THE CASE OF HENRY CLEWS

The list is headed by Mr. Henry Clews. I once had a different idea of this man, whom I have known for many years. Yet, as I have investigated and followed the machinations of this English stock broker of Wall Street, I am amazed that he has been permitted freely and without public censure, for so many years to pursue his disloyal English propaganda. Clews, born in England, is in evidence, as we have seen, everywhere where disloyalty thrives. We have seen him years ago in Carnegie Hall, trying to force upon the American people an arbitration treaty favoring England and aimed at Germany. We see him made President of the American Peace and Arbitration League, backed by the Morgan group in England's interest. We see him at public dinners, toasting England's king and EVEN THE

* Report of Russian atrocities suppressed by the Money Trust newspapers of New York, and their syndicate services, for fear lest it might awaken sympathy for Germany and defeat the loan for the Allies.

RUSSIAN CZAR, SINCE THROUGH THE ATROCITIES OF RUSSIA'S CZAR, ENGLAND HOPED TO WIN.

Clews, naturalized as an American, I hope, has nevertheless worked for years in the interest of the country of his birth.

Mr. Henry Clews, it was at you, and Englishmen like you, that President Wilson aimed his words, when, on October 11th, he said, at a public gathering:

“Every political action, every social action, should have for its object in America at this time to challenge the spirit of America; to ask that every man and woman who thinks first of America should rally to the standards of our life. There have been some among us who have not thought first of America, who have thought to use the might of America in some matter not of America's originitive. I would not be afraid upon the test of ‘America first’ to take a census of all the foreign-born citizens of the United States. I am in a hurry to have an opportunity to have a line-up and let the men who are thinking first of other countries stand on one side—Biblically, it should be the left—and all those that are for America, first, last, and all the time, on the other side.”

Mr. Clews, ponder well these words of our President, of the head of the nation of which you have become an adopted citizen, and to which you have sworn loyalty. I warn you in all seriousness and in the best of good will, to cease at once your English propaganda, which you and your fellows have been inciting for so many years. The days of immunity have passed, and the day of reprisal is in the dawn.

Let us stop to think for a moment. Nearly every newspaper and magazine in this country has been wrong in all its predictions of the European war for the last fourteen months. We Americans have let England steal our brains.

Great events are impending. A tremendous empire has gone thundering down into the abyss of its own making. Another empire is crumbling to pieces and stands with outstretched hands, pleading for help from the races it has wronged. A sham republic is buried under the debacle of its shame. An embryo kingdom has died in still birth.

Let us gird up our loins to meet the new day. Our thoughts are all to be changed, our ideas to be reversed. In the next hundred years the world shall advance more than in the last two thousand.

XI.

WHO IS USING OUR LIFE INSURANCE FUNDS?

WALL STREET AGAIN DEFILES THE LAW IN GAMBLING WITH THE SAVINGS OF THE AMERICAN PEOPLE.

The Law
in
the Case



Insurance Law of New York.
Chapter 28 of the Consolidated Laws.
Paragraph 36, Page 50.

OFFICERS AND TRUSTEES NOT TO BE PECUNIARILY INTERESTED IN TRANSACTIONS

No director or officer of an insurance corporation doing business in this State shall receive any money or valuable thing for negotiating, procuring, recommending or aiding in any purchase by or sale of such corporation of any property, or any loan from such corporation, nor be pecuniarily interested, either as principal, co-principal, agent or beneficiary, in any such purchase, sale or loan. . . . Any person violating any provision of this section shall be guilty of a misdemeanor.

Is it possible that the same group of Wall Street bankers and banking institutions, who were exposed by the Armstrong Committee in 1905, and by the Pujo Committee in 1913, are again fastening their greedy hands on the savings which the people of this country have deposited in the great life insurance companies?

Yes, it is true. Like birds of prey they still gather about the hoarded savings of the people. Restrictive laws cannot drive them away. State and Congressional investigating committees meet every few years to devise means to safeguard the people's money. But the plotters of Wall Street laugh at such laws. Their corporation lawyers show them the ways to evade all man-made enactments. The Money Trust must juggle with the public's hoard. Without it, it is powerless; with it it is the sinister

organization of conspirators that holds government and people under its ruthless thumb.

As this is read by the policyholders of the great life companies, I warn them that, if they value the future and happiness of their wives and children, they must write to their respective congressmen, calling attention to the conditions that are here exposed, and urging the immediate punishment of those men who have betrayed the confidence of the public and defied its laws.

For again Wall Street is gambling with the public savings, and on a scale hitherto unprecedented, **FOR IT IS USING THE LIFE INSURANCE MONEY IN DISPOSING OF THE \$500,000,000 BONDS WHICH IT HAS FAILED TO UNLOAD ON THE PUBLIC.**

These bonds are unsafe as insurance investments. They are issued by the countries of France and England and pay five per cent. Yet in the open market of Wall Street yesterday (October 23rd) these securities sold as low as 97 $\frac{3}{4}$. What high-class American railroad bond sells so far below par when paying five per cent.?

Five per cent. bonds of the St. Paul are selling at 104 $\frac{3}{4}$, while the first mortgage fives of England and France are below par.

And the dangerous Anglo-French bonds are selling in Wall Street at this ridiculously low price, while at this very moment 1,000 bond salesmen, personally hired by J. P. Morgan in the Waldorf-Astoria Hotel, are going through the country trying to unload them at 98. Wall Street bond houses and banks have already sent out more than 1,000,000 circulars, unduly flattering the bonds, and it is estimated that more than \$500,000 has already been spent in full-page newspaper advertisements for the same purpose, and to prevent the newspapers from exposing this tremendous game.

Even corporation lawyers and the officials of great life insurance companies have boomed the bonds at public banquets in New York. Joseph H. Choate, trustee of the Equitable Life, at the recent Pilgrims' dinner given to the foreign bankers at Sherry's, besought every man, woman and child in the country to invest at least \$100 in these bonds, and said they represented only a "first instalment" of further billions yet to be loaned to England.

Letters were addressed to the heads of the leading life insurance companies of the country, requesting information whether they had invested their policyholders' savings in these bonds, and desiring to know how many millions of such savings were in the hands of the Morgan banks of Wall Street, that are the syndicate underwriters to the loan, and are now holding the \$500,000,000 bonds secured, not by their own money, but by the public's savings.

We publish in this story the replies of these life insurance presidents. BY THEIR WORDS SHALL YE KNOW THEM.

At this point I wish to recall to public memory that, on the night of September 11, 1915, a secret call was issued by J. Pierpont Morgan to the heads, officers and trustees of the life insurance companies to assemble in his private museum, the Morgan Library, situated in the rear of his home on Murray Hill, to meet the foreign banking delegation sent here by England and France to execute a loan of at least a billion dollars for those two warring nations.

How many life insurance officials were present in response to Morgan's call? I cannot tell you, for the list of names has been kept secret. But I can tell you that the following men were there that night: Charles A. Peabody, president of the Mutual Life Insurance Company; George F. Baker, trustee of the Mutual Life; William A. Nash and Francis L. Hine, directors of the Home Life Insurance Company; John R. Hegeman, president of the Metropolitan Life Insurance Company; Otto T. Bannard and Albert H. Wiggin, trustees of the Metropolitan Life, and Lewis Cass Ledyard, one of the three trustees of the Equitable Life.

What were these men, the custodians of the people's savings, doing in the library of Morgan that night? Had they forgotten that the Armstrong Committee in New York, and the Pujo Committee of Congress, only a few years before, devised laws to prevent the banks and trust companies controlled by the Morgan group from handling the life insurance funds?

I shall quote now the response from Mr. Charles A. Peabody to the question of how many millions of his policyholders' savings he has invested in the Anglo-French bonds, and how many millions of such funds are on deposit and in the hands of the members of the Morgan loan syndicate. The Mutual, remember, is not a proprietary company. It is the absolute property of the

policyholders, of whom Mr. Peabody is merely the representative. Read carefully his words:

PRESIDENT'S OFFICE

THE MUTUAL LIFE INSURANCE COMPANY OF NEW YORK
Nassau, Cedar, Liberty and William Streets

New York, October 19, 1915.

Dear Sir:

Your letter in relation to this company's investing funds in the Anglo-French loan has been duly received.

I beg to say in reply that the company has purchased \$3,000,000, par value, of the bonds in question. We regard them as a sound investment and as paying an exceptionally high rate of interest under present conditions. The law and the duties of the trustees of the company require that its investments should be made in their best judgment and in the interests of the whole body of the policyholders. We have policyholders of many nations and races and in due proportion to their holdings of our obligations they are entitled to our best judgment from the point of view of security and interest rates. The interests of any one policyholder, or of any group of policyholders, cannot properly be used to influence the company in its judgment as to investments, either in favor of or against, a particular form of investment, but the interests of the whole body must be duly considered by the company.

It is proper that I should say in connection with the bonds to which you refer that this company on December 31, 1914 (that being the date of our latest annual statement) held among its investments Government Bonds of Austria and Germany to the amount of \$5,776,000; it also held a real estate mortgage in the City of Berlin amounting to \$150,000. These two amounts, together with other investments, constituted the reserves against outstanding policies on the lives of Austrian and German citizens, which at that time amounted to about \$21,000,000. All of these investments were deposited with the Governments of Austria and Germany for the protection of their policyholders. In England and France we had at the same time outstanding policies on the lives of English and French citizens amounting to about \$95,000,000, the reserves on which, held by us, amounted to about \$37,500,000. Of this amount we held English Government Bonds of the par value of \$150,861, and of French Government Bonds we held none; so it would appear that the Austrian and German policyholders have already on deposit in their countries the funds which they have contributed to our general assets, while we hold about \$37,500,000 contributed by the English and

French policyholders over and above any investments in the securities of their respective nations. I mention this particular phase of the case simply to make clear that there might be a considerable investment made in the Anglo-French Bonds, without there being any undue investment of the company's funds in such securities.

Yours very truly,
 (Signed) CHARLES A. PEABODY,
President.

I call upon Mr. Charles A. Peabody to resign, and at once, his presidency and trusteeship of the Mutual Life Insurance Company, on the grounds that he is no longer conducting the company in the interests of its policyholders.

This letter of Mr. Peabody has evasion, disingenuousness and insincerity in every line. We all know there is no question here of the investments made by the Mutual in England, France, Germany and Austria on behalf of its branches there, in compliance with the respective laws of those countries. The question here is raised by American policyholders as to investments in the war bonds of France and England, made in this country, and purchased from a Morgan bank. The \$3,000,000 investment in Anglo-French bonds has no relevancy with the compulsory investments made by the foreign branches. Mr. Peabody knows this as well as I.

Mr. Peabody states: "We regard them as a sound investment and as paying an exceptionally high rate of interest." They do pay "an exceptionally high rate of interest" for government bonds, and they are selling at an exceptionally low price, which fact alone shows that they are not a "sound investment."

I would ask Mr. Peabody if he is cognizant of the statement made by Sir George Paish, on October 14th, in London, the highest financial authority of the British Empire: "England is carrying the financial burden of the war. If we go on spending our money as we are now, we shall see another break in American Exchange. *This probably would mean the suspension of specie payments, and we should have to tell the world we were unable to pay our debts.*"

Another break in sterling exchange has already begun. Will England suspend specie payments? Shall she soon tell the world she is unable to pay her debts? Is this \$3,000,000 in

Anglo-French bonds then a "sound investment"? Is Mr. Peabody a better judge of this investment than Sir George Paish?

I would say to Mr. Peabody: You, sir, are a director of the following Wall Street financial institutions that are members of the Morgan syndicate in the \$500,000,000 Anglo-French war bonds:

Farmers' Loan & Trust Company.

Guaranty Trust Company.

National Bank of Commerce.

These institutions pay great dividends to their director-stockholders in profits derived from their syndicate operations. I would ask Mr. Peabody whether it was in his capacity as director in these banks of the Morgan syndicate that he bought the \$3,000,000 bonds for the Mutual Life, of which he is President and trustee? In that case, I wish to call to his attention the Insurance Law printed at the head of this story:

Chapter 28, Par. 36.—"No director or officer of an insurance corporation . . . shall be pecuniarily interested, either as principal, co-principal, agent or beneficiary, in any such sale or loan."

If this is not a violation of the law, it surely is an evasion of the intents and purposes of the law enacted in 1906 by the Legislature of New York.

The Morgan syndicate buys its Anglo-French bonds for 96 and sells them to the insurance companies at 98. It makes a huge profit. Before the Law of 1906 was enacted, the Mutual could have been a member of the syndicate and have obtained its bonds at 96. But Paragraph 100 of the new Law prevents the Mutual from syndicate participations. Therefore, the law, instead of having benefited the policyholders of the Mutual, merely serves the purpose of giving greater profits to the banking group of Wall Street.

Mr. Peabody, to whom did the two per cent. profit go when the Mutual bought those \$3,000,000 bonds? To the banks of the Morgan syndicate?

Referring back to Mr. Peabody's letter, we see that at the request of one of the Mutual policyholders, who is clearly entitled to learn what Mr. Peabody is doing with the policyholders' money, the President ABSOLUTELY IGNORES THE MAIN QUERY—HOW MANY MILLIONS HAVE YOU PLACED

ON DEPOSIT WITH THE BANKS THAT ARE MEMBERS OF THE MORGAN SYNDICATE?

Why does Mr. Peabody refuse to answer this question? On September 15, 1905, officials of the Mutual Life testified before the Armstrong Committee that the Mutual kept on deposit for two years with the National Bank of Commerce the enormous sum of \$7,000,000, and kept still more millions on deposit with the First National Bank, Merchants' Exchange National Bank, Guaranty Trust Company, United States Mortgage & Trust Company, Central Trust Company, and Bank of Montreal.

The policyholders of the Mutual Life are entitled to know how much of their money is in the hands of the directors of those companies which are members of the Morgan syndicate, and being used for the purposes of the Morgan gamble in the war bonds. This question shall be answered, sooner or later. The money of life insurance companies cannot be imperilled in the hazardous syndicate speculations of the Morgan group.

These same questions I must address to George F. Baker, Mutual Life trustee, and director of the First National Bank, Farmers' Loan & Trust, Guaranty Trust—all members of the Morgan war loan syndicate.

I address them to Charles S. Brown, Mutual Life trustee, also director of United States Mortgage & Trust Company—member of the Morgan war loan syndicate.

I address them to Edwin S. Marston, Mutual Life trustee, President of the Farmers' Loan & Trust Company—member of the Morgan war loan syndicate.

To all those policyholders of the Mutual Life Insurance Company who have written to me from every section of this country, wishing to know the facts which have been just disclosed, I give this advice:

Write to the Board of Trustees of the Mutual Life demanding—

The resignation of Charles A. Peabody.

The withdrawal immediately of every dollar of their money which has been placed on deposit in the banks and trust companies of the Morgan syndicate for use in the \$500,000,000 war loan gamble.

The return to the Morgan syndicate of the \$3,000,000 bonds purchased. Any reputable bond house is at all times willing to

take back from the purchaser the bonds it has sold, and at the price at which it sold them.

If these demands are refused, I shall further advise the policyholders as to their action in regard to the Mutual, for the law protects their interests in the company.

THE CASE OF THE EQUITABLE LIFE ASSURANCE SOCIETY

Statement sent to the managerial staff of the Society by Mr. John B. Lunger, First Vice-President:

“Many of our policyholders have made inquiry whether we have participated in any of the loans put out by the countries now at war in Europe; and doubtless similar inquiries have been made to you.

“No matter how safe as an investment or remunerative such loans may be we feel that an institution engaged in the conservation of human life ought to confine its investments to the ordinary character, and therefore we have not participated in any European loans offered in this country since the beginning of the war.”

It is a matter of satisfaction to the Equitable policyholders to learn that the Society will buy none of the war bonds. But it is lamentable, indeed, that no statement is forthcoming from the Equitable officials in response to the inquiries as to the amounts of the surplus funds of the Society that may be on deposit with the banks and trust companies of Wall Street, Morgan's syndicate members, and thus used in the flotation of this \$500,000,000 bond deal. It is disquieting that these great life insurance concerns of Wall Street persist in maintaining a singular reticence on this important question.

The Equitable is a proprietary company, the sole property of one man, who bought it on June 13th from Mr. J. Pierpont Morgan. This man is General T. Coleman du Pont, whose fortune comes from the manufacture of powder, of which a rich harvest has been sent to the Allies since the war in Europe began. Three powerful trustees represent Mr. du Pont in the management of the Society—three men whom he has so far retained since he bought control of the property.

These trustees elect the directors of the Society, of whom there are, I believe, fifty or so. So it may well be imagined what

power is exercised by these three men, who hold in their hands, so to speak, \$525,000,000 of the savings of the American people.

The first of these trustees is former Judge Morgan J. O'Brien, a gentleman of probity and integrity, against whom no objections have been raised.

The second trustee of the Equitable is Mr. Lewis Cass Ledyard. Mr. Ledyard is an old Morgan lawyer. He is director in the United States Trust Company, one of the syndicate participants in the Morgan bond loan.

He is now (October, 1915) on trial in the Federal Courts of this city, charged with violation of the Sherman Law, in the scandalous New Haven case, he having been a director of that railroad when the Elder Morgan "financed" it.

A trustee of the Equitable, the custodian of such a volume of the public savings, should be, as Cæsar's wife, above suspicion. He was a visitor in the Morgan library on that eventful night of September 11th. In the present circumstances Mr. Ledyard is absolutely disqualified from being an Equitable trustee, and should be at once removed.

The third trustee is Joseph H. Choate, who has reached an extreme age—eighty-three years. As a result of education and association, his tendencies are vehemently English.

Mr. Choate, at the dinner of the Pilgrims to the foreign bankers, held at Sherry's on October 1st, displayed his intense pro-English feeling in the following words: "Lord Reading is going back home with \$500,000,000 in his pocket. And now I hope that every man, woman and child in the United States, who has got a hundred dollars, will invest it in this loan, and what's more, I hope that this is only the first instalment."

And this, despite the fact that Sir George Paish had said that if England kept on expending her resources, she would have to suspend specie payments and tell the world she could no longer pay her debts.

Is it to be supposed in the circumstances that Mr. Choate has any more regard for the savings of the Equitable policyholders than he has for the savings of every man, woman and child in this country?

Mr. Choate is certainly not qualified to remain longer a trustee of the Equitable, a custodian of the public's savings.

Otherwise the situation in the Equitable is similar to that

which prevails in the Mutual Life. Many Equitable directors are also directors of the banks and trust companies which are participating in the Morgan loan syndicate.

C. B. Alexander, Equitable Life director, is also director of the Equitable Trust Company—member of the Morgan syndicate.

Henry W. de Forest, Equitable Life director, is also director of the Metropolitan Trust Company, United States Mortgage & Trust, National Bank of Commerce—all members of Morgan's war loan syndicate.

E. B. Thomas, Equitable Life director, is also director of the United States Mortgage & Trust Co.—member of the Morgan war loan syndicate.

Valentine B. Snyder, Equitable Life director, is also director of the Guaranty Trust Company, National Bank of Commerce—both members of the Morgan war loan syndicate.

I would advise those policyholders of the Equitable who have written to me, that they address General T. Coleman du Pont, asking him to remove Messrs. Choate and Ledyard from their trusteeships. They should remember, however, that General du Pont, as sole owner of the Society, cannot be compelled to execute these removals unless he wishes to do so.

However, the request should also be made upon General du Pont, that if any of the Equitable millions are on deposit with the banks and trust companies in the Morgan syndicate, they should at once be withdrawn, and in this General du Pont can be compelled to take action.

THE CASE OF THE METROPOLITAN LIFE

We are in receipt of the following communication from Mr. John R. Hegeman, President of the Metropolitan Life:

THE METROPOLITAN LIFE INSURANCE CO.

JOHN R. HEGEMAN, *President.*

New York, October 18, 1915.

Dear Sir:—Replying to your favor of the 16th inst. This Company is prohibited by the laws of this State from investing in securities in countries in which it does not do business. It does not do business in Great Britain or on the Continent of Europe.

Yours truly,

(Signed) JOHN R. HEGEMAN, *President.*

We see that Mr. Hegeman also ignores completely the question whether the company of which he is the proprietor has on deposit with the banking institutions of the Morgan underwriting syndicate any of the millions which his policyholders have entrusted to his care. This question, so vital to them, must be answered; all the more since, as we have seen, Mr. Hegeman was one of those who went to the Morgan library on the night of September 11th.

Conditions in the Metropolitan Life also resemble those in the Mutual and Equitable companies. Many of the trustees are also officers or directors of the banks and trust companies making up the syndicate underwriters to the Morgan loan.

Haley Fiske, Vice-President of the Metropolitan, is also trustee of the Metropolitan Trust Company—member of the Morgan syndicate.

Robert W. de Forest, director of the Metropolitan Life, is also director of the New York Trust Company—member of the Morgan syndicate.

Otto T. Bannard, Metropolitan Life director, is also President of the New York Trust Company—member of the Morgan syndicate.

Albert H. Wiggin, Metropolitan director, is also President of the Chase National Bank, director Bankers' Trust, director Guaranty Trust, director National Bank of Commerce—all members of the Morgan war loan syndicate.

I would advise the policyholders of the Metropolitan Life to address Mr. Hegeman on this question, so important to them, whether funds of the Metropolitan are on deposit with any of the Morgan syndicate banks, of which so many of his directors are officers and directors.

THE CASE OF THE NEW YORK LIFE

We publish the following reply from the Second Vice-President of the New York Life:

NEW YORK LIFE INSURANCE COMPANY
346 & 348 BROADWAY, NEW YORK
Office of Second Vice-President

October 19, 1915.

Dear Sir:—We are in receipt of your communication of the 16th instant.

The matter to which you refer has never been presented to

our Finance Committee. The policy of this Company has always been to invest only enough in foreign securities to maintain our reserve requirements in foreign countries according to law. We have no reason to believe that the investment policy of the Company in this respect will be changed by our Finance Committee.

Very truly yours,

(Signed) JOHN C. McCALL,
Second Vice-President.

The reply of Mr. McCall can scarcely be regarded as satisfactory, since he also completely ignores the query whether his company has its surplus funds on deposit with the Morgan syndicate underwriters of the \$500,000,000 to the Allies. Conditions in this company also resemble those of the Mutual, Equitable and Metropolitan Life companies. Directors of the company are also directors of the banks and trust companies in the Morgan syndicate.

John G. Milburn, New York Life director, is also director in the National Park Bank—member of the Morgan syndicate.

A. Barton Hepburn, New York Life, director, is also Chairman Chase National Bank, director Bankers' Trust Company, director First National Bank—all members of the Morgan war loan syndicate.

I must advise the policyholders of the New York Life to insist upon a definite reply to the question whether the funds are being held on deposit in any of the Morgan syndicate banks, where they would undoubtedly be used for the purposes of the \$500,000,000 loan. The New York Life is a mutual company, and its policyholders are entitled by law to know what the officers, their employees, are doing with their savings and surplus.

THE PRUDENTIAL INSURANCE COMPANY

We are in receipt of the following reply from the Prudential:
FORREST F. DRYDEN, *President*

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA
Home Office, Newark, New Jersey

October 11, 1915.

Dear Sir:—In answer to your letter of October second, I would say that The Prudential Insurance Company of America does not now own, and has never held, any securities of any European country.

The Prudential is forbidden by law to invest in the securities of any country where it is not doing business, and it is not operating in any European country.

I remain,

Very truly yours,
(Signed) FORREST F. DRYDEN,
President.

I wish to reassure the anxieties of the Prudential policyholders. I REGARD THE PRESIDENT'S REPLY AS SATISFACTORY. THE PRUDENTIAL HAS NO AFFILIATIONS WITH THE MORGAN WAR LOAN SYNDICATE.

THE TRAVELERS' INSURANCE COMPANY

We are in receipt of the following reply from the Travelers:

THE TRAVELERS' INSURANCE COMPANY

SYLVESTER C. DUNHAM, *President.*

Hartford, Conn., October 18, 1915.

The Travelers is a stock company with a capital and surplus of over \$13,000,000, by which its obligations to its policyholders are abundantly secured, in addition to the legal reserves required for that purpose. It does not bear the same relation to its policyholders that is borne by a mutual company, but I do not for that reason deny the right of policyholders to inquire for and receive information respecting the company's investment policy, which has always been extremely conservative as the investments of a life insurance company should be.

The specific inquiry in yours of the 15th relates to the purchase of the Anglo-French bonds about to be issued.

The Travelers will not invest in them because it is its well-settled policy to invest its resources in the states and communities from which it derives its premium income. The Travelers transacts no foreign business except in Canada, and following the practice noted, its investments are limited to the United States and Canada. In Canada it makes only such investments as are required by the laws of the Dominion for the maintenance of its reserves for that country. All the rest and the vast majority of its resources are invested in the United States. It is not necessary to go elsewhere for such securities as the Travelers requires, which are chiefly state, municipal and corporate bonds and first mortgages on real estate.

(Signed) S. C. DUNHAM,
President.

The courteous reply from Mr. Dunham must be HIGHLY SATISFACTORY TO HIS COMPANY'S POLICYHOLDERS.

THE TRAVELERS HAS NO ALLIANCE WITH THE MORGAN WAR SYNDICATE.

THE CASE OF THE HOME LIFE INSURANCE COMPANY

We are in receipt of the following telegram:

Cincinnati, O., Oct. 26.

During our absence from city we noticed in recent issue that you have connected Home Life Insurance Company of New York with foreign war loans. This Company confines its business solely to United States and its investments to American securities. Under the law, companies which transact no foreign business are prohibited from investing in foreign securities of any nature. Please make this correction, as above publication has been the cause of much annoyance.

W. A. R. BRUEHL AND SON, *General Manager*.

I regret personally that this publication has been of annoyance to Mr. Bruehl, but I have no correction to make. I emphasize and repeat: Messrs. William A. Nash and Francis L. Hine, directors of the Home Life, attended the conference in the Morgan Library on the night of September 11th. Mr. Hine is closely identified with many banks that are syndicate participants in the Anglo-French loan.

I fear Mr. Bruehl has sent his telegram to the wrong address. He should send it to the President of the Company, and ask him to issue an unqualified denial that any surplus funds of the Home Life are on deposit in any of the Morgan banks participating in the Anglo-French loan.

When men and women address me from every section of this country, asking me to advise them in safeguarding their savings in the life insurance companies, on which they depend as a provision for the future of themselves and their families, I cannot conscientiously advise them to place confidence in companies whose managing directors are close associates of J. Pierpont Morgan in his syndicate operations. What Morgan management means, we have seen in the New Haven. Such life insurance companies must clear themselves by unequivocal statements that not a dollar of their policyholders' money is being used for syndicate participations in any of the Morgan syndicate banks.

XII

IS WALL STREET USING SAVINGS BANK DEPOSITS IN SECRET LOANS TO RUSSIA, FRANCE AND ENGLAND?

Probably nothing has so accentuated the growing distrust of Wall Street throughout the country as the recent revelations that many of the great savings banks of New York City were again keeping vast sums of their "surplus funds" on deposit with the Morgan banks and trust companies, whose officers were using these tremendous accumulations of the people's savings in wide-spread syndicate operations.

A sentiment, peculiar and distinctive, hedges about the moneys deposited in savings institutions. These sums represent the self-denial of families, thrift, frugality—many of the best qualities of human kind. This fact is recognized by the State, which has sought for many years to so safeguard the savings of the public that they should be immune to any of the dangers the human mind could foresee. The State strictly imposes on the officers of such institutions, the mandate to invest their funds only in certain classes of the safest securities. Every few years these laws are revised to enforce greater care in the handling of the funds of savings banks.

These precautions are taken to prevent the use of the public savings by reckless and unscrupulous gamblers. But such is human ingenuity, when whetted by cupidity, that laws fail of their purpose where vast sums of money on public deposit are concerned. So we see that to-day, again, the Wall Street bankers are burying their arms to the elbows in the funds which thrift and self-denial have accumulated.

It is self-evident that the savings banks have no right to maintain these huge "surplus funds." The deposit in Wall Street banks of immense sums is merely an evasion of the banking laws. The funds in question should be invested in safe securities as ordered by the banking laws of the State. They should not be permitted to accumulate in the great reckless gambling institutions of Wall Street.

What is being done with them there? At this very time they are being used to make call loans on the dangerously inflated war stocks; they are being used in the flotation of the hazardous \$500,000,000 loan to the Allies; they are being used more secretly in individual loans to Russia, France and England.

It is a difficult matter for the public to realize how their safely guarded savings can come into the hands of the great banking group of Wall Street, that has been guilty of the many great financial evils from which this country has suffered. In order to gain a clear comprehension of this matter it is necessary to observe the intermediaries in these transactions, the men who act as the connecting links between the savings banks on the one hand, and the syndicate banks and trust companies of the Morgan group on the other.

It seemed a dreadful thing to contemplate that men of reputed standing in New York should be conscienceless enough to use the funds entrusted to their care by hundreds of thousands of families, in Wall Street's speculative gamble in loans to half-bankrupt foreign countries, to facilitate the sale of war munitions. So the editor of this publication first wrote a letter to the savings banks of New York telling the heads of those institutions of the floods of inquiries that had reached this office from depositors who had been made uneasy by the alarming rumors afloat, and asking them if they would not issue statements, whether their funds were being used directly or indirectly in the foreign loans, and whether they had on deposit with the Morgan banking syndicate any of the money of their depositors which, in that case, could be used in the Anglo-French \$500,000,000 loan, or the less public loans that are now being made by the syndicate to Russia, France and England in the form of ninety-day acceptances, renewable at stated periods.

THE CASE OF THE EXCELSIOR SAVINGS BANK

One of the first letters received was the following:

EXCELSIOR SAVINGS BANK
Corner 23rd Street and Sixth Avenue

New York, Oct. 22, 1915.

Dear Sir:

In reply to your inquiry of October 21st, I beg to advise you that savings banks in the State of New York are, by the Banking

Laws of the State, permitted to invest deposits only in securities designated by such laws. The securities referred to by you in your communication are not among them.

We have not inquired of the different banks and trust companies, where we keep on deposit our reserves, whether they have participated in the Anglo-French loan or not. We would not keep our deposit in institutions where we did not have entire confidence in their ability to invest their money safely, and to the best advantage. If we did not have this confidence, we would withdraw our deposits, and if the depositor in any savings bank has not confidence in the management of the institution, he should close his account.

Yours truly,
(Signed) WILLIAM J. ROOME,
President.

I must confess that when this letter was turned over to me I read it with a feeling of distress at its tone of flippancy. I had heard the many stories now current, of the presidents of savings banks, when approached by depositors who had become worried over the banking situation, refusing to give them any assurances how their savings were being used, and bluntly telling them to withdraw their accounts if they were not satisfied. I had heard in particular the one story of the New York savings bank President, who actually told his inquiring depositors that, if they withdraw their accounts, he would foreclose 5,000 mortgages on the homes of American citizens if they objected to the use of their money in a foreign war loan. These stories seemed incredible to me, for in all my experience in the banking world, I had never encountered their like. In the past days nothing could exceed the courtesy and personal sympathy with which the bank official met his inquiring depositor. I can account for this change that has come over the New York bankers only by the pro-foreign influence that has been infused into the banking world since the advent of the present Mr. J. Pierpont Morgan.

Mr. Roome lightly writes that he does not know whether the banks or trust companies in which he keeps his bank's reserves, have participated in the Anglo-French loan. The reserves in his bank are intended to safeguard the savings of his depositors. Certainly, he, as President, should be keenly alive as to what is being done with such reserves, whether they are being loaned on war stocks, used in the flotation of the Anglo-French bonds, or

in the ninety-day advances to the Russian and French governments.

I shall here give Mr. Roome the information of which he pleads ignorance, namely, the banks and trust companies of the Morgan syndicate, engaged in the transactions I have enumerated above:

THE MORGAN SYNDICATE

AMERICAN EXCHANGE NA-	LIBERTY NATIONAL BANK
TIONAL	MANHATTAN COMPANY
BANK OF AMERICA	MECHANICS' AND METALS' NA-
BANK OF NEW YORK	TIONAL BANK
CHEMICAL NATIONAL BANK	MERCHANTS' NATIONAL
CHASE NATIONAL BANK	NATIONAL BANK OF COMMERCE
FIRST NATIONAL BANK	NATIONAL CITY BANK
HANOVER NATIONAL BANK	NATIONAL PARK BANK
IMPORTERS' AND TRADERS' NA-	SEABOARD NATIONAL BANK
TIONAL	UNITED STATES MORTGAGE AND
IRVING NATIONAL BANK	TRUST CO.
BANKERS' TRUST COMPANY	FARMERS' LOAN & TRUST
EQUITABLE TRUST COMPANY	COMPANY
GUARANTY TRUST COMPANY	METROPOLITAN TRUST COMPANY
TITLE GUARANTEE AND TRUST	UNION TRUST COMPANY
COMPANY	UNITED STATES TRUST COM-
CENTRAL TRUST COMPANY	PANY

Mr. Roome, if you have your reserves on deposit in any of the above institutions, you may now know that they are being used in the Morgan syndicate flotations and the loans to the warring nations of Europe. I do not know how close a study you make of banking matters, but, in view of your expressed blind confidence in the institutions in which you keep your reserves, I would call to your attention the statement only recently made by Sir George Paish, the financial authority of the British Empire that, if Great Britain keeps on spending money as she is doing, she may have to suspend specie payments and tell the world she is unable to pay her debts. I would also call your attention to the statement more recently made by Lord Charles Beresford, that England is headed toward bankruptcy.

In view of these warnings by Englishmen of prominence, Mr. Roome, do you not think it would perhaps be wise if you were to inquire what is being done with your reserves? You say your depositors should have confidence in your management, or close

their accounts. But surely, some assurances are due them. Must they have "blind" confidence in your management?

Many of your depositors have addressed inquiries to me concerning the attitude your bank has adopted toward loans to foreign and warring nations. I feel a deep responsibility in answering the query of a man or woman regarding the safety of his or her life's savings. Conscientiously I cannot advise such inquirers to have blind confidence in any bank official who refuses to tell them what he is doing with their money, and who tells them that if they don't trust him they should remove their accounts.

This is a case, not for me, but for the Superintendent of the State Banking Department.

THE CASE OF THE GREENWICH SAVINGS BANK

We shall next consider the following letter from the head of the Greenwich Savings Bank:

THE GREENWICH SAVINGS BANK (Incorporated 1833)

246 and 248 Sixth Avenue, Borough of Manhattan

New York, Oct. 22, 1915.

My dear Sir:

In reply to your letter of inquiry of October 21st I would say that no savings bank in the State of New York is authorized by law to invest in either the Anglo-French loan mentioned by you or in any foreign loan.

I would also say, in answer to your second question, that any depositor calling here and producing his bank-book will undoubtedly be satisfied with our replies to his inquiries.

Yours very truly,
(Signed) JAMES QUINLAN,
President.

The Greenwich Savings Bank bears one of the most honored names in New York City's banking world. It has been noted in the past as a model of sound and conservative management. Mr. Quinlan's reply is kindly and courteous, but it is a matter of regret that he will not respond publicly to the second query addressed to him on behalf of his depositors. Savings bank

depositors have informed me of the rebuffs they have met, in making personal inquiries at institutions on these questions. They are kept waiting in outer offices, in fruitless efforts to see the bank's officials, or else they are roundly scolded by the bank's paying tellers.

Since Mr. Quinlan will not publicly reply to the question whether the Greenwich is keeping its surplus funds on deposit in the Morgan banking institutions participating in loans to Russia, France and England, I must lay the following information before my inquirers:

TRUSTEES OF THE GREENWICH SAVINGS BANK

LOWELL LINCOLN, director in the *Mechanics & Metals National Bank*:—*Member of the Morgan Syndicate.*

B. AYMAR SANDS, director in the *New York Trust Company*:—*Member of the Morgan Syndicate.*

BRADISH JOHNSON, director in the *Equitable Trust Company*:—*Member of the Morgan Syndicate.*

GATES W. MCGARRAGH, President of the *Mechanics & Metals National Bank*; director in the *Bankers' Trust, Guaranty Trust*:—*All Members of the Morgan Syndicate.*

WILLIAM WOODWARD, President of the *Hanover National Bank*; director in the *Union Trust Company*:—*Members of the Morgan Syndicate.*

ARTHUR ISELIN, director in the *Chemical National Bank*; member of *A. Iselin & Company*:—*Members of the Morgan Syndicate.*

JOHN HARSEN RHOADES, member of *Rhoades & Company*:—*Member of the Morgan Syndicate.*

E. S. MARSTON, President of the *Farmers' Loan & Trust Company*:—*Member of the Morgan Syndicate.*

ALBERT H. WIGGIN, President of the *Chase National Bank*; director in the *Bankers' Trust Company, Guaranty Trust Company*:—*Members of the Morgan Syndicate.*

In view of the fact that we have here nine trustees of the Greenwich Savings Bank, who are identified so prominently with seventeen Wall Street banking institutions, all of which are participating, under J. Pierpont Morgan's leadership, in the Anglo-French loan syndicate, is it not a reasonable question to have

answered, whether any of the reserves are kept on deposit with the above-named banking institutions?

Personally, I think that a statement on this matter should be forthcoming promptly. All the more so in consideration of the following facts. Mr. John Harsen Rhoades, one of the trustees of the Greenwich, on September 17th published an open letter in the *New York Times*, addressed to Dr. Charles J. Hexamer, President of the National German-American Alliance, in which he said :

“While Americans cannot but be jealous of England’s prestige in her control of the seas, I am bound to say that I am quite satisfied with the way in which she has exercised that control. As a banker and a citizen, I see no reason why we should not loan the Allies such money as they desire, without collateral, for ten years at five per cent.”

I was astounded when I read that statement, coming from Mr. Rhoades, who has occupied so honorable a position in the banking world, and whose name has been so strongly identified with the Greenwich Savings Bank for many years. I cannot understand how Mr. Rhoades, as a banker and a citizen, can be satisfied with the way in which England has exercised her control of the seas. In that he stamps with his approval the confiscation of \$15,000,000 in American meat cargoes, in violation of the Declaration of London. He lends his approval to the tremendous financial and industrial losses which England has brought upon the South by her violations of international law in seeking to destroy American commerce. I cannot conceive how an American citizen can stand with foreigners against his own countrymen. I cannot conceive how a conservative banker can be willing to loan the Allies all the money they desire without collateral.

When I read statements such as these from one of my countrymen, I do not believe that he is any longer qualified to be entrusted with the savings of the American people.

We have seen that several of the trustees of the Greenwich Savings Bank are directors of the Guaranty Trust Company. In this connection, I quote the following lines from the financial page of the *New York Times*, of October 29th :

Negotiations by France, Great Britain and Russia for separate credits are proceeding, though in the case of France and Great

Britain they are being held up pending action on the report carried home by the Anglo-French Commission. France is to get \$15,000,000 through 90-day acceptances, for which she will pay a discount rate of 5 per cent., and $\frac{1}{2}$ per cent. for acceptance or commission. These bills will be renewable for a year, making the total commissions paid 2 per cent. and the return to the banking syndicate which will advance the money, 7 per cent. *Russia has obtained \$5,000,000 from the Guaranty Trust Company on 90-day bills, which are renewable five times, making their possible life a year and a half. It was understood in financial circles that this money cost the Russian Government well over 7 per cent. Bond dealers are of the opinion that when the Anglo-French loan is distributed, the investment market will take a large amount of Russian bonds on a good interest basis.*

We see here that the syndicate members are making huge profits, "well over 7 per cent." in the case of Russia, which is paying bankrupt's toll. The bankers who make these profits are not risking their own money. They are risking in these foreign ventures THE MONEY PLACED ON DEPOSIT WITH THEIR INSTITUTIONS.

How many millions of savings bank deposits are being used in these great gambling transactions?

THE CASE OF THE UNION DIME SAVINGS BANK

I next submit the following letter:

UNION DIME SAVINGS BANK,
701 Sixth Avenue, Corner 40th Street

New York, N. Y., October 21st, 1915.

Dear Sir:

Replying to your favor of the 20th inst., I would say that this bank has not participated either directly or indirectly in the Anglo-French loan. Yours very truly,

(Signed) A. P. KINNAN, *President.*

Mr. Kinnan's letter is one of the few satisfactory replies received, since it undoubtedly implies that none of the reserves of the Union Dime are being used in the Morgan banks of Wall Street for their syndicate operations.

THE CASE OF THE BANK FOR SAVINGS

THE BANK FOR SAVINGS

In the City of New York, 280 Fourth Avenue

October 22, 1915.

Dear Sir:

I beg to acknowledge the receipt of your letter of the 20th inst., and to say that I should regret it exceedingly if any of the depositors of this bank were apprehensive as to the safety of their money or the soundness of the institution. There is absolutely no occasion for any such fear. Any such of our depositors who may make inquiries of you kindly refer to the bank, which is the place for them to seek and get all the information to which all depositors are entitled.

Very truly yours,
(Signed) WALTER TRIMBLE, *President.*

Mr. Trimble's sympathetic letter is deeply appreciated. We have received, perhaps, more inquiries from depositors of the Bank of Savings than from any other savings institution in New York City. I would therefore advise them to take advantage of the generous offer of the President, and place before him the following facts:

TRUSTEES OF THE BANK FOR SAVINGS

AUGUST BELMONT, director in the *National Park Bank*; member of *August Belmont & Company*:—*Members of the Morgan Syndicate.*

C. S. BROWN, director in the *Title Guarantee & Trust Company, United States Mortgage & Trust*:—*Members of the Morgan Syndicate.*

HENRY W. DE FOREST, director in the *Metropolitan Trust Company, National Bank of Commerce, United States Trust Company*:—*All members of the Morgan Syndicate.*

CHARLES A. PEABODY, director in the *Farmers' Loan and Trust, Guaranty Trust, National Bank of Commerce*:—*All members of the Morgan Syndicate.*

JAMES S. ALEXANDER, President of the *National Bank of Commerce*, director in the *Bankers' Trust Company*:—*All members of the Morgan Syndicate.*

GEORGE F. BAKER, JR., Vice-President and director in the

First National Bank, director in the *Chase National Bank*:—*All members of the Morgan Syndicate.*

I reproduce these interlocking directorates only for the guidance of the depositors of the Bank for Savings, and in full confidence that the President of the savings bank will give them the assurance that no funds of his institution are on deposit in the Morgan syndicate institutions mentioned.

THE EAST RIVER SAVINGS INSTITUTION

THE EAST RIVER SAVINGS INSTITUTION
291-293-295 Broadway

New York, Oct. 21, 1915.

Dear Sir:

Your communication of the 20th instant just received, and in reply we beg to say that this institution is purely a savings bank and under the law we are prohibited from investing in the character of securities you mention.

Very truly yours,

THE EAST RIVER SAVINGS INSTITUTION.

(Signed) D. S. RAMSAY, *President.*

It is a matter of regret that Mr. Ramsay was not more explicit in his statement, and did not give the assurance that any of the reserves of his institution were being used by the Wall Street group in their syndicate operations. But, with one or two doubtful exceptions, there is not much evidence that any of the trustees are identified with the Morgan syndicate operations.

THE MANHATTAN SAVINGS INSTITUTION

THE MANHATTAN SAVINGS INSTITUTION
644 and 646 Broadway, Corner Bleecker Street

New York, October 22, 1915.

Dear Sir:

In reply to your favor of the 21st inst. I beg to advise you that the bonds you mention are not legal investments for New York savings banks.

Very truly yours,

(Signed) JOSEPH BIRD, *President.*

Mr. Bird ignores the question whether any funds of his institution are on deposit with the Morgan banks of Wall Street. In

the circumstances I must advise inquirers that I can give them no assurances in this respect with regard to this institution. However, it is only just to call attention to the fact that the composition of the Board of Trustees gives no evidence of affiliation with the Morgan banks.

GERMAN SAVINGS BANK, FOURTEENTH STREET, NEW YORK CITY
 GERMAN SAVINGS BANK, BROOKLYN

These are the only savings banks in New York (Manhattan) that have made public frank statements that they will not permit the use of any of their reserve funds by the syndicate banks of Wall Street, in syndicate operations in behalf of foreign loans to the warring countries of Europe.

It is a matter of surprise to this publication that many of the heads of the leading savings bank institutions of New York have declined to make any reply to the queries addressed to them on behalf of their depositors. Among these we note:

THE BOWERY SAVINGS BANK

In the list of trustees of the Bowery is Mr. STEPHEN BAKER, director in the *Bankers' Trust Company*:—*Member of the Morgan Syndicate.*

ROBERT M. GALLAWAY, President of the *Merchants' National Bank*:—*Member of the Morgan Syndicate.*

WILLIAM A. NASH, trustee of the *Title Guarantee and Trust Company*:—*Member of the Morgan Syndicate.*

Another institution regarding which we have had many queries from our readers is the

SEAMAN'S BANK FOR SAVINGS

Among its trustees are PRESIDENT DANIEL BARNES, director in the *Mechanics' and Metals' National Bank*:—*Member of the Morgan Syndicate.*

P. A. S. FRANKLIN, director in the *American Exchange National Bank*:—*Member of the Morgan Syndicate.*

EDWARD W. SHELDON, President of the *United States Trust Company*:—*Member of the Morgan Syndicate.*

SAMUEL SLOAN, *director in the Farmers' Loan and Trust*

Company, National City Bank:—Members of the Morgan Syndicate.

V. EVERIT MACY, director in the *Mechanics' and Metals' National Bank*, trustee in the *Union Trust Company:—Members of the Morgan Syndicate.*

It cannot be too strongly impressed upon these custodians of the public savings that *they do not own* the money which their depositors place in their institutions. State and Federal laws only too clearly show that they merely represent their depositors, whose interests they must guard, and to whom they must render strict accounting as to the handling of their money.

We counsel patience to those who have written letters to us regarding these savings banks in which they have deposited their funds. We advise them not to withdraw their deposits, at least not before interest dates, since the banks would only reap the benefit of such steps. We promise them that we shall not let this matter rest, that in the end these gentlemen shall be compelled to acknowledge to their depositors just what disposition they are making of the savings the public has confided to their care.

XIII.

THE GREAT NEWS CONSPIRACY—HOW UNSCRUPULOUS NEWSPAPER OWNERS, AT THE BEHEST OF WALL STREET, DELIBERATELY DECEIVED THE AMERICAN PEOPLE.

A PRAYER IN BROADWAY.

One frosty winter afternoon,—it was January 19th, 1904,—a small group of persons assembled on the triangle in Forty-second Street, that separates Broadway from Seventh Avenue. Suddenly all heads were bared. An elderly man in clerical vestments began to speak,—I think most of us remember his resonant voice. It was the Rt. Rev. Henry Codman Potter, Bishop of the Protestant Episcopal Diocese of New York:—

“Almighty God, we beseech Thee to pour down upon this building and upon all the undertakings for which it has been erected, Thy divine benediction.

“Do Thou grant to those who are concerned in this enterprise Thy divine guidance and benediction, so that they may be enabled to do Thy will and speak Thy truth throughout this city and nation.”

It was the dedication of the *Times* Building.

It is a peculiar trade, this newspaper business. It shapes the lives of members of its craft. Few of them ever make much money, and still fewer ever make a name. “We wash the dirty linen of the public,” as Gaboriau had his detectives say. But newspaper men have an ideal.

Yes, do not laugh, you who meet and deal with newspaper men,—you who hate them because they have antagonized you; or you who use them for your own purposes, and laugh at them in your sleeves. Newspaper men have an ideal. And that ideal is, *to publish the news.*

That phrase is a technical term with men of the craft. In using it, they signify, *to publish the truth.* “Truth, truth and

no lie, though a whole celestial lubberland were the price of apostacy.’’

In the old days in New York, we, who toiled at the craft, were very proud of our newspapers. They had their faults, heaven knows. Many were vulgar, and badly written, so much so as the *New York World* is to this day, *but none of them was venal.*

Then Mr. Adolph S. Ochs came here from some southern town and took hold of a moribund daily. Gifted with industry and intelligence, he built it up to a paying basis. It was a hard struggle for him at times, I believe, as in 1907, when he had to call in the assistance of some Wall Street bankers to finance him. But it was a good newspaper, and we all, I think, were glad to see him succeed.

The circulation grew, the advertising multiplied, the paper inspired the public confidence and approval, and then suddenly Mr. Ochs saw himself at the head of a great organ that spelled power. Now often power works strange transformations in a man.

In July, 1914, Mr. Ochs was publishing a series of articles on Russia, written by Kurt Aram, a German journalist. One of them told the terrible story of Warsaw. I doubt whether I shall ever forget it. One paragraph haunts me to this day:

“You meet old and young men, dressed in the long caftan, their faces corpselike, their eyes like dying coals, running restlessly to and fro, like animals in a cage, to earn ten kopecks somewhere—anywhere—in order to buy an old herring and some mouldy bread, so that their wives and children may have something to eat. From morning to night they pursue one idea, one hope only: to earn those ten kopecks.”

About ten days after this series ended, came the great war in Europe. Ten short days, and on the tenth, Ochs, who had been picturing the horrors of Russian rule, had suddenly become the friend and supporter of the Romanoffs, those cruel Czars, who wink at Jewish pogroms and smile as the Cossack knout lashes the backs of their unhappy people.

OCHS, FRIEND OF THE CZAR

He is still the Czar's friend. He said the other day: “Something hieratic, symbolic, Byzantine clings to the Czar of all the

Russias. A stimulation of patriotism, a half-religious fervor creeping through all that mighty mass of men and races, may be stirred thereby."

What dreadful cataclysm can occur in a man's life, that in ten short days he is made to swing to the side of his father's persecutors, renounces his father's people and his father's blood?

Adolph S. Ochs had heard the voice of his Master and obeyed his Master's bidding. His Master is the Money Trust.

In order to gain a clear conception of what Mr. Ochs has done during the past shameful year, we must inspect carefully the extraordinary table on page 134.

Here is conclusive proof that for the last six months, Mr. Ochs has been printing in his New York *Times* a daily series of "fake" stories in furtherance of an ignoble end. "The Turks are shooting their German officers," and "There is panic in Constantinople." Nobody has been trying to deceive Mr. Ochs. These are all "special cable despatches" from his English correspondents in Athens, Geneva, Rome, Cairo, Copenhagen, Petrograd.

But this fake English news is directly contradicted by the truthful reports sent in by the neutral American correspondents of the American Associated Press.

At the very time when the lying English correspondent says that the Turkish Sultan is fleeing from Constantinople, the Sultan gives an interview in his palace in Constantinople to the American Associated Press correspondent, praising in unmeasured terms the Germans, whom the English would have us believe are being "shot by the Turks."

Why does Mr. Ochs subordinate the honest American despatches of the Associated Press and play up the "fake" news of the venal British propaganda? If his correspondent in Paterson or Albany were to send in "fake" stories, he would discharge him on the spot. Why, then, does he not discharge his English correspondents, who have been sending him "fake" despatches for more than six months?

Is this intelligent journalism? Yes, because it is corrupt journalism.

These fakes are printed in the New York *Times* in order to sustain the waning British credit. England is bankrupt, and needs our money. The American people must not be permitted to realize that England has been defeated at the Dardanelles, or


THE WAR NEWS AS ADOLPH S. OCHS HAS PUBLISHED IT IN THE NEW YORK "TIMES,"
SIX MONTHS, AND WHY HE HAS DONE SO


In six months the New York *Times* has printed twelve "fake" stories that "Turks are shooting their German officers."


Why?

Because they are sent in by English correspondents from Athens, Rome, Geneva, Cairo, in order to deceive the public, so that bankrupt England may obtain billions in credit from the American people.

 Cairo, March 8.—Turks shoot their German officers.

 *Petrograd, March 8.—Turks shoot their German officers.

 *London, March 6.—Turks shoot their German officers.

 *Constanza, Roumania, March 26.—Turks shoot German officers.

 Geneva, April 1.—Turks shoot their German officers.

 Geneva, May 13.—Turks shoot their German officers.

 Paris, May 22.—Turks shoot their German officers.

 London, June 2.—Turks curse their German officers.

 *Athens, June 3.—Turks shoot their German officers.

 *Athens, June 15.—Turks shoot their German officers.

 *Mitylene, July 9.—Turks shoot their German officers.

 *Rome, July 11.—Turks shoot their German officers.

These "fake" stories of the English propaganda are invariably contradicted by the truthful, unbiased reports of American correspondents of the Associated Press.



March 4.—
By Associated Press.

"Firing of the Allies was ineffective."

(This was hidden under a British despatch.)

April 8.—
By Associated Press.

Mehmed V., Sultan of Turkey, gives interview in palace in Constantinople to Associated Press:

"The Dardanelles cannot be forced, My admiration for the German troops is so great that it is impossible for me to express in words my high opinion of their valor and efficiency."

June 19.—
By Associated Press.

"British lost most of ground formerly held. Troops have little water, and are without shelter from the sun."

(This was hidden under a British despatch.)

June 19.—
By Associated Press.

"British lost most of ground formerly held. Troops have little water, and are without shelter from the sun."

(This was hidden under a British despatch.)

In six months the New York *Times* has printed fourteen "fake" stories that there is "Panic in Constantinople."

Why?

Because they are sent in by English correspondents from Athens, Rome, Geneva, Cairo, in order to deceive the public, so that bankrupt England may obtain billions in credit from the American people.



*London, Feb. 26.—*Panic in Constantinople.*

*London, Feb. 28.—*Panic in Constantinople.*

London, March 1.—*Panic in Constantinople.*

Athens, March 2.—*Panic in Constantinople.*

*Bucharest, March 6.—*Panic in Constantinople.*

Athens, March 6.—*Sultan flees Constantinople.*

London, March 7.—*Sultan flees Constantinople.*

*Athens, March 8.—*Panic in Constantinople.*

*Petrograd, March 8.—*Panic in Constantinople.*

*Copenhagen, March 9.—*Panic in Constantinople.*

Athens, March 9.—*Panic in Constantinople.*

*London, March 25.—*Panic in Constantinople.*

*Geneva, April 1.—*Panic in Constantinople.*

*London, April 28.—*Panic in Constantinople.*

*All "special cable despatches to the *Times*."

they would refuse to let Morgan, Britain's agent, take their money from the banks to pay the debts of England. So, after she has lost five warships at the Dardanelles, or has had 50,000 men slaughtered by the Turks, we read the next day that "the Turks are shooting their German officers," so that we may be persuaded that England will win somehow, after all, because "there is a panic in Constantinople."

And now, in the day when the bitter end has come to England, the truth is out at last, as it must always come out in the end, and we hear Lord Milner say in Parliament: "Our campaign at the Dardanelles has failed. We must withdraw our troops." So all this lying was in vain. What do the readers of the *New York Times* think of the paper's owner, who so long deluded them?

In the days of Horace Greeley, Dana, or the elder Bennett, public opinion was molded by means of the old-fashioned editorial. But the news columns were held sacred. Now in the days when newspapers are ruled by international bankers, public opinion is poisoned by news corrupted and faked at the fountain source, and sent out from Athens, Rome, Geneva, Cairo, Copenhagen, Petrograd. Unscrupulous financiers make their coin by duping their fellow-countrymen.

AMERICAN JOURNALISM DEGRADED

To this depth of degradation has American journalism sunk!

Mr. Ochs, himself, is not deceived. He is an intelligent man, and not so thoughtless as the men who manage what old Mayor Gaynor used to dub "the rag-bag newspapers." Ah, how simple-minded are these, and how cunning are the others!

Mr. Ochs, do you recall the words the aged Bishop who spoke that day when you bared and bowed your head as he blessed your building in Forty-second Street?

"Almighty God, we beseech Thee to grant to these men Thy divine guidance and benediction, so that they may be enabled to do Thy will and SPEAK THY TRUTH."

Mr. Ochs, that prayer to God has been unheard.

The *New York Times*, in its despatches edited by the London Censor, has tried to make us believe that neutral countries, like Sweden, are hostile to the Germans. It quotes alleged extracts from Sweden's government organ, the *Stockholms Tidningen*, to convey this impression.

A month or so ago, I sent to Mr. Ochs an editorial from the *Stockholms Tidningen*, in which this grave charge was made:—

“As concerns England, it has lately exercised a peculiar form of influence which one may characterize as worse than criminal, since it is so idiotic. A very well known advertising bureau in London, G. Street & Co., one of His British Majesty’s representatives in the Board of Trade, offers to pay for the insertion in our editorial columns of accusations against the Germans, which it has agreed to distribute.

“For Swedish newspaper men it is a sad disillusionment to witness in such quarters a belief that they can shape newspaper opinion by such methods.”

I called the attention of Mr. Ochs to this editorial, since it explained why truthful Associated Press despatches are contradicted by English correspondents in Athens, Geneva, Rome, Cairo, Copenhagen, Petrograd. There, newspapers have accepted the money of the British propagandists, which was indignantly refused by Swedish journalists.

But Mr. Ochs ignored my communication. Why did he not publish it? I offered to show him the original Swedish newspaper that made the charges. What had he to fear from the publication of the truth?

Mr. Ochs, do you remember how, some months ago, you featured the story of an English ship captain who arrived here and said: “At my home in England are two golden-haired Belgian children, whose hands have been cut off by German Huns. Such fiendishness is inconceivable.” Men in New York sent a cable despatch that day to the captain’s wife in England. She sent back word indignantly that there were no such golden-haired children at her home, nor had she ever heard of them.

Did you then, Mr. Ochs, print an editorial on this story, condemning the English dastard who would circulate so base a tale against a brave and noble race? NO, YOU WOULD NOT FEATURE THE TRUTH.

Mr. Ochs, you published *in extenso* the Bryce charges of atrocities against the Germans, and the faked Armenian atrocities of this “atrocitiy expert”; you printed the Belgian charges of atrocities against the Germans, the French charges, even the Russian charges. But when the German Government printed its volume, with affidavits of the sickening enormities practised by

Russians against the German populations of East Prussia, YOU SUPPRESSED THE BOOK!

Why did you suppress it, Mr. Ochs? I shall tell the public why. You knew that the English at the very beginning of the war raised the atrocity cry because they feared the enormities their allies, the Russians, would commit and the barbarities their own Indian and African mercenaries are perpetrating in France to-day. They raised a false clamor to conceal the truth. You feared to publish the German charges against the Russians BECAUSE YOU THOUGHT BY THEIR PUBLICATION, AMERICAN SYMPATHY MIGHT BE AWAKENED FOR THE GERMAN RACE.

Mr. Ochs, in these acts, were you guided by the benediction of that Almighty God to whom you prayed that Winter's afternoon, that you might be enabled to do His will and speak His truth?

Mr. Ochs, the people of this city trusted you and placed power in your hand. You have abused that power. Why have you introduced among us that hideous product of decadent hands, the engine that has ruined the British Empire and caused its downfall, the CLASS NEWSPAPER? The Class Newspaper is that dreadful organ that secretly works in the interests of a corrupting class, and always against the best interests of the people.

THE EXPATRIATE

There was, many years ago, another man in New York City, who held great power in his hands through a newspaper which his ingenious father had built up. Every New Yorker knows to whom I refer—Mr. James Gordon Bennett, once well known in the gayest annals of our city.

Mr. Bennett, like all the rest of us, has his good qualities, and others that are not so good,—such as certain idiosyncracies he imposes on the management of his newspaper, one of these being, as I recall, that no employee of Jewish blood may work on the New York *Herald*. Mr. Bennett has no liking for the Hebrew race, and that seems strange when one considers it, since he derives his not inconsiderable income from the advertising of members of that very race. There is some old biological law, I believe, that accounts for the attraction of like for unlike. And

that may account for the fact that Jewish merchants persist in patronizing a property whose owner will positively not have a Jewish employee.

But no,—I am mistaken, and not for the world would I seek to do Mr. Bennett an injustice. There once was a Jewish employee on the *Herald*. He was one of the men in the composing room. This fact was of great grief to one of Mr. Bennett's department managers, and he studied how to remedy this untoward situation in the general office scheme of the *Herald*. It was learned, one day, I believe, that the Jewish compositor had remained out ten minutes too long for luncheon, or had violated some other office regulation, and he was promptly dropped.

Mr. Bennett has very little fear for anyone, but there is one body of men for whom he has a wholesome respect,—and that is Big Six, the New York Union of composers, who have a very strong organization. Big Six did not view with favor this discharge from the *Herald* of a man whose only dereliction was his racial or religious tie. A committee of Big Six took up this matter, and decided that Mr. Bennett must pay to his one-time compositor his full wages during his six weeks of absence, and reinstate him, the alternative being that the *Herald* Chapel would be called upon to walk out in a body unless this were done.

And Mr. Bennett complied with the recommendations of Big Six.

Mr. Bennett has some other peculiarities. He published some very unpleasant advertisements for some years, until the Federal Government admonished him sharply to desist. The circumstances surrounding this affair became extremely distasteful to Mr. Bennett, and he went abroad to make his home in foreign lands.

He became an expatriate. He makes his home in Paris, having conceived an immense fondness for the French race. And, in fact, I am convinced that France is the only country that Bennett loves to-day.

The great war came, the French armies were defeated, the country was invaded and the land lies in waste and ruin. This has been a great sorrow to the owner of the *Herald*. A purpose grew in the heart of this expatriate,—he dreamed that, by the use of his power, he could rule the destinies of nations. He said to himself: "I shall save France. I shall make the United States

fight for her. Hundreds of thousands of Americans may die, but France must be saved, if I have the power to save her.”

Mr. Bennett then began to publish inflammatory stories on the war, intended to awaken the hatred of his former countrymen against the Germans, just as he had once before published such stories against an ex-President of the United States. He used the same machinery, disgusting cartoons, and basely fabricated tales, in order to mislead men, and instil hatred into their hearts. And this is how he did it:—

THE HERALD'S CAMPAIGN OF HATE

The sentiments of James Gordon Bennett, who loves France better than he does his country or his countrymen:

☞ *Herald*, July 16.—The United States* cannot permit ☞
France to be struck down, *even if we have to go to war with Germany to prevent it.*

☞ *Herald*, May 10.—The naturalized citizen of German ☞
birth or parentage, who sympathizes with the Kaiser, is a traitor to the United States.*

☞ *Herald*, May 20.—Professor Henderson of Yale, as a ☞
German sympathizer, *has no right to claim America* as his country.*

☞ *Herald*, May 11.—Worse things can happen to the ☞
United States than war.

☞ *Herald*, May 19.—Prepare for the worst possible con- ☞
tingency.

☞ *Herald*, May 30.—Sink any German vessel that attempts ☞
to leave New York.

☞ *Herald*, May 31.—Germany is a red-handed murderer. ☞

☞ *Herald*, June 1.—Germany's hands are dripping with ☞
American blood.

☞ *Herald*, June 2.—The American* people want no friend- ☞
ship with Germany.

☞ *Herald*, June 1.—Germany has invited her doom. ☞

There is a terrible place in Europe to-day,—a place more terrible than ruined cities, wasted countrysides, or battlefields where the bones of dead men lie bleaching. It is in France, on

*Who authorized Mr. Bennett to speak for Americans?

the heights overlooking Lake Geneva,—Evain-les-Bains they call it, THE REFUGE OF EUROPE'S GAY SET.

American expatriates are there, indulging in extravagant revels, that rival, they say, those of Monte Carlo in other days. Among these expatriates I noticed the other day the name of Mr. Bennett. Yes, James Gordon Bennett was there, walking to and fro in the Casino Gardens, past the throngs of demi-mondaines who once dazzled the Paris race courses and the Bois. And as he walked, slowly walked, for he is an aged man, he smiled to himself at times, for he was waiting, waiting, to see his former countrymen plunged into Europe's war.

THE NESTORS OF NEW YORK JOURNALISM

Here, then, we have the two Nestors of New York's journalism.

On the one hand—

Adolph S. Ochs, of the New York Times.

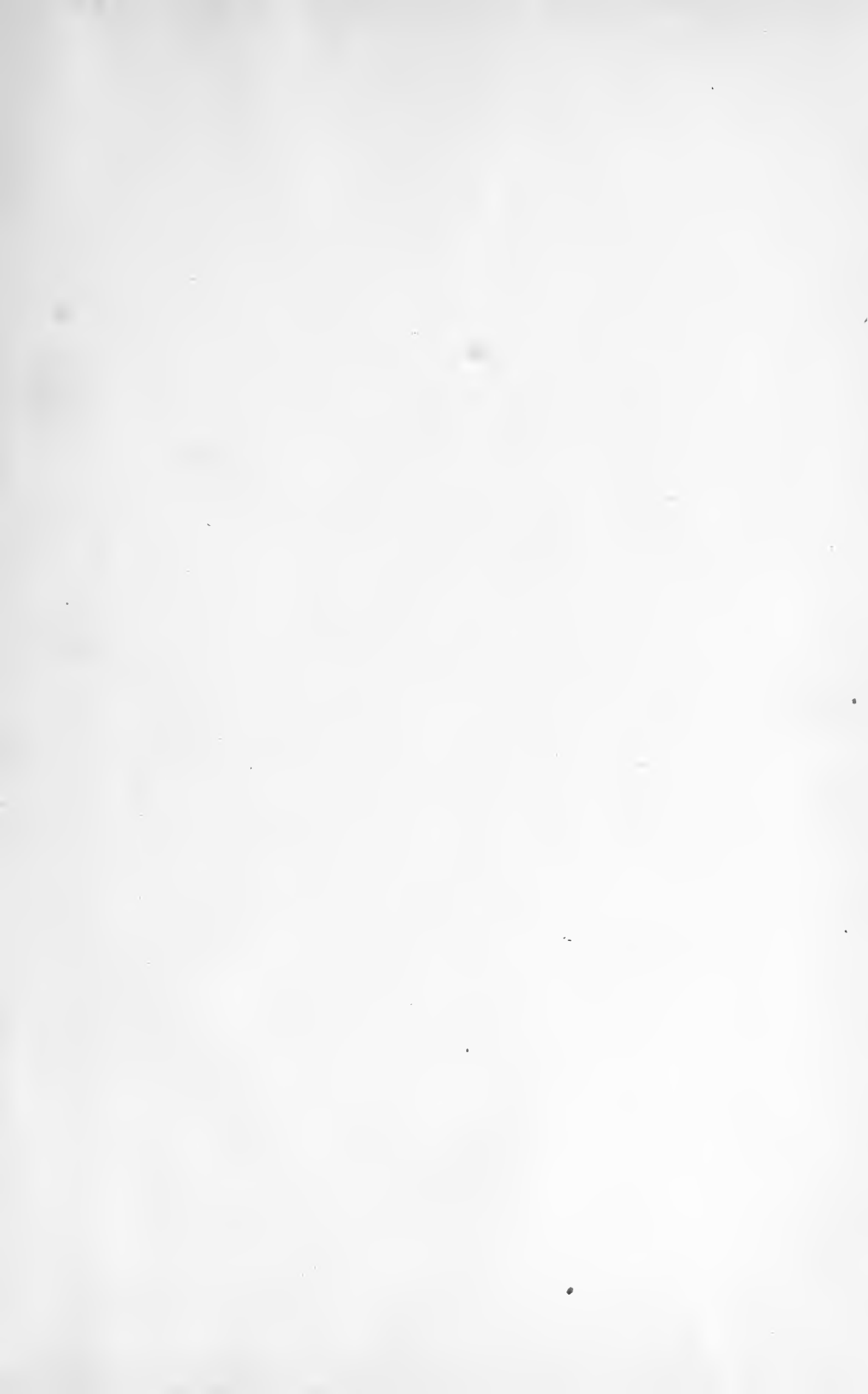
On the other

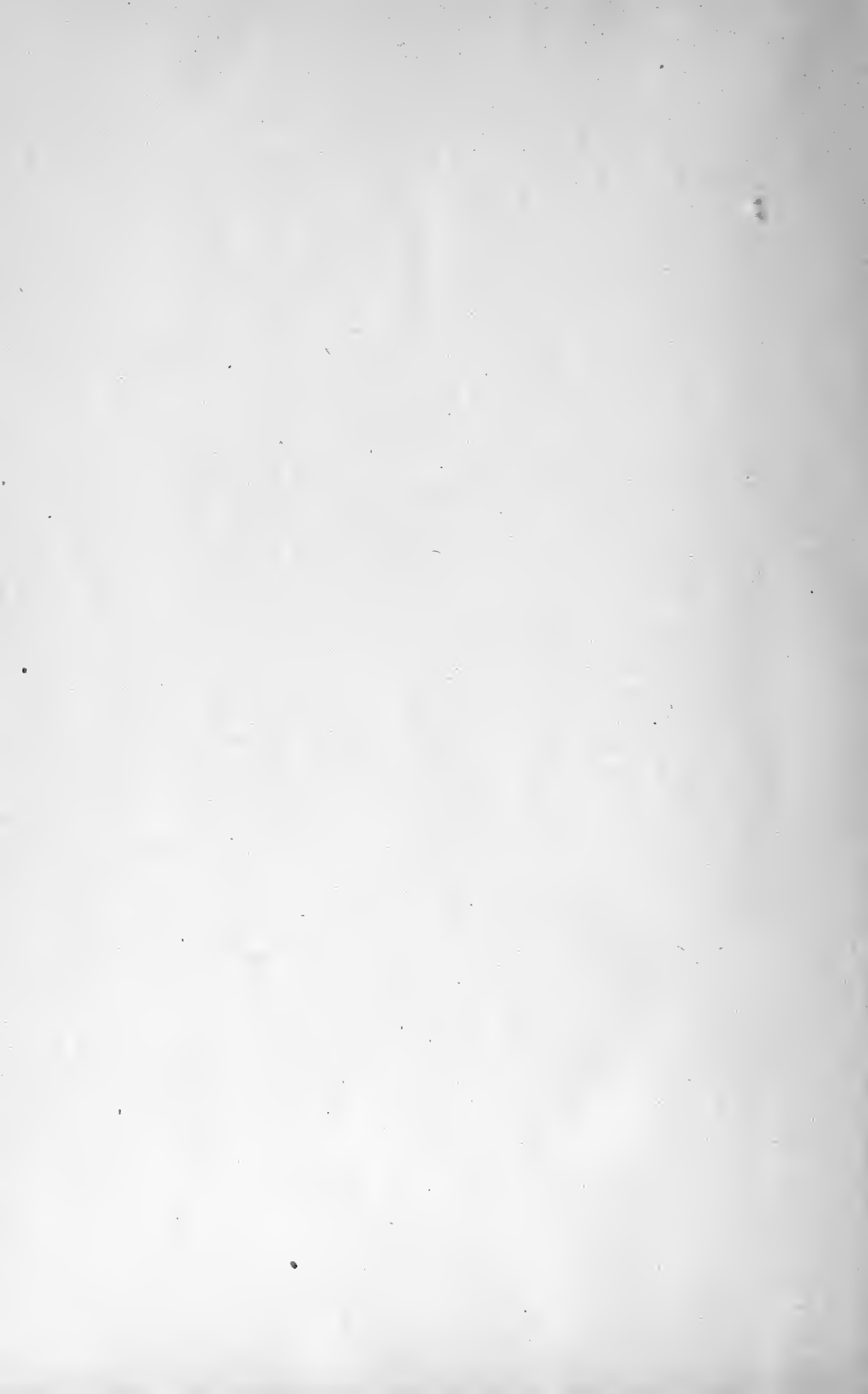
James Gordon Bennett, of the New York Herald.

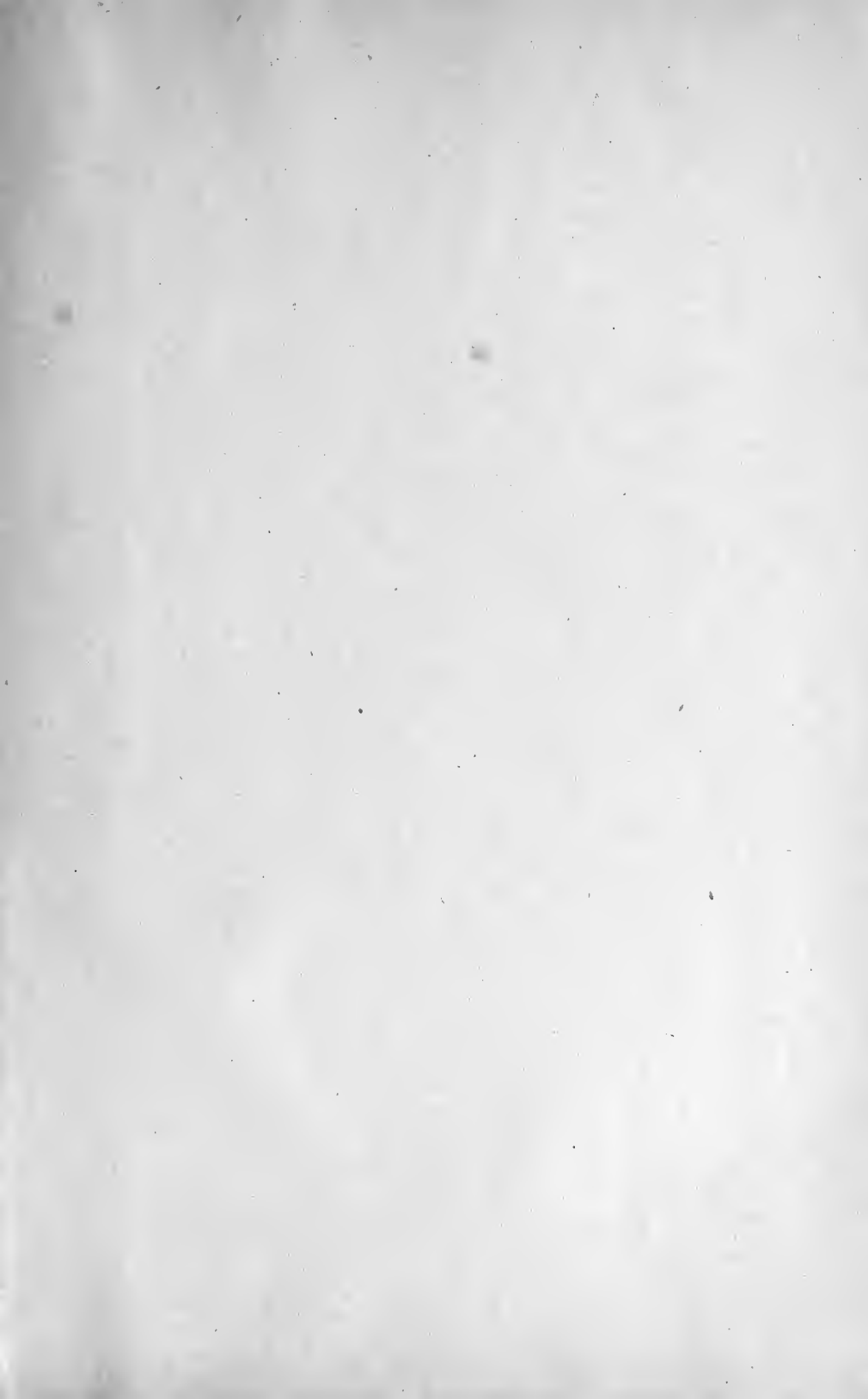
I do not think these two men have been fair to the thousands of newspapermen of this country, who do the work that builds up the great newspaper properties, who toil the long hours, take all the harsh words and the hard blows, but working in the public interest in the furtherance of their ideal:—*To publish the news.* For Mr. Ochs and Mr. Bennett have not "published the news." They have deliberately misled, with system and persistence, the American people, who are entitled to know the news.

Among newspapermen, when one among them has disgraced his craft, it is customary to say: "He fouled our nest."

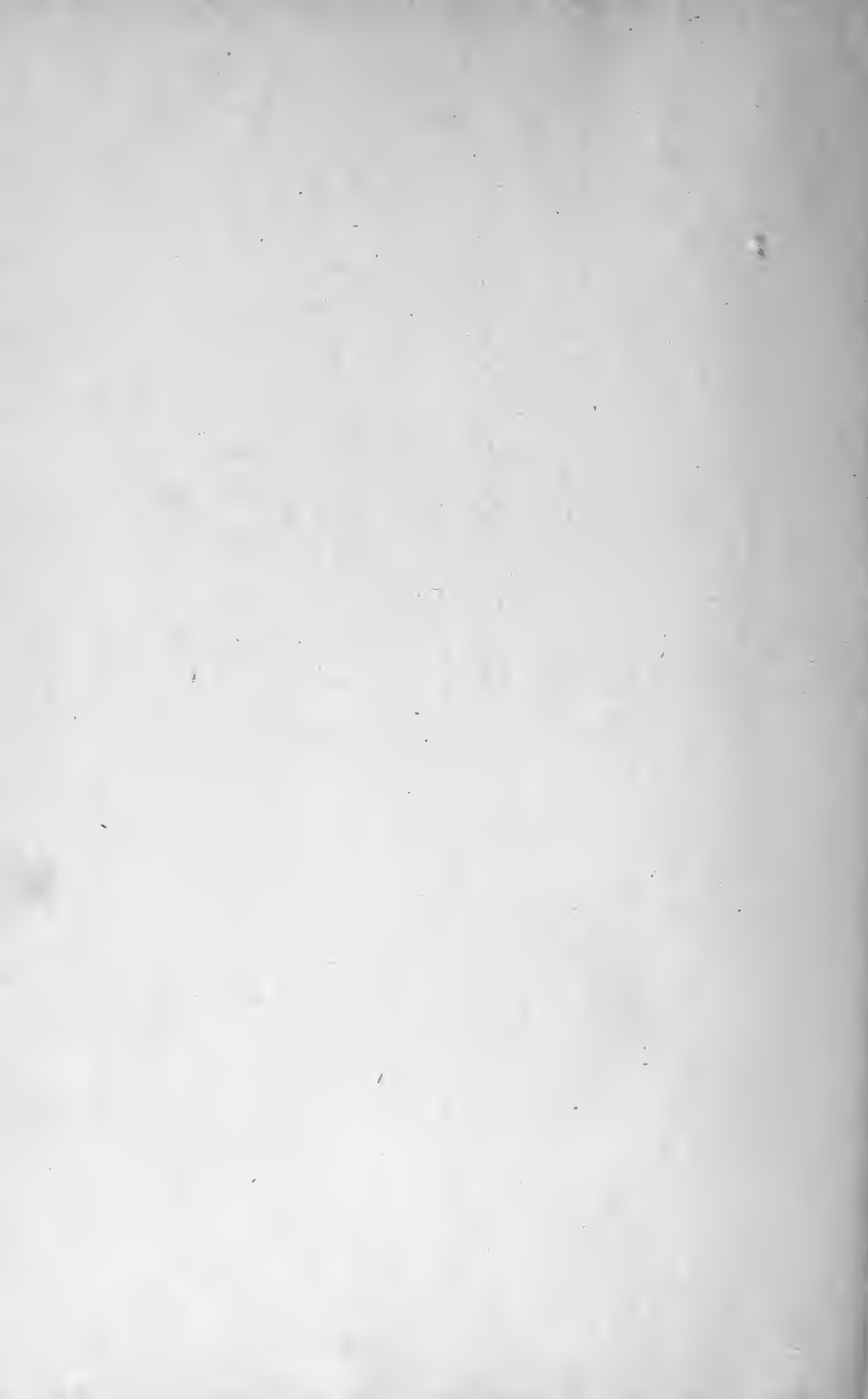
Speaking on behalf of the conscientious newspapermen of my country, and I think I know their views, I feel that I must say to Mr. Ochs and Mr. Bennett: "Gentlemen, you two have fouled our nest."











LIBRARY OF CONGRESS



0 020 915 860 7

