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Harry A. Slattery

Meeting at Cosmos Club, Washington, D. C., on the Evening of June 25, 1932, in Honor of Harry Slattery's 25 Years of Public Service

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Remarks of

Hon. Gerald P. Nye

of North Dakota

in the

Senate of the United States

Friday, July 15 (legislative day of Monday, July 11), 1932

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REMARKS

OF

HON. GERALD P. NYE

Mr. NYE. Mr. President, it was my favor a few days ago to attend a meeting at the Cosmos Club in this city on June 25 attended by many interested in conservation. At the meeting addresses were made by the senior Senator from Nebraska [Mr. NORRIS], the senior Senator from Wisconsin [Mr. LA FOLLETTE], the majority leader in the House of Representatives, Representative RAINEY, of Illinois, and others. The addresses, containing material of historical value and significance, have not been printed in any newspaper or magazine. They are nonpartisan and nonpolitical in character. I ask unanimous consent that the remarks made at that time be printed in the Appendix of the RECORD.

The VICE PRESIDENT. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

MR. BASIL MANLY, TOASTMASTER

Ladies and gentlemen, we who are friends of Harry Slattery have met here this evening for the rather unique purpose of honoring a man who has never sought or held public office and who has avoided publicity, as far as it was possible for him to do so, throughout his career.

I am not quite sure why I was chosen to act as director of ceremonies, except perhaps because of the fact that I have known Harry Slattery longer than anyone else here and longer than almost anyone else living; but I like him and love him just the same.

I might reveal a heretofore unrevealed secret, that Harry and I were born just across the street from each other in the little town of Greenville, S. C. One of my earliest memories of Harry is playing cards with him in Grady Jordan's barn. We were raised in a very pious atmosphere, and it was necessary to go up in the loft of the barn to pursue such pastimes.

It was 25 years ago when Harry came to Washington and began taking part in the affairs of Washington and the affairs of the Nation. That was during the administration of Theodore Roosevelt. The forests of the country at that time were about to become the prey of the great lumber interests. The conservation movement developed during that period and gained the impetus which has carried it on ever since. Even at that early date Harry was an important factor in that movement, and he has become an increasingly important factor during the succeeding years.

The Taft administration brought a continuation of the struggle over the Nation's natural resources. The Ballinger case and the great fight to withdraw the naval oil reserves from further exploitation developed, and in that struggle likewise Harry played his part.

The Wilson administration came into office March 4, 1913. This, I believe, is not generally known, but one of the most important episodes of that period, which made possible some of the achievements of the first part of the Wilson administration, was the exposure of the lobbies which were then operating in Washington. The President made public a statement in which those lobbyists were denounced. He was called upon to furnish specifications and was not in a position to do so immediately. But a man came to his rescue—a very young man at that time—and put into his hands the basic information which resulted in uncovering the lobby of the National Association of Manufacturers and a host of other lobbies which were operating at that time. That young man was Harry Slattery.

Without going into all of the details down through the years, but touching upon some of the high spots of which I have personal knowledge, I want to speak particularly of the fight that resulted in saving the naval oil reserves and in exposing those who had succeeded in taking them from the Government.

The first public attack upon the naval oil leases was made by Harry Slattery at a dinner very much like this held in the Ebbitt Hotel on March 10, 1922. Following that came official exposure on the floor of the Senate, about which something may be said later in the evening.

And so it went down through all these years. Mr. Slattery has been the real protector, the real watchdog of the public domain, of the natural power resources, and of our human resources. I think we might well rise and drink a toast to Harry Slattery.

(Whereupon the assembly rose and drank a toast to Mr. Slattery.)

There is a Biblical quotation that "He who is greatest among you, let him be the servant of all." That has been the practice of one of the great men who is with us this evening, a man who has insisted upon taking a place at the foot of the table. He can not completely hide himself from us, because I am going to call upon him to respond to the toast, "The preservation of our natural resources," Senator NORRIS. [Great applause.]

HON. GEORGE W. NORRIS, SENATOR FROM NEBRASKA

Senator NORRIS. Mr. Chairman, I do not believe that one could respond to the toast that the chairman has propounded to me and do it properly without somewhere paying tribute to Harry Slattery.

All of those who have been connected with the preservation of the natural resources of the United States during the last several years, in various ways and various forms and on various occasions—if they have gone into a very thorough study and into the history of the great fight that has been waged for many years to preserve our God-given resources and keep them from exploitation—I say that any citizen who goes into that thoroughly will run into the tracks of Harry Slattery somewhere along the line.

There are men engaged in public service in which it is necessary to have some one with ability, with steadfastness, and with the purest of motives, and who has to do a great deal of work the public never sees. That work will find its place in the great book, upon the page whereon the names of those will be written who are behind such fights in behalf of the people, though the individual does not become generally known as doing the work among the people themselves. Such a man is Harry Slattery.

I was somewhat surprised that the chairman, in his narration, indicated that Harry was a comparatively young man. I came here when I was a young man, and Harry was an old man then. I figure that the only reason why the chairman made that unjust charge was because he had said that he and Harry were born about the same time.

We have almost forgotten the Ballinger investigation. In fact, Mr. Chairman, I had not thought of it for years until I heard

you mention it, but it was a wonderful contest; it was a battle for a principle that ought to be sacred to every lover of human liberty and everyone who is anxious to retain the foundation stones on which our Government is built; and Harry Slattery had a great deal to do with it.

I do not suppose that there is a person present who knows, either, that I had anything to do with it; but it is as straight in my mind as though it happened to-night, although I had not thought of it for a long time. The Ballinger work had become so well known that it was really a stench in the nostrils of the people, and an investigation was demanded, and it became apparent that it had to be made in response to the demands of the people, the indignant people of the country, who had become aroused at what was going on.

In those days the Senate and House were both controlled by machines that were riveted by a steel fence that was so tight that nobody thought there was any way to get through. And so this great political machine, realizing that the people were becoming indignant and that something had to be done, decided that they would investigate the Ballinger matter and, of course, there would be a whitewash. The concurrent resolution was introduced, providing for the appointment of a commission to make this investigation, and they appointed a large commission. There were 10 men to be on the commission, 5 to be appointed by the President of the Senate and 5 by the Speaker of the House of Representatives. There used to be, in those days, as you all know—and still is—harmony on occasions when it is necessary between great political machines. Often there is not any difference between them; they drink out of the same canteen and they are supplied from the same source to get enough oil to keep the machine properly lubricated. It was that way then.

The Republicans, however, had a Vice President whose name was Sherman, of New York, and in the House of Representatives was Speaker Cannon, another man just like him. So this resolution passed the Senate. In those days, so complete was the control of the machine that the newspapermen announced in the morning what the House and Senate would do in the afternoon, and in the morning paper it was announced that this resolution, which had already passed the Senate, would come up in the House and that, immediately after the reading of the Journal, Judge Dalzell, of Pennsylvania, would introduce a special rule, which would provide for the passage of the resolution. Everybody knew it would happen just that way and all of us fellows who were Members of the House, realizing that the master had spoken, did not expect anything else to happen. True to the report, after reading the Journal, Mr. Dalzell arose in his place and introduced the report from the Committee on Rules, which as you know had then, and still has, special privileges, and it was taken up by agreement between Champ Clark, the Democratic leader, and Cannon, the Republican leader, and they agreed, by unanimous consent, to have general debate of three hours on a side, and that anyone who spoke had a right to make a motion to amend, and that all such motions should be voted on at the close of the debate.

Well, I did not know the details about Ballinger and all of this material which Harry Slattery had worked up, but I was satisfied there was something in it and I knew, as everybody else knew, that there was a job on hand to whitewash Ballinger. That was generally known and in the debate it was charged. The Democrats ranted up and down the aisle and told what a terrible thing this committee was going to do—that it was going to whitewash this man; but it did not occur to them that they had a chance to amend. In those days we had in the House of Representatives a well-organized body of insurgents. We used to meet every night and talk over what we were going to do the next day. When

that agreement was made, it entered my mind that here might be a good opportunity to have a real investigation instead of a whitewash; and so I determined to make a speech. To speak you had to get the consent of the leader to yield to you some time, and with me it was a pretty difficult task with Dalzell. But next on the Committee on Rules, the ranking Republican, was Mr. Smith, of Council Bluffs of Iowa, who was a very warm personal friend of mine; and immediately after the debate started, Mr. Dalzell went down to get his lunch and, of course, he had delegated the next man until he came back.

I went over and sat in the Cherokee strip on the Democratic side, and said to Smith, "How about getting some time?" and he said, "All right, George, I will give you some time," and said, "How much do you want?" "Two minutes," I said. He said, "When do you want it?" And I said, "I want it as soon as I can get it." I was afraid Dalzell would get through with his lunch and get back. He said, "There is a Democrat over there talking now, but he is about through, and I will give you some time as soon as he finishes."

I had not got back to my seat until Smith said, "I yield two minutes to the gentleman from Nebraska."

I was innocent of trying to accomplish anything great, but I just knew it was a job; I just knew it was a white wash, and that the white wash had all been mixed up and it was going to be nothing but a white wash job. I did not use up my two minutes. All I said was that it was generally believed and generally understood that this committee was going to whitewash Ballinger, and that I was perfectly satisfied that if the Speaker appointed the committee it would whitewash Ballinger; and I said, "Therefore, I move to amend this resolution by striking out 'appointed by the Speaker' and insert in lieu thereof 'elected by the House,'" and immediately the cap went off of the jug and consternation reigned and everybody was excited.

During the balance of the debate, which lasted until 6 o'clock, there was a scurrying around and they were getting their forces together on that amendment, and with a solid Democratic front and a solid insurgent front we adopted the amendment, and that is why there was a real Ballinger investigation. [Applause.]

We had a meeting, I remember. The insurgents met that night down on Massachusetts Avenue to decide what action we could take about the election of that committee. We did not want to be hoggish, but we wanted to name one, and the Republican membership could name two, but we insisted that certain men's names should not be on that committee, and we mentioned those who were thought to be objectionable and asked the Democrats if they would stay with us on it, and if they would, we would carry the proposition through.

I will now say that I had the honor of having tendered to me the unanimous wish of that group of insurgents that I should be a member of that committee. In the first place, I did not know much about it; and in the next place, I did not want to see myself liable to the charge of having obtained personal gain out of it, and I declined it. We selected as chairman of that committee Judge Madison, of Kansas, one of the ablest and most steadfast men of his time. If he had lived, he would have been one of the leaders in American history. He was an able attorney.

The Democrats named two good men. The Republicans were confined in their selection to a small number, on account of the exceptions we had drawn; and because there was one man there who was really determined to make an investigation, there was not anybody else on the committee that dared hesitate, and the majority of that committee went forward as one, with one of the most complete and thorough investigations that ever was made.

A man who now adorns the Supreme Court bench, Justice Brandeis, was the attorney who conducted the investigation, and

managed it from beginning to end; and there was another instance, my friends, of what our friend Harry Slattery had done. He had done valuable work.

You people have given him credit; but I presume the generation that has grown up since then does not have knowledge of it, and that they do not even have knowledge of the trick I played in it; but without such a man to back us up, without such a man to furnish evidence and information and documents, lots of times it would have been physically impossible for us to get results. Without such a man, those who have tried to fight the people's causes in the last 10 years—without such a man, I repeat, we would nearly always have failed. Yet I often think that, even in failing, we win success that we do not at the time appreciate.

After all, this contest that I have mentioned, the Teapot Dome contest, and most any other contest that we have had, involves one fundamental principle that is the same down to the bottom, even, with the same principle involved that has been involved since the dawn of civilization, and that is a battle between monopoly and entrenched wealth against the common people of the country.

So I think you do well in honoring our friend, Harry Slattery, for the invaluable assistance that he has given to all. [Applause.]

TOASTMASTER. One of those who has played a part in the protection of natural power resources, Representative PHILIP SWING, of California, was unable to be here, but he has sent a letter which I would like to read:

"I recognize the fine, unselfish public service that Harry Slattery has rendered the people in his private capacity without the compensation of either pay or glory.

"In his quiet and unassuming way he has made tremendous contributions to every important fight for the people that has had Washington as its battle ground.

"I am particularly appreciative of the splendid work he did in connection with Boulder Dam in organizing the National Boulder Dam Association and throwing into this great project the power and influence of the Progressives in every part of the country.

"I trust that in his heart there is an abiding satisfaction of a good work well done, because in the end those who keep the faith seldom win any other reward."

TOASTMASTER. The natural resources have been a battle ground since the beginning of this country; its forests, its preserves of oil and coal have been constantly attacked by those who wish to exploit them. There is one here who can speak of his own knowledge of the long fight to preserve the national oil reserves and to protect the forests from exploitation. I therefore offer the toast, "To the protection of our public domain," and ask Senator LA FOLLETTE to speak to us.

HON. ROBERT M. LA FOLLETTE, JR., SENATOR FROM WISCONSIN

Senator LA FOLLETTE. Mr. Toastmaster, men and women who have come here to-night to honor Harry Slattery, I am one of the generation that has grown up recently; but I remember the Ballinger investigation. While that investigation was in progress, Justice Brandeis, who was at that time conducting the prosecution, used to come very often to our house, and in discussing the details of that case and its procedure from day to day in the committee there was no name more frequently mentioned than that of Harry Slattery. During the years that followed, whenever there was a question in Congress affecting the natural resources of the Nation, whether it be with relation to the forests or to the water power or to coal or to oil, there was no one to whom my father turned more frequently, when those contests arose, than to Harry Slattery.

Much has been said of Harry's modesty and retiring disposition, to which I subscribe; but I would not wish this record to carry

the implication that Mr. Slattery is not persistent, nor that he has not that determination and that courage which go to make up a great character—a great leader. Harry, it is true, has been retiring; it is true that he has been modest in the sense of ever having his name mentioned in connection with the legislative battles which have been fought over this great broad question of conservation; but Harry has had that perseverance, that persistence, that courage, that ability to stand up and fight until the last man had gone down, which has made possible the successful struggle that has been waged through all these years.

Perhaps I know most about the fight over the naval oil reserves, and perhaps I may speak more from my own personal knowledge with reference to that great episode in our recent history. It was Harry Slattery who first called attention to the transfer of the naval oil reserves from the Navy Department to the Department of the Interior. It was he who first brought that transfer to the attention of my father. And in order that there may be on this record made here to-night a part of the written history of that period, I wish to read a letter which my father wrote to Admiral Griffin and to Josephus Daniels, dated April 19, 1922, in which he says:

"Mr. Harry Slattery, the gentleman who bears this letter, I believe you already know. I have the greatest confidence in him and have entrusted to him the investigation of the present situation for me. This has been necessary because I am completely tied down with work in connection with the tariff bill. I will regard it as a favor if you will talk as freely to Mr. Slattery as you would to me were I able to see you. I might say in closing that I do not intend to see these naval reserves despoiled for the benefit of private individuals and corporations without a vigorous protest being made upon the floor of the Senate."

It is a matter of history that as a result of that preliminary investigation my father introduced a resolution which called for an investigation by the Public Lands Committee of the naval oil leases, which finally resulted in their being restored to the public from whom they had been despoiled.

It was not, however, only by means of a private letter that he made acknowledgment to Harry Slattery. On the floor of the Senate on April 28, 1922, he had this to say:

"Harry A. Slattery, I know, has contributed in no small measure to the development of this case. For many years as secretary of the National Conservation Association, and later as a practicing attorney, Mr. Slattery has been a veritable watchdog of the Nation's resources. In every contest over these resources he has been on the people's side, ready to give his time without compensation and devote his knowledge of these questions to the public service. On more than one occasion during the long fight that has been made on this floor to protect the Nation's water power, its timber, its ores, and its oil from ruthless exploitation I have called for Mr. Slattery's assistance. I never found him wanting."

To-day we face probably the most complex problems which have ever presented themselves for solution in the history of this democracy. I, for one, draw courage from the fact that we have men like Harry Slattery to support us in making the efforts which we must make to meet and solve these questions, and while I know that the Senator from Nebraska made his reference to the age of Mr. Slattery as a facetious remark I wish to say that it is a matter of inspiration and encouragement to me to feel that Harry Slattery will be here fighting these battles for the next 25 years as he has fought them during the last 25 years. [Applause.]

I do not know any greater tribute that I could pay to him to-night than that which I have heard my father pay to him, and one which he reserved for few men, namely, that Harry Slattery is the kind of man he would like to go tiger hunting with in the

dark—because you can always reach out and be sure he is there. [Applause.]

Toastmaster: Many of Mr. Slattery's friends who would delight to join with us are absent at the convention in Chicago. It was necessary to confine the speaking program to those who were certain to be in the city, but the occasion would not be complete without hearing a message from one who has known Mr. Slattery over the whole span of his career—Representative HENRY T. RAINEY, the majority leader of the House.

HON. HENRY T. RAINEY, REPRESENTATIVE FROM ILLINOIS, MAJORITY LEADER OF THE HOUSE OF REPRESENTATIVES

I have been closely associated with Mr. Slattery for over a quarter of a century of time. Soon after I came to Congress, 30 years ago, I saw a private corporation organized in Hamilton, Ill., and Keokuk, Iowa, by unanimous consent awarded a franchise to dam the Mississippi River at Keokuk. I was a new Member then and did not realize what it was all about. At that time any corporation desiring permission to build a dam for water-power purposes, wherever there was a declivity in any river, succeeded in getting by unanimous consent a bill passed through the House and the Senate for that purpose.

Along about 1908 or 1909 I announced on the floor of the House that no more bills to grant franchises for this purpose would pass the House by unanimous consent. From that time on until the Wilson administration commenced I was on the floor always objecting to requests for unanimous consent and during this period of time I made many speeches on the floor, always using material furnished me by Mr. Slattery.

At any time I was permitted by him to call him over the telephone. Whenever I wanted to answer a speech on this subject he always responded with data and information, and if I needed it at once he brought it in person to me and had it delivered to me on the floor of the House. I made many enemies among Members during this period of time, but I was able to meet in debate all comers and I was able to do it because I had back of me always Mr. Slattery.

The statement I made on the floor of the House announcing that no more unanimous consent in these matters would be granted really commenced the fight against the rapidly developing Water Power Trust. During the second year of the Wilson administration the President sent for me. I met him in his private apartments and he told me of a great many organizations which were anxious to commence the development of river projects and complained that I was holding it up and he asked me what could be done about it. I went over the matter with the President and he agreed that I was right about it. He asked me if I would be willing to participate as a member of a committee which he might select to frame a water power bill. I agreed and he appointed the committee. This committee met daily for a long period of time. As I remember it, we met for some weeks almost daily in Secretary Lane's office and the result was the water power bill which we prepared.

During all the period of our meetings I was in touch with Mr. Slattery, getting his advice and his suggestions. We drafted the bill and delivered it to the chairmen of the committees having jurisdiction of the subject matter in both the House and the Senate and it was introduced. The bill as it finally passed the House and Senate was different in many respects from the bill we drafted and I have always thought the bill we drafted was a better bill.

Prior to the Wilson administration and to the drafting of the bill the debate grew particularly animated on the floor of the House on account of the fact that I made charges on the floor

which a Member of Congress from Tennessee, now deceased, interpreted as reflecting upon him. I charged that one Member at least was receiving compensation from the Aluminum Trust of America for his services in obtaining these franchises. Finally, in order to settle the matter, Congress adjourned one morning until 10 o'clock the next morning and I was given one hour to prove my charges against the Tennessee Member and he was given one hour to disprove them. I succeeded in proving my charges. I showed that he received considerable sums of money from the Aluminum Co. of America, which he was compelled to admit, but he claimed that he lost it all afterwards on account of having signed as surety some note given by some representative of the Water Power Trust.

I know of no living man who has rendered more service—and more effective service—for the public interest in the fight against the Water Power Trust than Harry Slattery. He has at all times kept modestly in the background and no one but his most intimate friends know the extent of his services nor the value of them.

TOASTMASTER. I am sure that everyone will agree with me that an important factor in the public service are those engaged in newspaper work in Washington, for whom Harry Slattery has always served as an inspiration and inexhaustible source of facts. I offer a toast to the "Preservation of a Free and Effective Press," and ask Mr. Gilson Gardner to respond to it.

MR. GILSON GARDNER

Mr. GARDNER. Mr. Chairman, and men and women who are friends of Mr. Slattery, as a friend of almost each and every one of those present, I am appearing in this case rather in the capacity of a has-been and I may, therefore, perhaps be pardoned if I associate myself with Mr. Slattery to the extent of saying that I played a part, with Senator NORRIS, in the original Ballinger case.

Our organization, perhaps not through direct bribery and corruption, but by some means, secured a confession from the private secretary of Ballinger. This confession covered the preparation of a document by a distinguished official of several recent administrations, a document which pretended to be an opinion on the case, on which President Taft had presented judgment, and which, when he could not verify it, Louis Brandeis suspected was antedated. It was pursued until, finally, the secretary, Mr. Frederick M. Kirby, told us the truth about the preparation of that document down in the Interior Department. Mr. Kirby, two or three years later, was my private secretary; so you can see how I was intimately connected with the Ballinger case. Mr. Kirby became, when he got free from that influence, a very fine and very efficient newspaperman. He is still with the Scripps organization.

I never knew the end of the capacity of Mr. Slattery. He knows more now than most anybody. He has got more material in his files up there than anybody in the United States. If he ever prints the history of his life, the public will sit up and take a great deal of notice.

I am reminded by this tribute to Mr. Slattery, which has my utmost approval, of a story which I heard the other day: One of my classmates was a district attorney for the western end of Massachusetts for 13 years, and he tried the cases of all of the criminals in that part of the country. He was over in Boston one day and met one of the distinguished lights there. This man said to him: "And is it true that you have spent all of your life over there in that part of the country?" And Charlie Wright said, "Not yet." I hope Mr. Slattery will have the same reply to make. [Applause.]

The TOASTMASTER. There are other resources besides our natural and physical resources; there are human resources. While we were here at dinner I had a long-distance call from William B. Wilson, former Secretary of Labor, who told me that he had expected to be in Washington and had hoped until the last minute that he would be able to attend this dinner, but he telephoned this message:

"I wish you would convey to Mr. Slattery my highest appreciation of the splendid services he has rendered during the period of his public life. Few men have had the opportunity to conserve the moral and material resources of a nation such as came to him, and the courage, integrity, and intelligence with which he has met every situation entitle him to the gratitude of all of his countrymen."

Mr. Wilson is one of the brave men and women who, like Harry Slattery, have been fighting for the preservation of human resources, and so I give you the toast, "To the preservation of the Nation's human resources, its men and women and children," and ask Mrs. Costigan to respond to that toast.

MRS. EDWARD P. COSTIGAN, WIFE OF THE SENATOR FROM COLORADO

Mrs. COSTIGAN. Mr. Toastmaster and friends, when these ceremonies began Harry Slattery said, "Here is where I would like to go under the table." That made me think of a testimonial dinner I attended one time, given to my best friend in our home town, to hear he was appointed a member of the Tariff Commission. There was a picture of Woodrow Wilson on the wall and a picture of my best friend. Ex-Senator Cannon, of Utah, one of the speakers on that occasion, was most eloquent. He finally turned to the pictures on the wall and exclaimed, "There they are, where they belong, hanging together!" To-night we are all where we belong, hanging together, as we always should be on occasions when we meet to honor one who has been our guide and inspiration on countless occasions.

Harry Slattery makes me think of the old saint whose ambition was to do all the good he could and never know anything about it. That is just the kind of saint he is.

I do not suppose Mr. Slattery recalls an occasion, which I well remember, when he saved some of us from a serious pitfall, at the time when the League of Women Voters was first considering how to deal with the Muscle Shoals issue. The ladies from Alabama had put the problem on our doorstep, saying, "You must save Muscle Shoals for the women of the South." We were considering the best way to dispose of Muscle Shoals, and our committee, thinking they knew a great deal about the Muscle Shoals project, met to decide what they should recommend to the convention of the League of Women Voters. When, as chairman, I realized the magnitude of the public issue, I did what so many women do; I called up a man and said: "Now, what is the truth of this situation?" And before the vote came a few hours later, all the arguments were in our hands against the proposal of Henry Ford to lease Muscle Shoals. Who provided those arguments? Harry Slattery, of course. So, from time to time, he has often saved that League of Women Voters, as legal adviser, from many difficulties. There were other troubles on our doorstep, but Harry Slattery was always there telling us how to handle them.

Our times are serious and we need advice as never before. The people are in the coop, instead of the chickens in the pot. So, to-night, I bring here the tribute of all the women I have worked with in Washington during past years. We have come to tell Harry Slattery of our debt of gratitude and, here, before you all, to thank him for the many times he has saved us—this gentleman, this statesman, our friend, Harry Slattery.

TOASTMASTER. Now, we come to the time when our guest should at least let us know that he is glad to be with us. [Company rising, great applause.]

MR. HARRY SLATTERY

Mr. SLATTERY. Mr. Chairman and friends, it is not easy to speak on an occasion like this. I deeply appreciate all the kind things that have been said about me. I appreciate them more than you will ever know. At a time like this emotion sometimes take away thoughts. Any man would be proud of this occasion and of these fine things, and of these friends. I have only one regret and that is, that to-night my mother, who is 85 years old, could not be here. She has always held to and taught me the old Biblical principle that "He who gives his life, shall save it."

I feel a good deal like one of the early pioneers or like a charter member of the oldest inhabitants. Senator NORRIS has told you about the old Ballinger case. He did not tell you that in the fight in the Ballinger case he unseated Cannon and ended a political dynasty. But it seems I go so far back, it might be like a story I heard the other day of the old darky to whom someone was talking at Mount Vernon. He said he had been a slave owned by the Washington family. A visitor said: "Why, this is certainly unusual. You must remember General Washington." And he said, "Oh, I remember him well." "You knew him as a boy?" "Yes, sir, right there with him," the darky replied. "You must remember him when he took a hack at the cherry tree." And he said, "I certainly do, boss. I drove that hack—we had a good ride."

It is a great privilege and a great pleasure to have been in some way—a small way, associated with the progressive movement. Washington, after all, is a good deal the home of certain financial and social cliques; there is ballyhoo and playing for place or favor on all sides, sometimes either at the Capitol or at the White House; but I am sure that even if there is a good deal of artificial sham, ideals win out.

My years have taught me one thing, clear as crystal, and that is, that the progressive principles and the progressive ideals have won straight through. They might have their ups and downs, and they might have changes here and there, but they all work to solve our problems, every one, every day, and in many ways, and will always win; because I think we can safely rest our faith upon one principle that is above all others, and that is unselfishness and undying belief in the democratic ideals of the Nation.

I can recall very well when they had a great filibuster in the dying days of the Wilson administration, on the fight over the natural resources. That contest was led by the fighter who has gone from us, Senator La Follette. He would lie down at times with a great military cloak around him, like a general on the field of battle, preparing to renew the fight that was being carried on in the Senate night and day, day after day. One night I remember Senator Sherman spoke to him and said, "Bob, I think the end is in sight on this." But Senator La Follette said, "We will win this fight to-morrow, or eventually; *we will win it.*"

It strikes me that is the story of the whole progressive movement; that American ideals will win to-day, they will win to-morrow, or they will eventually win.

The battle over these resources always seemed to me a long-time proposition. So many people do not seem to realize that legislation takes years. The conservation measures took from 7 to 15 years, whether water power, forests, coal, or oil, before they were enacted into law. Many people in this world want to win to-day. The reason why progressive ideals are eventually going to win is because those who support them realize it is a long-time proposition; and the fight goes always forward.

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But I want to tell you one story about the oil leasing. Mr. Fall, when we conservationists started to question his activities as to the naval oil leases, used pretty strong language—he was a gentleman that used strong language—and he sent us to a certain place, where they do not keep refrigeration. Then Mr. Fall in his reign of terror—and I am sure Senator NORRIS and Senator LA FOLLETTE must remember those days—Mr. Fall decided he would use some rough tactics and he had a man by the name of Baracca, who was a 2-gun man and had passed several men over the Great Divide. Mr. Fall sent him around to several newspaper men to make inquiry, and I think he went to see Gilson Gardner. But anyway, he arrived to see me with a threat; and I want to cite this as an illustration of how tense those times were. I may be modest, but I kicked that gentleman out of my office. [Applause.]

One more observation and then I am through. In my opinion, when the whole story about water power is written, no part of it will be so complete as that marvelous fight for many, many years that Senator NORRIS has made for Muscle Shoals. He has exemplified the progressive spirit. In the days when he had no support he labored away and fought morning, noon, and night with his legislative resources and he turned up both the Democratic and Republican propower groups on many occasions. What has been a great surprise to me is that the Southern Representatives (I make apology to Senator BLACK, of course; I know Senator BLACK has been one of the stalwarts on the public side) have never seen that this was giving away a great birthright for a mess of pottage, and that the Muscle Shoals development is going to mean more to the economic development of the South than the cotton fields, the lumber resources, the plantations, or the other great resources of the South.

I want to thank you all again for this unusual and marvelous meeting. It will mean much in my life; it will mean, like the old story, that I will touch earth again with renewed strength to carry on the fight that I believe will always win. [Rising applause.]

TOASTMASTER. And now, ladies and gentlemen, God be with you 'till me meet again.

LETTERS AND TELEGRAMS RECEIVED

CHICAGO, ILL., *July 13, 1932.*

As one of the Washington correspondents, I have a personal knowledge of the high type of Mr. Slattery's public contributions. I know of no man in or out of public life who has labored so hard for the public welfare with such unselfish motives. Without him I doubt if there would have been a successful Teapot Dome investigation. That was only one of many achievements.

As a newspaperman close to the Teapot Dome story from its inception, I know what he did. If there is anyone who unselfishly, day in and day out, labors pro bono publico with no hope or anticipation of pecuniary reward, that man is Harry Slattery.

If Congress were filled with men of his type what a difference there would be in the attitude of the people toward government.

JOHN D. ERWIN,
Correspondent, Nashville Tennessean, Chattanooga News, Knoxville Journal, and formerly Chief Correspondent, New York Evening World.

SEBASCO ESTATES,
Via Bath, Me., July 1, 1932.

I should like to have been there and participated in this occasion. If there ever was a man faithful to the interests of the

people, surely Slattery is entitled to that distinction. I am sure the meeting was a great success.

WILLIAM S. KENYON,
Judge, United States Circuit Court of Appeals.

CHARLESTON, S. C., *June 25, 1932.*

Permit me to join in paying tribute to Harry Slattery for his unselfish and patriotic contributions to the public service during the past 25 years. May God spare him to his country and his friends for many years to come.

JOHN I. COSGROVE,
Justice, Supreme Court of South Carolina.

NEW YORK CITY, *July 8, 1932.*

Harry Slattery is, and long has been, one of the ablest and most courageous and effective champions of the public interest at Washington. He knows the public law of this country as do few lawyers of our time, and he stands preeminent in the utilization of that knowledge for the public good. No one has a finer record in the whole field of conservation. In the great contests to save Muscle Shoals, Boulder Dam, the national forests, and the naval oil reserves for the benefit of the American people, he has played an essential and often a decisive part. I had hoped and planned to come to Washington for the dinner and count it a deep satisfaction to make this acknowledgment to him.

FRANK P. WALSH,
Chairman The Power Authority of the State of New York.

UNITED STATES FLEET AIRCRAFT,
SCOUTING FORCE, U. S. S. "WRIGHT," FLAGSHIP,
San Diego, Calif., July 7, 1932.

I very much regret that I was unable to attend the dinner or to send a message of greeting in time for the dinner. More than anyone else, perhaps, in the Navy, I appreciate the great public service that Harry Slattery gave the Navy and the Nation in the matter of the naval petroleum reserves.

JOHN HALLIGAN,
Rear Admiral, United States Navy.

WASHINGTON, D. C., *July 13, 1932.*

I have personal knowledge of some of Harry Slattery's work, and much more of it I know from what others have told me. That this work has been of great importance in the public interest is certain, and it is equally certain that he has been so modest and self-effacing that he has escaped the general public recognition of merit which was his due. It is a delight to honor such a man, and I sincerely hope that for the future he may not lack the strength and opportunity to continue along the same old lines. He can serve his country in no better way.

JOSEPH B. EASTMAN,
Member Interstate Commerce Commission.

NEW YORK, N. Y., *June 25, 1932.*

Leaving for Chicago, otherwise would join with you in honoring Harry Slattery for his fine social service through a quarter of a century. If democracy is to be preserved it will be through the tireless and unselfish service of just such militant champions of social justice.

CLAUDE G. BOWERS.

WASHINGTON, D. C., *June 23, 1932.*

Harry Slattery's untiring efforts in behalf of the conservation of the natural resources of this country have proved a real contri-

bution to that cause and have inspired others to join the fight. Never before has this Nation needed men of sound but liberal views as it does to-day. By honoring those who have spent years in the fight, we attract others to the standard of progressiveism. May God spare Harry Slattery and all others like him to continue on for many years to come.

FRANKLYN WALTMAN, Jr.,
Editorial Staff, the Baltimore Sun.

NIANTIC, CONN., *June 25, 1932.*

To Harry Slattery: About the most useful citizen this country has produced. I wish I could be there to greet him.

STUART CHASE.

WASHINGTON, D. C., *June 23, 1932.*

Nothing would have given me greater pleasure than to sit among my friends for the purpose of doing honor to a man who has labored so hard and so long in the public interest.

ARTHUR CAPPER,
United States Senator from Kansas.

WASHINGTON, D. C., *June 22, 1932.*

I take this opportunity to express my appreciation of the splendid service rendered by Mr. Slattery for the public welfare. May his power and good influence increase in the coming years.

J. H. SINCLAIR,
United States Representative from North Dakota.

WASHINGTON, D. C., *June 25, 1932.*

It is difficult to put on paper my opinion of Harry. I find it is a queer mixture of warm, personal affection for a dear friend and deep admiration for the ability and courage of a veteran battler for the common good.

When I came to Washington 20 years ago I found Harry a charter member of the "Hell Raisers." He made the ammunition other men used. They got the glory while Harry—always smiling, always self-effacing—was content in the knowledge that he had contributed to the job of blowing special privilege and political roguery out of their trenches.

During the last 20 years the progressives have done great work here in Washington, and Harry Slattery—God bless him—is entitled to a lot of the credit.

As a "son of the wild jackass," I doff my chapeau in heart-felt tribute to this fine gentleman from the old South.

EDWARD KEATING,
Manager Labor, Official Newspaper of the Standard Railroad Brotherhoods.

NEW YORK, N. Y., *June 22, 1932.*

I am very glad indeed that a group of Mr. Slattery's friends is thus going to honor his 25 years of public service. He has done yeoman's work, all the more to be praised as it has been so modest and self-sacrificing that the public has failed to hear of him as it ought and to honor him for his noteworthy patriotic services. I regret that I can not testify by my presence to my own appreciation of what he has done.

OSWALD GARRISON VILLARD,
Editor The Nation.

CHICAGO, ILL., *June 23, 1932.*

I regret very much that the Democrats are keeping me away from the dinner for Harry Slattery.

He richly deserves this testimonial. Will you please convey to him my warmest regards and say that I count it an honor to have had his friendship? Surely we need not despair of our Republic when there are still some men like Harry Slattery to carry the torch of truth and justice.

CHARLES G. ROSS,
Washington Correspondent St. Louis Post-Dispatch.

WASHINGTON, D. C., *June 24, 1932.*

Harry has done such wonderful work that I should like to be among those who are paying him some part of the honor that is his due.

R. H. MCGOWAN,
Assistant Director Department of Social Action,
National Catholic Welfare Conference.

CHICAGO, ILL., *June 27, 1932.*

There is no man more worthy of our honor for public service than Harry Slattery.

LUDWELL DENNY,
Chief Editorial Writer, Scripps-Howard Newspapers.

CHICAGO, ILL., *June 25, 1932.*

I would like to express my appreciation of the long and effective public service which Harry Slattery has rendered and my hope that he may be permitted by the mysterious powers that allot health and economic security to continue his useful labors for many many years.

DONALD R. RICHBERG.

PHILADELPHIA, PA., *June 25, 1932.*

Harry Slattery is the kind we will have more of when we get really civilized. They do not come any more dependable, able, socially-minded, warm-hearted, and self-effacing. Any listing of the public causes on which he has left his impress makes quite a catalogue. I get a real kick thinking about his splendid services and feel a sense of deep gratitude for his cooperation.

MORRIS LLEWELLYN COOKE.

CHICAGO, ILL., *June 25, 1932.*

Sorry to miss any dinner for Harry Slattery—one of Washington's best and most useful.

LOWELL MELLETT,
Editor the Washington News.
MAX STERN,
Correspondent, Scripps-Howard Newspapers.

ROCHESTER, MINN., *June 24, 1932.*

Very sorry I will not be able to be in Washington on June 25. My congratulations and my gratitude go to Mr. Slattery. I hope the dinner celebrates the beginning of another quarter century of service.

GRACE ABBOTT,
Chief, Children's Bureau, Department of Labor.

BREMERTON, WASH., *June 28, 1932.*

It certainly would have been a matter of the greatest pleasure for me to have been able to attend that dinner and pay my tribute to the good work that Harry Slattery has done during all these

years. He has been forever on the job and has never failed in any requirement or appointment in line with his duty. He has been the right hand of the great and mighty and has been the everlasting foe of those who would undermine progressive and righteous efforts.

I believe in Harry Slattery with all my heart and want you to assure him of my perpetual confidence, love, and affection.

J. W. BRYAN, Sr.,
Former Representative from Washington.

NAKOMA FARMS,
Fairport, N. Y., July 3, 1932.

It is pleasant to think of that fine group assembled to honor one whose ability and single-minded devotion to the cause of righteousness and integrity in Government and politics during these 25 years have won him the love and admiration of those who have been close enough to him to understand and recognize that his sensitiveness and modesty have prevented the general recognition which might have been accorded to him.

MRS. LAURA C. WILLIAMS.

CALF PASTURE COVE,
Groton, Conn., July 5, 1932.

I should have liked so much to have added my voice to the chorus of those who appreciate Harry Slattery's long years of valient service; especially nowadays when the world rocks about us.

MARY FOULKE MORRISSON.

CAPE ELIZABETH, ME., *June 27, 1932.*

Mr. Harry Slattery's unique service to good government seems to me to be made up of two elements: First, the extent and variety of his knowledge about public affairs and about men and women in public life; second, his single-minded and selfless devotion to the ideals in which he has faith.

Like hundreds of others, I am deeply grateful for all that he is and has done.

MAUD WOOD PARK.

SCRANTON, PA., *June 22, 1932.*

I congratulate Harry Slattery upon the twenty-fifth anniversary of his public service. He has in the last quarter of a century been faithful and progressive, and the results of his labors make a record of which he and his friends may be very proud.

E. J. LYNETT,
Editor and Publisher The Scranton Times.

WASHINGTON, D. C., *June 24, 1932.*

If there is any man in Washington who has consistently demonstrated genuine capacity for purely patriotic service, that man is Harry Slattery. He deserves more honor than he is ever likely to get, and all of the tribute that will be paid to him to-morrow night will go only a short distance on the road to the recognition his service merits. There are plenty in this world who are willing to do the right thing and often do do it very ably for a sufficient reward in either cash or notoriety, but everyone who knows Harry Slattery understands that here is one queer bird who goes along doing the right thing all the time for the sake of doing it.

CHESTER M. WRIGHT,
Editor International Labor News Service.

WASHINGTON, D. C., *June 23, 1932.*

I am really surprised that any friends of Harry Slattery should actually think they know anything about the good public service

that Harry has rendered to the community. Do they not know that he has always disobeyed those most ancient of injunctions and hid his light under a bushel and buried his talent in the ground? But, then, the bushel always caught on fire, and the talent turned out to be a smokeless and noiseless bomb that lifted things out of the waters of corruption. What would not the great destroyers of humanity give for that kind of an explosive force! But, luckily, the friends of Harry Slattery have had that force on their side and can now gather to tell him so in the simple words that would most please him, I am sure.

LEIFUR MAGNUSSON.

WASHINGTON, D. C., *June 23, 1932.*

I have long known Harry Slattery as a man of sterling qualities, high ideals, and unusual attainments, and I am proud of the privilege of adding my congratulations to those of his many other friends and associates.

J. J. FITZPATRICK,
Managing Editor the Washington Times.

NEW YORK, N. Y., *June 23, 1932.*

May I offer my testimony of the unusual and beneficial service that Harry Slattery has rendered this Nation and the cause of enlightened and practical liberalism, consonant with the principles and traditions upon which our country was founded.

DWIGHT L. HOOPINGARNER,
Executive Secretary American Construction Council.

WASHINGTON, D. C., *June 22, 1932.*

It would give me great happiness to attend a gathering in honor of the splendid work that Mr. Slattery has done in all these years. He has been a fine public servant without portfolio.

HUSTON THOMPSON,
Former Chairman Federal Trade Commission.

WASHINGTON, D. C., *June 22, 1932.*

I have personal knowledge of Mr. Slattery's splendid service and direct personal aid in this movement, from the days when as a newcomer I challenged wasteful appropriations by the House. His help enabled us to get the work before the people, and that was half the battle. On the Muscle Shoals and other propositions, he lent aid and encouragement that helped in the battles of those days.

JAMES A. FREAR,
United States Representative from Wisconsin.

CHICAGO, ILL., *June 25, 1932.*

Cordial greetings and congratulations to Harry Slattery upon his completion of 25 years of outstanding public service in his chosen field. I wish him more power and a long life.

HERMAN L. EKERN,
Former Attorney General of Wisconsin.

WASHINGTON, D. C., *June 21, 1932.*

I have fought alongside with Harry since the hell raiser days of 1913. He has served the old cause with unswerving devotion, with all his energy, directed by an unusually wise head. He has never shown a yellow streak nor hesitated to go to the front because he was not paid.

A list of the things Harry has accomplished successfully, and for which he has been given and for which he has sought no

credit would be an imposing array. The story of his life and experiences would be more fascinating than any novel I know of and more valuable than any known treatise on current history or political science. He knows how things actually happen to happen.

It is for the interest of the country to see that he has another 25 years of service.

JUDSON KING,
Director National Popular Government League.

CHICAGO, ILL., *June 25, 1932.*

You do well to honor a man who has done so much real service to the people of America. No matter how eloquent the tributes to Harry at your dinner, Harry's life itself speaks much more eloquently.

CHARLES W. ERVIN.

CROSSFIELDS, PETERSHAM, MASS.,
July 5, 1932.

Harry Slattery has been a splendid citizen, of the type ever on the job, of which our country needs many times the number it has. His knowledge and his devotion have always attracted me to him, and many is the time I have leaned on him. Perhaps a few years later I may be fortunate enough to be one of a group to do him honor.

NORMAN HAPGOOD.

NEW YORK, N. Y., *July 6, 1932.*

I am sorry to have missed the dinner and the chance to express to Harry my appreciation of his splendid work.

GEORGE SOULE, *Editor The New Republic.*

NEW YORK, *June 24, 1932.*

Deeply regret inability to attend dinner to my old and dear friend, Harry Slattery, Saturday night. Give him my affectionate regards and congratulate him for me upon a record of intelligent, devoted, and immensely important service to his country such as few men of our time can boast.

AMOS PINCHOT.

WASHINGTON, D. C., *June 22, 1932.*

Harry Slattery is a good man! There are not many of them and they are widely scattered. Let's encourage them all we can. There never was a time before when such men were more needed.

DR. JOHN H. GRAY.

WASHINGTON, D. C., *June 21, 1932.*

Please express on my behalf my best wishes for Mr. Slattery and my appreciation of the work he has performed in the public service for the last quarter of a century.

R. B. HOWELL, *United States Senator from Nebraska.*

WASHINGTON, D. C., *June 24, 1932.*

I feel that this is one of the rare occasions that come to those of us who are interested in the public welfare to pay homage to a person who holds the well-being of his fellow citizens as the great end to be served.

Please convey to Mr. Slattery my sincerest greetings and my hope that a quarter of a century hence we may still have his services.

ISADOR LUBIN, *Economist, The Brookings Institution.*

WASHINGTON, D. C., *June 21, 1932.*

If I am in the city you can rest assured that I will not miss being present at any dinner which is to be given in honor of Harry Slattery's work in the interest of the progressive cause, which has been unexcelled.

BURTON K. WHEELER, *United States Senator from Montana.*

WASHINGTON, D. C., *July 8, 1932.*

Harry Slattery has done so much good work, the credit for which has gone to others, that it was very fitting for his friends to express their appreciation in this way. Please convey to Harry my best wishes for an indefinite continuation of this work.

RAYMOND CLAPPER,
Manager Washington Bureau, United Press Association.

ST. PAUL, MINN., *July 5, 1932.*

I hope it is not too late for me to say how highly I value the public services of Harry Slattery not only in the field of conservation but in the entire field of liberal economic measures. There are people who get a great deal of public acclaim for whatever they do, and I am glad for them. There are, however, people of his type who do a prodigious amount of work of which only a few of their closest friends are aware. I therefore am delighted that some friends thought of paying him the tribute which he has so richly earned for unobtrusive, quiet but effective work. I have not yet lost faith in the sense of justice and reason of the American people, and some of these days this conscience that has been slumbering will come to the front once more and people will turn to its real and true leaders for guidance.

Permit me to acknowledge my personal indebtedness to him for all he has done in forestry.

DR. RAPHAEL ZON,
Director Lake States Forest Experiment Station,
Professor of Forestry University of Minnesota,
Editor in Chief Journal of Forestry.

Messages of greeting and appreciation of Mr. Slattery's public services were also received from Mr. Thomas R. Shipp, Washington, D. C.; Mr. John P. Frey, secretary-treasurer metal trades department, American Federation of Labor, Washington, D. C.; Hon. Michael MacWhite, envoy extraordinary and minister plenipotentiary Irish Free State; Hon. John J. McSwain, United States Representative from South Carolina; Mr. F. Stuart Fitzpatrick, manager civic development department, Chamber of Commerce of the United States; Hon. John M. Evans, United States Representative from Montana; Mr. and Mrs. LaRue Brown, Boston, Mass.; Mr. Homer Joseph Dodge, Haskin Information Service, Washington, D. C.; Mr. W. J. MacDonald, East St. Louis, Ill.; Mr. John J. Lenney, Philadelphia, Pa.; Mr. Harold L. Ickes, lawyer, Chicago, Ill.; Mr. Benjamin C. Marsh, executive secretary the People's Lobby, Washington, D. C.; Alice Griswold, Bryn Mawr, Pa.; Mr. Darwin J. Meserole, New York, N. Y.; Hon. Fiorello H. LaGuardia, United States Representative from New York; Hon. Kenneth McKellar, United States Senator from Tennessee; Hon. Bronson Cutting, United States Senator from New Mexico; Hon. I. C. Blackwood, Governor State of South Carolina.

Present at the dinner were: Hon. George W. Norris, Senator from Nebraska; Hon. Henrik Shipstead, Senator from Minnesota; Hon. Robert M. La Follette, Senator from Wisconsin; Mrs. Robert M. La Follette; Hon. Gerald P. Nye, Senator from North Dakota; Mrs. Gerald P. Nye; Hon. Lynn J. Frazier, Senator from North Dakota; Mrs. Lynn J. Frazier; Hon. Edward P. Costigan, Senator from Colorado; Mrs. Edward P. Costigan; Hon. Hugo L. Black,

Senator from Alabama; Hon. John J. Blaine, Senator from Wisconsin; Hon. Henry T. Rainey, Representative from Illinois and majority leader of the House of Representatives; Mrs. Henry T. Rainey; Hon. George J. Schneider, Representative from Wisconsin; Hon. Paul J. Kvale, Representative from Minnesota; Hon. Thomas R. Amlie, Representative from Wisconsin.

Hon. Joseph B. Eastman, member of Interstate Commerce Commission; Hon. Basil Manly, former joint chairman United States War Labor Board; Mrs. Basil Manly; Mrs. Laura Bradley; Miss Josephine Roche; Mr. Andrew Furuseth; Miss Mary Anderson; Mr. Lewis L. Lorwin; Mr. Lawrence Todd; Miss Ruth Finney; Mr. Robert G. Allen; Mr. Grattan Kerans; Mr. M. L. Ramsey; Col. George P. Ahern; Mr. Benjamin Meiman; Mrs. Louis F. Post; Mr. Richard Boeckel; Mr. Richard Litchfield; Capt. A. C. Toombs; Hon. J. E. Lawson; Mr. F. R. Livingston; Mr. George T. Odell; Mrs. George T. Odell; Mr. Paul Webbink; Mr. Maurice Pasch; Mrs. Nellie Dunn MacKenzie; Dr. Constantine McGuire; Mr. Harold Horan; Mr. Louis J. Heath; Mr. Ovid M. Butler; Mr. Charles M. Kelley; Maj. Robert Y. Stuart; Mr. R. G. Sucher; Mrs. R. G. Sucher; Mr. John Carson; Miss Mary Katherine Carson; Mr. Jack Robertson; Mrs. Jack Robertson; Mr. John Baer; Senator Gardner; Mrs. Gardner; Mr. Oswald Schuette; Mrs. Oswald Schuette; Mr. Gilson Gardner; Mrs. Gilson Gardner; Mr. Jerry Egan; Mrs. Jerry Egan; Mr. Elliott Pemberton; Mrs. Elliott Pemberton; Mr. W. J. Ghent; Mr. Gardiner Jackson; Mrs. John J. Lenney; Mrs. Mary Lenney Watts.

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THE WHITE HOUSE
WASHINGTON

February 18, 1936.

MEMORANDUM FOR

HON. CHARLES WEST

I think it is time for you to have a talk with Sabath and the Steering Committee and see what is needed to keep them happy in the next month.

F. D. R.

PSF Interior Dept. 1937

LOUIS R. GLAVIS

I Dismissed from the Federal service by President Taft September 18, 1909, for filing "a disingenuous statement, unjustly impeaching the official integrity of his superior officer."

II Resignation from California conservation boards requested by Governor Hiram W. Johnson in 1913 for contracting secretly with lumber companies for a financial profit for securing the clear-listing of timber lands in which the State was interested.

III Dismissed as Chief Investigator for the Senate Committee on Indian Affairs in 1930 because of incompetence and extravagance.

IV Reinstated in the civil service in 1933 by President Roosevelt on recommendation of Secretary Ickes, who later demanded his resignation because of disloyal intrigue against certain of his associates and superior officers and misfeasance.

I

Louis R. Glavis was appointed a special agent of the General Land Office, $1,200 per annum, April 4, 1904; promoted to be Chief, Alaskan Field Division, $2,000 per annum, March 10, 1909; dismissed from the service by order of the President September 18, 1909. He was a prominent figure in the Ballinger-Pinchot controversy, which was the subject of a Congressional investigation. Glavis' connection therewith has been published in Senate Executive Document 248, 61st Congress, 2d session. (Exhibit "A") A summary by the Attorney General, George W. Wickersham, beginning p. 731, addressed to the President on September 11, 1909, gives the incidents involved in the controversy, and concludes as follows (p. 805):

Glavis' actions appear to have been founded upon a wholly exaggerated sense of his own importance, and a desire for personal advancement rather than any genuine desire to protect the interests of the government, and this species of meglomania has finally led him to submit to you charges of improper

motives and conduct against his official superiors, which, in my opinion, are so unjust and unfounded as to merit his immediate separation from the service.

President Taft wrote Secretary of the Interior Fisher:

In your answer you request authority to discharge Mr. Glavis from the service of the United States for disloyalty to his superior officers in making false charges against them. When a subordinate in a government bureau or department has trustworthy evidence upon which to believe that his chief is dishonest and is defrauding the government, it is, of course, his duty to submit that evidence to higher authority than his chief. But when he makes a charge against his chief founded upon mere suspicions, and in his statement he fails to give his chief the benefit of circumstances within his knowledge that would explain his chief's action as on proper grounds, he makes it impossible for him to continue in the service of the government and his immediate separation therefore becomes a necessity. You are therefore authorized to dismiss L. R. Glavis from the service of the government for filing a disingenuous statement, unjustly impeaching the official integrity of his superior officer.

(Glavis' personnel file in the Department of the Interior covering his early record, as well as his status record card, disappeared from the Department's files during his last tenure of office there.)

When he recommended his reinstatement to President Roosevelt, Secretary Ickes was not acquainted with Glavis, but on the representation of others in whom he had confidence, he was led to believe that in the Ballinger case Glavis had been a martyr in the public interest. Information which has come to him since as to Glavis' conduct after he was discharged from the Government service in 1909, and his actions during the time he served under Secretary Ickes, have convinced the latter, however, that Glavis is lacking in integrity and that his motives are not unselfish.

II

After his dismissal by Secretary Fisher, Glavis went to California and was appointed secretary to the California Conservation and Water Power Com-

missions at an aggregate salary of $300 per month by then Governor Hiram W. Johnson, allegedly at the intercession of Gifford Pinchot. His resignation was submitted in 1913 at the request of Governor Johnson for irregularities during his term of office, after a hearing presideded over by the Governor. (See Governor Johnson's letter of December 31, 1912, Exhibit "B", and transcript of hearing, Exhibit "C".)

The record shows that while employed by these State conservation commissions Glavis, the avowed enemy of despoilers of the public resources, had made secret contracts with lumber companies for securing the clear-listing (i. e. transferring title to public land to the State so that it could be used, sold or otherwise utilized by the State) of some 30,000 to 40,000 acres of valuable timber land in which the State was interested, under which contracts he was to receive a fee of $1.25 to $2.00 an acre.

Glavis and his associates, three of whom, including Glavis, were not qualified to practice before the General Land Office, created the impression among the lumber companies that it was almost necessary for them to contract with Glavis and his associates to have their selections acted upon promptly. He undertook to expedite action on the lumber companies' selections by having them advanced over others through a special arrangement with then Assistant Secretary of the Interior Adams.

He employed in this work Milton C. U'Ren, a California lawyer, and a former General Land Office employee named B. W. Marshall, both of whom were also on the pay roll of the State conservation commissions, and a timber land agent named Johnson.

Glavis went to Washington several times at the expense of the State of

California. It was implied in the Governor's hearing that he was there in two capacities: First, as a representative of the California conservation commissions, supposedly supporting a bill before Congress which had been sponsored by the commissions. Second, as one having secret contractural relations with lumber companies, privately opposing the bill that he was supposed to further as an employee of the commissions. This bill was intended to authorize the Secretary of the Interior to convey the controverted lands to the State and had the approval of the Department of the Interior. (Exhibit "C".)

Governor Johnson in his letter to the Conservation and Water Power Commissions of California (Exhibit "B") after his hearing on Glavis, said in part:

> The State cannot with any degree of complacency observe three of those in the employment of one of its most important commissions, a commission the very design of which was to preserve for all the people from private rapacity the resources naturally belonging to all, acting for private interests, even though the acts have no taint, and are fraught with no injury to the State, and I do not by this in any manner reflect upon or criticize Messrs. U'Ren or Marshall. I think Glavis if he desired the private employment which he has taken, should have relinquished his public employment; or at least he should at once have explained fully to those entitled to know, the two commissions he represented, exactly what he contemplated. He did not disclose his employment to his superiors. He said he did not because it was none of their business. I totally disagree with him. It was their business to know whether he engaged in private undertakings with any who might by any possibility come within the jurisdiction of the commissions; and generally speaking it was their business to know in what their confidential employee might be engaged.
>
> I think Mr. Glavis' connection with the commission should at once be severed, and I trust that such action in that direction will be taken as may by the members of the commissions deemed appropriate.

The whole Glavis incident was widely publicized in the newspapers at the time. (Exhibit "I".)

Former Secretary of the Interior Fisher, in view of the disclosures regarding Glavis in California, ordered an investigation on September 19, 1912. The report of the Chief of the Second Field Division of the General Land Office, F. C. Dezendorf, dated February 28, 1913, is submitted as Exhibit "D". Mr. Dezendorf says at the conclusion of his 46-page report:

> . . . . . in my opinion there was a conspiracy against both the State and the United States by deceit, fraud, and irregular practices, contrary to the public policy and welfare both of the State of California and the United States of America and that even if it be held that it was only a conspiracy against the State, I contend that the United States or its officers should not knowingly aid or abet or silently countenance such irregular practices and such conspiracy as I think it is shown Glavis, Johnson, U'Ren and Marshall combined and conspired to commit.

In 1914 Glavis applied for admission to practice before the Department of the Interior as an attorney. The Commissioner of the General Land Office, Clay Tallman, stated in a memorandum September 21, 1914, that he thought it would be bad judgment to refuse to admit anybody to practice as a result of implication in the Ballinger-Pinchot controversy. He said that personally he was convinced that Glavis' part in that proceeding was reprehensible. He added that this, as well as Glavis' conduct in the California controversy thereafter, indicated a lack of character and a tendency to sharp practice which would lead him to view any case with which he should be connected with close scrutiny.

After Glavis' separation from the California conservation commissions in August, 1913, it was reported in California newspapers (Exhibit "E") that Eleanor Fay, formerly a stenographer with the commissions, attempted suicide

by swallowing carbolic acid on a San Francisco-Oakland ferryboat, leaving a note to Glavis, as follows:

Louie: You wronged me. Burn my body. Don't tell the folks. At the price of my happiness you ought to be happy. --Your Sweetheart.

III

Inquiry has been made as to Glavis' record with the Senate Committee on Indian Affairs, which employed him as Chief Investigator in 1929-30. Senator Wheeler, Chairman of the Committee, is willing to be quoted as saying in effect: "Glavis ran 'hog-wild', spending money right and left; he could not get results, and he cannot be trusted."

IV

Glavis was appointed by the Secretary of the Interior on April 27, 1933, as Director of Investigations. Previous to this employment, Glavis reports that he had been a "special article writer and investigator for William R. Hearst publications." No report is available covering this period of his career.

On July 26, 1933, Glavis was restored to a classified civil service status by Executive Order of the President on the recommendation of the Secretary of the Interior, thus removing a stigma from his Government record under which he had lived for nearly a quarter of a century. When Secretary Ickes became Administrator of the Public Works Administration, he placed Glavis in charge of the investigative work of that organization, as well as the Interior.

At the time of his appointment, Glavis had the full confidence of Secretary Ickes, who gave him a free hand in conducting investigations. By reason of

the widespread activities of the two agencies with which he was associated and the frequent public endorsement given him by Secretary Ickes, Glavis had tremenduous power. It became apparent gradually, however, that he was misusing it, deceiving the Secretary and acting in an unethical way with regard to investigations under his direction.

Without instructions from the Secretary, Glavis investigated the two officers of the Department of the Interior who were his former friends and who had persuaded the Secretary to reinstate him. These investigations were deliberate attempts to "get" these men and the resulting reports were scandalous examples of unfair procedure and conclusions without basis in fact. So many other important officers of the Department and the Public Works Administration, as well as other Government officials, were persecuted in this way because of Glavis' suspicions and prejudices that it finally became necessary for the Secretary to admonish Glavis orally and to order in writing that no personnel investigations could be made without the Secretary's prior written approval. (Exhibit "F".)

Because of the confidential nature of the work, Glavis had been given complete discretion by Secretary Ickes in the selection of his staff of investigators. It was discovered later that he took advantage of this authority by appointing many personal friends with no qualifications other than their loyalty to Glavis. He also gathered around him a small coterie of special agents who were little more than personal retainers.

Glavis once absented himself for a long time under the guise of illness during a critical period in the history of his organization, while at the

same time negotiating to represent a borrower of the Public Works Administration in New York for a retaining fee to look after the interests of the borrower with the Public Works Administration in Washington. (Exhibits"G" and "H".)

He embarrassed the Administrator of Public Works by having him suspend under serious charges an important state field officer and two of his assistants on what later proved to be inadequate evidence, which made it necessary for the Administrator to make public apology when Glavis could not substantiate the charges.

After Glavis left, his division was found to have been organized cumbersomely and operated incompetently and extravagantly. A large reduction in the number of employees and a thorough reorganization of methods were required.

When it became apparent to Secretary Ickes that he had been deceived in Glavis and he began to question his competence and integrity, he expressed his dissatisfaction to him personally on several occasions, until finally, there being no improvement in Glavis' attitude, the Secretary could no longer continue the relationship, which had reached the point where Glavis was wilfully attempting to embarrass the Secretary in reports and memoranda and otherwise.

At about this time the Select Committee on Investigation of Campaign Expenditures of the Senate desired to utilize Glavis' services during the recent political campaign. Glavis wanted to retain his positions in the Interior and Public Works and serve the Committee by detail. This Secretary Ickes

refused to permit, telling Glavis of his loss of confidence in him, specifying in detail the various charges he held against him, and demanding his resignation. Glavis, of course, denied any disloyalty to the Secretary. It was agreed between them, however, that in accepting his resignation the Secretary would respond amicably in the interest of harmony in the Administration, which was, in fact, the reason why he has not taken earlier action. Glavis in turn agreed to conduct himself thereafter without hostility to the Secretary. Notwithstanding, and in his true character, Glavis has since carried on a covert campaign of character misrepresentation against Secretary Ickes.

It is needless to say that if Secretary Ickes had been aware of Glavis' conduct in California and his record with the Senate Committee on Indian Affairs, which were not exposed until after his resignation, he would not have employed him or accepted his resignation in friendly terms.

February 1, 1937.

EXHIBITS.

A Senate Executive Doc. 248, 61st Congress, 2d session.

B Letter of Governor Hiram W. Johnson to State conservation commissions re Glavis, December 31, 1912.

C Transcript of Johnson hearing.

D Report of F. C. Dezendorf, Chief, Second Field Division, General Land Office, February 28, 1913.

E Newspaper clipping of attempted suicide of Eleanor Fay.

F Administrative Order No. 858.

G Letter from Secretary Ickes to Glavis, April 9, 1936.

H Letter of Acting State Engineer Tuttle, PWA, New York, April 6, 1936.

I Photostatic copy of scrapbook of newspaper clippings regarding Glavis.

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EXHIBIT "B"

December 31st, 1912.

To the Conservation and Water Power Commissions of the State of California.

Gentlemen:-

Since our recent meeting when we discussed the Glavis matter, I have given to the subject the most careful consideration. My sole purpose of course, has been accurately to ascertain the facts, and then with these facts before us, from the standpoint of the service of the state and its due, to reach a just conclusion, just alike to the Secretary of the Boards and to the State itself. From the remarks of the members of the Commissions present it may be taken as indubitable that Glavis has rendered as your secretary signally valuable service and that his work in his official position has not suffered or in any wise been neglected because of the employment hereinafter mentioned. Glavis was the Secretary of both the commissions that are commonly designated our Conservation Boards. He received from each a salary of one hundred fifty dollars a month. Certain specified work was under his direction that involved investigations both in this State and in Washington. This work as the members of the two Boards were glad to certify has been well done, and his salary therefore presumably has been earned, and could not be withheld from him. While Secretary of the Commissions he accepted certain private employment from various corporations and individuals who were entitled to patents from the State of California. Without in detail describing this employment suffice it to say that the State has sold certain lands aggregating some two hundred thousand acres, but because these had not been listed by the Federal Government to the State, the purchasers have been unable to obtain their

patents. A long drawn out controversy has existed between the State and the Federal officials regarding these lands, and the last legislature undertook to close that controversy through the Attorney General and Surveyor General. An agreement of settlement by the two officials mentioned was finally consummated with the Secretary of the Interior, and it was hoped that the State would be able to have the lands duly listed and then issue patents to those who had purchased these lands. Glavis with knowledge of the situation entered into contracts with the Weed Lumber Co., the Standish Company, McCloud River Lumber Co. and others by which he agreed to have the lands to which they were entitled listed by the Federal Government to the State. Involved in these contracts are some twenty-five to thirty thousand acres, and Glavis was to receive as compensation from his employers sums ranging from $1.25 to $2.00 per acre. The amount in value of his contracts aggregates probably between forty and fifty thousand dollars. It is insisted by him that the State no longer was interested in the title to the lands, nor in the subject matter of his contracts. It is true that the State had parted with its title to the lands involved, but nevertheless the State, through its Attorney General and Surveyor General, was, for those to whom the State owed the obligation of title, endeavoring to have in the order in which filings had been made, listings designated by the National authorities. Glavis and those employing him agree that the fact that he was in the employment of the State had nothing to do with the private employment which he accepted. As sidelights on the whole transaction, it may be mentioned that one of the attorneys employed by Glavis at Washington to attend to the applications there in behalf of his private clients was Mr. Milton T. U'Ren, who was engaged in doing some special work for the Conservation Commission at $200. per month. The attorney who represented Glavis and his

private clients otherwise in Washington was a Mr. Marshall who was supervising the work of the Conservation Commission in Washington at a salary of ten dollars per day. Many other things might be stated, but I have purposely refrained from drawing even warranted inferences or dwelling upon controverted matters. From this brief resume of the facts, perhaps imperfectly stated, we may conclude that in the private employment of Glavis the State was not injured and that his services to the State were rendered with fidelity unshaken by private interest. But the entire effort of this administration has been to require every public servant, every official high and low alike, to give to the State his undivided allegiance, and never to place himself in a position where his loyalty to the public might be strained by any private interest. The very essence of the contest waged in 1910, the drastic measures adopted in 1911, in which at times the legislature aided, all were with the one purpose, to demand and require of officials that the public service should never within the realm of possibility be where private interest might conflict; and while it may be true that in this particular instance, Glavis has not consciously departed from the strictness of the attitude that we insist must be maintained by every man in the employment of the State, still one of nice discrimination ought never to have put himself in the position in which Glavis voluntarily placed himself. The State cannot with any degree of complacency observe three of those in the employment of one of its most important commissions, a commission the very design of which was to preserve for all the people from private rapacity the resources naturally belonging to all, acting for private interests, even though the acts have no taint, and are fraught with no injury to the State, and I do not by this in any manner reflect upon or criticize Messrs. U'Ren or Marshall. I think Glavis if he desired the private employment which he has

taken, should have relinquished his public employment; or at least he should at once have explained fully to those entitled to know, the two commissions he represented, exactly what he contemplated. He did not disclose his employment to his superiors. He said he did not because it was none of their business. I totally disagree with him. It was their business to know whether he engaged in private undertakings with any who might by any possibility come within the jurisdiction of the commissions; and generally speaking it was their business to know in what their confidential employee might be engaged.

I think Mr. Glavis' connection with the commission should at once be severed, and I trust that such action in that direction will be taken as may by the members of the commissions deemed appropriate.

Sincerely yours,

(Signed) Hiram W. Johnson

Governor.

EXHIBIT "D"

Report of F. C. Dezendorf, Chief, Second Field Division, General Land Office, February 8, 1913.

LOUIS R. GLAVIS.

"FS"-HLU of
9-19-12 &
1-17-13.
In re Louis R.
Glavis

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February 8, 1913.

Honorable Commissioner,
General Land Office,
Washington, D. C.

Sir:

By your office letter of September 19, 1912, above-referred to, my attention was directed to a statement made by Mr. William Kelday, the writer of an enclosed letter relative to the investigation and listing of California State lieu selections, and the allegation that fees were being asked for, or exacted, for the securing of action upon said State lieu selections and I was directed to interview the party referred to and secure such facts as ~~were~~ in his possession in regard to "any fee being exacted by any persons for the examination of these lands and to make such further investigation in the premises as may be necessary making report in due time as to the result of your inquiries."

In accordance therewith I interviewed the writer of the letter referred to and he stated that noticing in the local press that there had been special listing of the State lieu selection lands, he called upon Mr. Louis R. Glavis, Secretary of the State Conservation Board at that time, and referred to press dispatches above-mentioned and asked Glavis if he could

help expedite this cases and have the selections in which he was interested made special; that he understood from Mr. Glavis that he had to pay to have the selections examined, and Glavis stated that in the cases to which the writer referred, the company had paid the fee for the examination; that the lands were necessary for their other holdings, and the cases were made special for listing for that reason; that Glavis did not mention to him about employing any agent or attorney; that he, (Kelday) thinks this conversation was in March, April or May, 1912, just after a meeting of the Conservation Board.

It seems that nothing definite was done, or any positive steps taken in this case relative to securing of Mr. Kelday's holdings made special by Mr. Glavis, but that Mr. Kelday wrote the letter transmitted by you inquiring the status of his selections.

About the time your said office letter was received, I noticed in the local press, items about the controversy between State Surveyor General Kingsbury and Mr. Glavis relative to the matter of securing special listing of State lieu selections by the Department (copy of issue of "The Call" September 24,1912, containing one of the items referred to, attached hereto) and the charge that Mr. Glavis and his associates, Mr. Burgess W. Marshall, Milton T. Uren and others, were making contracts or agreements with certain large lumber companies for the securing of special action upon and listing by the Department of the Interior or the General Land Office, for a valuable consideration.

and I anticipated that there would probably be further developments in the case which would throw light on the investigation that I was directed to make, so I awaited the result thereof and thereafter, as the result of State Surveyor General Kingsbury's charges, the Governor of the State of California ordered a hearing in the matter and testimony was taken therein and thereafter the Governor wrote a letter to the Conservation and Water Power Commissions of the State of California, of which Commissions Mr. Glavis was Secretary. This letter of the Governor's is under date of December 31, 1912, (but not appearing to the public or press until January 24, 1913,) and reads as follows:

"Gentlemen:-

Since our recent meeting when we discussed the Glavis matter, I have given to the subject the most careful consideration. My sole purpose of course, has been accurately to ascertain the facts, and then with these facts before us, from the standpoint of the service of the state and its due, to reach a just conclusion, just alike to the Secretary of the Boards and to the State itself. From the remarks of the members of the Commissions present it may be taken as indubitable that Glavis has rendered as your secretary signally valuable service and that his work in his official position has not suffered or in any wise been neglected because of the employment hereinafter mentioned. Glavis was the Secretary of both the commissions that are commonly designated our Conservation Boards. He received from each a salary of one hundred fifty dollars a month. Certain specified work was under his direction that involved investigations both in this State and in Washington. This work as the members of the two Boards were glad to certify has been well done, and his salary therefore presumably has been earned, and could not be withheld from him. While Secretary of the Commissions he accepted certain private employment from various corporations and individuals who were entitled to patents from the State of California. Without in detail describing this employment suffice it to say

"that the State has sold certain lands aggregating some two hundred thousand acres, but because these had not been listed by the Federal Government to the State, the purchasers have been unable to obtain their patents. A long drawn out controversy has existed between the State and the Federal officials regarding these lands, and the last legislature undertook to close that controversy through the Attorney General and Surveyor General. An agreement of settlement by the two officials mentioned was finally consummated with the Secretary of the Interior, and it was hoped that the State would be able to have the lands duly listed and then issue patents to those who had purchased these lands. Glavis with knowledge of the situation entered into contracts with the Weed Lumber Co., the Standish Company, McCloud River Lumber Co. and others by which he agreed to have the lands to which they were entitled listed by the FederalGovernment to the State. Involved in these contracts are some twenty-five to thirty thousand acres, and Glavis was to receive as compensation from his employers sums ranging from $1.25 to $2.00 per acre. The amount in value of his contracts aggregates probably between forty and fifty thousand dollars. It is insisted by him that the State no longer was interested in the title to the lands, nor in the subject matter of his contracts. It is true that the State had parted with its title to the lands involved, but nevertheless the State, through its Attorney General and Surveyor General, was, for those to whom the State owed the obligation of title, endeavoring to have in the order in which filings had been made, listings designated by the National authorities. Glavis and those employing him agree that the fact that he was in the employment of the State had nothing to do with the private employment which he accepted. As sidelights on the whole transaction, it may be mentioned that one of the attorneys employed by Glavis at Washington to attend to the applications there in behalf of his private clients was Mr. Milton T. U'Ren who was engaged in doing some special work for the Conservation Commission at $200. per month. The attorney who represented Glavis and his private clients otherwise in Washington was a Mr. Marshall who was supervising the work of the Conservation Commission in Washington at a salary of ten dollars per day. Many other things might be stated, but I have purposely refrained from drawing even warranted inferences or dwelling upon controverted matters. From this brief resum' of the facts, perhaps imperfectly stated, we may conclude that in the private employment of Glavis the State was not injured and that his

"services to the State were rendered with fidelity unshaken by private interest. But the entire effort ofthis administration has been to require every public servant, every official high and low alike, to give to the State his undivided allegiance, and never to place himself in a position where his loyalty to the public might be strained by any private interest. The very essence of the contest waged in 1910, the drastic measures adopted in 1911, in which at times the legislature aided, all were with one purpose, to demand and require of officials that the public service should never within the realm of possibility be where private interest might conflict; and while it may be true that in this particular instance, Glavis has not consciously departed from the strictness of the attitude that we insist must be maintained by every man in the employment of the State, still one of nice discrimination ought never to have put himself in the position in which Glavis voluntarily placed himself. The State cannot with any degree of complacency observe three of those in the employment of one of its most important commissions, a commission the very design of which was to preserve for all the people from private rapacity the resources naturally belonging to all, acting for private interests, even though the acts have no taint, and are fraught with no injury to the State, and I do not by this in any manner reflect upon nor criticize Messrs. U'Uren or Marshall, I think Glavis if he desired the private employment which he has taken, should have relinquished his public employment; or at least he should at once have explained fully to those entitled to know, the two commissions he represented, exactly what he contemplated. He did not disclose his employment to his superiors. He says he did not because it was none of their business. I totally disagree with him. It was their business to know whether he engaged in private undertakings with any who might by any possibility come within the jurisdiction of the commissions; and generally speaking it was their business to know in what their confidential employee might be engaged.

I think Mr. Glavis' connection with the commission should at once be severed, and I trust that such action in that direction will be taken as may be by the members of the commissions deemed appropriate."

Sincerely yours,
(sgd) Hiram W. Johnson,
Governor.

"FS"-HLU.

On December 31, 1912, I interviewed Honorable U. S. Webb, Attorney General for the State of California and learned from him the facts as developed at the hearing above referred to and was told he expected the Governor to take final action in the matter at any moment. Thereupon I immediately on December 31, 1912, wired (in code) as follows:

(true copy)
"Commissioner, General Land Office,
Washington, D. C.
In matter of California State Indemnity Selections, Secretary State Conservation Board Louis L. Glavis has confessed at hearing before Governor not yet made public to securing contracts or agreements with the following big lumber companies for securing selections made special for investigation and listed, at from one dollar and twenty-five cents to two dollars per acre. Weed Lumber Company, Standish Lumber Company, McCloud Lumber Company and West Side Lumber Company and maybe others. Former employees of the Land Office, Marshall and one Pearon and U'Ren are involved in what seems to be an infamous conspiracy. The acreage contracted for or involved about thirty thousand acres, agregating between forty and fifty thousand dollars fees, about four thousand acres already listed or favorably acted upon. It is considered involving the high integrity and honesty of the Department and Office and I therefore recommend that all selections made special for investigation and listing be held to await a full and complete investigation. I anticipate Glavis' severance from the State service a few days."(sgd) Dezendorf.

The next morning, January 1, 1913, there appeared in the local press items that the said Louis R. Glavis had tendered his resignation to the Governor, as Secretary of the State Conservation Board as the outcome of the charges and hearing, heretofore mentioned.

On January 2, 1913, I again wired (in code) as follows:

"FS"-HLU.

(True Copy)
"Commissioner, General Land Office,
Washington, D. C.

Matter mentioned in my wire December thirty-first re action Louis L. Glavis further report press states Glavis' resignation from Boards State Conservation and Water tendered but not yet accepted. In connection matter reported, see timber trespass cases against Weed Lumber Company acted upon by Marshall and Glavis large proposition of settlement accepted certain lands and bond over thirteen thousand dollars pending for others. Reference P-ESE four thirty-three seventy-three, October eighth, nineteen naught seven. Selections recently closed by favorable Geological data. Pearon mentioned is Hobart L. Pierson, formerly in State Land Office." (sgd) Dezendorf.

It appears from your office correspondence in matter before me, that upon receipt of my telegram of December 31, 1912, you, on January 2, 1913, wrote the Honorable Secretary of the Interior in the matter and under date of January 3, 1913, the Honorable Secretary of the Interior advised you as follows:

"Sir:
Replying to your letter of Jan. 2, 1913, containing copy of telegram from the Chief of the Second Field Division of San Francisco, California, you are directed to withhold any further action with regard to the State indemnity selections to which reference is made.

This action is taken after conference with First Assistant Secretary Adams, Mr. Proudfit and yourself, and is, I understand, concurred in by all."
Respectfully,
(sgd) Walter L. Fisher,
Secretary.

Thereupon you advised me under date of January 17, 1913, as follows:

"Sir:
Reference is had to your telegram of December 31, ~~1912, and~~ January 2 and 3, 1913, relative to Mr. Louis

"R. Glavis, formerly Secretary of the State Board of Conservation and Water of California. The substance of your telegram of December 31 was set forth in a communication to the Secretary for his consideration and such action as might be deemed proper. Thereupon, after a conference with officials of this office, the Secretary on January 3, 1913, issued an instruction that the office should withhold any further action with regard to the State Indemnity selections which were made special upon representation made by Mr. U'Ren. A copy of this order is enclosed for your information.

The local attorney for the lumber companies whose selections are affected by this recent order of the Secretary has taken this matter up with the Department with the request that the order of suspension be revoked.

In order that this matter may be fully presented to the Secretary it is desired that you have an immediate investigation and report made which will inform the office as to the details. In your telegram of December 31st you made this statement:

"Former employee of the land office "Marshall and one Pearson and Uren are "involved in what seems to be an infam- "ous conspiracy."

Please advise particularly as to the facts upon which you based this statement and as to whether or not you mean to be understood as alleging that conspiracy is against the Government or against the State.

It also appears that Mr. B. W. Marshall of this city was authorized by Mr. Kingsbury, State Surveyor General of California, to represent the State in certain of these selections after Mr. Kingsbury had filed with the Secretary of the Interior a strong protest against taking up any California selections out of their regular order. How about this?

Please also report what, if any, further action has been taken by the State in the premises and any further facts which are obtainable which have been developed by the investigation made by the State authorities."

Very respectfully,
(sgd) Fred Dennett,
Commissioner."

Under date of January 2, 1913, I made a formal request of Attorney General Webb for a copy of the evidence taken in the

"FS"-HLU.

Clavis hearing before the Governor, herefofore referred to, together with any other statements or papers that may be material to aid my investigation. I wrote him as follows:

"Sir:

Noticing in the press of recent dates, that you have been investigating, and ahearing was recently held before the Governor, of the State of California, certain acts of Mr. Louis L. Clavis, Secretary of State Conservation and Water Boards in connection with State Indemnity Land Selections pending before the Commissioner of the General Land Office and Department of Interior for investigation and other action looking to the approval or rejection of same, and particularly in connection with the action of Mr. Clavis and others in making contracts or agreements, written or verbal, with certain lumber companies, for the securing of certain selections of said lumber companies made special for investigation or listing, wherein it is alleged a certain fee or price was asked or charged by said Clavis and others, Therefore, I have the honor to request in a spirit of co-operation between the United States and State of California in matter of investigation involving public lands of the United States, in which the State of California may be interested, that I be furnished a copy of the proceedings at the said hearing held before the Governor involving the above-mentioned matter or especially so much thereof as contains the charges or matters involved, together with Mr. Clavis' statements in connection therewith, and also any other statements of any other persons that may be material or refer to the acquiring or any lands belonging to or forming a part of the public lands of the United States.

I make this request to aid me in investigation which I am making under instructions of the General Land Office involving the above-mentioned matter of parties asking or charging fees for securing action on selections made by the State of California.

Thanking you in advance for favorable and early action hereon, I am,

Very respectfully,
Fred. C. Dezendorf,
Chief 2d Field Division."

And on January 25, 1913, I received from Attorney

General Webb a copy of the proceedings and testimony in the said hearing before the Governor, involving the charges of Surveyor General Kingsbury against Louis R. Glavis in conjunction with making of contracts heretofore referred to and a copy of the Governor's letter recommending Glavis' severance from the State service. I transmit herewith said copy of the proceedings and testimony entitled "Investigation in re Louis R. Glavis" and also a copy of the Governor's letter.

It appears therefrom that at this hearing there were present the following:

Hiram W. Johnson, Governor of the State of California;
U. S. Webb, Attorney General of the State of California;
Malcolm Glenn, Deputy Attorney General;
W. S. Kingsbury, Surveyor General of the State of California;
George C. Pardee, President of the California Conservation Commission;
Francis Cuttle, Member of California Conservation Commission;
Prof. Charles D. Marx, President of State Water Commission;
Louis R. Glavis, Secretary of California Conservation Commission and State Board of Water Control;
Warren E. Doan, Shorthand Reporter.

---And that Mr. Glavis mostly in response to questions submitted by Governor Johnson testified(Glavis) first actually entered in the employment or entered into an agreement or contract with the Weed Lumber Company through one S. O. Johnson about the first of January,1912. He testified:

"Well, the first employment I had taken up was along about the first of this year, I mean with the representatives of the Weed Lumber Company, and they employed me to handle their selections pending in Washington, D. C.

Governor Johnson: Well,you did enter into the employment of the Weed Lumber Company; that is correct, is it not? A. Yes sir.

Q. And that employment was made between you and whom?
A. S. O. Johnson. (p.2)

Q. Your employment with the Weed Lumber Company, began, you state, in the early part of this year; is that so? A. Yes.
Q. Up to that time had you ever been in their employment? A. No. I had correspondence with them nearly two years before that time relative to representing them in these particular selections.
Q. Have you copies of that correspondence?
A. I haven't any correspondence at all with me. And I wrote them in Portland in 1910. I think it was; maybe two years. But I don't know whether I could find those copies or not. I wrote Mr. Coffman, W. W. Coffman, their attorney.

Q. That employment -- was it evidenced by a contract between you?
A. The way that was, they asked me what I would take it for. There was something to be done with quite a number of them, and we discussed as to what I would take the employment for.
Q. This was with Johnson?
A. Yes sir. And I looked up the status or had it looked up, as to these selections. Then I wrote them a letter outlining just what the status of each of the selections was, and that resulted in our conversation as to what the employment would be for, and in order to confirm it, I set it forth in a letter, stating to them just what the terms would be. (p.3)
Q. And they responded confirming it? A. Well, I am not sure whether they did then, but they have confirmed it.
Q. The only reason I asked that is, you stated that that contract existed by virtue of the letters that passed between you? A. Yes.
Q. Otherwise, there was no formal contract? A. No. They made a later statement in order to confirm it.(p.4)

He further testified that in his contract with the Weed Lumber Company he was to receive from $1.50 to $2.00 an acre, according to the amounts that were involved and that there were about five or six thousand acres involved; that the contract was made in the office of Attorney Coffman and there were

present at that time, Mr. Coffman, S. O. Johnson, Johnson's brother and Glavis.

> Q. Now, before 1912, had you had any discussion with any of those gentlemen outside of the correspondence that you referred to in 1910, concerning the employment? A. No. I received a reply to my communication in 1910 from Mr. Coffman, stating that he was favorable to the idea of my handling it, and I intended to come on down here and see him and see some others about it. One thing led to another, and it has kind of drifted along in abeyance.
> Q. So between 1910 and this meeting in Coffman's office in 1912, there had been no communication passed between you? A. No. (p.4)
>
> MR. WEBB: How many letters were written? A. There were four, I think. I have just stated it was a long time and it might have been -- well, it was in the winter of 1910 -- '11 -- I don't know; it might have been the early part of 1911; I cannot tell definitely.(p.5)

He further testified that shortly thereafter the West Side Lumber Company ask him to handle their cases which he agreed to; that Mr. S. O. Johnson had told representatives of the West Side Lumber Company "about my (Glavis) knowledge in land matters, and I think it was more through his efforts than anyone else's," and that he was to receive $2.00 an acre; that the next employment or contract he secured was about May, 1912 with the Standish Lumber Company, which he secured through the said Johnson. This contract embraced about 1200 acres at $2.00 an acre. He further testified---

> A.--And then Johnson got me a lot of other cases, selections, which I am handling with him, directly for him. And that involves about fifteen to eighteen thousand acres, and I am taking that for $1.25 an acre owing to the large number. I got that employment along about September or October of this year, I don't know just which; and how I got it was due to my success, in being successful in getting a few of the selections handled in which Mr. Johnson was

interested.(p.6)

He further testified that he got another contract embracing the selections in Trinity County, probably with the Sugar Pine Improvement Company; that the President or representative of the said company spoke to him--

> --"about handling them and wrote me a letter and asked me, and I told him what I was handling those cases for, and he wrote me a letter and asked me to look into it, and I said I would. And I looked up the status of it, give him the status of the selections and then wrote him a letter stating or confirming what we had talked about as to what I would handle the cases for".

--that this contract or agreement embraced about 1200 acres; that if there were any other similar contracts or agreements they were small ones.

Glavis further admitted that he also represented the McCloud Lumber Company whose business he also secured through Mr. Johnson, as also the H. E. Morton Timber Company's two selections, embracing about 320 acres at $2.00 an acre. In regard to the McCloud matter he testified:

> A.--Now, I will state, since you brought up the McCloud question, this: that shortly after I took Mr. Johnson's cases, he saw some of the other timber owners having selections among those McCloud people, and they laughed at me, the idea of giving me cases to handle, stating that I didn't know the land laws, and different things -- laughed at the idea of giving it to me. Well, he did give me many other cases. There were 1280 acres belonging to his wife and to himself. I took those for nothing, because they were his personal matters, and I didn't charge him anything for those, and they were among the first cases that were given me. And when the McCloud people heard of that -- I mean the McCloud Lumber Company when I speak of McCloud -- why they were then anxious for me to handle their cases and came around to Mr. Johnson, as I understand it, and asked him whether he thought I would take hold of their cases.(p/11 & 12)

"FS"-HLU.

In answer to Governor Johnson's question "Well, the title is to twenty-five or 30,000 acres"? He replied, "Well, it is around 20,000 acres.

> Q. I mean all the acres for which you have contracts -- about 30,000? A. Yes, around between 25,000 and 30,000. I am not sure as to the McCloud acerage; otherwise I could tell you very near accurately.(p.12)

Mr. Glavis stated in answer to the question as to whether there was a time limit on the contracts within which he was to get the lands listed, he replied that the limit in the Standish case was two years; in the Westside Lumber Company cases one year; and in some of the cases he handled for Johnson two years and in the case of the Weed Lumber Company no time limit was fixed.

As to just what service Mr. Glavis and his associates were to render or perform under their employment or contract in connection with the selections involved, he stated in answer to the following question:

> Q. Now, state please, just exactly what you were to do in conjunction with the employment by the various lumber companies? A. Well, this money was my fee and was to be paid upon approval of any of the selections which they were interested in. That is, if one selection was approved, I was to be paid when that was approved and not to wait for all of them to be approved. That was the contingent interest. Those that were not approved, I would not get any money for. And all expenses incident to handling these cases, why I was to pay out of my own pocket. The only exception I would make was where the Government found the selection land to be mineral in character, or where there was some question as to whether or not the land was subject to the selection and then they were to pay the expenses of the witnesses, things of that kind. My time and all were to be paid for out of what I made out

of these selections, and I employed two different people to assist me in handling these cases. (p.7 and 8)

He thereafter stated that Mr. B. W. Marshall, Mr. Milton T. U'Ren were the two that he employed to assist him.

Mr. Glavis contended that there was nothing in connection with any of the selections in which the State was interested; that the State had sold its right to the lands and that the only way the State was interested was in name only and to issue a patent to its purchasers upon the selections being finally listed or approved and he resented the imputation that the lumber companies employed him because they felt that his official position as Secretary of the Conservation Commission would aid him in his employment by them or in securing the action desired.

He admitted that had not informed or confided in the members of the Conservation or Water Commission or the State Surveyor General's Office or the Attorney General of his private employment by the Lumber Companies and it appears that the State Surveyor General was not difinitely or positively informed oraware of such fact until the Surveyor General visited in Washington, D. C. in June, 1912.

Besides the employment and contracts heretofore referred to and admitted by Glavis he testified that there was another land matter in which he was employed and took action which was in the case of certain settlers in Mendocino County claiming adversely to the L. E. White Lumber Company. That

the settlers "came down and asked me to take their cases for them. They were in a controversy with the L.E. White Lumber Company, and the Lumber Company had had gun men up there and were driving off the settlers and intimidating them; and after they told me about the case, I became interested in it and told them that I would take the case, only I was afraid it would require more time than I could devote to it myself, and that I would naturally want to take in some other attorney (emphasis my own) who, after I had worked up the case, would take it and handle it in my necessary agsence. And they agreed to that and I took in Denman & Arnold of San Francisco with me. Q. When was that ? A. That was in the Summer. Q. This year? A. Yes. Then I took a leave of absence from the State, both commissions, went up into Mendocino County, went over those claims and outlined the settlers' case, talked with the different ones that had knowledge of who to see, who the witnesses were and who to subpoena and things of that kind.(p.7)

Glavis testified that he had made several trips east, to Washington, D. C. His first trip being in December, 1911 and while that was before he had actually secured any contracts, yet he testified that he was still back there on the December 1911 visit when he got a letter from the McCloud people, Attorney Coffman, giving him the status of the McCloud selections; that his trips were in March or April, 1912, and in June, 1912 was when he met State Surveyor General Kingsbury, and Mr. Glenn of the State Attorney General's office; that his expenses in each of the three trips he made were paid by the State of California.

In connection with his June, 1912 trip and his meeting in Washington the State Surveyor General Kingsbury and Mr. Glenn the following is the testimony:

Q. Did you meet them before any tribunal, commissioner, or

committee that had anything to do with these listings?
A. I did, first -- can I explain to you?
Q. Oh, sure. A. Just how it was managed?
Q. Certainly. A. First, W. Marshall,(B.W.Marshall) the attorney whom I had employed to handle matters before the department -- and I might state right here that for reasons owing to the unfriendliness against me by the present commissioner of the General Land Office, against whom I made charges at the same time I did against Ballinger, and who was still in there, I did not want the people back there to know that I was interested in those matters. So Marshall was employed by me. Among some of the cases in which the McCloud or the Weed Lumber Company were interested, were involved what is known as the Lake protests -- a man named Fred W. Lake. He wrote a letter to the General Land Office stating that he was about to or had commenced suit against the State upon the ground that they used in certain selections, about 200,000 acres -- I guess Mr. Glenn and Mr. Kingsbury know the amount -- that the State had used as a base in certain selections lands which they had no right to designate as base. Well, that was only a notice practically,--a general notice. There were two or three letters passed after that; there were letters from the Surveyor General written in 1910; that is, written by the Commissioner of the General Land Office and the Surveyor General in 1910, calling his attention to these letters from Fred W. Lake and asking him in regard to the matter, and so far as the record shows, he never made any reply.
Mr. PARDEE: He never replied?
MR. KINGSBURY: The Attorney General replied for him.
GOVERNOR JOHNSON: So you have an answer on file?
MR. KINGSBURY: Yes.
MR. GEAVIS: What year was that that he replied to that?
MR. KINGSBURY: Well, it was shortly after the department notified me that Lake had filed a protest.
GOVERNOR JOHNSON: On this June visit, you saw Kingsbury and Glenn there? A. Yes. Now, leading up to that, Governor, so Marshall took the position that such protests should not be considered --
GOVERNOR JOHNSON: Protest from whom ? A. From Lake; that he had filed no notice of lis pendens, and that if the Secretary of the Interior did give weight to such contention, it would affect millions and millions of acres in similar transactions, where the United States had given lands upon such base as Lake alleged, upon which the State had no authority to make the transfer, while it practically means the United States would not have a valid title to such lands. When Mr. Marshall got over there to Secretary Adams' office, he heard that Mr. Kingsbury and Mr. Glenn had just arrived in Washington.

So Mr. Marshall told Mr. Adams that he would like to have both Mr. Glenn and Mr. Kingsbury present at the same time that he took this question up, and the engagement was thereupon deferred by Secretary Adams until the next morning, about noon; and Mr. Marshall told Secretary Adams that he would locate Mr. Glenn and Mr. Kingsbury and let them know as to the time of this appointment. Marshall had not met either of the gentlemen, and told him I heard that they were stoppping at the Globe Hotel and I told him I would go up there and introduce him to them. So I went up there with him and found Kingsbury. I don't recall now whether Mr. Glenn was introduced to Mr. Marshall at that time or not; I don't think so. And Mr. Marshall then stated to Mr. Kingsbury what he was going to take up with Secretary Adams; that he had the matter deferred until the next day, that he and Mr. Glenn might be present and listen to his argument. They were present when that was discussed.

Q. Did you know what General Kingsbury was there for at that time? A. No.

Q. Did you know what he and Glenn were in Washington at that time for? A. Now, wait -- I want to be absolutely thorough in this. Mr. Kingsbury told me at the Globe Hotel that they were there to try to get through a bill which they believed was necessary, similar to some bills that were passed here by the State Legislature. It was a bill which would confirm, or the intent of the bill was to confirm the action -- that is, the giving of this base land by the State, making it valid. Now, I took the position a long time ago that such a thing was absolutely rediculous and not necessary, for the reason that if it was invalid, then, and Lake had made a claim against the State, no act of Congress or the Legislature or anybody else could make such an act retroactive. From the standpoint of people who had protests pending against the selections in which they were interested and which my company had, why it would be a benefit if such a bill which Mr. Kingsbury and Mr. Glenn were in favor of,--if it would do the things which they claimed for it -- it would be a benefit to my client. I very frankly told them both that I did not think that such a bill could help -- but before their arrival, Mr. I think it was, Congressman Kent communicated with me while I was in Washington and stated that Mr. Mann, the minority leader of the House of Representatives, was against the bill, and that he would like to talk with me about it, being that I was back there from California. And I went to see Mr. Mann and I talked as strongly as I could in favor of that bill to Mr. Mann, and I don't think Mr. Mann will deny

it. I told Mr. Kingsbury at the first meeting that I had done that, but that Mann was not a bit satisfied about it. He said it looked to him that such a bill was a scheme to help people that were not entitled to be helped; and I told Mr. Kingsbury that he and Mr. Glenn had better go up and see Mann, because there was where the objection lay.
Q. Well, this base on this land that you refer to was connected with the very land that you were trying to get listed, was it not ?
A. Oh, that was -- there were 1881 acres of the Weed Lumber Company involved in the Lake protest. There were 90 acres of the West Side Lumber Company. That is all I had at that time. There are 200,000 acres base involved in the Lake protest.
Q. Generally speaking, didn't you know that Glenn and Kingsbury were in Washington in behalf of the State concerning the very land, a part of which you represented, of these lumber companies ?
A. Well, except as I have stated, wanting that bill to pass.
Q. Beyond the mere fact of their connection with that bill, you were not aware of their errand in Washington at all ? A. No, not any more than that.
Q. Now, during any of that period, did you tell General Kingsbury or Mr. Glenn of your employment and that you were representing these people? A. Why, that is all. I only had -- I don't think I had a half hour's conversation with them while they were back there in Washington.
Q. Well, were not you all together before the Commissioner?
A. No--Yes -- not before the Commissioner, but before Assistant Secretary Adams the next day.
Q. Yes. A. Now, I will go ahead with that appointment that was made --
Q. Well, during that time, when you were all there and these lands were under discussion and they were there ostensibly for the State, did you say anything to them then about your employment with these people? A. I can count the number of words I said onmy fingers, to the Secretary.
Q. It is not that, Mr. Glavis, that is in my mind. The query with me is: why you did not tell them that you were representing various private land owners in connection with the very land concerning which they were there in behalf of the State of California? A. Well, I hadn't any reason to tell them. My interest was not antagonistic to their interests, as a matter of fact in that regard; because the bill which they wanted and which I did not think was a proper bill--why, it benefitted these land

claimants for whom I was acting, because it would relieve the only objection which was then pending against that 1881 acres of the Weed Lumber Company.
MR. PARDEE: Was that the point you were after?
GOVERNOR JOHNSON: Well, it answers the question. What is running in my mind is this: Here were two representatives of the State who were in Washington upon a specific mission, on a mission relative to the very lands concerning which Mr. Glavis was the attorney. Now, Mr. Glavis was there ostensibly representing the Conservation Commission; is notthat correct? A. Well, and the State Water Commission.
Q. Both Commissions; we will say both Commissions. A.And it was in regard to a water power canal that I was there at that time.
Q. Now, Messrs. Kingsbury and Glenn were representing the State of California there, dealing with these very lands concerning which we have been talking and about which you, Mr. Glavis, had contracts as you have explained. The thought that is in my mind is: why should not you have said to them, knowing that they were dealing with those lands "I represent so much of these lands, and I am interested in them", so that the position of both would have been perfectly clear at that time; not that I am imputing anything from the omission particularly, but I was curious to know if there was any reason why you did not advise them of the fact?
A. Don't you think, Governor, that there has been some newspaper talk that I represented the State officially in favor of the claimants? Now, don't you think it would have been more or it would have gotten that result by my telling these State officials that I was interested, more than it would by not saying anything, and especially, as the amount that they were interested in and went there for was about 200,000 acres of land, and the cases in which I was acting amounted in round numbers to about 2000 acres at that time.
MR. GLENN: Now, right there is the proposition with which I am pretty much concerned, and that is this: Mr. Marshall and Mr. Glavis, representing the timber people in April -- I believe I am correct in the date-- secured from the Assistant Secretary what we call special listing or a special order; that is, to take up some 6000 acres owned by the West Side Lumber Company, and make them special, ahead of other selections. That order was made in April, I think. In June, when we arrived on the scene, we gather the intimation or the knowledge from the land officials that this special order had been made. That "special" means that it was taken up out of its regular order; selections which had been pending for the last ten or

fifteen years had not been acted upon, and by making it special, they take up later selections out of their order for various reasons. And at the suggestion of Mr. Marshall, and Mr. Glavis, I guess, some 6000 acres had been taken up out of order for special listing. I think the Surveyor General knew nothing about that until we got back there in June. We received word from the Land Department to that effect. And at this meeting that Mr. Glavis speaks about, the question came up, and the State, represented by Mr. Kingsbury and myself, was very positive on the proposition that no partiality should be shown, and that was the attitude of the State there.

MR. WEBB: By "Partiality," what do you mean?

MR. GLENN: I mean by taking those up out of order; that they should be taken up in chronological order, or else there would be partiality shown.

MR. PARDEE: Just as near as practicable.

MR. WEBB: I think he means all lands of all claimants.

MR. PARDEE: Let us get this thing straight; that it should be done just as near as practicable.

MR. GLENN: The idea I am trying to get at is this: The position assumed by the Surveyor General was this: here were a great many selections that had been pending for years and years and years, some 450,000 acres. Now, the position of the State was that the Land department in acting upon those should take them all together. If they were going to make a list from a mere examination by the Geological Department, they could do ahead and do it irrespective of some lumber company or anybody else coming in and saying there are certain reasons why you should take this or that up first, because necessarily that delays the others, and it took some influence or some reason at least to take them out of their order. Now, at that June meeting, when we appeared at that meeting, we had knowledge of these 6000 acres having been made special, and the presumption would be, of course, that they would be listed over to the State and the people who would be entitled to them get their patents. Now, that position was wrong from the view point of the State, as declared by the Surveyor General who has the administration of those matters, and he presented it very forcibly at that time. We found, of course, Mr. Marshall -- at least Mr. Uren and I think Mr. Marshall -- representing these claimants who were trying to get these special listings, and at that time we were forced to offer a statement to the Secretary to the effect that Mr. Glavis' activities there were not on behalf of the State, although Mr. Glavis had said nothing and apparently was there on State business so far as we

know. At that meeting the question came up about the special listings and we protested, and we received very little encouragement from Mr. Adams; and at that meeting Mr. Glavis stated that from his experience that was impracticable and so forth.
MR. PARDEE: Was he asked the question?
MR. GLENN: We have had that up before.
MR. PARDEE: He did not volunteer, did he?
MR. GLENN: What I was driving at, the officials of the State, referring to General Kingsbury and myself, were forced to make a statement to the effect that Mr. Glavis did not represent the State, because they were taking an adverse position to the position assumed by the State, and that is the thing that appealed to us very strongly; that here were two State officials that were protesting against what we called the partiality being shown, and Mr. Marshall and Mr. Glavis really -- although not saying it -- representing these people and combating the position of the State. Now, what was the position that we took.
GOVERNOR JOHNSON: Now, these 6000 acres that you referred to, whose were these?
MR. GLENN: The West Side Lumber Company.
MR. GLAVIS: No; the Weed Company and the West Side. Now, can I go on with my statement?
GOVERNOR JOHNSON: Surely.

A. First, Mr. Glenn stated that when they got back to Washington in June, they learned of a special order made in April which Mr. Marshall and Mr. Glavis secured. Now, I never appeared before the General Land Office or before any official of the Department of the Interior asking that any cases there be made special. Any such statement, I should like Mr. Glenn to state upon what information he got it.
MR. GLENN: Well, I got it from the information, that Mr. Uren wrote a letter to the Secretary and you stated that he was employed.
A. Well, that is just what I wanted to clear up, Mr. Glenn. You did not mean, then, that I appeared in person asking that this tract should be taken.
MR. GLENN: You mean in April? A. Yes, in April.
MR. GLENN: No, I don't know anything about that. I don't know how that special order was secured.
Mr. KINGSBURY: You said he was your attorney; you employed him and he appeared for you; is not that you appearing? A. I wish it understood, the further statement made by Mr. Glenn to the effect that you two represented to Secretary Fisher --gave the imputation that I had done so and so in person, and that was to put them on notice that it was not as a result of my activity that that action was taken. That is not the case.

GOVERNOR JOHNSON: Even conceding that you did not appear in person, was it not done by your representatives there at your instance and suggestion? A. It certainly was, and the grounds shown warranted it. If I have a right to go into every detail of that, I think I can follow that up.

Q. Sure. A. The selections in California or any place -- people have selections; they own a lot of land. The showing was made to the Second Assistant, also the Assistant Secretary -- I think it was Thompson at that time -- that the West Side Company and the Weed Company wanted to have cases put on as quickly as possible because in the event it was not done, they would have to leave 160 acres here and there, because they could cut it until they got title, and if they couldn't cut it when they had the logging railroad and the apparatus right there ready to cut it, they could not afford to go back for such a small, isolated tract of land. Mr. Thompson considered that showing.

MR. PARDEE: Who was Thompson? A. He was Assistant Secretary of the Interior. The showing was made there by Mr. Uren and Mr. Marshall, and I never appeared before them at all.

GOVERNOR JOHNSON: But did you furnish the facts to them to present?

A. Oh, yes, there is no question about that. I am only clearing up the imputation that I appeared and that it was my personal influence as an official of the State, which was insinuated in some of the newspaper articles, and the reason I didn't do it was because I didn't think -- and I feel pretty sure right to this day that that influence would not have a bit of weight with either Secretary Fisher or Secretary Adams or Mr. Thompson as officials. I think they deal entirely on the facts. I think they are absolutely fair. And the reason I didn't do it, as I stated before --

MR. PARDEE: You wish to clear up the fact by saying that you were not there in person? A. Yes, that is all. Now, I would like to go ahead with that meeting. Then we had the meeting in the office of Mr. Adams, Assistant Secretary Adams; Mr. Glenn was there, Mr. Kingsbury, Assistant Attorney General Carl (Cobb) and his Assistant named Clements,(Frank W. Clements) Mr. Marshall and myself. That meeting was regarding whether or not the land department should hold up these selections on the mere written statement of Lake that he was about to file suits in these Lake matters against the State's lands. And as a result

of that conference, why, Secretary Adams decided not to do anything. But during that conference on that subject, Mr. Adams expressed a great deal of surprise at the inactivities on the part of the State officials for not bringing that matter to a head. The suits had been brought in 1909 as I recall. This was in 1912. And I think Mr. Adams brought out the fact that they hadn't even taken testimony in the matter yet; and Mr. Adams asked Mr. Glenn why he hadn't proceeded; if he thought the judicial proceedings in this State were very rapid in the trial of the cases -- asked him why he hadn't done it. There is no use going into those matters, unless you want me to, any further. (Pages 14 to 23 incl.)

A. After they had gotten through discussing this Lake matter at the conference with Assistant Secretary Adams, Mr. Kingsbury, I think it was, or Mr. Glenn -- I think it was Mr. Kingsbury -- stated to Mr. Adams that he wanted to object; that he understood that certain selections had been made special in April, and he wanted to object to any selections being made special; that he said so, I might state, in an insulting manner to Mr. Adams, making his point clear in that regard, that it was a result of political influence and so forth, giving advantage to wealthy companies and against the poor man.
MR. KINGSBURY: Just a moment -- A. Let me finish my statement.
MR. KINGSBURY: I said that no man could get a selection through unless he had an attorney to represent him, which is a fact.
A. Yes, and Mr. Adams --
MR. WEBB: That is the fact, isn't it?
MR. KINGSBURY: Yes sir. That they had not been able to up to that time, and the only ones that they had gotten through was where they had an attorney to represent them. A. Mr. Adams replied to you that any man with a two cent stamp could get just as much consideration as anyone else.
MR. KINGSBURY: Pardon me --
GOVERNOR JOHNSON: Let him finish his story and then you take it up Mr. Kingsbury.
MR. GLAVIS: When I finish, you can ask me any question on it, because I am quoting you and I don't want to misquote you.
Mr. Kingsbury: All right. When you make your statement, give me the same opportunity.
GOVERNOR JOHNSON: Yes, surely.

MR. KINGSBURY: Just a moment; when you get through with your statement, is not that the time to correct it?
MR. GLAVIS: I haven't finished it.
MR. KINGSBURY: You haven't finished your statement as to what Adams said? I wanted to correct your statement as to what Adams said. On the contrary, he said "I would like to give the attorneys a chance to make some money."
MR. GLENN: That is what Adams said, something like that, something about attorneys having to live, and "I like to give them a chance to make some money."
Mr. PARDEE: Something like some of the fool jokes that I have heard gotten off at times.
MR. KINGSBURY: I am just stating to you what Adams as a matter of fact said. You said it was insulting. If you tell a man a fact, that you never could get through unless attorneys represented you -- if that is insulting, I don't understand the word "insult".
MR. GLAVIS: They way you used it there, it gave that impression to several that heard it.
MR. WEBB: Probably you were right, objecting to special listings.
MR. GLENN: He was protesting against the special listing, and he made a remark to that effect; that it required attorneys and that a man who had alittle homestead or anybody else that didn't have any money to hire attorneys couldn't have attorneys to appear there and present their matters, and that was the reason that he was objecting; that he was appearing for everybody, and he wanted the small man, who didn't have the money to have attorneys, to be just as well protected and feel that he had just as much right and have his interests looked after as well as the man that had the money to employ attorneys. That is the position Mr. Kingsbury was taking, so as not to have special listings. That was the point.
Mr. Glavis: And Mr. Adams further stated in regard to that, that the poor man had just as much chance to make a case special upon the showing made with a two cent stamp and a letter as anyone else had. But when he made that statement, I remember very distinctly the surprise that he expressed when he looked at you and said "Well, Mr. Kingsbury, that is absolutely a change from your position taken on previous visits. You at that time said you wanted those filings made most recently to be taken up first." And he sayd --
MR KINGSBURY: Now, I will state right there --
MR. GLAVIS: Wait: I want to finish what he said. He said "Now, you want just the opposite, that the oldest filings be taken up first." He said "When did you change?"

MR. KINGSBURY: Just a moment. That was after this agreement was reached by the Department, when we were there first in 1911. The Department at that time said they would withhold listings to 50,000 acres two years, and we said if you withhold those, withhold those that Hyde and Benson are interested in and not withhold those that are made under the State laws by selling script. If you are going going to withhold any, withhold those. And then in June, 1911, when we were back there and got the agreement, the Secretary said he wouldn't hold up any particular ones, but he would hold up all of them. Then when he said he would hold up all of them and we agreed that the State would do certain things, then we told the Department to take them up in their order; but that was long prior to the time when he made that statement. That was prior to any agreement reached by the State --

MR. GLENN: That was explained to Adams this way: that previously we had had an agreement that they were going to go ahead and list, and they said "We will hold back about 50,000 acres, because the State owes us approximately that amount, and we are going to hold back about 50,000 acres." When we passed the Thompson Act, they began selling in 1909; the last sales were under the Thompson Act and they were at public auction. Those were the last ones sold. So naturally when we were talking to Adams, we called his attention to the difference; that under the old scheme they were going to hold back about 50,000 acres to protect themselves, but now it was an entirely different proposition, because the whole thing by agreement had been settled and there was no necessity, because the people working under the Thompson Act would get their lands, whereas, under the other scheme, it would simply be the holders of the Thompson script who would not get their lands. And he called attention to that very quickly; there is his difference. His position is not inconsistent at all. (p. 28 to 31 incl.)

It appears from the above testimoney that Glavis was fully aware of the protest against the special listing and action on certain selections of the lumber companies made by Mr. Kingsbury which written protest was made under date of June 17, 1912, addressed to the Honorable Secretary of the Interior and reads as follows, and was accompanied by a letter addressed to the

Secretary by the Governor, Secretary of State as well as Mr. Kingsbury, State Surveyor General, so I am informed by Mr. Kingsbury, joining in the said protest against such special listing and asking that the selections be taken up in the regular order:

"Sir:

Referring to the adjustment of the State School Land Grants to the State of California, I beg to say, that upon my arrival in Washington recently I learned that the Department of the Interior has been making "special" certain lieu land selections of the State, and has certified to the State of California some 1760 acres of land embraced within selections made by the State during the years from 1900 to 1907. These selections, while made long subsequent to many others, were made special by the Department and acted upon by it ahead of other prior selections. It is not necessary to state, at this time, the reason why such selections were given a preference by the Department.

The Department under various acts of Congress covering the matter of State Lieu Land Selections deals solely with the State of California. It has not the right to give a preference to any State selection for any reason whatever. It has not the right to inquire into the question as to who the State's applicants may be, nor to determine priority or rights between them. It has no lawful right to consider any statement or affidafit from any alleged State applicant for the purpose of determining whether the State's selection containing the lands applied for by such applicants should be given a preference and acted upon ahead of all other selections, or for any other purpose. It has no right to determine who are State applicants, or what rights they may have, and can have no proper record upon which to base any finding of fact it may make.

For the purpose of more fully explaining the position of the State in regard to the above matters, I respectfully ask for an oral hearing before the Honorable Secretary of the Interior, and for a ruling to the effect that all State selections shall be acted upon in the order in which the same were made and that no preference be given by the Department to any State selection.

"I desire to state in conclusion that no one other than the proper officials of the State of California is authorized to represent it in having or attempting to have one State selection certified or listed to the State ahead of any other State selection or listed to the State ahead of any other State selection, and that the State Officials themselves have no power to attempt to secure any such preference. The activities of Mr. Louis R. Glavis in this regard were on behalf of the Lumber Company in whose interest the special listings were made and not on behalf of the State of California. The State does not request and does not desire any partiality shown toward any of its selections.

I am filing herewith a letter addressed to yourself requesting that the lands applied for by the State be listed by acting on the selections in the order in which they were received by the Local United States Land Offices. Should any selection be found to be in a condition so that final action thereon could not be taken, such selection could be temporarily passed and the other selections acted upon.

Respectfully,
W. S. Kingsbury,
State Surveyor General of
State of California."

While Mr. Glavis resents the insinuation and imputation that his official position or his appearing as an official of the State of California was given any consideration, weight or influence either on the Coast by the lumber companies, or at Washington in the Department, and infers it was upon his own personality or personal ability or magnetism that attracted the lumber companies to him and gained him success in the Department at Washington, yet I cannot believe this is true in either instance. Governor Johnson seemed to doubt it and Secretary Fisher in his letter to Surveyor General Kingsbury in answering the objection of Mr. Kingsbury to the activities of Glavis for the large interests says:

"PS"-HLU.

"I note that you have to say with regard to the activities of Mr. Louis R. Glavis in this regard and can say in answer only that Mr. Glavis has represented the State of California in various matters before this Department and I understand is doing so now. I assume that this fact accounts for any special consideration given to a request or suggestion from him with regard to the lieu land selections."(emphasis my own).

And right here in this connection I desire to state that I have in no instance heard it suggested or intimated that Secretary Fisher had personal knowledge of what Mr. Glavis and his associates were doing in these matters before the Department of the Interior or what they had accomplished before that Department prior to the above action taken by him. It appears from the testimony of Glavis that he did not attempt to have the cases made special before Mr. Dennett, the Commissioner of the General Land Office. In fact he testifies,as above quoted, that he tried to keep the fact that he was interested in these matters secret and away from the Commissioner and others there. He also testifies on pages 88-9: "I never told anyone to keep it quiet or anything of that kind; no secrecy except back in Washington". And I understand that in these cases the order for making the cases special in which Mr. Glavis, Johnson, U'Ren and Marshall were interested were made special by Assistant Secretary Thompson or Adams, and not by the Commissioner of the General Land Office.

If appears from information furnished me by State Surveyor General Kingsbury that since the filing of the said protest by the proper officers of the State of California,

against the special listing of or action on selections in which Mr. Glavis and his associates were interested, and although the Honorable Secretary in his letter of June 19, 1912 states:

> "While I am not inclined to concur with your position in the broad way in which it is stated I do think that the general rule should be that those selections should be disposed of in the order in which they have been filed and that no exceptions should be made from this general rule without a clear showing of justification with respect to which the State of California should have an opportunity to be heard." (emphasis my own)

--the following lists have been listed or approved which contain selection of lands in which the said Glavis and his associates are interested:

Redding Land District, Lists Nos. 17, 18, 19 and 20.

It also appears that after the receipt of my telegrams in this matter and after Secretary's order of January 3, 1913 to "withhold any further action with regard to the State Indemnity selections to which reference is made", List No. 30 by letter of January 8, 1913, G.D.S., was issued from the General Land Office and transmitted thethe proper State officers of California. This list embraced 11,160 acres of lands and in my conference with State Surveyor General Kingsbury he stated that said list included lands of the McCloud Lumber Company and others, and that he did not ask to have said list mailed or expedited, or that any exceptionbbemadde of said list in the matter of the protest and that he did not know said list would be acted on, or had been acted upon until he received

notice of approval or listing. He further stated that about 35,000 acres of land have been listed since he filed his protest and that a large amount of lands in these lists belonged to the companies with which Glavis has contracts. He thinks about 20,000 acres of the 35,000. are involved in the Glavis contracts; that he has not received any such notice contemplated and contained in Secretary's instructions, before taking selections out of their regular order and giving them special action.

In regard to that portion of your office letter of January 17, 1913, stating that it appears that Mr. B. W. Marshall was authorized by the State Surveyor General, Kingsbury, to represent the State in certain involved selections after Mr. Kingsbury had filed with the Secretary of the Interior a strong protest against taking up any California selections out of their regular order, and inquiring as to circumstances or reason of this. Mr. Kingsbury informed me that at the request of certain State applicants, Robert H. Swain and others he had under date of November 12, 1912, appointed Mr. B. W. Marshall, as attorney for the State with limited powers under certain conditions, for the purpose of having Mr. Marshall receive copies of all notices served on the State as the State applicants are contending in some instances it was necessary to have certain affidavits or like papers filed, and unless there was an attorney there to receive such notices of such and attend to these preliminary matters there would be un-

necessary delay. I transmit herewith a copy of the appointment of attorney made Marshall by the State. It appears therefrom that the powers are very limited and unless Mr. Marshall filed a copy of this authority when he filed his appearance for the State with the General Land Office or the Department, I think he was at fault, and it would seem that his appointment and powers thereunder should be considered in connection with the protest and objections filed by the State of California through its proper officers, in June, 1912.

In response to my telegraphic inquiry of your office, I have been advised thereby that Messrs. Louis R. Glavis, S. O. Johnson Milton T. U'Ren have not been admitted to practice before your office or the Department of the Interior as attorneys or agents as required by the rules of practice and decision, before anyone can appear in any case pending in your Department or the General Land Office. In fact it has been long established rule and precedent that unless one has an actual interest in the land or is an agent or attorney practicing before the Office or Department, such person cannot even be advised of the status a particular case or land inquired about, and under these rules and decision, and conditions, it would seem the original order making the involved selections special was made upon written request of said Milton T. U'Ren, not admitted as an agent or attorney to practice before the Department or authorized to take any action therein or receive

any information or consideration. While it appears he was and is secretary to Congressman Kent of California, yet it does not appear that he was inquiring the status or seeking action in such official capacity. On the other hand it is testified by Mr. Glavis that he employed Mr. U'Ren upon a promised commission of 25% of the fees collected, to assist him in securing the special action.

Mr. Glavis was dismissed from the service of the General Land Office in September 1909 under authority of the President of the United States, and he who claims to be such an authority on land laws and practice alleges it was upon his ability and claimed notriety that the companies sought him out, must have known that he under the existing rules and decisinns of the Department governing, could not appear as attorney or agent in cases or take any action therein, before the Department, because he had not been admitted as such, and it is very doubtful if he had applied to be admitted as such, that he would have been so recognized or admitted, at least not before the matter had been submitted to the President of the United States, in view of the latter's authorization or order for his (Glavis') dismissal from the Service, especially as in the instance of the one of those dismissed with Glavis, the right to practice was temporarily denied.

Glavis admits that he was endeavoring to deceive the Commissioner of the General Land Office and others in the matter of his having these contracts and being connected with Marshall

and U'Ren in securing the desired action. And it seems that Mr. Marshall resigned from his position in the General Land Office about the middle of October 1911, after Glavis had been endeavoring to secure the Weed contracts for some time and shortly before Glavis' visit to Washington in 1911. Furthermore I am reliably informed by a member of our force that Mr. Marshall stated before resigning that he was anticipating the employment with Glavis. And Mr. Marshall and Mr. U'Ren, both of whom are attorneys at law, although one only, Mr. Marshall, has been admitted to practice before the General Land Office and the Department, are charged with knowledge of the laws of the State of California and the decisions of the Department and United States court holdings, that the Surveyor General is the proper and only officer of the State of California who has complete jurisdiction over the State lands and to be recognized by the United States through its proper officers in dealing with the State of California as to its lands. They are also charged with knowledge, and actually knew that Mr. Glavis was not an attorney and not admitted as an agent or attorney before the Department. Mr. U'Ren is also charged with knowledge that as he had not been admitted to practice as an agent or attorney to practice before the General Land Office or the Department, he had no right or authority to appear in any case involving public lands of the United States or the disposition thereof, before the Department or the General Land Office. Yet they will allow themselves to be associated

and hired by, upon certain conditions, Mr. Clavis to appear before and secure action by the General Land Office and the Department on selections involved and others if they could get them.

On this question of the proper officer to represent the great State of California in the matter of its State lands, the Supreme Court of the United States in a decision rendered by the distinquished Justice Field in the case of Frasher vs. M. J. O'Connor, 115 U. S., 310 held that "the United States Government through its proper officers can only deal with the State of California through its proper officer, the State Surveyor General, in connection with the lands selected by the State of California under its School Land Grants, in place and lieu lands and the officers of the United States have no jurisdiction to review transactions between the State or her purchasers or transferees". And this principle of law and the State dignity has long been recognized by the Department of the Interior. The late distinquished Secretary of the Interior Lamar as early as the year 1887 in the case of "The State of California" - 6 L.D.,403 held, "that under Sections 3398 and 3411, of the Political Code of California, the Surveyor General of the State of California is a general agent for the State locations in the United States Land Offices of unsold portion of 500,000 acres of the land donated to the State for school purposes, and the sixteenth and thirty-sixth sections granted for the use of public schools and land in lieu thereof

and that the Surveyor General must represent the State in all contests between it and the United States in relation to public lands". And in this decision the Honorable Secretary further held "that an attorney appointed by the Surveyor General of the State of California upon request of an purchaser or State applicant, has a restricted power of authority and the purchaser or derivator claimant can have no direct dealings with the United States-, that if their interests be jeopardized by the action of the State, the remedy must be against the State in her own tribunals not before the Executive Department of the United States Government" and "the United States Government recognized only the State in the adjustment proceedings. (emphasis my own). Again the Department of late as 1909 in a decision published in 38 L.D., 355-(bearing the initials of the framer and writer thereof. F.W.C. being Mr. Frank W. Clements who sat with Assistant Secretary Adams and his Assistant, Attorney General Cobb at the conference or hearing in June 1912 hereinbefore referred to)-zealously guarded the jurisdiction of the Surveyor General of the State in State Land matters and recognized the restricted authorities of attorneys appointed by the Surveyor General at the request of the State applicants or transferees and the attorney's attempt to exceed his authority was defeated by the Department. These Departmental decisions above cited appear upon examination by me of the published decisions not to have been overruled, and therefore govern as ~~authority on the~~ questions involved and all of us are charged

with knowledge thereof and are controlled thereby, and it seems that Glavis overlooked the above decisions, the importance and seriousness of them in acquiring his claimed knowledge of the land laws, And under said decisions and authorities and especially in view of the above-mentioned important fact that n either Glavis, U'Ren or Johnson were admitted to practice as an agent or attorney before the Office or Department, I cannot comprehend how they could properly even be advised of the status of the cases involved or of the question of the adjustment or settlement of the California State lands, especially in view of the objection and protest made by the highest and proper officers of the State., much less secure action.

It appears that Marshall, the only one of the quartet who was admitted to practice before the Office or the Department, was formerly Chief of the Field Division at San Francisco, California for a short time in the year 1907, wherein the Weed Lumber Company was involved in a timber trespass case pending wherein it was charged the Weed Lumber Company had cut and removed 26,600,000 feet of yellow pine timber from lands embraced in California State lieu selections, some of which had been cancelled, and some of which remained uncancelled, and Mr. Marshall had official knowledge of this case (See office letter "F" 43373-ESE of October 8, 1907 addressed to Marshall, and mentioned in my telegram of January 2, 1913.) Mr. Glavis, who also was Chief of the said Field Division for a short time just

prior to Marshall, had considerable to do with the said Weed Lumber Company trespass and settlement thereof. In fact he obtained the proposition of settlement in payment by certified check for $17,373, for the cutting of timber on the State Selections which were cancelled and also secured a bond in the sum of $13,075 to cover the trespass on the State Selections which had not been cancelled, which bond is still pending, so far as I am advised, for settlement, and the selections involved are probably those which are included in the contracts and selections embraced therein which Glavis is attempting to get favorable action upon by the Government. In other words attempting to lift the bond for the benefit of the company from whom he secured the bond while in his official service for the Government, and in this connection I am advised by the special agent that he was in the field investigating the said Weed Lumber Company trespass when Mr. Glavis assumed the office of Chief of Field Division, and Mr. Glavis called him off the investigation and assigned him to other work and told him that he would handle the Weed Lumber Company case. Upon his return from the field upon completion of his other work, Mr. Glavis informed him that the Weed Lumber Company matter had been all settled. But he (the agent) might have reported the case as a wilful trespass while Mr. Glavis settled it as an unintentional trespass, which was of course on a much less basis than a wilful trespass, and it ~~seems that shortly~~ after Mr. Glavis' dismissal from the Service

of the General Land Office his thoughts reverted to the Weed Lumber Company case, as shown by his testimony at the hearing before the Governor when he says he wrote them from Portland in 1910, practically a few months after his said dismissal, and during the year of the Congressional hearing in the Glavis-Ballinger controversy.

The question of moral turpitude was discussed considerably at the Glavis hearing before Governor Johnson and it was thought by some at least that Glavis was not guilty of moral turpitude, although (beginning page 77 of the testimony) Governor Johnson thought there was some question as to that and discussed the matter quite fully. However, Governor Johnson finally stated that was perfectly willing to exonerate Glavis of any moral turpitude and Dr. Pardee added "because we are in a way responsible for it, and any moral turpitude on his part comes onto us" (page 87) and Governor Johnson stated "Well, of course, there you might draw nice distinctions as to what you might mean by moral turpitude".

In my opinion Mr. Glavis was guilty of moral turpitude both towards to the State and the United States. Moral turpidute is defined by Webster to be inherent baseness or vileness of principle or acting; And the United States Court in the case Pullman's Palice Car Co. v. Central Transportation Co. (65 Fed. 158,161) held "What constitutes moral turpitude, or what will be held such, is not entirely clear. A contract to promote

public wrong, short of crime, may or may not involve it. If parties intend such wrong, as where they conspire against the public interests by agreeing to violate the law or some rule of public policy, the act doubtless involves moral turpitude". There can be no doubt but what Mr. Glavis intended to do all he did and that he was to receive, and no doubt has received already by the listing of approval of so much land that he was interested in under his contracts, large sums of money as a valuable consideration. In re disbarment of Coffey, 56 Pac. 448, 449, 123 Cal. 522, moral turpitude is held to be "anything done contrary to justice, honesty, principle or good morals".

Mr. Glavis and his associates, three of whom, as before stated, were disqualified from practicing before or handling any matter pending in the Land Office or the Department, created the impression among the lumber companies and other parties interested in the selections, that it was almost necessary for them to contract with Glavis and his associates in order to have the selections acted on promptly or clearlisted, and I am reliably informed that even after the protests by the State and I believe, after the Secretary's order, based on my telegram, some of Glavis' associates went to certain parties who are interested in selections pending in the Department and told them that they were standing in their own light not to employ them or make any contracts with them as the other companies had done and pointed to the fact that they had

secured certain listings or that selections had been approved or made special in which they were interested and I transmit herewith copy of a letter which was handed Surveyor General Kingsbury by a State applicant who had received same from one S. O. Johnson, the contents and nature of which shows that they were endeavoring to create that impression. And I desire to call your attention to the fact that this letter was written by the same S. O. Johnson connected with Glavis and as above stated he is not authorized to do business with the Department or General Land Office.

It appears from the Secretary of State's office that the S. S. Johnson Company is composed of Emma A. Johnson, S. O. Johnson and J. H. Heininger.

At the Glavis hearing there was not one who defended or upheld Glavis in his employment or contracts with the Lumber Companies even his sponsor and friend Dr. Pardee admitted that it was wrong. He stated: "If Glavis would have asked me if he should take it, I should have said "No", (page 68), and that "It was a fool trick to do. I would not have done it myself and I would not have permitted him to do it; but I do so many damn fool things myself that I have a sort of fellow feeling for a man who does fool things". (p.77)

Attorney General Webb was of the opinion that "after weighing Mr. Glavis' statement and his full admission of those contracts, it is my view that that employment is inimicable to the State's service".(p.76), and Mr. Cuttle stated that-

"BS"-HLU.

"My reason would be that we want no connection with the lumber companies at all. That is my primary reason2. (p.70)

Governor Johnson thought that Mr. Glavis was guilty of doing the same thing, the same question was involved as Glavis charged against former Secretary Ballinger in referring to which on page 79, the Governor said- "That investigation involved what? It involved just exactly, in its nice discrimination, the very proposition that we are discussing here"... "the basis of that investigation was that an official of the United States Government was, while he was the official of the United States Government, dealing with the subject matter of private interests",(p.79) and

> "We will go through this thing, because in this matter I don't think it is peculiarly or unduly serious at all, but Glavis is not like the untutored young man who would enter into an arrangement of this sort; the young fellow who had never had any experience might get himself in this sort of situation without the slightest thought concerning it, but I cannot divorce myself from the fact that, on conjunction with the very best minds of the country, this gentleman was engaged in developing that very thing in employees of the United States Government".

In the matter of conflict of interests Glavis failed to state when speaking of his action and employment in the case involving controversy between settlers and L. E. White Lumber Company, that the L. E. White Lumber Company was purchaser or transferee of the State of California as to some of the selections involved, although he knew that some of the selections involved what is known as the Hyde-Benson

cases, for he and his associate Mr. Arnold, endeavored to have that feature of the case gone into by the Government at the hearing and inquired of me if I was going into that feature of it. I replied "No, because it was not one of the issues as made by the Department in that particular hearing" and Mr. Arnold afterwards requested the Commissioner of the General Land Office to instruct me to go into that feature which he declined to do for the same reason practically as given by me--that it was not in issue at that time. Therefore, in that instance Mr. Glavis' employment was in conflict and inimicable to the State's purchaser and interest, inasmuch as the selections or base therefor were California School lands. (see San Francisco 04455 & 04603)

Mr. Glavis testified that the said Marshall was for a time employed as a clerk or in clerical capacity, getting certain data with the assistance of other clerks all of whom were paid by the State Conservation Board, yet that Marshall was equally interested with him (Glavis) in the said contracts and special listing, and that Mr. U'Ren was to receive 25% of the money in the cases where effort was made to get them made special. (p.90)

As neither Glavis, Johnson or U'Ren are admitted to practice as agents or attorney before the General Land Office or the Department, they are not amenable to the rules and regulations thereof or to punishment thereby, and cannot be suspended or disbarred from practice if such is deemed warranted

by the Department and Mr. Glavis was allowed to resign as Secretary from the State Commissions without being asked or compelled to refund his ill-gotten gains. However, in my opinion there is a more serious element or feature to this matter than even the above-mentioned action, and that is, that there is no doubt but what the action of Glavis, Johnson and U'Ren under the circumstances and conditions testified to at the Glavis hearing and as shown in this report and the evidence transmitted, and the practices indulged in for the listing of the selections involved and in which special order was made and action taken, were irregular in many respects and resulted in the disposition of lands by the United States Government through deceit and irregularity. These elements are the same as some of the elements involved in the Hyde-Benson cases which resulted in the conviction of Ex-Senator Mitchell and F. A. Hyde. And the lands involved inthose cases, like the lands in the cases the subject matter hereof, were California State lands although in those cases title had passed out of the United States to the State, while in the cases at bar the title had not passed, and it was the securing of the lands from the United States that Glavis and his associates were attempting. There is no question therefore of jurisdiction of the United States in these cases as there was in the Hyde-Benson cases.

In the case of Hyde vs. Shine, 199 U. S., the Supreme Court of the United States held-that one element of the con-

spiracy was that the defendants induced certain U. S. officials in the General Land Office contrary to their officialsduties to aid defendants to secure the approval of their fraudulent selections in advance of their regular order and to inform defendants of any discovery or investigation by the Government of their said fraudulent practices". The Court further held that:

> "The States have a right to punish a violation of a statute enacted as part of their public policy notwithstanding they may have suffered no pecunary damage therefrom. The same argument applies to the United States, where lands have been procured in plain violation of the spirit if not the letter of the statute, and by a further step in the same fraudulent scheme".
>
> "And if the title to these lands were obtained by fraudulent practices and in pursuance of a fraudulent design,-it is none the less within the statute".

Of course in the above-cited case, the bribery feature was involved, while in the matter involved in this investigation that feature has not been alleged,or developed,as yet.

In view of all of which and in response to that portion of your letter of January 17, 1913, referring to my statement in the telegram recommending suspension of the special listing that Clavis and his associates involved in what seems to be an infamous conspiracy and requesting me to advise you as to whether or not I meant to be understood as alleging a conspiracy against the Government or against the State, I will say that I meant and mean that in my opinion there was a conspiracy against both the State and United States by deceit, fraud, and

irregular practices, contrary to the public policy and welfare both of the State of California and the United States of America and that even if it be held that it was only a conspiracy against the State, I contend that the United States or its officers should not knowingly aid or abet or silently countenance such irregular practices and such conspiracy as I think it is shown Clavis, Johnson, U'Ren and Marshall combined and conspired to committ

I recommend that proper action be taken through the proper channels looking to sufficient and adequate punishment under the laws of the United States and the rules and regulations of the Department, of all parties involved; that special listings or action taken be set aside and revoked and that such further and additionalaction be taken as may be deemed necessary or advisable, and a suit to recover the lands so irregularly and fraudulently secured approved and listed. The State would probably consent to such a suit,under the circumstances and conditions.

I have endeavored to make this report full and complete and it has therefore become quite lengthy. However, I deemed the questions and principles involved of such importance as to justify same. The report is forwarded in triplicate

Respectfully,

(sgd) F. C. Dezendorf.

Chief 2d Field Division.

FCD/GK.

Ex. "E".

NOV 1 8

ATTEMPT AT SUICIDE FAILS

344

Note Left by Young Stenographer Signed "Sweetheart"

MYSTERIOUS CASE

Swallows Carbolic Acid on Ferry Boat

The following is a copy of the note found in the hand of Miss Eleanor Fay when she was brought to the hospital. It was written on a scrap of blue paper. She admitted the note was intended for Louis R. Glavis:

"Louis: You wronged me. Burn my body. Don't tell the folks. At the price of my happiness you ought to be happy.
—Your Sweetheart."

MISS ELEANOR FAY, the San Francisco stenographer who attempted suicide last night on a ferryboat coming from San Francisco to Oakland, and left a note addressed to Louis R. Glavis, formerly

(Continued on Page 13, Column 5.)

LOUIS GLAVIS INVOLVED BY YOUNG GIRL'S STORY

Former Conservation Board Secretary Named by Girl

(Continued from Page One.)

chief of the field division of the United States General Land Office, and more recently secretary of the California State Conservation Commission and the State Water Commission, will recover from the effects of carbolic acid taken, according to the officials at the Emergency Hospital, this morning.

The girl is in a weakened condition, but able to talk. Her mouth and face are frightfully burned from the effects of the drug.

When questioned this morning the girl, who is but 22 years of age, denied that she had ever been married to Glavis, and furthermore denied that she had ever said that Glavis was her husband. The physicians at the hospital who treated her when she was first brought in, are firm in their statements that at first she claimed to be Mrs. Glavis, but later denied that and attempted to remain non-committal regarding her name. When pressed, however, they say she gave her name as Eleanor Fay, and her address as 901 Bush street, San Francisco, at the Southmayde apartments.

Miss Fay admitted this morning that Glavis had accompanied her on the boat, and that he was on board the ferryboat when she took the poison. The girl also said that Glavis had left her, and had taken the train for Portland, Oregon, where he is supposed to be now.

The girl is in a semi-hysterical condition, and when questioned regarding her act, either remains silent for the most part or breaks into tears. She asked that word be sent to a Miss Patten, who, according to Miss Fay, works for the Water Commission in the Mills Building, in San Francisco. She also said that she wanted to see a Mrs. O. B. Lehnhardt, also a resident of San Francisco.

Miss Fay had a visitor this morning, who said that he was a friend of the girl's sister, Cecile Fay, but who refused to give his name. He entered the ward room while the reporters were talking to Miss Fay, and stayed until after they had left. Miss Fay was the only patient in the room at the time. The visitor conversed with the stricken girl for a moment and then left the hospital in a hurry.

Cecile Fay, the sister, came over to Oakland last night about midnight, and visited with the girl until she was out of danger. She returned home leaving word that she would visit Eleanor about 8 o'clock this morning. She did not come, and word was sent over at 10 o'clock that she had left San Francisco and would arrive in Oakland soon.

Eleanor is silent regarding her relations with Glavis. She refuses to state what prompted her to attempt her life. After informing the nurse that Louis Glavis was on the boat at the time she took the poison, Eleanor became silent and would not say what part he took in giving her aid or what became of him after the boat reached

LOUIS GLAVIS.

Oakland. The girl did say that he was en route to Portland.

According to the physicians at the hospital she talked about a man named "Charley" as they understood, who had held her head while she was on the boat. That is supposed to have been Glavis.

The suicide attempt on the ferry boat was most spectacular. The girl was standing alone, and suddenly, while in full view of the many passengers, she lifted a bottle to her lips and drained the contents.

The passengers rushed to her aid when she fell writhing on the deck. By the smell of the medicine, those who reached her first, knew that the girl had taken carbolic acid. Unfortunately, no physician was aboard the ferry boat, and no aid could be given until the vessel reached the Oakland shore. The ferry boat was about opposite Goat Island, when she made the attempt upon her life.

After the arrival at Oakland, the girl was placed upon a train and rushed to Seventh street and Broadway. In the meantime a call had been sent to the police and the ambulance was awaiting the arrival of the train. The girl was taken to the Emergency hospital and Drs. O. D. Hamlin, G. G. Reinle, W. H. Irwin and Dudley Smith summoned to take care of the case. The girl was brought into the hospital at 10:45 o'clock last night. Stewards Emlay and Davison and Nurse Miss McMannis also assisted.

It was an hour before the authorities could learn the true name of the girl, as she at first insisted that she was Mrs. Glavis. Finally she admitted that her name was Eleanor Fay, and gave her San Francisco address. A call was sent for her sister who came over with the man who visited the girl this morning.

Miss Cecil admitted that her sister had known Louis R. Glavis for a long time, but when asked regarding their relations refused to discuss the matter further.

Glavis recently sprang into fame when he became embroiled in a discussion with Attorney General Kingsbury. Glavis finally resigned his position. He is an authority on forest reserve work, and was identified with Gifford Pinchot in a national fight for forest conservation.

SAN FRANCISCO, Aug. 11.—By request of the Oakland authorities San Francisco police today are trying to confirm a report that Miss Eleanor Fay, a young woman who attempted suicide by swallowing poison last night on a ferry boat, is the divorced wife of Louis R. Glavis of Portland, former chief of the field division of the United States general land office and former secretary of the California conservation commission.

Tightly grasped in the woman's hand was a note which read: "Louis, you wronged me. Your life ought to be happy at the expense of mine. Burn my body. Don't tell the folks."

At an Oakland hospital, the woman was revived sufficiently to state that she had come here from Portland, Ore., a year ago, and had lived for a time in Sacramento. She will recover.

LIEU LAND TITLES ENDANGERED BY CONTROVERSY

State and Federal Exchanges Held Up by Action of Secretary of Interior.

350,000 ACRES AFFECTED

Attorney-General Webb Preparing to Voice California's Protest Against Ruling.

Negotiations between California and the federal government in the exchange of lieu land has been held up on the order of Secretary of Interior Lane and Attorney-General Webb has in preparation a letter of protest to the secretary, according to information given out yesterday at Surveyor-General Kingsbury's office. Between 300,000 and 400,000 acres of land is involved in the controversy. In addition, Surveyor-General Kingsbury said title to thousands of acres of land that has been previously listed to the state may be doubtful.

Secretary Lane has held up further listing on the ground that the congressional act of 1891, under which lieu lands have been exchanged for school lands since 1891, did not authorize the secretary of the interior to exchange the land.

General Kingsbury said yesterday that unless Secretary Lane acceded to the protest of Attorney-General Webb, further listing probably would be stopped until California can get a bill through Congress authorizing exchange.

QUESTION AS TO LAND TITLES

As to the legality of the title of land already listed the surveyor-general said there was some conflict.

"It seems apparent that if the secretary of the interior was not authorized by the act of 1891 to exchange land, the titles are not sound," said Kingsbury.

"It was to remove all doubt that the secretary of the interior could list these lands, that the state had Congressman Raker introduce a bill at the 1911 session of Congress. Opposition which developed from some source prevented its passage. Now we face the proposition of getting such a measure passed or being unable to proceed further with the listing of the lands."

"Secretary Lane's order as I understand it does not specifically indicate that he is convinced he has no authority to order the exchange. Unless the state, however, can demonstrate he has, the situation probably will not be relieved.

"When the bill was pending in Congress certain persons interested in its defeat circulated the report that the bill was not necessary in the face of favorable recommendations made by Attorney-General Webb, myself and officers of the federal land office."

MANY PEOPLE AFFECTED

Hundreds of persons who have filed applications to land and are awaiting the hearing by the federal government are affected by this latest decision of the land office.

Another point upon which the secretary of the interior [illegible] the [illegible] was [illegible] by Secretary Fisher in 1913 [illegible] that no attention be paid to the [illegible] after hearing Attorney-General Webb and Surveyor-General Kingsbury on the matter in Washington.

"I do not blame California people for raging at the apparent inaction," said Kingsbury. "One obstacle after another has been brought up to prevent the listing of land. This last point of the secretary's authority, however, is the most serious situation we have yet had to face."

Attorney-General Webb's letter to Secretary Lane is in the nature of a brief and protest and is said to be a voluminous affair. It will trace the history of the school land indemnity grants and point out several instances where the federal land office has broken faith with the state in lieu land exchanges.

EXHIBIT "F"

92594

UNITED STATES
DEPARTMENT OF THE INTERIOR
Washington

November 12, 1934

ORDER NO. 858

The Division of Investigations may initiate investigations, but on matters relating to policy and personnel it will not do so at the request of any member of the staff of the organizations under my jurisdiction without my prior written approval. The bureaus and offices will continue to route through the Division of Investigations matters of a routine character or those authorized by existing orders or procedure. Weekly reports will be furnished to me by the Division of Investigations covering all investigations in progress.

(Sgd.) Harold L. Ickes
Secretary of the Interior
and
Administrator of Public Works.

EXHIBIT "G"

THE SECRETARY OF THE INTERIOR
WASHINGTON

COPY

April 9, 1936

My dear Mr. Glavis:

I found your letter of April 4 Tuesday morning awaiting my return from a short trip to Pittsburgh.

I am sorry that your health is as you state it to be so that you are not able to come to the office for a conference which, as I tried to explain in my letter to you of April 4, seems to me to be of great importance so far as the Division of Investigations is concerned. I had thought that, in view of the fact that you had been able to see people in Washington and in New York, it would not be too great a strain upon you to drive the short distance that lies between the Department and the Wardman Park Hotel. I understand that while in New York you were able to interview people.

However, I have no disposition to urge you to do something that you do not want to do or are not able to do. As I said in the letter that I wrote you when you were in New York, I do want you to take care of yourself and recover your health. In saying this I am quite sincere. I note from your letter of the fourth that you expect to assume your duties at the office "as soon as I would want you to do so if I fully realized the situation."

COPY

Since your letter does not suggest when you probably will be able to return, I think it might be well for me to set down in rough outline the situation in the Division of Investigations that has given me some concern.

It appears that some time ago, the exact date of which is unknown to me, your secretary withdrew from the files the report on the Connecticut-Rhode Island investigation which involved the Acting State Director for those two States, and two engineer examiners. Subsequently there came to my desk a memorandum over the signature of Mr. McLaughlin in which he took issue with my final finding in that investigation. I thought it rather extraordinary that the Division of Investigations should take it upon itself to withdraw a file and comment upon a case in which I had taken final action. This was serious enough but the Division went further. In effect, and by plain intendment, Mr. McLaughlin in his memorandum undertook to criticize the manner in which I had disposed of this case.

I sent for Mr. McLaughlin and told him frankly that I took very strong exceptions to the action of the Division in this matter. He defended by saying that the memorandum signed by him had been prepared by a man by the name of Metzger who had reviewed the case at your specific directions. I asked him whether he had gone into the matter at all with Metzger or had himself reviewed the file before signing the memorandum, in order to satisfy himself that the facts and conclusions to which he had subscribed in that memorandum were in his judgment warranted. He said he had not gone into the file but had signed the memorandum as

COPY

prepared by Metzger merely as a routine matter.

I had the file before me at the time and on referring to it I noted a memorandum that contained certain language of Foley's, who at my instance had prepared a report for me. In the McLaughlin memorandum Mr. Foley was quoted to his own disadvantage, and then I discovered that the quotation from Mr. Foley's report was garbled. It was incomplete and, as quoted by McLaughlin, did not convey Foley's real meaning.

This seemed to me to be essentially dishonest. Here was an unauthorized review of a report that criticized my finding and in support of that criticism offered an incomplete and, therefore, a garbled quotation from the Foley memorandum. I told Mr. McLaughlin how I felt about the matter and he vigorously disclaimed any personal responsibility. He hadn't seen the Foley memorandum and had not drafted the memorandum which he had himself signed and transmitted to me. Metzger was the devil in the machine, according to McLaughlin. I turned to Mr. Burlew who was present and told him to prepare charges against Metzger and suspend him for five days without pay, this time to be given to him to answer the charges. I ask you particularly to note that Mr. McLaughlin heard this order given and made no protest, although subsequent events proved that he knew that he was allowing an innocent man to be suspended under charges. As a matter of fact, McLaughlin went so far as to volunteer the statement that it was a dishonest thing to do for Metzger to present a garbled report based upon Foley's memorandum. This happened on Thursday, March 5.

You were in New York at that time. I understand that one of the special agents who was going to New York was fully acquainted by McLaughlin with what had happened in my office and he went to New York with instructions to report fully to you.

Metzger was suspended and in due course presented his defense in writing. There were certain expressions in Metzger's letter of defense which aroused my curiosity. Accordingly, I had Metzger come to my office in the early afternoon of Saturday, March 14. He was plainly nervous and it was as clear as day that he was trying to cover someone up. I finally insisted upon the truth and I got it. I also learned that before leaving to play golf that afternoon you had instructed Special Agent Peterson to wait in the office, receive Metzger's report of what had transpired in his interview with me and relay it to you.

From this point I would have taken no further step without consulting you, if you had been available. Early the following Monday, which was March 16, as I recall, I sent for you but word came back that you were ill and would not be down. I felt that matters could not be permitted to drag and so I personally interviewed a number of the members of your staff who seemed to be involved in the Metzger incident. This is what I learned:

You had instructed Metzger to review the file in question. Metzger thought that you wanted a memorandum for your personal information. In the meantime you had gone to New York, leaving McLaughlin in charge. McLaughlin insisted to Metzger that the memorandum was to be addressed

to me. He overruled Metzger. Metzger prepared a memorandum to McLaughlin instead of to me and in it he quoted Foley fully and honestly. He took this memorandum to McLaughlin. McLaughlin called in his stenographer and dictated a memorandum of his own to me with Metzger's original memorandum before him. It was in this personal draft of McLaughlin's that the garbled quotation of Foley's language first appeared. After McLaughlin had dictated his memorandum, it was transcribed and sent to Metzger for corrections of form. McLaughlin later insisted that Metzger could have rewritten his memorandum and could have included in it the full quotation from Foley. Metzger, on the other hand, insisted that the McLaughlin memorandum was sent only for corrections of form. I credit Metzger's statement rather than McLaughlin's from certain internal evidence which it is not worth while to go into at this time. Metzger, I found later, had addressed a memorandum to McLaughlin again saying that he believed that you only wanted a memorandum of comment for your files, but was overruled by McLaughlin.

After Metzger had made certain minor corrections of form in the McLaughlin memorandum it was rewritten, signed by McLaughlin and sent to my desk. In other words, I received a memorandum actually written by McLaughlin and not by Metzger, although McLaughlin's was based upon a different type of memorandum prepared by Metzger. It was equally clear that McLaughlin did not tell me the truth when he told me that he had had nothing to do with drafting the memorandum; that it had been prepared by Metzger and that he had signed it merely as a routine matter.

Then another extraordinary thing happened. Orders went out from McLaughlin through Smith that all files were to be gone through and all informal notes, memoranda, rough or original drafts and corrected correspondence should be removed and destroyed and none hereafter ever placed or left in the case file. The penalty for violating this latter order was dismissal. Another order went out the same day, or the day following, which was to the effect that each reviewer is required to stand (be responsible) on every one of his cases (memoranda or letters) and, after same have been approved, he cannot later explain away any part of his action, the evident intention being that the initialer was to carry the load rather than the final signer. Acting under these orders, a stenographer was turned loose on the files. He actually removed some such documents as I have referred to. Some of these he destroyed and some were destroyed by Smith. However, the file in question, fortunately for the sake of the truth in this matter, was not reached before I had sent for it and had discovered in it certain memoranda and original drafts which threw a clear light upon the whole question.

Upon your return from New York on Sunday, March 8, there met with you in your apartment McLaughlin, Rittenhouse and Hurley. It was Hurley who had gone to New York to carry to you, at McLaughlin's instance, a full report of McLaughlin's first interview with me. You had instructed Hurley, according to him, to have all the files in the case at your apartment that Sunday morning. There it was decided to have Rittenhouse prepare Metzger's answer to the charges that had been filed against him.

Rittenhouse took the files and did prepare that answer and when it had been prepared he submitted it to you and to McLaughlin. I believe that Hurley also read it but as to that I am not certain and it is not important. Subsequently Metzger signed the document prepared by Rittenhouse without any changes or corrections and that document was laid on my desk in due course as the carefully considered answer by way of defense of Metzger. Metzger told me, and I have no reason to discredit him, that he felt that the matter had been taken out of his hands and that he had no right to make any change in this answer. As to that he showed weakness but he was clearly afraid of losing his job.

The Rittenhouse document was a thoroughly dishonest one. It contained misstatements of facts. It omitted significant facts which should have been made a part of the defense. The most glaring of these was that Rittenhouse, although presumably he was representing Metzger and wanted to clear Metzger, failed in the answer prepared for Metzger's signature to give the chain of circumstances that I have already related. Significantly his answer did not even intimate that while Metzger prepared the original memorandum for McLaughlin, it was McLaughlin himself who dictated the memorandum that finally reached my desk, in which memorandum the Foley quotation was garbled, although it was set forth fully and honestly in the memorandum submitted to McLaughlin by Metzger. It seemed to me to be perfectly clear that here was a deliberate plan to sacrifice Metzger in order to protect others. Rittenhouse was part of that conspiracy. His

task was to prepare a thoroughly dishonest answer which would not disclose vital substantive facts.

McLaughlin again failed to tell me the truth when this phase of the case was discussed with him. He specifically and categorically denied that he had made any suggestion with reference to Rittenhouse's draft of Metzger's answer. He admitted that he had seen a copy of that answer but he said he handed it to you without any comment. Another witness who was present told me specifically that McLaughlin not only read this answer but that he made at least one suggestion with reference to it, which suggestion was favorably received.

But even if McLaughlin stood silent, as he declared over and over again, that would not excuse him. He knew that the document written by Rittenhouse did not contain a full and honest statement of the facts. He must have known that I would not have held Metzger in any degree responsible for what had happened if I had known that it was McLaughlin himself who in his own dictation had garbled and thereby misrepresented the Foley statement. McLaughlin was perfectly willing to sacrifice Metzger to save his own hide. This is further evidenced by the facts that he had made a futile effort to have certain original and incriminating documents taken from the files and destroyed, and had caused to be issued through Smith the order that reviewers must take responsibility for any documents prepared by them.

During these happenings I wanted to discuss matters fully and frankly with you but you were not available. You knew that I wanted

P Y

to see you but I had no word from you, either direct or indirect. The only information with respect to you that I could get from the Division of Investigations was that you were ill at home and could not talk to anyone.

The facts that I have recited would fully have justified McLaughlin's dismissal from the service with prejudice. Unless my relationship with the head or acting head of the Division of Investigations is one of entire frankness and straighforwardness, an impossible situation is created. Yet McLaughlin suppressed facts. McLaughlin made deliberate misrepresentations to me. But notwithstanding all this, realizing as I did how hard McLaughlin had worked here and how faithful he had been in other respects, I did not feel like dismissing him, either with or without prejudice. In the circumstances I could not continue him longer in the Division of Investigations, especially in a responsible position. Accordingly, I offered him a responsible and worth while position in Public Works. I told him very frankly that he had not been loyal to me but that considering all the circumstances I felt that there was good service in him and I was willing to keep him on my staff, although not in the same position. He asked for time to talk it over with "his family."

The next I heard was that he had written out his resignation and had left the service without even going to the trouble to close up the matters that he had in hand or to suit whatever convenience I might have in the matter. McPhail had already resigned, you were away ill, McLaughlin was running the Division, and yet his sense of fitness

permitted him to dump the whole thing onto my lap and walk incontinently forth. If he had told me that after consideration he wanted to resign, I would, of course, not have tried to dissuade him but I would have asked him to stay on until your return. In the circumstances I feel that I have been more than fair with an employee who has not been loyal to me in certain of his acts, who deliberately misrepresented facts to me, and who then walked out on his job.

There is another and even graver aspect of this whole matter. There is a law that makes it an offense to mutilate, destroy or take away any Federal document. These records that McLaughlin ordered to be removed and destroyed were Federal documents. Not only he but whoever else who had anything to do with the removal and destruction of these documents made himself liable under the law. I venture to say that if any other member of the staff had been discovered by the Division of Investigations doing this sort of thing there would have come from that Division, without any loss of time, a recommendation not only for dismissal with prejudice but that the whole matter be referred to the Department of Justice.

I am sure you will understand now my anxiety to talk over with you at as early a date as possible matters which vitally concern the Division of Investigations.

As I say, I would have preferred to talk over this whole matter

with you personally. The written word has an austerity which is not present in the spoken word. I have wanted to talk it over with you not only as your friend but as one who, as your superior officer, is interested in you and your work. I renew my expression of hope that you will soon find yourself completely recovered. I trust that you will not try to answer this letter but that you will await the time when we can sit down together and talk it all over. My only reason for writing instead of waiting for that time is because it seems to me that after the lapse of more than three weeks it is my duty to place the situation before you, just as it is your right to know what has been happening in your Division. After all, this matter is one of primary concern to you and I want you to know that this letter has been written in the friendliest possible spirit so far as you personally are concerned.

Sincerely yours,

(Signed) HAROLD L. ICKES,

Secretary of the Interior.

Mr. Louis R. Glavis,
Wardman Park Hotel,
Washington, D. C.

COPY

EXHIBIT "H"

FEDERAL EMERGENCY ADMINISTRATION OF PUBLIC WORKS,
State Director,
2 Lafayette St., New York, N.Y.

April 6, 1936.

Hon. Harold L. Ickes,
Federal Emergency Administrator of Public Works,
Interior Building,
Washington, D. C.

RE: Employment of Washington Representative for P.W.A. Business.

Dear Mr. Ickes:

A few days ago Chairman Alfred B. Jones, of the New York City Tunnel Authority, requested advice as to the propriety of employing a Washington representative for the purpose of expediting PWA business.

He informed me that Mayor LaGuardia had received a telegram from Senator Wagner urging the employment of Mr. Louis R. Glavis as such representative, and he gained the impression from the Mayor that the telegram indicated your approval of such an arrangement.

He also informed me that Mr. Glavis had called on Commissioner Friedman of the Authority and expressed a desire to function in this manner.

Mr. Jones understood that Mr. Glavis would expect to be remunerated for such part time service on behalf of the New York City Tunnel Authority at the rate of $3,000 per annum.

I informed Chairman Jones that it was my understanding that you did not favor the retention of agents to function along the lines proposed, and that in the absence of instructions from you I would not consider such service as properly chargeable against PWA funds.

Please advise me whether the position I have taken in this matter meets with your approval.

Respectfully,

(Signed) Arthur S. Tuttle,
Acting State Director.

AST/C

Sp

PSF. Interior

file Interior

December 21, 1937.

Dear J. D.:-

I am delighted to have your interesting and encouraging letter of December fifteenth. I am passing the information along to the Federal Power Commission.

I think I should also find out from the Interior Department when they expect the Coulee Dam to be ready to sell power. My recollection is that they would not be ready before 1941. If that is true, when would you need to begin the main tie-in transmission line? Would it be necessary to get the appropriation at the coming session or could it go over until the 1939 session?

You are dead right about financing. There is still much water in the private companies' set-ups, but they will have no difficulty in getting new money if they have value back of it.

Your description of buying out companies on a fair basis ought to be enlarged by you and sent to Lilienthal.

We are going strong. Keep up the good work.

Always sincerely,

Hon. J. D. Ross, Administrator,
The Bonneville Project,
Department of the Interior,
Portland, Oregon.

P.S. I shall be glad to see Mr. Myers when he gets here.

PSF Interior

UNITED STATES
DEPARTMENT OF THE INTERIOR
THE BONNEVILLE PROJECT
PORTLAND, OREGON.

December 15, 1937

OFFICE OF THE ADMINISTRATOR.

Dear Mr. President:

The last time I saw you you asked me to keep you posted on the Bonneville question, and I have been intending to write you. The New York Times this morning says that you are going to have a meeting with the private power people to see what can be done to help them. I thought, therefore, that it might be some help ahead of time to know how things look in the Bonneville-Coulee question.

To shorten my report, it may be summed up by saying that I could load the whole finished Bonneville of 432,000 kilowatts as fast as lines could be gotten out and the plant completed. This puts a totally new aspect on the whole matter, because, as you know, there has been a terrific amount of propaganda to say that "there is no market." The fact is that the three states of the Northwest - Idaho, Oregon and Washington - are now distributing 1,600,000 kilowatts. Our demand here doubles every 5-1/2 years, so by the time the 800,000 or 900,000 kilowatts of firm power is finished at Coulee, there will be another 1,600,000 kilowatts needed, and both Bonneville and Coulee put together cannot furnish any faster than the power will be needed.

I am waiting for the allocation between power and navigation to be given me by the Federal Power Commission, and will then make up the simplest schedule of rates ever devised, one that all the people can understand.

I have assured the companies here that they would get the same rate as the public districts, and that I do not think their contracts would be cut off at the end of five years in any case, as the plan would be to build and extend rather than to cancel any contract that they might have.

Eighteen county-wide public districts are arranging with the Stone and Webster people to buy up their holdings at a fair price through negotiation.

I think it will not be long before both Washington and Oregon, and possibly Idaho, will be entirely operated under public power. It will give a real yardstick.

The purchase of the company's system in Seattle will probably come up again before long for a decision. The plan seems to be exceedingly popular with the people, and I think I have all the power companies here on my side.

The Governor of Oregon, and of Idaho, have promised me strongest cooperation.

What we need is a proper appropriation for getting out lines. There should be a very heavy backbone line of high voltage from Bonneville to Coulee, giving arbitrarily the same rate at Coulee Dam as at Bonneville Dam. That will make Coulee a going concern, building up a market as soon as we could reach it. Then there should be a line down the Columbia and up the Columbia, and several other laterals.

Unfortunately, previous to my appointment, the budget was asked for $2,800,000 for the coming year. The minimum really should be $10,000,000.

Apparently, without the survey I have made, no one seemed to feel that the plant could be loaded at that speed.

If you could help along with such an appropriation, we could do a tremendous work.

The line to Coulee will cost 12 or 13 million dollars, and take about two years, so we could start it on that appropriation.

In Nebraska, evidently the whole thirteen companies will sell out at a fair price. I have advocated the same procedure for a large amount of the TVA, and could easily make the change and give you a real yardstick there for any part or all of that system.

Mr. Myers is handling this financing and I have given him a letter to Mr. McIntyre, asking that if possible you give him an interview. He is the man I spoke to you about

previously. He is wonderfully competent, and knows no failure.

While on the Securities and Exchange Commission, and since, I have felt that there is now a profound change in the public utility business. Previously, the power companies made their money by manipulation. I do not think they cared very much, comparatively, for operating profits. Few people knew what their operating costs should be, and state commissions generally were lax, or worse. Now the whole scene is changed, and their profits must come from operation and from that only. There is still a great deal of water in their profits.

It is not government competition in any degree that prevents them from financing. I have financed 17 million of new money from Wall Street since the spring of '34. All it needs is to have a value back of it.

The trouble is now that there is not the tremendous profit through manipulation for the private companies. It is hard for them to squeeze out the rest of the water, and so it is their secondary financing that is difficult. People are more particular now what they buy, and are beginning to know that up to this time it was the same old trick to take on all the stock they could sell.

I do not think that the drop in consumption of electricity is at all due to any troubles of the industry itself, any more than that of any other industry. This is borne out by the fact that everything went fine up to a couple of months ago, when the sudden demands of labor shot up prices and, together with the war scare, turned everything upside down until it can adjust itself.

I enclose a little curve showing the comparison with 1936. You will note that the main drop has been in the last two weeks. The curve is now flattening out, and will probably remain pretty constant until after Christmas. Provided the war threats are somewhat settled, it will no doubt start up in the beginning of the year. The fact that the drop started in September shows that it was not on account of the Securities and Exchange Commission, or any honest

trouble on the part of a company to finance any good bonds or stocks.

I know that in buying these companies on a fair basis, as in Nebraska, there is no trouble in financing any fair price. I would like to see the T V A do the same.

I thought perhaps our experience in this matter might be of interest to you, and help you in your conferences with these people.

I sincerely hope that if the Seven Power District Bill does not go through at this time, that the St. Lawrence can be furthered.

I am studying the Niagara question as you outlined it, and it appears to be about as you thought.

Concerning the Boulder question, I am expecting the allocation of power at Bonneville at any time, so that I can give the comparison to the Los Angeles people, comparing their cost at the dam to the Bonneville cost.

I think the companies are afraid of Section 11 of the Securities and Exchange Act. I think their talk of expending two or three billion dollars is largely a dream. They will not build until they see profits ahead. They can get their current for a few mills from the large Federal plants, the same as anyone else. Those plants therefore are not holding them back.

They say it is cheaper to develop steam. They even got a dean at Purdue to say so, although he knew much better.

Of course, as soon as they have to compete on distribution, then a problem arises. If you want me to get the ball rolling to be fair with them in buying their distribution in any district, at a fair price, anywhere in the country, I will be glad to get it going quickly, and I think will be able to keep their goodwill at the same time.

I see a wonderful future here, and am sure you will be interested to know that every day brings a more

UNITED STATES
DEPARTMENT OF THE INTERIOR
THE BONNEVILLE PROJECT
PORTLAND, OREGON.

OFFICE OF THE ADMINISTRATOR.

glorious picture of the possibilities in the Northwest, of locating settlers on small irrigated tracts by pumping, and a great stimulus in manufacture, as well as far better conditions in the home and the farm.

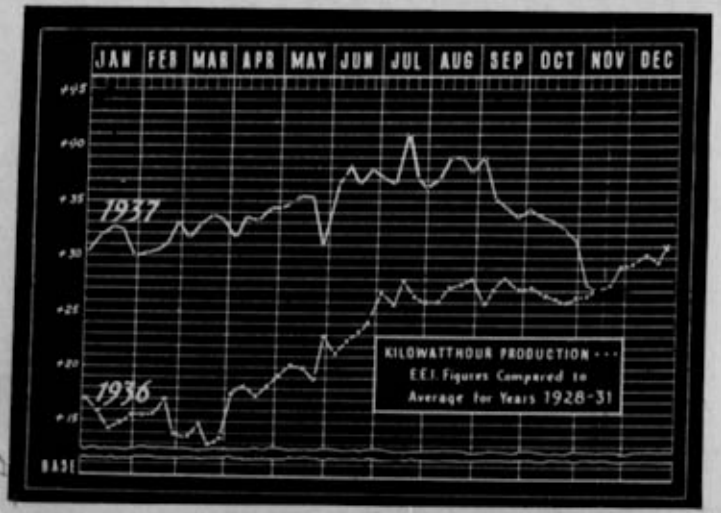
With very best regards.

Yours truly,

JDR:mc
Enclosure (1)

The President
The White House
Washington, D.C.

Electric Light and Power



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The Industry

VOLUME 15—NUMBER 12 DECEMBER, 1937

PSF Interior

[12-22?-37]

Mr. President

Do you wish to ask Secretary Ickes when the Coulee Dam will be ready to sell power?

G.

Mr File

FDR

PSF Interior

Interior

file personal

THE SECRETARY OF THE INTERIOR
WASHINGTON

December 22, 1937.

The President,

The White House.

My dear Mr. President:

I want you to know that I appreciate more than I can say your consideration in submitting my name to the Senate for the position of First Assistant Secretary of the Interior. It is an exceptional expression of confidence which I shall always cherish, and it shall be my endeavor, as in the past, to merit it. I have had a pride in working under your leadership which nothing can take away from me and which makes me doubly sensible to the honor.

Sincerely yours,

E. K. Burlew

E. K. BURLEW,
Administrative Assistant.

File Personal

PSF File Interior

UNITED STATES
DEPARTMENT OF THE INTERIOR
WASHINGTON

December 23, 1937.

My dear Mr. President:

When you 'phoned me yesterday, I was so surprised that I did not display that quality of vivency for which you are so well known--which would have prompted me after our conversation to add from my heart: "That was a fine thing you did for me on Monday, Mr. President." But if, to my regret, I was mute at the moment it was only because in my surprise I did not let my appreciation and gratitude overflow.

Sincerely,

E. K. Burlew

PSF Interior

COPY

UNITED STATES
DEPARTMENT OF THE INTERIOR

OFFICE OF THE SECRETARY

DIVISION OF TERRITORIES AND ISLAND POSSESSIONS

WASHINGTON

January 13, 1938.

Memorandum to the Secretary:

Col. O. F. Ohlson, General Manager of The Alaska Railroad, in the attached memorandum to me dated January 8 recommends that The Alaska Railroad be authorized to sell coal to coal dealers and Alaska Railroad employees, charging the employees the price established by the Bituminous Coal Commission, and the coal dealers an additional 50 cents per ton f.o.b. Eska mine.

The Alaska Railroad is now producing coal from its Eska mine at a cost of $2.87 per ton.

Minimum prices for Alaska coal effective January 3 as prescribed by the Bituminous Coal Commission are as follows:

Steam coal	$3.65 per ton
Mine run	4.75 " "
Nut	5.00 " "

The Evan Jones Coal Company, operating the main mine in the Matanuska District, has been closed down since last autumn and now have only about 300 tons on hand; and the coal dealers of Anchorage and Alaska Railroad employees have requested that they be permitted to purchase coal from the Railroad.

The Alaska Railroad has upon occasion sold coal in the past. Under authority of the Alaska Coal Leasing Act of October 20, 1914 (38 Stat. 741), it was so authorized by proclamations of the President dated August 27, 1918, and November 22, 1919. At that time the Solicitor of the Department held The Alaska Railroad did not have authority under its Enabling Act to sell coal. However, I believe that the language covering the appropriation for The Alaska Railroad contained in the Interior Appropriation Act for the fiscal year 1938, Public 249, 75th Congress, contains sufficient authorization in the following language -- "The revenues of The Alaska Railroad received during the fiscal year 1938 shall be available, and continue available until expended, for * * * stores for resale * * *".

Subject to the opinion of the Solicitor on the legal phases of the matter, I recommend that Col. Ohlson's request be approved.

(Sgd.) ERNEST GRUENING
Director.

Approved: JAN 22, 1938

(Sgd.) OSCAR L. CHAPMAN

Acting Secretary of the Interior.

Attachments 2 files 18-4 pt. 2.

PSF Interior

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON

JAN 31 1938

Memorandum to the Secretary:

Your attention is invited to the attached memorandum dated January 22, 1938, to you from the Director of the Division of Territories and Island Possessions seeking approval of a proposal, under the conditions therein recited as to inadequacy of the coal supply from private operations to supply local needs, that the Alaska Railroad continue in the business of mining and selling coal to the public.

The penultimate paragraph of the letter opens with the statement that: "If the Alaska Railroad is to enter upon a general policy of mining and selling coal, this is the appropriate time." This expression, if approved, may be taken as an authorization to embark in the general policy of mining and selling coal to the public without regard to whether local needs can be met by the supply of private operators, or whether there are stores of surplus coal mined by the railroad.

Attention is invited to my memorandum to you of January 19, in which the opinion was expressed that under certain provisions there quoted in the act of August 9, 1937 (Public No. 240 - 75th Congress),

> "stores of coal in excess of the requirements of railroad operations mined from the revenues of the fiscal year 1938 may be sold to supply domestic and local needs at prices conforming to the schedule of prices fixed by the Bituminous Coal Commission."

I believe that the expression above quoted from the memorandum of the Director should be eliminated therefrom and that it would be advisable that it contain a reference to the opinion in my memorandum of January 19, before it is approved.

Frederic L. Kirgis
Acting Solicitor.

PSF Interior

UNITED STATES
DEPARTMENT OF THE INTERIOR

OFFICE OF THE SECRETARY

DIVISION OF TERRITORIES AND ISLAND POSSESSIONS

WASHINGTON

Chapman

January 22, 1938.

Ickes

Memorandum to the Secretary:

The Alaska Railroad at the present time is mining coal for its own use from the Eska mine. The operation of this mine was authorized by the Acting Secretary on October 22, 1937, when the General Manager and officials of the Evan Jones Coal Company after lengthy negotiations had failed to agree on a price for coal. Shortly after approval to operate the Eska mine had been given, an explosion closed the Evan Jones mine and it has not resumed operation.

Mr. Oscar Anderson, President of the Evan Jones Company, recently came to Washington to negotiate for the sale of coal to The Alaska Railroad preparatory to reopening the Evan Jones mine.

I have considered this matter carefully with Col. Ohlson and with him have conferred with Mr. Anderson. I wish to recommend that The Alaska Railroad continue to mine its own coal and in line with my recommendation to you of January 13, to sell coal to the public. For your convenience a copy of this memorandum is attached.

The facts of particular importance to a decision in this matter briefly stated are these:

1. Costs: The railroad has operated the Eska mine since October 22, 1937. The cost of production to date is $2.87 per ton as compared with $3.15, the price for steam coal in the 1937 Evan Jones' contract; $3.65 demanded by them for 1938 contract; $3.65 minimum price for steam coal from the Evan Jones mine set by the Bituminous Coal Commission and with $3.75 which Mr. Anderson says he will demand for the 1938 contract when he reopens his mine.

The railroad uses about 30,000 tons of steam coal per year. At a saving of 88 cents per ton (the difference between $3.75 and $2.87) the annual saving to the railroad on coal purchases would be $26,400. It is estimated the railroad would net $35,000 annually from the sale of coal to private consumers. The Government would, however, lose a 5 cent per ton royalty paid by private operators or about $2,500 per

year if the operation of The Alaska Railroad should cause the Evan Jones mine to close permanently. The railroad would of course lose freight on coal shipped by commercial operators, but this would be offset by freight on coal produced by the railroad destined for the trade. As a matter of fact, based upon the 1936 coal shipments, the General Manager estimates that it cost about $47,000 to realize a freight income on coal of $45,367.92.

If The Alaska Railroad engages in selling coal to the trade, such a loss would be recovered in the coal sales.

The unit production cost of $2.87 for the railroad does not include items considered in the production cost of commercial operators, such as interest on capital investment, depreciation, Federal royalties, property and other taxes, workmen's compensation, profits and the like. It represents rather the immediate "out-of-the pocket" cost of production. This cost ($2.87 per ton) as it is now figured will increase slightly when allowances are made for the effect annual and sick leave will have upon costs, although it is believed other items in the unit cost of production will be diminished as production proceeds.

If the railroad engages to any extent in the sale of coal to the trade, it will be necessary to install a washing plant at a cost of approximately $12,000. This would be secured from operating revenues.

2. Effect upon private producers in the Matanuska Field: There are at the present time two main producing coal fields in Alaska -- the Matanuska and Healy River. Operation of the Eska mine and the sale of coal by the Alaska Railroad will not, it is believed, affect private operators in the Healy River field. In the Matanuska field the Evan Jones Company was the chief operator, with a production of approximately 50,000 tons per year. One or two other operators produce coal intermittently in this field - notably the New Black Diamond Coal Company with an output of about 6,000 tons per year which amount could be increased to possibly 15,000 tons. At the present time the mine operated by the New Black Diamond Company is also closed.

If The Alaska Railroad continues to mine coal for its own use and purchases no coal, the operation of both these mines will be seriously affected. Such a move may entirely prevent their operation.

The physical properties of the Matanuska coal are such that for every ton of nut or lump coal produced for the general market, three tons of fine or steam coal result. Although the installation of stokers is causing more steam coal to be used each year, The Alaska Railroad is and will remain for several years the chief user of steam coal. If this outlet for the surplus steam coal is shut off, in all

probability the private mines in the Matanuska field will be forced to abandon operations.

Mr. Anderson states that his company has about $300,000 invested but that it has never made money. Further, he states it has lost money on every ton of coal sold to The Alaska Railroad. If this be so, it is difficult to see how the mine can look forward to a prosperous future even though the railroad should continue to purchase 20,000 or 30,000 tons of coal from it each year. There seems to be little hope for it to expand its sales to any considerable degree. For the greater part of Alaska, Washington, Utah and Canadian coal have a market advantage over Alaska coal because of transportation facilities, transportation and mining costs. This being so, there is no immediate chance for Alaska coal to enter the markets in the States. If sales to the railroad in the past have not led to profits, continued sales will likewise fail to accomplish this end. Furthermore, it does not seem logical to stimulate production of Alaska coal by Government purchases -- a kind of subsidy as the above figures indicated -- if a limited market cannot accommodate such stimulation. Surely policies of conservation would not dictate such a course.

3. Public opinion: Undoubtedly objections will be voiced against this move. For one, Evan Jones Company although allegedly operating without profit will object. Those who resist the Government's entering business or who do not favor Government monopolies will also object. The rugged individualism of those in The Alaska Railroad belt may cause many to question the move as one closing the door upon private initiative. But it must be repeated that the Evan Jones Company operates (even without profit if Mr. Anderson's statement be correct) only by virtue of the support accorded it by The Alaska Railroad, a support which accounts for more than one half the output of the mine and which if continued in 1938 will cost the railroad some $26,400. It would seem, therefore, that we are not denying coal mining opportunities to private industry, but that such opportunities do not exist unless heavily supported by Government patronage.

4. Effect upon the Eska mine if it is closed immediately:

Col. Ohlson states that there are about 50,000 tons of coal which should be taken out in the Eska mine before this mine is closed down. It is his opinion, one in which Dr. Philip Smith of the Geological Survey concurs, that a suspension of operations at this time will cause considerable deterioration and loss. Just how much of this coal already blocked out might be recovered should the Eska mine again resume operations depends of course upon many factors the effect of which we cannot now compute; but it can be said that the loss will be extensive.

Mr. Anderson has stated that he could operate his mine if assured of an annual contract from the Federal Government of 20,000 tons.

Should you not approve the recommendation which I have made, it would be possible to give the Evan Jones Company a contract for 20,000 tons and continue to mine coal from the Eska mine, placing it in reserve; thus the loss due to closing the mine might be minimized.

5. Conclusions: Although by special legislation the Secretary of the Interior is permitted to set the price for coal purchased by The Alaska Railroad, it will be necessary to establish the price at or above the minimum prescribed by the Bituminous Coal Commission. The granting of a contract to a private corporation at a price higher than we can produce coal would most certainly be seriously questioned, unless we can show compensatory results in other fields. I do not believe that we can. If a contract is granted to the Evan Jones Coal Company at $3.65 or $3.75, the railroad would in effect be subsidizing this company -- likewise a questionable procedure. Such a subsidy cannot, because of the limited market for Alaska coal, lead to the development of the coal resources of Alaska.

A decision upon this matter is pressing at the present time. Private operators in the Matanuska field have shut down. Withholding a contract under such conditions is quite different from canceling a contract upon which operators might have placed considerable dependence. The Alaska Railroad is mining coal for its own use. It has no contract with the Evan Jones Coal Company or any other company for the purchase of coal except with the Healy River for sub-bituminous coal for use in section and pump houses on the north end of the railroad. The reserves of coal dealers have become depleted and The Alaska Railroad under authority given by the Acting Secretary on January 22, 1938, is now selling coal to the trade and to its employees. The Eska mine can be equipped quickly to supply the local market. Profits from the sale of coal can be used advantageously by the railroad.

There is legal basis for such activities I believe in the language of the 1938 Appropriation Act to permit The Alaska Railroad to engage in this business and to use the profits for necessary expenditures. In a Memorandum to you on January 19, the Acting Solicitor expressed the opinion that under certain provisions in the Act of August 9, 1937 (Public No. 249, 75th Congress) --

"stores of coal in excess of the requirements of railroad operations mined from the revenues of the fiscal year 1938 may be sold to supply domestic and local needs at prices conforming to the schedule of prices fixed by the Bituminous Coal Commission."

A copy of the above opinion is attached.

Ernest Gruening
ERNEST GRUENING
Director.

Approved:

Secretary of the Interior.

PSF Interior

(Copy)

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SOLICITOR
WASHINGTON

JAN 19 1938

Memorandum to the Secretary:

The attached memorandum from the Director of the Division of Territories and Island Possessions presents the question whether the Alaska Railroad has authority to sell coal that it produces from the Eska Mine to coal dealers and employees of the railroad.

The Director states that the Evan Jones Coal Company, operating the main mine in the Matanuska District has been closed down since last autumn and now has only about 300 tons on hand; that the coal dealers and employees have requested permission to purchase coal from the railroad; that coal has been sold before by the railroad under proclamations of the President dated August 27, 1918, and November 22, 1919, issued pursuant to authority conferred on the President by the act of October 20, 1914 (38 Stat. 741), providing for the leasing of coal lands in Alaska; that the Solicitor of the Department held that the railroad had no power to sell coal under the act enabling the President to locate, construct and operate it, but that certain language in the act of August 9, 1937 (Public No. 240 - 75th Congress) making appropriations for the Department of the Interior he believes contains sufficient authorization to sell coal.

The opinion of the Solicitor of August 13, 1918, upon consideration of the provisions of the act of March 12, 1914 (38 Stat. 305), authorizing the construction and operation of railroads in Alaska concluded that the President had the right to mine coal when necessary from lands reserved under the act to be used in connection with the construction and operation of such railroads and that the fulfillment of the purpose of the statute made such mining necessary, but that the selling of coal to others could not be regarded as incidental to or consequential upon those things the act authorized, but it was held that under the proviso in section 2 of the act of October 20, 1914, supra, reading,

> "That the coal deposits in such reserved areas may be mined under the direction of the President when, in his opinion, the mining of such coal in such reserved areas, under the direction of the President, becomes necessary, by reason of an insufficient supply of coal at a reasonable price for the requirement of Government works,

construction and operation of Government railroads, for the Navy, for national protection, or for relief from monopoly or oppressive conditions."

that it was left entirely to the President to determine whether such exigency has arisen or such a state of affairs exists as are contemplated in the law.

Exercising this conceded authority, the President by proclamation of August 27, 1918, predicated on an inadequate and insufficient supply of coal for domestic and other uses in Alaska, authorized the Secretary of the Interior during the existence of the war, to sell and dispose of surplus coal taken from the mine then operated by the Alaskan Railroad Commission for supplying domestic and local needs in the Territory. A like proclamation of November 22, 1919, based upon an inadequacy of coal in the towns and settlements near the line of the railroad, authorized the Secretary to sell coal for the period of three years from the date of the proclamation from the mines operated by the railroad to supply domestic and other local needs of the Territory.

Undoubtedly if the same oppressive conditions exist respecting the inadequacy of the coal supply for local and domestic needs alike proclamation by the President could now be made.

The question remains whether the provisions of the act of August 9, 1937, supra, cited by the Director obviates the necessity of an Executive order. The act provides that:

> "The revenues of the Alaska Railroad received during the fiscal year 1938 shall be available, and continue available until expended, for every expenditure requisite for and incident to the authorized work of the Alaska Railroad, including maintenance, operation, and improvements of railroads in Alaska; * * * stores for resale:"

It may be assumed that Congress was cognizant of the fact that the railroad was engaged in mining and accumulating stores of coal for the operation of the road and of the shortages in supply for local needs that have occurred from time to time. The phrase "stores for resale" implies that a surplus of coal over requirements of operation could be mined and resold, and that the revenues of the road could be used in creating such a surplus for resale; that the monies received from the sale of the coal may be regarded as part of the revenue of the road.

It is, therefore, my opinion that stores of coal in excess of the requirements of railroad operations mined from the revenues of the fiscal year 1938 may be sold to supply domestic and local needs at prices conforming to the schedule of prices fixed by the Bituminous Coal Commission.

(Sgd.) Frederic L. Kirgis

Acting Solicitor.

Attachment.

Copied by A.B.C. 1-24-38

Copy to Col. O.F. Ohlson
Room 6524 Interior, South.

PSF Interior

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SECRETARY
WASHINGTON

February 7, 1938.

Memorandum for Director Gruening:

Will you please get this all together in one final memorandum to me because my thought is that I ought to discuss it with the President, since a question of important public policy is involved.

H. L. I.
Secretary.

Enc.

PSF
Interior

UNITED STATES
DEPARTMENT OF THE INTERIOR

OFFICE OF THE SECRETARY

DIVISION OF TERRITORIES AND ISLAND POSSESSIONS

WASHINGTON

February 9, 1938.

Memorandum to the Secretary:

Under instructions signed by the Acting Secretary on October 22, 1937, The Alaska Railroad has since that date operated its Eska coal mine located in the Matanuska field. This action followed the refusal of the Evan Jones Coal Company to accept the Government's offer of $3.47 per ton for the 1938 steam coal supply. On January 22, 1938, the Acting Secretary authorized the railroad to sell coal to the trade and to its employees. A certain amount has been sold to employees and to Federal agencies.

The loss of the Government contract and a serious mine explosion caused the Evan Jones mine to close down. Its President, Mr. Oscar Anderson, states he is ready to operate again provided he can secure a contract for at least 20,000 tons from The Alaska Railroad to be delivered in '38. Without the railroad's contract for the surplus steam coal, the Evan Jones mine undoubtedly cannot operate. On the other hand, if the Eska mine is now closed in favor of a contract with Evan Jones, there will be considerable deterioration and loss. To avoid this, an additional 50,000 tons should be removed from the Eska mine before closing. The Alaska Railroad uses about 30,000 tons a year. The railroad is producing coal at an out-of-the-pocket cost of $2.87 a ton. Mr. Anderson indicates his company will request $3.75. The Bituminous Coal Commission has fixed $3.65 as the minimum for Matanuska coal. Annual savings figured on a differential between $3.75 and $2.87 amount to approximately $26,400.

I recommend that the railroad continue during 1938 to mine coal for its use, and if other producers cannot supply the industrial and domestic needs usually filled by Alaska coal, that the railroad sell to dealers and to its employees. There is legal basis for such activities in the language of the 1938 Appropriation Act to permit The Alaska Railroad to engage in this business and to use the profits for necessary expenditures. In a memorandum to you on January 19, the Acting Solicitor expressed the opinion that under certain provisions in the Act of August 9, 1937 (Public No. 249, 75th Congress) -- "stores of coal in excess of the requirements of railroad operations mined from the revenues of the fiscal year 1938 may be sold to supply domestic and local needs at prices conforming to the schedule of prices fixed by the Bituminous Coal Commission." A more detailed presentation of this matter will be found in the attached memoranda.

Naturally, some objections will be made to the recommended move by the Evan Jones Company, by those who resist the Government's entering business and by those in The Alaska Railroad belt who may feel that the door is being closed to private initiative. Nevertheless, the facts indicate that we cannot continue to contract with the Evan Jones Coal Company, without inviting charges of favoritism and connivance, and what is more serious, sacrificing thousands of dollars annually of the taxpayers' money to help a private business.

Ernest Gruening
ERNEST GRUENING
Director.

Attachments.

file - confidential

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SECRETARY
DIVISION OF TERRITORIES AND ISLAND POSSESSIONS
WASHINGTON

PSF Interior

January 17, 1938.

MEMORANDUM for the Secretary:

I am appending, as indicated in my memorandum to you of January 13, a copy of my informal memorandum to Judge Moore of the State Department. What is of course obvious, although I do not state it, is that somebody blundered seriously in taking over Howland, Baker and Jarvis and overlooking Canton. In my recent conversations with certain officials, I find that the Department of Commerce blames the State Department, although I have been informed that it was Miller of the Commerce Department who cherished the belief that all future trans-oceanic flying would be by land plane.

There is a further aspect to the Navy's program(which has not been made public) to take over Palmyra, which I intend shortly to make the subject of a special memorandum to you, urging the Department's opposition to such a course. It is wholly within your jurisdiction to make this protest, since Palmyra is a part of the Territory of Hawaii.

Palmyra is probably the most perfect example to be found anywhere of a beautiful tropical island, with a variety of fauna and flora which if possible should be preserved intact. It is probably the only example of this kind under the American flag. I have discussed the matter informally with Director Cammerer of the National Park Service, to see whether it might not be possible to set this aside as a National Monument.

Ernest Gruening
ERNEST GRUENING,
Director.

Attachment.

UNITED STATES
DEPARTMENT OF THE INTERIOR

OFFICE OF THE SECRETARY

DIVISION OF TERRITORIES AND ISLAND POSSESSIONS

WASHINGTON

noted
Chfgrundy

January 17, 1938.

~~CONFIDENTIAL~~

MEMORANDUM for Solicitor R. Walton Moore,
Department of State.

On May 13, 1936, the President by Executive Order transferred to the Department of the Interior the jurisdiction of the islands of Jarvis, Baker and Howland, situated near the Equator, the first close to the Great Circle route from Honolulu to Auckland, New Zealand, the other two not far from the Great Circle route from Honolulu to Sydney, Australia. American citizens were settled thereon, and United States sovereignty definitely established by this occupation which continues, a United States Coast Guard cutter from Honolulu visiting these islands four times a year to bring water and food supplies.

The information received in the Interior Department at the time was that these islands were potential "first hop" stops from Honolulu to New Zealand and to Australia respectively. (The islands are flat and could be landed on in an emergency by a land plane. The surface of Howland was specifically prepared for land plane landings in the Spring of 1937 in anticipation of the landing of Amelia Earhart.)

This Fall the islands were visited for the first time by an official from Washington, namely the writer, the Director of the Division of Territories and Island Possessions. Previous to my departure from Washington, I conferred with Mr. Samuel W. Boggs, Geographer of the State Department, who stated that there were a score or so of small islands in the Pacific, ownership of which was in dispute between Great Britain and the United States. He further stated that negotiations were in progress with the British with the idea of establishing definitely which islands belonged to which sovereignty. He mentioned the Phoenix group specifically, to all of which the United States had some claim, although varying in validity among the islands of this group. The Phoenix group, lying directly south of the Equator in approximately the same longitude as Howland and Baker, is potentially serviceable on the Great Circle flights to Australia.

It was suggested that I visit this group in connection with my visit to the adjacent islands of Howland and Baker and check up on the Phoenix islands' usefulness as commercial airplane stations, etc. I was told that current negotiations with Great Britain had sought to establish the premise that neither nation do anything to disturb the status quo, and was enjoined therefore neither to make any move to admit British sovereignty nor to establish ours.

I left Honolulu on October 23 aboard the Coast Guard cutter Roger B.

Taney. We visited and inspected a number of islands in the general region of the "first hop" stops on the Great Circle routes to New Zealand and Australia respectively. In the first group (America group) were Kingman's Reef, Palmyra, Fanning, Christmas and Jarvis. In the second group (Phoenix group) were Hull, Sydney, Phoenix, Enderbury, Canton, Baker and Howland. My observations as a result of these visits are as follows:

Howland, Baker and Jarvis are of relatively little use for trans-oceanic flights for the following reasons:

A. Only land planes can alight there. It seems that among those who planned the original occupation of these islands by the United States two years ago, someone was convinced that future trans-oceanic flying would be by land planes. This is not the case today, and certainly will not be so in the near future. In any event, it would have seemed advisable to have selected among the available islands some that had both sufficient land surface for land plane airports and sheltered water for seaplanes.

B. Howland, Baker and Jarvis are all small, the largest being Howland, less than two miles long and about two-thirds of a mile wide. Both Jarvis and Baker are somewhat smaller.

C. Landing has to be done in small boats across the reef. No anchorage exists around any of these islands, the reef shelving off abruptly to great depths. The transportation of heavy materials onto these islands is next to impossible. Therefore anything like a permanent establishment here is out of the question.

PHOENIX ISLANDS

In the Phoenix group, however, there is another island--Canton--which possesses just the qualifications required. At the time Howland, Baker and Jarvis were settled early in 1936, Canton was unoccupied. The United States claim to it was approximately as good as to Howland, Baker and Jarvis. It is therefore difficult to understand why Canton was not selected for settlement, certainly in preference to both Howland and Baker and even more in preference to the second of these two islands, since these two, situated close together and wholly similar, duplicate each other without additional advantage.

Canton is a coral atoll, situated between the 171st and 172nd parallels of longitude west and approximately two degrees four minutes south. It is a somewhat irregular rectangle with an opening in the reef on the west about 100 yards wide and a channel eight to ten feet in depth at high tide. This channel therefore permits the passage of small boats into the lagoon. The lagoon is about nine miles long and four miles wide. While it contains some coral patches and undoubtedly some blasting would have to be done, it is now possible for seaplanes to land there. Moreover, there is ample surface for land planes, particularly on the north side of the island where there is almost a straight runway for some three to four miles with a width varying between 200 and 300 yards. This runway is in the direction of the prevailing winds, and there are other areas available on the west side below the opening in the reef, on the south side and on the west. In addition to having both land plane and sea plane potentialities, it has an anchorage. The open-

ing in the reef could without difficulty be deepened to admit vessels of desired size.

Canton is the most desirable island and perhaps the only one in the Phoenix group worth acquiring for aviation purposes.

The British have established two white men, one of them a radio operator, on Canton, with one native (Union Islander) servant. They are established on the west coast just south of the entrance to the lagoon, and their shacks are adjacent to those established by the American eclipse expedition of June, 1937. This expedition's marker, of concrete, with an American flag enameled on both sides and bolted through the concrete, still remains. When we visited the island, the British radio operator declined our invitation to come aboard for dinner on the ground that he could not leave his radio and that his associate was over on the other side of the island with the native servant. We gathered that these two were surveying.

It seems a great pity that we did not take possession of Canton at the time we occupied Baker, Howland and Jarvis, as Canton would have been ample for commercial flying needs in this region and would likewise have been useful for naval purposes.

Hull, the next best island in the Phoenix group, has an ample lagoon about four miles long by three miles wide, but the land surface is inadequate except on the northeast rim. Landing there would be difficult in case of a southeast or northwest wind.

Enderbury is an island of the Howland, Baker and Jarvis type, although considerably larger, being three miles long and approximately a mile wide.

Within the last year the British have taken definite steps to occupy these islands, formerly unoccupied. Natives are apparently established on Hull, and this and the other islands have been formally annexed to the Gilbert and Ellice colony. Within the past year, some Union Islands natives have been settled on Sydney, Phoenix and Enderbury are still uninhabited, but the British flag has been hoisted and is apparently renewed every few months on a flag pole beneath which are the two following wooden markers, of which I have photographs:

This Island belongs to His Brittanic Majesty
King George XI, was visited by H.M.S. LEITH
January 1937. (Signed) J.C.P. Judway
Captain, R.N.

Gilbert and Ellice Islands colony.
Administrative visit to Phoenix Island
H.M.C.S. "Nimanoa" October 1937
(Sgd) M.L.Singleton H.E.Maude
Master H.M.C.S.Nimanoa Administrative Officer
G.E.J.C.

The British who visited the islands in October, 1937, erected similar signs on all the Phoenix islands. The indication would therefore be that definitive possession was not proclaimed until last October, just a few weeks, if not days, before my visit.

AMERICA ISLANDS

In the islands lying due south from Oahu, the so-called America group near the Great Circle route to New Zealand, far and away the best island for commercial land and sea plane stops as well as for naval purposes is Christmas. Christmas is a large island, some 30 miles long, 17 to 18 miles wide, and contains a large magnificent lagoon as well as several smaller lagoons. The large lagoon is about 12 miles long and eight miles wide. The island is flat and there is enough flat land for all the land planes and sea planes of the United States to alight there. I inspected several regions of flat hard ground two or three miles square.

Christmas is sparsely settled. Its present occupants consist of five white persons and some 30 Tahitian natives. The whites are the British administrator, Cowie; a Czecho-Slovak named Jarqbeck who is the manager of the copra concession which has been leased to a French resident of Tahiti; his wife, his eight-year-old son; and one assistant. Were it possible for the United States to secure possession of Christmas, we should have in this one island everything that we need in the Great Circle route to New Zealand.

The other possibilities in this group are negligible.

Fanning seems to be indisputably British.

Washington is too small.

Kingman's Reef, which we already have, is wholly unsatisfactory. There is no land surface. Even at low tide only a small portion of the reef is visible. When winds blow from the south, a ship anchored within to supply fuel would not be safe; and it is entirely safe to say that with a rough sea, even though the weather may be good for flying, it would be impossible for a plane to land there. With a southwest wind, the waves come in through the opening and would make it extremely difficult to land there even in good weather. I have confirmed with Mr. Juan Trippe, President of the Pan American Airways, that Kingman's Reef is considered unsatisfactory and even potentially dangerous.

I understand that the Navy is planning to spend several hundred thousand dollars in blasting an opening through the reef in Palmyra and further blasting the coral to connect the three lagoons and make this island available for an airplane station. This in my judgment will prove a total waste of funds. The coral reef extends for four miles west of the place where the lagoon would have to be entered. For fully a mile, it has a varying depth of only two or three feet. Blasting there would be extremely expensive. The longest length of the largestlagoon is less than a mile; the other two lagoons which are separated from it by considerable coral are respectively half a mile and two-thirds of a mile in length in the same direction. Beyond that is the fact that there is inadequate land surface on Palmyra and only the sketchiest

kind of an establishment could be created there. I am convinced that a vast expenditure of money there would produce nothing satisfactory.

Instead of expending large sums of money on Palmyra, I warmly recommend that every prior effort be made to secure Christmas, which is not only in the same group but is better situated because further away from Honolulu and nearer Pago Pago, which would be the second stop in the flight to New Zealand. If all efforts fail in securing sovereignty over Christmas, it is possible that a joint occupancy with the British could be worked out. (A similar joint occupancy between the Dutch and the French exists on a very much smaller island in the Caribbean, St. Martin.)

As long as this whole issue of sovereignty is still moot for numerous Pacific islands, and questions of earlier occupancy and use are involved, and in view of the necessities of the situation, I would recommend the settling on Christmas Island of Hawaiian boys as was done on Howland, Baker and Jarvis. The British claim has of course been greatly strengthened by recent occupation, but the United States had a long occupation prior to that and occupation now would tend to blur and lessen the force of the British claim based on present occupancy. There is ample room on the island for a settlement of Hawaiian boys without any conflict with the British who are grouped close to the north entrance to the lagoon.

Based on my observations, I would recommend a similar settlement on Canton Island. British occupancy is a matter of only a few months. It appears to have been in violation of our understanding at least, and settlement established by <u>both</u> the United States and Great Britain would greatly strengthen our claim. Settlement could very easily be effected either adjacent to the present British housing on the same side of the opening of the lagoon, or the other side. I would recommend the same side where the eclipse expedition has left considerable material and where the American marker is located.

For trading purposes in negotiations with Great Britain, I would likewise recommend settling on Enderbury and possibly Phoenix, which are now unoccupied.

I did not visit some of the other islands included in the list of those Pacific Islands to which the United States has a claim, particularly those in the Gilbert group. If these are desirable for other purposes, then the strengthening of our claim on the previously mentioned islands in the Phoenix and America groups (Canton, Enderbury, Christmas) might be useful for trading purposes. In the case of Canton, there is a valid reason for <u>prompt</u> action. The British occupancy--the settlement of the two white men and a native--is less than six months old. It will be completely nullified by our occupancy. But if we delay, it seems entirely probable that the British may land further settlers, may start deepening the channel into the lagoon, may blast in the lagoon and may lay out a flying field on the land surface. This has not yet taken place, but conceivably may begin at any moment. Such expenditure of funds on the island by the British would greatly impair any efforts we might make to secure this island.

It would seem that at this critical point in the effort to secure Pacific Islands we should not make the mistake of taking possession too late. We are

presumably entering a period when these claims are losing their fluidity. In a very short time it will be much more difficult to achieve what can now be achieved. I believe that the present world situation, the unpaid British debt to us, etc. should make it easier for us to secure concessions now from the British than at some future time.

ERNEST GRUENING,
Director.

/

PSF Interior

UNITED STATES
DEPARTMENT OF THE INTERIOR
THE BONNEVILLE PROJECT
PORTLAND, OREGON,

March 21, 1938

OFFICE OF THE ADMINISTRATOR.

Dear Mr. President:

I was indeed glad, to say the least, when I got your letter this morning concerning the Dust Bowl.

I think it could be made a marvelous thing in the redemption of that section of the country, and to that end I will study it out.

The General Electric Company now promise me that they will keep on with the development of the rectifying tube for long distance D.C. transmission.

I have told them that I would use two wires, one positive to ground, the other negative to ground, the center of the system being grounded at each end, and so using the steel lightning protection wire at the top of the poles for the neutral wire. In that case I can use one wire for each circuit, the ground on the neutral being the common return. In that way I will have no resistance in the returning system.

I will start with a 15,000 volt rectifying tube on each side, and so have 30,000 at the end of the line.

I am planning a 20-mile line of this type in my 3-1/2 million dollar appropriation, instead of an alternating line of the same length. Then, as the load builds up, I will add more tubes, in series.

My two circuits of one wire each will give me the same capacity as the six wires of the same size in a double alternating current transmission. I will use three poles in line, with one wire between each pair, and one pole across the top instead of cross arms. The center pole will go higher to carry the lightning wire, so we will be on our way to a line that we will make a success, come what may.

UNITED STATES
DEPARTMENT OF THE INTERIOR
THE BONNEVILLE PROJECT
PORTLAND, OREGON.

OFFICE OF THE ADMINISTRATOR.

In that way we can tell what effect direct current will have on the insulators of today, and get a sine wave worked out on the receiving end when we turn it back to alternating current.

With this done, and the voltage of the tubes developed to a higher point, we can cross to Eastern Idaho at low cost, and across the Dust Bowl, and we can begin to interconnect the large plants of America.

We held eight rate meetings at the three capitals of the States, and at other cities, giving the people for the first time in history the right to express themselves on the kind of rate structure they would like.

I confess that the meetings were a complete surprise to me. There was a tremendous interest, and all the speakers gave sensible talks on the matter.

We asked the Chambers of Commerce, the private power companies, the granges, all associations, irrigation, mining, farming, power at the dam, and service to the home. Everybody had a chance.

It has brought us all much closer together, and there was not a flaw in a single meeting.

One thing that pressed itself home and surprised us most was that the towns close to the dam wanted their far distant neighbors to get the same rate over the whole system.

There was much more sentiment in favor of having a maximum rate for resale, in the case of the company, and everyone in public power seemed to agree to an even stricter formula that would consider cost to the government, costs of distribution, a proper tax which in no case was placed at over 10% of the gross receipts for local and state tax. Anything above this amount would be turned back into reduction of light and power.

PSF Interior

UNITED STATES
DEPARTMENT OF THE INTERIOR
THE BONNEVILLE PROJECT
PORTLAND, OREGON.

OFFICE OF THE ADMINISTRATOR.

I thought this would interest you very much. We will soon have our rates set.

Mr. Draper, Federal Power Commissioner, whom we invited here, attended all of the power meetings, and is also very highly pleased with them.

I have given our men a request to now study a price of $15 per kilowatt year at the dam, and $18 per kilowatt year anywhere on the network in the three states. This would be our extremely simple rate schedule.

The water is going over the dam twenty-four hours a day, so I feel that if we sold by the kilowatt year it would give a tremendous incentive to use the kilowatt for the whole twenty-four hours, and the distributing agency will find ways and means to do that. That will give automatically an extremely low rate for twenty-four hour irrigation, and will take the base loads of private and public plants, while the existing plants can take the peaks, especially the short peaks, and still make their former investments worth while.

We have $30,000 of our $100,000 first appropriation that we feel we can use now for lines, so we are designing and starting our surveys so that we can move quickly.

If you have any wishes in these matters, we would like to carry them out.

The eighteen counties are moving swiftly to buy out the companies, and have asked my help to correlate the whole question and interconnect the plants that they will buy. I have told them that I could choose them a good man, and keep supervision over him as an individual rather than as Administrator.

UNITED STATES
DEPARTMENT OF THE INTERIOR
THE BONNEVILLE PROJECT
PORTLAND, OREGON.

OFFICE OF THE ADMINISTRATOR.

These plants will include the big Rock Island plant on the Columbia.

It was my dream that this would be made one of the plants of the Columbia River System, with the Coulee and Bonneville. I realize that I should not ask this at the present time when there is so much call for money, but I hope some day later it can be taken over from the counties and a lock put in for barging.

The Coulee people are very, very anxious for power there. The contractor called me today and said that the $250,000 a year that they have been paying will be raised now to about $375,000. They are also appealing for help, and are coming over to see me.

Before long, I may be writing you again, for it may be possible to use a line from the Rock Island plant which the counties expect to buy, and the contractor will build the last twenty miles to meet that line.

Everything is moving along nicely, and with reasonable speed.

Best regards.

Sincerely,

JDRose

JDR:mc

To The Honorable Franklin D. Roosevelt
President of the United States
The White House
Washington, D.C.

UNITED STATES
DEPARTMENT OF THE INTERIOR
THE BONNEVILLE PROJECT
PORTLAND, OREGON.

March 26, 1938

PSF

file personal Interior Dept

OFFICE OF THE ADMINISTRATOR.

Dear Mr. McIntyre:

I am enclosing a little report on our rate hearings, and progress in direct current power transmission, which I think would interest the President very much.

I would appreciate your giving it to him.

Best regards.

Sincerely,

JDRoe

JDR:mc
Enclosure (1)

Mr. M. H. McIntyre
Secretary to The President
The White House
Washington, D.C.

PSF
Interior

THE WHITE HOUSE
WASHINGTON

d. Ickes

August 11, 1938

MEMORANDUM FOR MISS TULLY:

Do you want to look this over and see whether it should go in the President's confidential file or not? Thank you.

yes

ROBERTA BARROWS

UNITED STATES
DEPARTMENT OF THE INTERIOR
THE BONNEVILLE PROJECT
PORTLAND, OREGON

OFFICE OF THE ADMINISTRATOR

July 22, 1938

Dear Mr. McIntyre:

I am returning the enclosed letter which the President referred to me.

I took it in to him when I was in Washington, and talked the matter over, but he handed it back to me together with some other papers. So I am returning it for your files.

Everything is going grand here, and we are all trying to do our "bit".

Best regards.

Sincerely,

JDR:mc
Enclosures

Mr. Marvin H. McIntyre
Secretary to the President
The White House
Washington, D.C.

United States District Court
District of Oregon

Judge's Chambers

Portland, Oregon, February 10, 1938

(5)

HONORABLE JAMES A. FARLEY
1040 Fifth Avenue
New York City, N. Y.

Dear Jim:

I appreciate fully the President's great interest in the success of Bonneville, and what I have written to you before on the subject of the present Bonneville personnel and its methods has been with the President's special interest in the project in mind.

While I know Mr. Ross but slightly, my feeling for him is not only one of great admiration but almost of personal affection. I think he is one of the unusual men of our generation. He is truly a tribune of the people.

However, we must remember that Mr. Ross is 65 years old, and that on this account he can hardly be expected to carry Bonneville through to its full development. He is already working too hard. Confidentially, two of the young men in the intimate group that surround him have lately told me that Mr. Ross had a serious attack of "indigestion", which greatly disturbed them. I quote the word they used.

Now, the message I want to get over to Mr. Ross is that we can easily put all the Democratic forces in Oregon behind him, if he will just give the party organization the most modest recognition. Look what we have done for him already - Governor Martin has declared for him, Mayor Carson likewise, also ex-Governor West; Mrs. Honeyman has spoken for him on the radio, and there are many others. We have been able to give the fine old gentleman this unanimous support of the folks who count out here, in face of the fact that his appointment was such a hard blow to Oregon's sectional pride. In turn, if Mr. Ross would succeed in retaining this unanimous good will, he should find some room in his personnel for a representative of the group that I have just named. As you know, we have all been urging Tom Delzell. Tom may not be available now, because he has gone to Salem at Governor Martin's earnest

request to help out with the State Utilities Department. But some one of that type should be included in Mr. Ross's personnel at an early date. At present he has only his old Seattle friends, several Easterners and a few Oregon "nobodies".

While I'm getting this off my chest, let me say a word about Secretary Ickes, who, of course, is Mr. Ross's superior under the Bonneville legislation as finally enacted. Personally, I would have preferred that the Bonneville bill had passed in its original form, making the Administration directly responsible to the President.

I have always felt that Secretary Ickes went out of his way unduly when he protested my appointment to the President. The Secretary simply didn't know what he was talking about when he charged me with anti-liberalism. He doesn't know who's who in Oregon and the State of Washington. You know fifty people out here to his one. My father and brother and I have spent our lives, with others, in preserving the Democratic party and Democratic principles in Oregon, and to have a stranger at a late date like this dispute our good faith and disparage our principles doesn't set well. I want to have this out personally with Secretary Ickes some day. When in Washington, I called on him for that purpose, but after cooling my heels for a couple of hours I had to go on to an appointment with the Attorney General. He and I went to the University of Chicago Law School, where we were members of the same legal fraternity, and he had no right to take the position with the President about me that he did.

Now to sum up, Jim. Just because I'm on this judicial job doesn't mean that I'm going to take my eyes off the ball. Knowing how close Bonneville is to the President's heart, I and my friends are going to do all in our power to make that project the outstanding success it should be, and whenever I think it's being unwisely handled, I'm going to write and tell you. Please keep this one thing in mind now: that the complete development of Bonneville is quite a few years off, and that a

competent understudy of Mr. Ross should be taken into the organization at an early date, looking forward to the time when Mr. Ross cannot be as active as he has been in the past, or when he may go on to a larger field, such as District Administrator, called for by the Norris bill. In my opinion there is no such person competent to step into Mr. Ross's shoes as the organization is at present set up. Tom Delzell has those qualifications, and I hope the resistance to him in the Interior Department can be broken down, as I hope in time by personal contact with Secretary Ickes to break down his feeling about me.

I'm sorry to trouble you with such a long letter, but it looks now as if I won't be able to get to Washington this year. On account of so many labor troubles, I believe I'd better stay close on the job.

Sincerely,

Maude

CM:A

OFFICE OF
FIRST ASSISTANT SECRETARY

1

PSF
Interior

file personal

UNITED STATES
DEPARTMENT OF THE INTERIOR
WASHINGTON

October 18, 1938.

The President,

The White House.

My dear Mr. President:

I have your memorandum of October 15, regarding Mr. Russell Sturgis.

I have interviewed Mr. Sturgis several times and he has been offered a $3200 position in the Virgin Islands which is agreeable to him. Mr. Sturgis, however, does not wish to leave Arthurdale before the work on which he is now engaged has been completed. This will be about November 7 and it is expected that he will proceed to the Virgin Islands immediately thereafter.

Sincerely yours,

E. K. Burlew

E. K. BURLEW,
First Assistant Secretary.

P.P.F. 5473

October 15, 1938

MEMORANDUM FOR MR. BURLEW

A couple of months ago, I suggested Russell Sturgis in regard to employment in the Virgin Islands. Has anything further been done?

F. D. R.

fdr/tmb

file private

PSF Interior

THE WHITE HOUSE
WASHINGTON

October 21, 1938.

MEMORANDUM FOR

THE PRESIDENT

MESSAGE FROM SECRETARY ICKES:

Please do not have Harry Slattery at the Cabinet meetings while Ickes is away because he "leaks".

file confidential

Interior d-1

PSF
Interior

December 28, 1938.

Dear J. D.:-

I did not get a chance to talk with Mr. Seavey and Mr. Scott until the other day, but I was mighty glad to have the background on the Nebraska situation and I think things will work out all right. Ever so many thanks.

My best wishes to you for a Happy New Year.

Always sincerely,

Honorable J. D. Ross,
Department of Lighting,
Seattle,
Washington.

THE CITY OF SEATTLE
DEPARTMENT OF LIGHTING
ELIOT 7600

J. D. ROSS, FEL. AM. INS. ELEC. ENG'S.
SUPERINTENDENT
MEMBER, BOARD OF PUBLIC WORKS

December 15, 1938

~~CONFIDENTIAL~~

Honorable Franklin D. Roosevelt
President of the United States
The White House
Washington, D.C.

Dear Mr. President:

Concerning the Nebraska power purchases, I am writing you this confidential letter, as I think you should know the facts as we see them without my waiting to ask permission of those mentioned to give you their story.

I am told in a phone message from Nebraska that Mr. Scott of the Federal Power Commission has made some objections to the purchase of the Iowa Nebraska Light and Power Company. I am told that Senator Norris, who has been trying to do his best in this work, is much disturbed about Mr. Scott's memorandum to you. I am therefore getting the following information to you as quickly as possible, as the regular hearing on the sale of the power company comes up before the Federal Power Commission on Thursday, the 22nd.

I have not a particle of doubt that Senator Bridges put out a premeditated and carefully planned statement. I firmly believe that he deliberately held it as long as the success of the work in Nebraska was in doubt, but the moment that success was assured he evidently put his statement out in order to scare the market and destroy the bond sale. He could not have timed his attack better. He does not want the facts. He merely wants turmoil.

Ralph Canady of Nebraska, attorney for the Central Nebraska Public Power and Irrigation District, told me today that the company to be purchased still gets inside information from the other power companies. He

tells me that the Nebraska Power Company, the last one of the thirteen companies of Nebraska to fight the purchase plan, are back of Senator Bridges. I asked him if he would make this statement publicly, and he said he would be violating the confidence of the company officials if he did, but that he feels sure that anyone investigating it independently could get this information from the officials of the Iowa Nebraska Light and Power Company.

The Nebraska Power Company does business in the City of Omaha particularly, and is fighting very hard.

The company now selling out also fought very hard, but now believes wholeheartedly that to end the competition in this way is the thing to do.

Concerning Mr. Bridges, I have expected that it would take courage to carry through this work, and that the power concerns would make a bitter fight as soon as success was assured.

I was also convinced that if we could not carry this work through, or if we made a mistake in any way, no matter how costly, no private company would raise a hand in protest. I have never heard of one yet trying to bring about economy for the government.

If this purchase is blocked at this time, I feel that there is a conspiracy to bring in certain legislation in January to keep the thing in a turmoil to prevent the sale of the bonds.

On the other hand, if the sale is completed, and if Senator Bridges really wants an investigation, I don't think he would get anywhere particularly, but it might be a means of making our position firmer. There is not a thing that could give them any prestige in the matter. Mr. Myers is ready to put his books before any investigating committee whether they are authorized by Congress or not, and of course I am ready to answer anything they may ask.

Mr. Ickes has helped the people of Nebraska splendidly; so has Senator Norris; and perhaps the investigation could bring out these facts. The three districts of Nebraska might also give some very excellent facts that the nation would like to hear.

Our present fight, however, is to prevent Senator Bridges' crowd from destroying the work of two years.

As you know, the water in Nebraska rises and falls to a very large extent, and, unlike our country here of heavy rainfall, the water is not plentiful. It needs the full market and the existing auxiliary steam plants to firm the power up and make a real success, and a yardstick of these three districts. Otherwise, if they are left to the wolves, the result is better imagined than described. For this reason I am ready to show them a real fight in any investigation, in order that the nation may know the true facts, and in order that Nebraska may have a splendid power system instead of a failure.

The purchase of the Iowa Nebraska Light and Power Company would be the first step to end the turmoil wherever the great federal plants have been instituted, and would end the controversy in each case in a way satisfactory to both the people and the power companies involved. Otherwise there is nothing left but a terrific competition in which neither side can win.

I have been in such a fight thirty-seven years the coming Second of January. Competition has done marvels, but it has been a terrible ordeal, and even in its success it is far short of what it could have been if Seattle had purchased its competitor. The people have been torn in factions, and many millions are lost in duplication and competition. Three or four good yardsticks in the nation would make all the difference in the world in power rates.

You have done a wonderful work in the power field. A number of us are doing our very best to make this work a success wherever we have a chance. I feel that to let Senator Bridges have his way even to a small degree would do great injury to this good work.

I am sorry that Mr. Scott expresses an opinion before the hearing, and before all the facts are laid before him.

As this is a confidential letter, I think you should know that Mr. Scott is laboring under a very serious misunderstanding concerning Mr. Myers. He

believes that Mr. Myers made certain statements, which I am sure he did not make. Mr. Myers tried to see him to explain, but Mr. Scott refused to discuss the matter with him, so he had no chance to give Mr. Scott the true facts. Mr. Scott therefore seems to be antagonistic to anything that Mr. Myers is connected with.

I do not know of anyone who can carry these financial matters through to completion as Mr. Myers can. There is only a minority of Wall Street that is interested in public financing of power plants. They include such concerns as Bancamerica, Dillon and Read, Ballman and Main of Chicago, and about forty or more houses of various sizes. There is no other group to do this work.

Of course, it is distasteful to the private power companies to have Wall Street interested in public financing. This feeling on their part is in spite of the fact that our roads and sewers and parks, and practically everything in the way of general lien bonds, are handled by New York and Chicago. In those the citizen mortgages his property, while in the power revenue bonds the banker takes the risk and the price paid must be low enough to make a marketable bond or the banker will not take the risk. The whole plan is ideal from the side of public power, and so is distasteful to private power.

I could start Saturday night for Washington to be at the hearing on Thursday, if you think that I should.

Perhaps, too, I should call on Senator Bridges. The day is coming when the people he represents may themselves want to sell out, in the face of the necessities of a changing world. I might not be able to make him see it that way, but I might at least get him thinking.

I am enclosing a few of the important figures in order that you may get a quick idea of the conditions in the sale of the Iowa Nebraska Light and Power Company.

Sincerely,

J D Ross

JDR:mc
Encl-1

PSF
Interior

THE WHITE HOUSE
WASHINGTON

May 17, 1939.

MEMORANDUM FOR

H. L. I.

Did you take this up with the P.M.G.?

F. D. R.

Letter to the Secretary of the Interior from Mayo McBride, Agent for the Providence Washington Insurance Company in Woodville, Texas, in which he complains of his mail being tampered with at the Post Office.

PSF Ickes

THE WHITE HOUSE
WASHINGTON

June 6, 1939.

MEMORANDUM FOR

THE SECRETARY OF THE INTERIOR

Many thanks for letting me see Anna's letter with enclosure. I am returning them herewith for your files.

F. D. R.

PSF Interior

THE SECRETARY OF THE INTERIOR
WASHINGTON

June 2, 1939.

My dear Mr. President:

I think that you will be interested in the enclosed letter from your daughter Anna, with attached memorandum from Howard Costigan. After you have read these, I would like to have them returned for my files.

Sincerely yours,

Secretary of the Interior.

The President,
The White House.

Enclosure.

PSF: Interior

September 16, 1939.

My dear Silcox:-

Will you do a real favor for me in this emergency? I fully appreciate the possibility of "a combination of circumstances" but on the other side of the picture there is another "combination of circumstances" that makes it really important to the Government to have you undertake this new and greater responsibility.

Also, there is my own problem in this emergency -- to work out, through improvement of personnel, certain problems which can be solved only through changes in personnel. And by what might be called common consent, you are the one man who fits the particular and very important situation involved in the Under Secretaryship of the Interior. It is because you have so consistently made good in what you have done that you are being drafted for this new job -- bigger in all of its implications both for peace time and equally important for a possible war time.

That is why I do hope you will reconsider.

As ever yours,

Hon. F. A. Silcox,
310 South Lee Street,
Alexandria,
Virginia.

F. A. SILCOX
310 SOUTH LEE STREET
ALEXANDRIA, VA.

September 15, 1939

The President

The White House

Dear Mr. President:

I am deeply and sincerely appreciative of the confidence expressed in me through your desire that I accept the position of Under-Secretary in the Department of the Interior. I regret exceedingly that in view of a combination of circumstances, I can not see my way clear to accept the appointment.

With warm personal regards,

Sincerely yours,

F A Silcox

THE WHITE HOUSE
WASHINGTON

7

SEPT. 23, 1939

PA:

Read this to Secretary Wallace, this morning, and then file it.

F.D.R.

File -
Gen. Watson read
Mr. Sulox's letter to
Secy Wallace over the phone
9/23/39

GW

September 19, 1939

Dear General Watson:

I will appreciate it if you will see that the enclosed letter reaches the President personally.

Sincerely,

Gen. Edw. Watson

The White House

F. A. SILCOX
310 SOUTH LEE STREET
ALEXANDRIA, VA.

September 19, 1939

The President

The White House.

Dear Mr. President:

I am again deeply appreciative of the confidence expressed in your letter of today. It is very difficult for me of course not to accede to a request from you so urgently stated. I have talked quite frankly with Secretary Ickes and thought I had made my position quite clear. I am so sure of my own judgment as to the situations which would be created by the proposed move that I feel I must decline. I know you will understand that I could not serve you well unless I did so according to the dictates of the integrity of my own convictions.

Sincerely yours,

F A Silcox

File BF personal Interior

EXECUTIVE OFFICE OF THE PRESIDENT
NATIONAL RESOURCES PLANNING BOARD
WASHINGTON, D. C.

DEC 16 1939

THE WHITE HOUSE
DEC 18 10 AM 1939
RECEIVED

MEMORANDUM for the President

Since submitting to you our preliminary report on Pacific Coast iron and steel, we have developed some further information on which you will wish to be informed:

1. The freight tariffs we have examined indicate the need for a careful comparative analysis of oceanic, intercoastal, and rail freight rates in their effects on the movement of iron and steel scrap. From a preliminary check it appears that we may have in effect a hidden export subsidy on iron and steel scrap. A proper conservation policy would, of course, call for favoring domestic consumption of such materials, since scrap exported from the country can be replaced only through further mining of our ore reserves, thus hastening the day of rising ore costs; whereas scrap consumed in domestic mills will in considerable part reappear again after some years in the form of scrapped iron and steel products.

2. The Administrator of the Bonneville Project has just submitted to Secretary Ickes a report prepared by his Market Development Section on the feasibility of iron and steel production in the Northwest using Columbia River hydroelectric power. This report has not yet been seen

by Secretary Ickes, but Assistant Secretary Burlew has made it available to us on a confidential basis. It indicates favorable possibilities, particularly for direct smelting of iron ore in electric furnaces. We have been informed in confidence that negotiations are now under way with a large steel interest for the construction of such a furnace at tidewater on the Columbia River. The Bonneville report will doubtless be submitted to you by Secretary Ickes, and in the meantime we shall review the findings in that report and inform you later concerning our reaction.

Frederic A. Delano
Chairman