

ter verbatim is as follows, omitting caption and date.

Communication from Gayley

"Hon. John Dalzell, Washington, D. C., Dear Sir: In answer to a letter from Hon. William C. Lovering setting out what seems to him the favorable provisions of his bill, No. 15,368, and asking me if I coincided in his views, to write you asking you your assistance in securing the enacting of the bill, I have written as per enclosed copy. Yours truly,

"W. T. GRAHAM, President."

The inclosed copy was Mr. Graham's letter to you, which have quoted from.

I have recently been furnished a copy of Mr. Graham's letter to Mr. Gayley (referred to in Mr. Graham's letter to you). Graham's letter to Gayley is in substance identical with his letter to you. It simply points out the legal objections to your bill. Whether Mr. Graham's assumption that his letter to Mr. Gayley was forwarded to me was correct, I am not able to say. I find no such letter on my files.

But suppose it was; let us so concede, for the purpose of argument.

1—That letter does not furnish any evidence that "certain industrial combinations of great influence * * * were secretly using their power to defeat legislation." On the contrary the letter was offered to you, the author of the proposed legislation, for your inspection. There was no pretense of concealment about it. Nor is it possible legitimately to infer any wrongdoing, intentional or otherwise, from the fact that the letter was written by an "industrial combination of great influence."

The right of any party, individual or combination to express their views upon proposed legislation affecting their interests can not be called in question; you yourself invoked the interposition of this influence in aid of your legislation. What was legitimate in aid of your cause was certainly equally so against it, if by conviction the party opposing believed your cause to be wrong.

Legislation Unnecessary

2—That letter does not justify the statement that it "directed him (me) to stop any further discussion of the bill."

3—It contained not a line or letter that was not proper in a communication from a constituent to his representative in congress about proposed legislation in which the constituent's interests were involved. It simply submitted an argument on the merits of the proposed legislation and made no request one way or another.

4—It did not justify the insinuation of illegitimate influence so far as the writer was concerned and dishonest compliance so far as I was concerned as a representative in congress. No one but a cheap and unscrupulous demagogue would seek to use it for that purpose.

Neither Mr. Graham's letter to me, which simply enclosed a copy of his reply to your letter, nor Mr. Graham's letter to Mr. Gayley, had anything to do with the refusal of the committee on ways and means, consisting of eighteen members, favorably to report any of your drawback bills. You introduced a number of such bills but they were identical in principle. It is not necessary to look beyond your bills themselves to find a reason for their non-enactment. They propose legislation which was regarded by the committee as unnecessary and utterly impracticable of execution without opening the door to immense frauds on the treasury, and that that is their character I now affirm.

Now as to Whitney's question, "Why can not even a hearing be had on a proposition so reasonable as Mr. Lovering's?"

Whitney's Veracity Questioned

The committee on ways and means invited you to call witnesses in support of your bill. The committee listened patiently in the months of April and May, 1902, and January, 1903, to the testimony that you presented. The report of the hearings cover 339 closely printed pages. The committee heard you again and again, times without number. They heard witnesses by the dozen. These witnesses represented every industry in this country which used imported materials in its manufactures. They included treasury officials and customs officers, practical men who understand the existing law and your proposed amendment—and yet in the face of these facts—all matter of public notoriety and record—a man pretending to be decent stands up before an intelligent audience and seeks to make his hearers believe that you had been denied a hearing. It is possible that the Boston Herald in its report misrepresented Mr. Whitney. I sincerely hope that it did. It may have

misquoted his language. I sincerely hope that it did. Because in its report it puts Mr. Whitney in the attitude of lying about me and of lying about the record and of appealing to you for his witness.

It is the connection of your name with the affair, and that only, that justifies me in paying any attention to Mr. Whitney or his speech. What he says about me, or about any one else for that matter, is not, in my judgment, of the least consequence. If nothing more were involved than Whitney's reputation for veracity, it would be a sin to waste time in the discussion. When, however, for his misrepresentations and perversions he calls upon you as his authority it seems to me that it is due both you and myself that this letter should be written. Yours truly,

JOHN DALZELL.

Lovering Replies to Dalzell

Representative Lovering has prepared an exhaustive reply to Mr. Dalzell's letter, setting forth his contentions regarding Mr. Whitney's speech, and also including some very interesting correspondence with First Vice President James Gayley of the United States Steel corporation. Mr. Gayley's letter demonstrates the hostile attitude of the steel trust to Mr. Lovering's drawback bill. Mr. Lovering's letter to Mr. Dalzell and the enclosures follow:

The Hon. John Dalzell, Pittsburg, Pa.—

My Dear Mr. Dalzell:

At the outset I wish to explain that Mr. Whitney's statement to the effect that a letter was written to you by the United States Steel corporation directing you to stop any further discussion of the subject of drawback reform, was evidently based on a misunderstanding of the information given to him regarding the nature of the letters written you by officials of that corporation. I have never directly, or indirectly, made any statements in regard to these letters that would bear this construction.

A second statement made by Mr. Whitney, in regard to which there seems to be some misunderstanding on your part, is his reference to the failure to get a hearing on the matter of drawback law reform. He could not have meant a hearing before the committee on ways and means, since he had in his possession reports of the various hearings held from time to time. If, however, he meant a hearing in congress, where the advocates of more liberal drawback legislation could submit the question to the judgment of their colleagues, he was entirely right, as a concerted effort was undoubtedly made by the opponents of the drawback bills to prevent their coming before congress for a decision. I am quite sure that if the subject could have come up in the house of representatives that a very large majority of the members would have voted for the bills introduced by me.

Replies to Comment

The remainder of your letter is not concerned so much with Mr. Whitney, as with my own responsibility for certain statements made to me. Taking these up in the order submitted by you, I wish to reply to your comment on my assertion that "certain industrial combinations of great influence were secretly using their power to defeat legislation." You reply to this that the letters written you by the president of the American Tin Plate company do not furnish any evidence as to the truth of this statement, and that the correspondence on the subject of my drawback bill was initiated by me. This is a mistake. I first wrote to Mr. W. T. Graham, president of the American Tin Plate company, on February 10, but before this letter was written I was advised that the American Tin Plate company was secretly working to defeat my bill, and it was because of this information that my letter of February 10 was written. You ignore the fact that Mr. Graham's first letter on this subject was written on January 29, and it was because I learned of this fact, through friends of my bill in New York City that I addressed Mr. Graham, explaining the purpose of the legislation which I advocated, and asking him, in event that on further consideration he saw no good reason why my bill should not become law, to withdraw his opposition.

The facts, therefore, are that the correspondence was initiated by the American Tin Plate company, and though you seem to have no recollection of having received their letter, it was certainly sent you by Mr. James Gayley, first vice president of the United States Steel corporation. This letter was not filed by you

with the committee on ways and means, nor was it made public in any way. Nor did the American Tin Plate company, or the United States Steel corporation, appear through their representatives at any hearings on my bills. They were contenting themselves with, as I stated in my speech in congress, secretly using their power to defeat this legislation.

Steel Company Opposition

You state that, supposing Mr. Graham's letter of January 29 was forwarded to you by Mr. Gayley, there was no pretense of concealment about it. I must remind you that no information in regard to this letter was given by you to me, the author of the pending bills, and that if it had not been for the accidental discovery of the action taken by Mr. Gayley, I should probably never have known of the United States Steel corporation's opposition. It is true that Mr. Graham states in his letter of February 11 that he assumes that you would on request give me the original letter written by him, or a copy, but his action was only after he had been advised that I was in possession of full information as to his opposition to the bill. You did not speak to me in regard to this corporation's hostility toward drawback law reform until after I had written Mr. Graham and he had written to you.

I have never intimated that there was anything wrongful in the fact of the United States Steel corporation, or any other person, firm or company, submitting their views to congress in regard to any legislation. What I did object to was the fact that the influence of the greatest corporation in the world should be secretly used to defeat a measure in the public interest.

You suggest that I invoked the aid of the United States Steel corporation in support of my bills. This is incorrect. I had been advised that this powerful corporation was secretly using its influence to defeat my bills, and believing that their action was taken through a misunderstanding of the purposes of those bills, I endeavored to have them withdraw their opposition. There is a marked difference between soliciting the support of a corporation, and asking them to withdraw opposition.

Referring to point number three of your letter, I would state that I entirely agree with you that the letters from Mr. Graham contained nothing that was not proper in a communication from a constituent to his representative in congress in regard to pending legislation. I have never stated anything to the contrary.

Illegitimate Influence

In paragraph four of your letter you repel the insinuation of illegitimate influence having been used by the United States Steel corporation. I have never insinuated anything of the kind, and am not responsible for constructions placed by others on the letters to you from that corporation. But there is no question in my mind that it was the influence of that corporation that prevented action by the committee on ways and means on my drawback bills.

You will doubtless recall our meeting on the steps of the New Willard hotel in the spring of 1903, when I asked you why it was that I could not get a report on my drawback bills by the committee on ways and means. You replied that if I could get the United States Steel corporation to withdraw its opposition to the bills, you would cease to oppose a report on them. Acting on this assurance by you I went to New York and called on Mr. Gayley, first vice president of that corporation, and had an extended interview with him. I showed him that the legislation which I was advocating would greatly benefit many important manufacturing industries, and exporters of American products; that it was entirely practicable; would involve no loss of revenue, and would afford no more opportunity for fraud than exists under the present drawback law. I found, however, that the only point of view from which he regarded the matter was that of the self-interest of the United States Steel corporation, and that the influence of that company would continue to be exerted to prevent favorable consideration of the drawback bills.

However, the point at issue in this controversy, insofar as I am personally concerned, is whether these drawback bills, if enacted into law, would have proved to be sound legislation, and consistent with the tariff policy of the republican party. You have deemed it wise in your letter to make the following comment on these bills:

"They propose legislation which was regarded by the committee as unnecessary, and utterly impracticable of execution without open-

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