

investigate and decide for themselves, but who reason that Wilson and Bryan having O K'd the bill it must be all right—and so why delay?"

In the same editorial it was said:

"The principal difference between this federal reserve board and a central bank is that the central bank would be controlling its own investment, whereas the federal reserve board with no money invested, controls and manages the investment of others."

We have here a declaration as to the only difference in the view of Senator Hitchcock's paper, and it presumably agreed with him, between a central bank and the system of federal reserve banks which was finally established and is now in operation. The editorial referred to was clearly intended as an argument in favor of the central bank idea as against the federal reserve system. Now let us see what this central bank plan WAS, and where it originated, as told in an editorial of the World-Herald, October 27, 1913. In that editorial it was said:

"The idea of a bank to be owned by the public and administered and controlled absolutely by the government has been brought under the limelight in consequence of the statement made by Frank A. Vanderlip, one of the leading New York bankers, that he would favor such an institution. This is the solution of the currency problem that has been advocated for weeks by Senators O'Gorman, Bristow, and other members of the senate currency committee." Senator Hitchcock was one of the "other members" of the currency committee referred to but not named in the editorial.

SUBSERVIENT TO WALL STREET

But the central bank idea could not be forced through the committee, and Senator Hitchcock and his republican associates then turned to the proposition of four federal reserve banks instead of twelve, the plan of the house bill. The committee was unable to agree and finally reported two bills. Senator Owen, chairman of the committee, on behalf of himself and the democratic members of the committee, except Hitchcock, reported the bill which with a few amendments was finally passed by the senate, and after being amended in certain particulars by the conference committee was passed and became law. Senator Hitchcock with all of the republican members of the committee reported a separate bill, differing widely from the one reported by Senator Owen. Senator Hitchcock offered numerous amendments to the Owen bill, which were supported by practically the solid vote of the republicans of the senate and opposed by the democratic majority. It has been claimed by Senator Hitchcock and his followers that he was the author of amendments which greatly strengthened the bill. Very few of the amendments offered by him were accepted by the senate, and how much they affected the bill is a matter of opinion. But the amendments suggested by him could have been as easily adopted, and no doubt would have been without his having opposed the practically unanimous opinion of the democrats of the house and senate, and of the President and his advisors on the important and vital question of a federal reserve system as against the central bank idea, and of twelve federal reserve banks instead of four. The bill introduced by Mr. Hitchcock before the fight began provided for about the same number of reserve districts, named in the administration's bill, but when the fight was on Mr. Hitchcock abandoned the provisions in his own bill and stood with Wall street for only four reserve districts. What further evidence of subserviency to Wall street is needed? The bill as passed by the senate had the support of the administration, and of all but a few of the democrats in the house. It was a matter covered by the national platform, and democrats were under obligation to support it. It has well been called the greatest piece of constructive legislation passed by congress in fifty years. And yet had Senator Hitchcock's amendment for a central bank prevailed in the committee or in the senate, every democrat who recognized the obligations of the Baltimore platform would have been compelled to vote against it; and had it passed the senate the house would have been obliged to reject it or violate the pledges of their party; and if it had passed both house and senate, the President could not have signed it without stultifying himself.

HELPED TO DEFEAT SHIPPING BILL

When the war broke out it naturally reduced the number of ships available for carrying American commerce to foreign countries. To

protect American shippers from extortionate rates then being charged by ship owners, the President recommended to congress the passage of a bill appropriating from twenty to thirty millions of dollars to aid in building or purchasing ships to carry American commerce. This bill had the endorsement of a majority of the democrats in congress, but was killed in the senate by seven democrats, of whom Senator Hitchcock was one, joining with the solid republican minority. Of that bill and its defeat Senator La Follette of Wisconsin, in a signed article in La Follette's, said:

"President Wilson attempted to meet the transportation needs with a line of government-owned ships. The legislation to accomplish this was blocked through the influence of the great shipping combines. These combines have a strangle hold on the carrying trade of South America just as they have upon our own country. Notwithstanding their assertions that private enterprise would supply the needs of transportation and although almost a year had elapsed since South America was cut off from its European base, these private interests have done nothing to meet the demands and to provide for the great trade that is seeking our markets. They defeated the bill for government-owned ships. So the question which was pushed to the fore at the Pan-American Conference was the need of transportation. It is significant that it was strongly advocated by the South American delegates. President Wilson urged it in his address, and the delegates of Chile and Columbia and Uruguay kept it actively before the conference. What they want is a government-owned line. It may develop into a plan by which the government's party to the conference will jointly finance the service. Whatever plan is adopted there must be such lines. In no other way will there be assured reliable transportation facilities and at reasonable rates."

It is a significant fact that Mr. Hitchcock stood with the shipping combine against an administration measure, just as he stood with Wall street against the administration's currency measure. In the currency fight the President won and the country has the benefit of the victory; in the shipping bill fight Mr. Hitchcock and the shipping combine won, and the country is still suffering for lack of ships.

I do not say that Senator Hitchcock was under any platform obligations as a senator or as a democrat to support the shipping bill. It was not covered by the Baltimore platform and he was consequently under no pledge to the people to support it. Neither do I say that he ought to have supported it because the President recommended it or because a majority were for it.

SUPPORTING THE PRESIDENT

A senator ought to be guided by his convictions. The question so far as the shipping bill was concerned is whether he was right or wrong. But the banking and currency question was different. The party with reference to that measure had given its pledge and was bound in honor to live up to it, and the pledge was against a central bank. Some of the supporters of Senator Hitchcock have criticized me on the ground that I am not supporting the President in all things. I have disagreed with the President only with reference to the matter of military preparedness. And I might call attention to the fact that Senator Hitchcock has not agreed entirely with the President on matters concerning the European war. He had introduced and is in favor of a bill to place an embargo on the shipment of arms and munitions of war to the belligerents. The President insists that such a law would be unneutral and that if this country were to enforce that principle it would be guilty of an unneutral act, under international law. I do not know whether this is true or not. It has been said that the President and his advisors are the ones to determine in time of war between other nations, what the duties and the rights of this nation are. I do not know that this is true, but if it is, then as between the senator and myself, his friends ought not to talk about anyone not supporting the President. I supported the President and his administration, so far as a private citizen can do so, in everything with the exception of his recommendations for an increase in the army and navy. I have stated my position on that question repeatedly, and simply say here that I do not believe that there is any occasion at this time for adding anything unusual to our military equipment, and that we ought to wait until the war in Europe has ended before deter-

mining whether any additional armament is necessary. Furthermore, I submit that we ought not to change our attitude regarding a large standing army and navy without submitting the question to the people and giving them an opportunity to pass upon it.

This in general is an outline, as I understand it, as to the attitude of Senator Hitchcock and myself with reference to democratic policies. I have supported every national platform and candidate of the democratic party since 1896. I believe in the principles of democracy as set forth in those platforms. I have been true to those principles in the past and intend to support them in the future.

Why Are We Unprepared?

More than 200 million dollars, raised principally by taxing the things that the people eat, wear, and use, have been expended annually on the army and navy, under the general assumption that in return for this colossal expenditure the nation was being reasonably "prepared."

It now is being generally asserted in many quarters that the nation is pitifully "unprepared," the specific charge having been made on the floor of the house of representatives, by a member that "if war were to break out today, it would be found that our coast defenses have not sufficient ammunition for an hour's fight."

It also has been charged in congress that millions of dollars of public funds have been wasted by the payment to private manufacturers, by army and navy officers, of from 20 to 60 per cent more for large quantities of army and navy supplies than they could have been obtained for through their manufacture in government arsenals and navy yards.

It ought to be made impossible for any person or corporation to make money out of war, and the government should, for its own safety and protection, manufacture all arms, armament, and munitions of war for the equipment, construction, and use of the army and navy, to the end that it may be independent of individuals and corporate interests. Consider these figures:

PRESENT PROGRAM

Army, 1915	\$170,705,345
Navy, 1915	\$146,500,000
Total military appropriations, '15	\$317,205,345

(Note—The only nation whose expenditures for a navy have exceeded ours during the last twelve years under our present program, is Great Britain. With an army eight times greater than ours, in the year 1914-'15, Germany's army budget was 293 million dollars, navy budget 114 millions; Great Britain's expenditure for army and navy the same year was 399 million; France spent for army and navy 298 million. Why are we unprepared? Before we double the great sums we apparently are wasting, as demanded by the preparedness plan here given, wouldn't we better find an answer to the question?)

PREPAREDNESS PROGRAM

Army first year	\$182,717,281	
Navy first year	268,000,000	
Total first year		\$450,717,281
Army second year	\$212,816,124	
Navy second year	278,000,000	
Total second year		\$490,816,124
Army third year	\$228,316,124	
Navy third year	253,000,000	
Total third year		\$481,316,124
Army fourth year	\$228,316,124	
*Navy fourth year	253,000,000	
Total fourth year		\$481,316,124
Army fifth year	\$182,234,559	
*Navy fifth year	253,000,000	
Total fifth year		\$435,234,559
Grand total for five years		\$2,239,401,212

*Estimated.

And at the end of the fifth year, the battleships we bought the first year will be considered junk by our military experts.

If adopted, the so-called preparedness will cost every family in the land about \$90 a year, not for five years, but for many years—nobody knows how many. Not too much to pay, of course, if actually and terribly necessary. That big "if" concerns you vitally. You know where you stand on this question, but unless your congressman knows it, too, what does it matter where you stand? Write him today. There is no time to lose.—Missouri Valley Farmer.