

# Secrets of the Republican Campaign Fund Leak

Following is an Associated Press dispatch: Washington, D. C., Aug. 21.—In a careful, deliberate speech in the senate late today, Senator Penrose of Pennsylvania, replied to charges made regarding a certificate of deposit for \$25,000, sent him by John D. Archbold of the Standard Oil company in 1904.

Senator Penrose admitted receiving that sum from Archbold, but said it was part of a collection of a contribution of \$150,000 made by Archbold to the republican national campaign, \$100,000 of which amount, he said, went to the republican national committee, and \$250,000 to himself for use in Pennsylvania.

"Roosevelt had been advised of the contribution," Senator Penrose declared. The senator said that later Cornelius N. Bliss, then treasurer of the national committee, asked for another contribution of \$150,000 from Archbold and his associates "interested in the socialist."

"The demand was urgent, insistent—I may say imperative—and it was reported it came direct from Roosevelt," declared Senator Penrose.

William Flinn, Roosevelt leader in Pennsylvania, was scored by Penrose. The senator charged that in 1904 Flinn offered him and Israel W. Durham \$1,000,000 or \$2,000,000, if they would favor his candidacy to the senate to succeed Senator Quay. Penrose read what purported to be copies of telegrams to show that Flinn asked John D. Archbold to assist him in securing the election.

Senator Penrose also attacked E. A. Van Valkenberg, editor of the Philadelphia North American, and referred to the "effrontery, hypocrisy and mendacity of the Van Valkenberg-Flinn commission."

## Galleries Were Crowded

The galleries of the senate were filled in response to the announcement that Senator Penrose was to speak. He read his speech from printed proofs, and talked slowly and impressively. At the conclusion of his speech the senator promised further disclosures. Senator Stone of Missouri asked him if he knew anything of the contribution of E. H. Harriman to the 1904 republican campaign fund.

"The papers are on file, and letters, exist," said Senator Penrose, "which I think, during the campaign, will see the light of day. I think it would be very beneficial to the country if they should become public."

"Where are they now?" asked Senator Stone.

"They are hidden in the archives of the campaign committee, in the cellars and vaults of business men, and in the offices of lawyers," returned Senator Penrose. "I think the time has come when these charges should be met and the American people should no longer be gulled by answers which insinuate that another man is a liar."

Penrose had read by the clerk, a newspaper interview with Colonel Roosevelt, in which the latter was quoted as saying that Penrose had nothing to do with the presidential campaign of 1904. The senator said he was a member of the national committee, chairman of the Pennsylvania state committee, and conducted the campaign in Pennsylvania.

"Mr. President, is this ingratitude, mendacity or political aphasia?" he demanded.

A ripple of laughter greeted this question, and Penrose seized his big

palm leaf fan and settled into his seat.

## Culberson Calls Up Bill

Senator Bacon asked to whom the \$2,000,000 was to be paid by the "citizen who wanted to be elected to the senate."

"I suppose either Mr. Durham, or myself," responded Mr. Penrose. "We did not get that far in the consideration of the business."

Senator Culberson of Texas, seeing a psychological opportunity, immediately called up his bill forbidding campaign contributions by corporations, and limiting the amount to be contributed by individuals to \$5,000. A filibuster developed and after a half dozen roll calls on it the senate was forced to adjourn.

Senator Penrose in his speech, said, in part:

"Certain letters from John D. Archbold, addressed to me, have recently been published.

"Their publication now, with the malignant insinuations comprising them, is in the nature of political blackmail. The purpose is to punish, coerce, or intimidate me because of my political course. The statement that there is any connection between the industrial commission and a certain check from John D. Archbold, is false, malicious and without justification.

"I now come to the letter alleged to have been written to me by John D. Archbold inclosing a certificate of deposit in my favor for \$25,000, written under date of October 13, 1904. I have reason to believe this letter is a forgery, and I challenge its publication, but at the time it was well known that during the presidential campaign of 1904 I did receive such a contribution from Mr. Archbold for the campaign in Pennsylvania.

## Had Roosevelt's Sanction

"Not long after the contribution of \$100,000 to the republican national committee, Mr. Bliss, on behalf of the committee called again to see Mr. Archbold, and asked for a further contribution of \$150,000. He represented that Mr. Roosevelt had been advised of the original contribution, as had the chairman of the republican national committee, Mr. Cortelyou, and that the contribution was appreciated by both, but the need of further financial assistance was badly felt at headquarters and that such further assistance would be still more appreciated.

"In the campaign of 1904, no contribution was made to the Pennsylvania republican state committee by the republican national committee, and hence the special arrangement for the Pennsylvania republican state committee in this instance.

"The malicious attempt now made to misrepresent a transaction which at the time was entirely legal and proper, is only part of the systematic efforts of the Flinn-Van Valkenberg combination in Pennsylvania, to break me down and deceive the people through the unscrupulous methods of yellow journalism.

"Mr. William Flinn, of this unsavory combination, which until recently Mr. Roosevelt would have been quick to denounce and repudiate, has made a fortune out of crooked municipal contracts and corrupt control of municipal councils and state legislatures.

## Indicted for Bribery

"Mr. E. A. Van Valkenberg, editor of the North American in Philadelphia, was arrested and indicted for bribery in my first senatorial contest in 1896, and only escaped conviction through the leniency of Sena-

tor Quay and upon the payment of about \$10,000 for costs for lawyers, detectives, and for other expenses of prosecution, which amount was paid by his attorney the day before the trial was set to take place.

"Upon the death of Senator Quay in 1904, Mr. Flinn became a candidate to succeed him in the United States senate. In Philadelphia during a discussion of the successorship to Senator Quay, Mr. Flinn offered to Israel W. Durham, a republican leader in Pennsylvania, and to me \$1,000,000 or even \$2,000,000 to favor his ambition, and the offer was known to others at the time. The offer was declined and we refused to support his candidacy."

Wilkesbarre, Pa., Aug. 21.—An attack on Penrose was made by Colonel Roosevelt tonight after he had read the senator's statement in the senate today. The ex-president quoted from letters and telegrams which he sent to George B. Cortelyou, chairman of the republican national committee, in 1904, to prove that no contributions had been accepted from the Standard Oil company.

"Mr. Penrose and his allies and the entire crowd of crooked politicians and crooked financiers who have attempted to make these attacks upon me," said Colonel Roosevelt, "have made them and are making them, not only knowing they are false but because they know that the forces behind me, which I at this time represent, are the only forces which the crooked politicians and crooked financiers of the country have really to fear.

"The only part of Mr. Penrose's statements that needs comment by me is that portion in which he asserts that I had been advised of a heavy campaign contribution from Mr. Archbold in behalf of the Standard Oil company to the republican national campaign committee, and that I directly or indirectly requested a contribution from Mr. Archbold and his associates interested in the Standard Oil company. This statement is false."

Colonel Roosevelt then read from copies of letters which he said he had sent to Mr. Cortelyou in the latter part of October in 1904. In these letters he said he had been informed that the Standard Oil people had contributed \$100,000 to the campaign, and he told Mr. Cortelyou that if it was true that such a contribution had been made the money should be returned at once.

He wrote that, "In view of the opinion and pronounced opposition of the Standard Oil company to the establishment of a bureau of corporations, one of the most important accomplishments of my administration, I do not feel willing to accept its aid. I request, therefore, that the contributions be returned without further delay."

"Mr. Cortelyou informed me," said Mr. Roosevelt, "that there had been no contribution from the Standard Oil people and that none would be received. Over the telephone last night, in response to a question of mine, he said that he had at that time made the statement and his memory and mine agreed as to the circumstances of the occurrence. If any contribution was received it was against my explicit and reiterated directions as set forth in these letters in response to which, as I have said, Mr. Cortelyou informed that my directions would be complied with and no contributions accepted from the Standard Oil people.

New York, Aug. 21.—George B. Cortelyou, chairman of the republican national committee in 1904, had

his attention called tonight to Senator Penrose's statements regarding alleged Standard Oil contributions to the republican campaign fund in that year:

"I have no comment to make," he said, "other than to refer you to my testimony on July 11, before the senate sub-committee on privileges and elections."

In this testimony before that committee, Mr. Cortelyou said he had never heard of Mr. Archbold or any one else in his behalf making a contribution.

## Attack Roosevelt

Washington, Aug. 22.—John D. Archbold of the Standard Oil company will appear at 9:30 o'clock tomorrow morning before the sub-committee of the senate investigating campaign contributions. The announcement that he would appear followed a day of bitter recrimination on the floor of the senate, devoted to an effort to show that Former President Roosevelt knew that funds contributed by big corporations were used to help him in 1904.

The attack on Former President Roosevelt today originated in a colloquy between Senator Reed of Missouri, a democrat, and Senator Boies Penrose of Pennsylvania, who presented a resolution demanding an investigation of the circumstances set forth in his statement to the senate yesterday, in which he charged that \$100,000 of Standard Oil money went into the 1904 Roosevelt campaign fund, with President Roosevelt's knowledge.

## Roosevelt Has a Defender

Senators Penrose, Reed and Williams each attacked Colonel Roosevelt and Senator Poindexter of Washington, as supporter of the new progressive party, came to his defense. Senator Poindexter charged that a combination of "regular republicans" and democrats were at work to defame Colonel Roosevelt.

The decision to summon Mr. Archbold at once was made by Senator Clapp early in the day before the interrogation of Senator Penrose by Senator Reed began. He got into communication with Mr. Archbold in New York by long distance telephone and the Standard Oil official agreed to appear. Senator Pomerene of Ohio was designated to sit as the democratic member of the special committee until the return of either Senator Lea or Senator Paynter.

The debate between Senators Reed and Senator Penrose was marked by the readiness with which the latter replied to Senator Reed's questions. Early in the afternoon the two senators, with Senator Smith of Maryland, had a short conference in one of the rooms adjoining the senate chamber.

Senator Penrose, in answer to questions from Senator Reed, declared that, "according to his information," Colonel Roosevelt knew that \$100,000 of Standard Oil money had been received in 1904 before he wrote a letter directing that any Standard Oil contributions be returned.

A new element was injected in the political imbroglio when Senator Penrose suggested to Senator Reed:

"There has come to my notice quite a lot of information leading to the thought that some three million dollars was underwritten by George W. Perkins and his associates to nominate Mr. Roosevelt for the presidency of the regular republican party in the present campaign for their own personal uses. Evidence regarding this matter will be submitted to the proper senate com-