

DISCUSSION

PROFESSOR EDWIN R. A. SELIGMAN: ¹ To those of you who are old enough to remember much of the past decade, it is a rather sad and discomfiting spectacle which confronts us: a nation which a century or a little more ago had virtually the commercial mastery of the seas; a nation which before the civil war had its flag flying in every port in the world, civilized and uncivilized, is today a nation whose overseas commercial shipping is almost a negligible quantity. Many of you, I fancy, in traveling in Europe, through the Suez Canal, the Orient, must have been painfully struck by the rarity of the American flag. We see every other flag in the world, the Norwegian and the Danish and that of every other small nation, but the American flags are few and far between. The problem has now become acute in the United States, all the more acute because of the recent movement for military and naval preparedness. I have no doubt that in the papers and discussions with which we shall be favored today ample opportunity will be given to emphasize both these points, but I wish at the outset to accentuate that point of view. The problem of American shipping is only partly an economic and commercial problem. It is also partly a naval and military problem. We know that the efforts made and the achievements accomplished by Great Britain and France in different parts of the world, would have been utterly impossible without the immense auxiliary fleet which has been at their disposal. We look back with shamefacedness upon the history of our picayune trouble with Spain. We know to what lengths of inefficiency we were compelled to descend, not so much because of military, as because of naval, unpreparedness. I therefore wish to strike this note at the outset of the discussion. The problem before us is a great one, not alone in its economic and commercial aspects, but from the point of view of nationalism as well.

¹ Introductory remarks as presiding officer, November 12, 1915.

MR. ROBERT H. PATCHIN: I wish to speak briefly as secretary of the National Foreign Trade Council, an organization of fifty representative business men from all over the United States, representing different elements in foreign trade—agriculture, manufacturing, merchandising, transportation and finance. Practically all of them have for many years been engaged in exporting or importing. They are trying collectively to do something to help foreign trade by investigating the problems confronting all concerned in it. The encouragement of a truly national foreign trade policy is the Council's object.

The shipping question has been for months one subject of their labors. For several months during the debates in Congress I made notations from time to time of the subjects in controversy relating to ocean shipping. It was apparent from the *Congressional Record* that the debates ran to interminable length because there was little comprehension of the fundamentals of transportation by sea. Accordingly, we started to search for definite information on these controverted points. By original research and otherwise a report was prepared combining for the first time under one cover many points important to any nation beginning to develop its ocean shipping, but not to be found in convenient form in any one publication.

Opinion on the shipping question in this country is probably even more chaotic than was opinion on the question of banking and currency before the atmosphere was clarified by the report of the National Monetary Commission. That report is at the basis of the present Federal Reserve Act, which is everywhere regarded as a great success. A general idea of ocean shipping is, that vessels shall go to and fro on a given course with abundant traffic at both ends. That is the exception rather than the rule. I believe the steamship *Mauretania* is of 32,000 tons register and carries about 1500 tons of freight, because its passenger traffic is most profitable. Fast lines are not maintained anywhere in the world where there is not a fair passenger traffic. That is the reason why steamers from Europe to the east coast of South America are larger and faster than those from New York, because there is a

larger immigrant traffic across the South Atlantic. Three hundred thousand Europeans emigrate to Argentina in a normal year. Many of them work in the harvest fields and return after six months—a good immigrant traffic both ways. If a vessel goes out from the United States with exports, it does not have any assurance whatever of getting a full cargo back. The tonnage of exports from the United States is much larger than the tonnage of imports. That simply means that a vessel carrying exports out has no guarantee of getting a full cargo back. When she gets to her destination it may be necessary, in order that charges shall not accumulate—and they probably accumulate on an idle ship more rapidly than on any other piece of property in the world—that she shall take a cargo to some other part of the world and ultimately hope to get back to the United States. Much of the world's business is done on that kind of a triangular course.

The question is highly complicated, and will become more so as the proportion of natural products and food in our exports decreases and we increase our exports of manufactures, entering into competition with the manufactured products of the great maritime nations.

The question of government ownership has been brought up here. If the government is going to build or purchase vessels to carry American products, which for normal or abnormal reasons, such as the war, do not find their way freely to foreign countries, the question immediately comes up, what is that government vessel carrying our cotton and grain going to do when it gets to a European port and does not readily find returning cargo? It has got to choose between coming back partially or wholly in ballast, and therefore running up its cost, or following the normal commercial procedure, namely, taking a cargo for any point to which it can find one. If it takes a cargo for South America from Southampton, the question then arises, is that vessel serving the purpose for which the governmental expenditure was designed? If it then finds in the Argentine a cargo back to the United States, it is carrying the products of foreign countries twice for the once it is carrying the cargo of the United States.

MR. LOZIER: I want to ask a question. How does the Australian shipping compare with that of the other nations of the world?

MR. BERNARD N. BAKER: Very, very favorably; but not the largest. It is almost entirely under the British, not under the Australian flag. Australia has carried the protection of the seaman to a higher point than any other country.

MR. LOZIER: Is it coastwise or foreign?

MR. BAKER: Mainly coastwise.

PROFESSOR SELIGMAN: I should like to ask Mr. Baker to explain to us a little more fully that question of the full returning cargo.

MR. BAKER: I will take an actual case. We are very anxious to develop trade with the Argentine today. Any quantity of manufactured goods can be sent there; there is no trouble getting a cargo at all, but it is what we term in steamboat parlance "a one-legged trade," from the old sailing ship days of making a leg, as we called it. In other words, we have full cargoes down to Buenos Aires, but nothing coming back. Should we sit down and say that trade cannot be developed with Argentina? The Argentine government is particularly anxious for such development. In the consumption of coal alone, on the present basis, many millions a year could be saved if business could be arranged between the Argentine government and the United States. If arrangements could be made between the Argentine government and the United States government for getting the ships back in ballast, it would be very valuable.

Ships are designed capable of loading and unloading 5,000 tons of coal every twenty-four hours. The old saying is that a ship never pays but when she is running. Don't let a ship lie at the dock, or you lose your money. Just think of how cheaply we could carry coal there—at one-half the cost

of carrying it from Welsh ports. The ships go back to Europe loaded with grain, because exports from the Argentine are mainly what England and France and those countries want.

Those same ships would be at the call of our navy. When we sent our navy around the world we had to carry along coal in foreign ships, and we could not coal our vessels except in a very inconvenient way, women in many cases carrying coal on the tops of their heads to load our American navy! We could arrange this thing and interfere with no private interest. The Navy Department is refusing to allow any sailors to enlist in our navy except those that are American citizens. I think that answers Professor Seligman's question about a one-legged trade. If not, I should like to add to it.

MR. PATCHIN: It may be true that the conditions under which the ships return in ballast would be justified if there is some other object to be served beside the commercial success of the steamship line.

MR. BAKER: That promises commercial success, at least. We want an auxiliary to the navy. We want trained men. There is no question about it—that we do not have them. Would it be wise for our navy to build a lot of ships and let them rust out doing nothing? Can't they be profitably employed to assist commerce and not interfere with any individual enterprise? Can't you get together a body of men sufficiently wise and broad to bring about such an object? I believe you can. I believe in our American people. I believe they have the ability to do what they start out to do.

MR. WILLIAM R. MAHONEY: I should like to ask Mr. Baker if he has ever considered that at most of the Atlantic ports, except New York, particularly in the foreign trade, the vessels secure practically free dockings. The fact that these vessels in the foreign carrying trade are outside the jurisdiction of the interstate commerce commission deprives us of all control over them and the use which the railroads give them of their piers. These foreign steamship companies' demands,

made in contract with the railroads, could be controlled according to the rebate clause of our laws. As the use of the piers at other Atlantic ports than New York is given free, as it stands, the foreign steamship companies will be our greatest rivals in our efforts for a commercial marine, and notwithstanding all our other economic principles, they must first be controlled in the manner suggested.

MR. BAKER: Secretary McAdoo speaks of it particularly in his addresses in Indianapolis, San Francisco, and other places. He covers those very questions, but I do not think the railroads of this country should be called upon to support and help assist an interest which belongs to others. If there is anything to be done, they should be the ones to do it.

I think it was Mr. Henderson who spoke about the Seamen's Bill. I think I am right in saying that it cannot apply to foreign ships. We cannot place any of those conditions on foreign vessels.

MR. HENDERSON: The Attorney General's opinion related only to section 14, and it said that it should not apply to foreign countries whose laws approximated our own. As I have pointed out, I don't think that any foreign laws do at present approximate our own laws; so if it were correctly interpreted, I believe it would apply to all foreign ships.

MR. PATCHIN: Is it not also a fact that it has been ordered by the Department of Commerce that the law shall not be enforced? The Attorney General does not need to refer to the Department of Commerce to determine whether those laws approximate our own. He has declared that they do and that the laws shall not be enforced against those countries having reciprocity arrangements with us. Is not that the case?

MR. HENDERSON: I believe not. The Attorney General at the end of his opinion said that that was a question for the determination of the inspection service primarily; that there could be an appeal to the courts from the service by any ship-

owner, but he himself did not pass upon what countries approximated our own and what did not.

MR. PATCHIN: Is it not true that the Secretary of Commerce has issued an order that it does not apply?

MR. HENDERSON: Yes.

MR. PATCHIN: So that today in the inspection the law is applying to American vessels and is not applying to foreign vessels?

MR. HENDERSON: Exactly. And the defect, as I tried to point out, was not in the Seamen's Law but in its interpretation; and so I think the American shipowners should apply to the Department and not to Congress.

MR. PATCHIN: In other words, the whole thing is not what the law of Congress says, but it is an interpretation by department officials.

MR. BAKER: The shipowners said in San Francisco: "All right; we have the ruling of the Department; we have the ruling of the Attorney General. But that does not say that the law will be similarly interpreted in the Supreme Court of the United States. When it comes to an act of Congress which they have attempted to put their own construction on, where are we?"

MR. PATCHIN: In your experience, about how long does it take to determine a question relating to shipping under the laws of the United States after it has been carried into the court?

MR. BAKER: A matter of five years. So the shipowner has to go on for five years. He has been obeying the law as far as he was able, so much so that he has had to go and beg Congress to pass a law stating what he could and could not do.

MR. ALEXANDER R. SMITH: Regarding the enforcement of the language test, you spoke of the possibility of the law being so altered as to allow alien officers to command American ships. Of course, the particular reason for that language test was to eliminate the Chinese. Have you any reason to believe that there are officers sufficiently acquainted with the Chinese language who should be permitted to command and officer American ships, so as to overcome in that way the provisions of the language test in the Seamen's Act?

MR. HENDERSON: I don't know whether there are Chinese officers or not, but I do think that American ships should be put on exactly the same basis as Japanese ships. The Japanese ships, as I understand it, employ Japanese officers and Japanese men; hence, since they understand each other's language, they are safe under the law; but the law compels an American ship to employ American officers. Now, if it allowed him to employ Japanese officers, he could then employ a Japanese crew.

MR. SMITH: We know, of course, that the act of last year provided for foreign masters and officers in connection with foreign-built vessels brought under the American flag, and it is in the power of the President, if he wishes to exercise it, to suspend the operation of the law now which requires that Americans, and Americans only, should command and officer American vessels. He only extended that provision to a limited extent. As I understand the law, he could have extended it to American-built vessels just as well as foreign-built vessels brought under the American flag. In that case, do you think that there are Chinese masters and officers available in sufficient number to supplant Americans in the command and officering of vessels, and if so, do you think that it would be wise that they should?

MR. HENDERSON: I do not quite see why that should be necessary. A Japanese ship need not employ a Chinese crew; it can employ a skilled Japanese crew.

MR. SMITH: I will extend that point to the Japanese. If there are Japanese masters and officers sufficiently numerous, available to command and officer American ships with their Japanese crews, would you think it desirable that they should command and officer American vessels?

MR. HENDERSON: From the point of view of safety, I think they are probably just as competent as American officers and crew, though I do not know much about it; but of course there may be other reasons—

MR. SMITH: It is the other reasons that I am trying to get you to state. Do you think it would be a good thing for the nation to have its merchant ships commanded and officered, and manned for that matter, by Japanese or Chinese?

MR. HENDERSON: I think it would be very unfortunate; but I think this should be remembered, that if by law we put a greater burden on American ships than on foreign ships, that action can be justified only if the government and not the ship-owners or the seamen are forced to pay for it. If there are general reasons of policy, naval policy, or broader questions of social policy, which compel American shipowners to employ American officers and American seamen, then I can see no escape from the conclusion that there ought to be a subsidy to counterbalance as closely as possible the added expense. Whether that should be done or not is a difficult question. Most foreign countries have considered it better not to do so. England and most of the maritime Mediterranean powers, with the exception of Italy, have now provided that a seaman and officer of any country, as long as he is competent, can be employed on a national vessel. Whether the United States will come over to that way of thinking, is a question of policy.

MR. LOZIER: I understand the object of this Seamen's Act was to keep out Japanese officers and Japanese crews.

MR. HENDERSON: The object of the act, I suppose, was

largely safety at sea—largely the safety of the passengers. In shipping between the United States and South America, both English and American ships are on precisely the same footing.

MR. SMITH: I had occasion to be in Portland, Me., not long ago and there met Mr. Andrew Furuseth, who is really the author of the Seamen's Act. I have his word for this statement, that when he was over at the Bush Terminal recently, there were nineteen vessels there, two of them American, two Norwegian, and fifteen British. He said that the crews of every one of these vessels—I have his word for it only—were Chinese or Lascars or Orientals.

MR. GENNERT: I should like to ask Mr. Baker one question. Mr. Baker made the statement that, in his opinion, from the practical point of view, the only way in which the question could be solved would be by the institution of a board along the lines of the British Board of Trade. Is it possible in this country to induce Congress to pass such a bill without a tremendous campaign of education, and if it is not, along what lines should that campaign of education be laid out?

MR. BAKER: Undoubtedly it should be a campaign of education. The people today, all over this country, are wide awake to the absolute necessity of something being done. The only question is that we must go before the people united as to what we want, sacrificing our own personal interests for the benefit of the whole country.

MR. GENNERT: Is there any organization or association whose primary object it is to carry on such a campaign of education?

MR. BAKER: You have this National Foreign Trade Council. Unfortunately, criticism is made that it is mainly a New York institution. I think out of 40 members, about half represent New York. I have heard that criticism in the West.

They say: "A great section of this country believes in government ownership and operation, but the Trade Council says it ought not to be done under any circumstance." In the Central West, as nearly as I can gather, they believe in government ownership and operation. On the Pacific coast they object to the La Follette Bill. This bill does not affect the Atlantic coast so much.

MR. GENNERT: As you justly said earlier in your remarks, the differences of opinion with respect to a central bank were just as great as the diversities in opinion at the present time with respect to the shipping bill. We all saw the development of opinion down to the passage of the Federal Reserve Act and observed that the campaign of education was carried on among the bankers by conferences and among the public by the press. Is it not possible by a proper organization to carry on a like campaign in favor of shipping?

MR. BAKER: What carried that bill was the opposition of the bankers' associations to the measures in it. Six months before the bill was passed they condemned it every way.

MR. GENNERT: Quite true; but they were not opposed to the bill itself as a bill. They were opposed to certain provisions of the bill. In other words, they wanted one central bank but they didn't want to accept this particular arrangement.

MR. BAKER: I never saw a man that would not say, "We must have a merchant marine." There is only a difference of opinion as to the means.

MR. GENNERT: Is it the conviction of every man, woman and child that we need a merchant marine? In the great Central West and in the South, do the people feel that they need a merchant marine? They are so far away from the seaboard that they do not seem to see any reason in the proposition. You have traveled widely and you have talked with

them, and I want to hear from you whether you think that a campaign of education would be of value.

MR. BAKER: I should be very glad to give you some personal opinions. The President of the United States Chamber of Commerce told me that he has yet to find anyone that did not feel the need of it. In the referendum vote covering more than 350 chambers of commerce all over the United States, there was not a single body that did not vote to establish a merchant marine. They all have different ideas how to do it.

MR. GENNERT: With respect to the Federal Reserve Bill, there were a great many differences of opinion even within the political parties, but finally they all got together. Is it not possible by a campaign of education to get the shipping interests together? And if so, is there any organization which can start that campaign of education? If not, is it not possible that such an organization could be started?

MR. BAKER: It ought to be started—no question about that. It has been started again and again. We started one in Cleveland.

MR. SMITH: There is an organization called the National Marine League, whose President will address this body tomorrow forenoon, and it is quite an organization. It is just on the eve of an extensive campaign along the line that the gentleman suggests.

PROFESSOR SELIGMAN: May I call the attention of the gentlemen to a very interesting fact? Those who know the history of the Federal Reserve Act know that it is largely the result of one man's efforts, a man who was willing to sink his personal, individual interests in the wider necessities. If ever we are to have the solution of this problem, there has got to arise among us some man so big, so unselfish, and so broad-minded that he will be able to develop a scheme which will appeal to every one as the least of the evils; for every scheme, no matter

how it is developed, affects injuriously some interests. As we have seen today, there are three absolutely opposed views in this country among different interests. First, there are those who say that the way to get a merchant marine is to abolish existing laws, especially the La Follette law and other laws which interfere with equality, such as many of our old surviving laws. That group consists mainly of ship-owners themselves—who are opposed by the laborers and others. Second, we have the class of people who maintain that the only way to develop a merchant marine is by some form of shipping subsidies. That group includes another class of shipowners together with some members of the public, but it is opposed, whether wisely or unwisely I shall not venture to say, by the community at large. Third, there is the class, represented as we have heard today in the Middle West and elsewhere, who believe that the only solution is government intervention—either in the modified form of a shipping board or in the more developed form of actual government ownership and operation.

Before we can succeed in getting a comprehensive measure on our statute-books we shall need a man able to harmonize those three conflicting points of view and to propose a measure which will contain what is best in all of them and to eliminate what is bad in any of them. Until we find such a man, I am afraid we shall continue to fight, and I fear that the American flag will continue to disappear from the sea.

MR. PATCHIN: Just one point. Mr. Baker made an observation regarding the personnel of the National Foreign Trade Council. While this is not the place to bring up its personal affairs, I should like to state that this organization has a total possible membership of fifty, its total actual membership at the present time being forty-seven. Of this number, seventeen are from New York city, a smaller proportion than New York city's business bears to the foreign trade of the whole country. If these gentlemen are in New York, the businesses which they represent are everywhere but in New York. Some of them represent large corporations and their business is spread all over the United States.

MR. BAKER: They are doing good work and I want to encourage them, and I wish you could get more of the Central West into your organization.

MR. PATCHIN: And when you go out to get a prominent man from the Middle West to interest himself in foreign trade, he is a very difficult person to get, because he is not actually engaged in it.

Mr. Baker also stated that in the Middle West they seemed to be largely supporters of government ownership. That statement I do not believe is correct.

MR. BAKER: I said that the West discussed that question now because they know very little about subsidy and mail contracts. A year ago last August the representatives of the Middle West were loudest in their statements that nothing in the world would do but that the government should provide ships if nobody else did.

MR. PATCHIN: There has been only one really systematic effort to canvass opinion on this question. That was made by the Chamber of Commerce of the United States, and it was carefully and fairly done. Several questions were submitted. On the proposition of government ownership and operation of vessels, 88 per cent of votes were in the negative, and these were distributed as follows: 96 per cent in the East; 88 per cent in the Far West, that is, on the Pacific coast and the mountain slope; 84 per cent in the Middle West; and 80 per cent in the South. In other words, the vote against government ownership did not fall below 80 per cent of the commercial organizations belonging to the Chamber of Commerce of the United States in any section of the country.

In the referendum above mentioned, a total of five hundred and fifty-four votes was filed in favor of subsidies and one hundred and eighty-nine against them. Each vote represents a commercial organization belonging to the Chamber of Commerce of the United States, and 75 per cent of the votes were in favor of the principle, distributed as follows: In the East,

in favor of subsidy, 79 per cent of the replies; in the Middle West, 68 per cent; in the Far West, 54 per cent; and in the South, 96 per cent.

I wish to say that the National Foreign Trade Council has not declared for subsidies in any form. Its special declaration is for creation of a government shipping board to recommend to Congress a business-like and effective policy for the up-building of our merchant fleet with due regard to American wages and living conditions, the national defense and foreign trade.

PROFESSOR HENRY R. SEAGER:¹ To the generous mind, there seems at first thought something a little sordid about discussing ways and means of developing our American trade when Europe is pouring out its life and treasure in this terrible war. But that I submit is a superficial view. The European war is a solemn warning to us so to establish our international relations that the interest of all will be clearly promoted by the maintenance of peace, clearly injured by war or rumors of war. There is no economic truth more firmly established than that foreign trade grows by what it feeds upon. In taking thought how we may expand our trade with South America and the Orient at this time, we are taking thought, not with a view to snatching from our European brothers their trade when they are engaged in the business of killing one another, but with a view to establishing what Confucius called "the great peace" on the only solid foundation upon which international peace can rest, that is, mutual understanding and mutual interest in the preservation of peaceful relations.

That thought is particularly pertinent in connection with the first topic that is to be presented to us this afternoon. Our South American neighbors are in need of capital to develop their resources. Impoverished by war, Europe will be in no

¹ Introductory remarks as presiding officer, November 13, 1915.

position to supply capital. If the needed capital is to come from outside sources, it must come largely from the United States. In providing that capital, we shall help South American countries to develop their industries and help them to increase their purchases not only of our goods but of the goods of all countries with which they have trade relations. We shall increase not merely *our* trade, but the world's trade, when the war is over, by providing an increased capacity to produce and sell, and therefore an increased capacity to buy.

MR. SRINIVAS R. WAGEL, of India: With reference to the statements made by Mr. Straight and Mr. Thomas, one important point has unfortunately been missed. In trading with China, you not only have to give the goods, but you also have to give the money to buy the goods. It is more or less the same in South America. The reason why Germany as well as Japan succeeded was that they were willing to give very long credits. If they did not give such credits, they would not be able to keep their factories running. This is especially true of Japan, for Japan practically lives on the Chinese market. They find that they do not lose by giving long credits.

The European nations are able to sell much more than America also because their interest rates are low; and even though in the China trade profits are small, they are big enough to induce Europeans to carry on the trade. Owing to the enormous business and the big profits in your own country, you have not cared to finance Chinese trade.

German and Japanese merchants have taken special care to study the Chinese. They have gone into the interior, studied what the Chinese want, and have had lines of goods manufactured especially for the Chinese trade. The traders of no other nations have done that, and I might say, from my experience in China, that American merchants have not cared to do it. I do not know the reason, but the fact remains that they have not cared to do it.

Again, Mr. Straight spoke about the open door and co-operation in China. You cannot blame the Chinese for not believing in the good faith of the United States, because, al-

though they have every reason to believe in such good faith, they have seen so much of the methods of other foreign nations, and they can't quite distinguish between the interests and aspirations of the United States and those of the European nations. Practically every European nation has been looking with a greedy eye on China, and when the United States co-operated with those countries, China was naturally suspicious. It is no doubt true that Secretary Hay's open door policy was the best for China, and it is known everywhere that America is the one nation that has been the real friend of that country. If the Chinese have not appreciated it, it is due to the fact that by co-operating with the other nations the American government came under the suspicion of the Chinese.

One other point which Mr. Thomas mentioned was that of control over Chinese finance and the increase of taxation and customs duties. There is too much control already over Chinese finance. I do not say that the foreign nations and foreign governments could not teach China much that she needs to learn; but the "teaching" that is going on just now is only taking away the initiative and independence of China. Take the customs, for example. Instead of helping the Chinese learn the methods and in the end turning the control of customs over to them, the present method aims to perpetuate a system by which the Chinese will lose more and more of the control over their own affairs. Any government that countenances such control is certainly not liked by the Chinese. The Chinese know that America does not want to bring China under its tutelage or under the tutelage of the foreign powers, but when the United States co-operates with other powers, that do want to reduce the independence of China, the Chinese do not look upon joint action with favor. Therefore, I do not think that the plan of co-operation of America with the other nations will help, so long as the policy remains what it is at present.

PROFESSOR WILLIAM R. SHEPHERD:¹ Our topic for this

¹ Introductory remarks as presiding officer, November 13, 1915.

morning is "Safety at Sea and the Protection of American Seamen." Those who go down to the sea in ships are men whose achievements have always gripped the human heart far more than have exploits on land. From the days of Jason and Ulysses onward through Columbus and Magellan and Captain Cook, the individuals who have written their names with greatest glory among the most valiant of their kind were sailors. Exalt them as you will, and yet I think that all of us have a closer attachment to Mother Earth than we have to Neptune and his elements. It is especially fitting that, where we have under consideration the career of men who expose themselves to the most perilous of activities, we should bear in mind that all that is humanly possible to assure their comfort, and the welfare and safety of the people committed to their care, should be done. It is not, however, solely a question of safety at sea for the protection of American seamen that has to be treated. That forms part of the broader theme of how to reconstruct our American mercantile marine, to place once more upon the seas of the world the banner that signifies the independence and the national greatness of our country—in a word, to "keep the flag flying."

Time was when the American flag could be seen the world over; now the sight of it is comparatively rare. We have committed the care of our goods and chattels to foreigners. It remains to be seen whether it will be feasible for us once more to place that beloved flag where it ought to be, not in hostile competition but in friendly rivalry. Yet, while endeavoring to assure safety at sea and to protect American seamen, we must recall that, although they have interests to be defined, those whose ships they sail are also entitled to consideration. There are many features about the American Seamen's Act, the so-called "La Follette Law," recently enacted, which appeal to all lovers of humanity, and to those in particular who have the welfare of sailors at heart. There are certain other characteristics of it which might seem to be well worth remedying in the interests of another class who also are our fellow-citizens, those who own the ships, and without whose co-operation and capital and enterprise the vessels could not sail.

CAPTAIN IRA HARRIS: I am an American seaman. I have always been an American seaman, and I want to say just a word in behalf of the American seaman, and perhaps in particular in behalf of Andrew Furueth, president of the International Seamen's Union, who has been severely criticized on this platform. I may say that I am perhaps well informed in regard to American seamen. I served as an officer in the navy throughout the civil war and the Spanish-American war. I know how badly we were off for seamen and the difficulties of getting seamen in both of those wars. During the Spanish-American war I had charge of the repair ship of the Atlantic squadron. I have been an officer of the American Steel Barge Company for six or seven years on the lakes. After the Spanish war I was marine superintendent of the army transport service and fitted out the transports that we sent to Manila. After the Slocum disaster I was telegraphed for and appointed supervising inspector of steamboats on this coast. I am therefore in touch with the seamen of the navy, of the army transport service, of the lakes and of this coast. I say this simply to give emphasis to what I have to say in behalf of American seamen. There are no seamen in God's world who can come up to the American seamen. When Andrew Furueth came back, resigned from that commission which was in session in London, he told me here in New York that he would like me to write to certain friends in Congress and the Senate in regard to the Seamen's Bill. I told him, "I am not capable of discussing the Seamen's Bill except in regard to boats and managing boats." I told him: "I have a reputation, perhaps undeserved, in the navy for knowing how to handle small boats with some success. I also had charge of the navy men in the wreck of the *Infanta Maria Teresa*, and of the transfer in the tremendous sea encountered when one hundred and fourteen men were taken from the wreck to the tug *Merritt*. I was the last man to jump overboard, and that transfer has given me a little local reputation among our men. I will write on two points, and two points only. One is that every ship under the American flag should have lifeboat capacity for everybody on board, crew as well as passenger; and

the other is that two men—you can call them able seamen or lifeboat men or what you please—that know how to handle a boat be made a minimum allowance which can safely lower and take care of that boat." That is what I did.

Now, as regards this Seamen's Union, I have told you who I am and what my experience has been. You can't say that I am a class legislator. In fact, I have a reputation such that I don't think anybody will accuse me of that; but the seamen have a right to organize.

In 1908, I think, the local inspector in Duluth, Captain Monaghan, ordered better hatch protection on a ship. The owners objected, and took their appeal to Mr. John D. Sloane, who was supervising inspector of that district. Sloane is a retired engineer officer of the navy. He sustained the local inspectors and said that those hatches must be better protected. They took an appeal from him to the supervising inspector general, who took the matter up with the board of supervising inspectors. As I was posted in regard to it, they turned it over to me. I maintained that the hatches were the cause of loss of life on those freight ships of the Great Lakes. At that time twelve ships had gone down on the Great Lakes without a survivor to tell the cause of their loss of life, and I argued that it was the hatches that were not sufficiently protected, and when the sea came over the hatches, the ship filled at once and went down by the head before they had time to lower a boat. The supervising inspector general overruled that, and gave his decision that they did not have to protect their hatches.

In November 1913 there was a big gale, and a great many more vessels were lost. And last December the secretary of the Seamen's Union wrote a communication to the Secretary of Commerce in which he stated the facts concerning the loss of life of those crews. Two hundred and forty seamen went down in those November gales. He showed that it was a lack of hatch protection that caused those ships to go down without a single survivor, and he preferred charges against the steamboat inspection officers for not investigating. They refused to investigate, and they have not yet investigated those losses.

Thirty-four ships have gone down without a word being said. The Seamen's Union are fighting for protection of life afloat. Personally, I think they have a right to fight for it.

MRS. KELLEY: As one of the speakers, I wish we might express our appreciation of the action of Captain Harris in giving us the only word in this entire conference from the one set of people who are most intimately and permanently concerned in this legislation. I was beginning to wonder how this all looked to the seamen. I think if it were not for this volunteer word we should be in a very singularly lopsided condition. I personally wish to express my gratitude for it.

PROFESSOR SHEPHERD: In fact, that has made this an exceedingly well-rounded discussion, inasmuch as all the sides have been discussed.

PROFESSOR HENRY W. FARNAM, Yale University: I have only one qualification for speaking, and that is that I represent the very large class of shirkers whom Mrs. Kelley has challenged. I want to respond to that challenge in order to ease my conscience. I, too, am a traveler, and the effects of our laws came home to me in a personal way some years ago when I had the misfortune to be shipwrecked. I will not state on which steamer or on what line, or even on what route, but it was a coasting steamer. At a quarter past eleven at night our steamer was caught in the tide; she dashed onto the rocks, stove a hole eight feet long and four feet wide in her side, and in half an hour she went down. Fortunately we were in shallow water, but we didn't know how deep the water was underneath us. We got on life-preservers, and when we found that the electric lights were going out and that the water was up to our waists on the deck, we thought it time to take to the water and get away to avoid the suction. So we swam off, but then returned to the steamer, because we found that she touched bottom instead of disappearing entirely.

We finally got ashore in boats, and did exactly what Paul did under the same circumstances a good many years ago; we made a fire of sticks and awaited the dawn. As I was sit-

ting around with the seamen trying to keep warm (of course, we were all soaked to the skin), one man said, "I have lost everything I had."—"How is that?"—"A seaman hasn't much but his trunk, and my trunk has gone down."—"Won't you get any compensation from the company?"—"Not a bit; not only that, but my wages stop also. The ship went down at a quarter of twelve and my wages stopped at a quarter of twelve."

And we also experienced the law of the sea, which has been so well set forth by jurists today, when, having been picked up by a passing steamer, he got back to port. We took counsel and found, sure enough, that our entire claims were limited to this ship lying in the water several hundred miles up the coast. The company said: "Certainly; if you have any claims, all you have to do is to go and raise that vessel, and you can satisfy your claims for lost baggage out of the vessel."

But we found subsequently that this ship, which as I say wasn't entirely under water, was raised, and is now running on the same route, and this summer some of my friends took the same trip on that same steamer. They said: "We are going on your ship this summer. What an amusing thing that is!"

I think, as Mrs. Kelley said, that until the traveling public are willing to pay a little more attention to safety than they do to elaborate luxuries, we shall never be free from taking great risks. Think of the elaborate smoking rooms, great restaurants, luxuries beyond those which most of us ever enjoy on land, great swimming-pools and all that kind of thing. Until we are willing to pay more attention to safety than to those other things, we can hardly expect the owners of ships to insure safety. It seems to me that they will give us what we, as travelers, demand.