

speaking now more particularly of ores from Lake Superior, which is the source of our main supply—to handle it on the railroads to the lake shipping points and then on vessels to the distributing points on the lower lake, then to furnish additional ships needed upon the lakes, additional men to man them, additional men to handle that ore upon the docks in its reshipment, additional men to aid the transportation to the point of manufacture, then through all the ramifications of that manufacture to bring that iron ore into a condition to go into the ship and during the construction of that ship until she is slipped upon the waters and is a part of the merchant marine of the United States, thousands of men will find employment in an industry heretofore comparatively unknown to this country.

Mr. President, when we look at the rapid growth of the population of the United States, aided so largely, as it is, by immense immigration, over half a million of people coming to our shores every year from foreign countries, attracted here by the belief, in fact, by the certainty, that they can better their condition, and when we find in that connection that the production in the United States is one third larger than our consumption, we are met with a very serious proposition, a proposition which, from an economic standpoint in connection with this interest and any other legislation, should command our most serious consideration.

I say our productive capacity is one third of our consumption. So, either one of two things must happen; we must either find a foreign market for that surplus or we must curtail the production one third. What does that mean? In the conditions existing to-day it would mean to throw out of employment thousands and thousands of our workingmen. Why, then, is it not better sense and better policy to study

all the conditions from the American standpoint of bettering them for ourselves and bettering the conditions of the people who look to us?

It is just as much the duty of Congress to consider a question of that kind as it is for the manufacturer. When he finds his market will not consume his product he must consider what he had best do first to protect his own interest, which he does, and that of those who are dependent upon him; or, if he be public spirited and enough of the philanthropist, he would consider those interests mutually, and would study the subject in order to avail himself of every opportunity to discover some method, even at less profit to himself, to find a market for that surplus product.

There is no country on the face of this earth that is so richly endowed with mineral wealth as ours. There is no section of this country that has more undeveloped mineral wealth than the border States of the South.

The chairman of the Senate Committee on Commerce, in his remarks the other day, made a statement which has impressed me more than ever before, because I know it is true. He said we are on the eve of a war, not of arms, but on the eve of a contest for commercial supremacy in the markets of the world; the result of recent changing conditions, which have opened the door, and will keep open the door of those great markets of the Orient, where every nation that has any industries to protect, that has any industries to develop, is availing itself of the fullest opportunity at its command.

Mr. President, we are always proud when we speak of the greatness of our country, either in peace or in war. We are always proud when we refer to our army and our navy and their achievements. We have been especially proud of the position we have attained as the result of our war with Spain.

We are equally proud of the result of our diplomacy in the treatment of these great international questions which has placed the United States in the very firing line of nations—a world Power, prepared to meet any and every emergency which may confront us as a nation, whether placed in that position as a result of circumstances or by a higher will. We are proud to claim that with our civilization goes the progress of the world. We are proud to know that the nations of Europe, which have never looked upon this country as a world Power in their councils, now not only respect but, I may say, fear us.

Occupying that position, Mr. President, shall we shrink from responsibility in meeting all questions which may arise from every standpoint of reason and business policy? When we see this opportunity open to us to possess ourselves of our share of this foreign market—aye, of more than our share—shall we refuse to avail ourselves of it? No, Mr. President; and when the American people start in that direction they generally get all they go for.

This country is endowed with the greatest natural mineral resources of any in the world. Already the markets are opening to her coal product. The senator from Georgia stated—and truthfully so—that the development of the manufacture of pig iron has grown enormously. That is true of those infant industries in the South, where thousands of spindles are singing, where thousands and hundreds of thousands of tons of coal are being taken from beneath the soil, where the materials for the manufacture of pig iron lie within the circumference of a few miles. The industry in northern Alabama and Tennessee has grown so rapidly that almost fifty per cent of its product is being exported to Europe.

Mr. President, the limit of that export to-day is reached by

the inability to secure transportation upon the high seas. In order successfully to operate and carry out great industries of that kind, looking to a foreign market, it is not only important but absolutely necessary that the manufacturer shall know what it will cost to deliver the goods. He must know what it will cost every month of the twelve months of the year if he attempts to predicate his operations upon the demand and the business that he can build up in the foreign trade.

There are other conditions in the United States which contribute much to the situation and bring to us forcibly the fact mentioned by the senator from Maine [Mr. Frye], that we are now entering upon this great commercial struggle, as I say, with equal advantage compared with any other nation, aye, a greater advantage in every direction save one, and that is the connecting link between the producer and the consumer—the ships to carry our exports to those foreign markets. We have none, comparatively. We are growing so rich as the result of our great natural wealth, enterprise, and industry that capital for investment is increasing every year.

Mr. President, the United States has changed its condition from a debtor to a creditor nation. We are not only loaning money to foreign countries, purchasing their bonds, but we are loaning to them millions of dollars which come to us as the balance of trade and which are left in their hands because there is greater remuneration abroad than at home. Is it not better for the American people that they shall invest that capital here in any of the variety of industries which will not only call capital into activity, but will furnish bread for thousands and thousands of men, women, and children who are a part of us, depending upon us, and who in all conditions must be considered?

The question of the employment of labor and the continuance of it is one that the American people must meet, and meet boldly; and any policy that will contribute to that end in any legitimate way should commend itself to those who are called upon to act in public stations. They should act from conviction in the interests of the whole people, and from nothing else.

I alluded to the development of the Southern States. The coal and iron industries in the South are yet in their infancy. There are there wonderful deposits of both minerals awaiting development, and the people who control those industries have told me time and again that the one difficulty they meet with every year in building up the export trade is the lack of adequate and regular transportation. I have known, since this measure began to be discussed in Congress, within the last three years, of several enterprises which contemplated the organization and establishment of a line from Pensacola to South America and one from Norfolk to South America and another to a Mediterranean port, awaiting your decision upon this question.

That development will do more for the rapid consummation of the hopes of our friends in those States than anything else, because in connection with that comes further investment of capital in those industries, and the greater the facilities the better the opportunity to increase that trade, the greater the demand for more capital. What we want in this country is to continue in this development and in the growth of our material wealth, and then to find an opportunity for the application of it.

This question is broader than the lines of the bill can write it. It will be widespread in its benefits. It is not aimed at any class or any particular industry. It is one of those

measures the influence of which will permeate every industry and every class in the length and breadth of the United States. When I am told that the people of the interior of this country are not interested in the shipping question—that the farmers take no interest in it—I say it is not true in fact.

I know that every man, no matter what his vocation in life, is interested and will be benefited, directly or indirectly, because you cannot create an industry like this, bringing about, as it must naturally, first the development of our raw materials and then a condition which ends with the construction of the ships, opening up the markets of the world, giving greater opportunities to our merchants and manufacturers, without benefiting every industry and every line of business.

I spoke of the amount of capital seeking investment at this time; and in connection with this commercial contest I wish to go a little further. We all know that England and Germany and Holland and France long ago established in the Orient depots for the distribution of their products. Of course we know also that long ago they provided transportation by the building up of their merchant marine. They have their banking facilities. They have their agents representing every manufactured product, and altogether that makes up the organization which is the machinery by which this business must be transacted.

Every time an American product is sent to those foreign markets, whether from the farm or the factory, the mine or the mill, it goes there subject to a condition which is a tax upon every turn it makes, whether in substance or the representative of it in value. In short, the English or German shipowner charges what he pleases for the freight, and when the vessel arrives at her destination those goods are put into

consignment in the hands of an English or a German factor, and by him distributed to the consumer; and every time those goods are handled they pay tribute. When the owner of the goods receives his pay, he receives it through a foreign banking house, which collects its tribute upon every dollar. So from a business standpoint we pay as tribute, for every particle of foreign trade that we now enjoy, a sum equivalent to a fair profit.

These conditions are changing and will change more. The growing wealth of this country will demand a change, because capital will unite with transportation and will supply the connecting link between the producer and the consumer. We will establish our own depots for the distribution of our products; we will establish our own banking houses for the conduct of our exchange, so that all the profit accruing which is now paid to the foreigner will go to the American manufacturer and business man.

Mr. President, that proposition is so clear, and this opportunity is so great, I wonder that any man can hesitate to seize upon the advantage which we now have at this critical time, when we are considering our future commerce and the disposition of the great surplus of our farms and our manufacturing institutions every year. The laws of commerce are as infallible as the laws of nature. If we do not travel along the lines that experience and time have proved to be necessary to commercial development, taking immediate advantage of every opportunity offered, we must gradually fall behind again, and we shall.

When I say that a measure of this kind is in the interest of the whole people of this country, I mean it. The farmer who wants to dispose of the products of the soil, who can raise more wheat, or corn, or oats, or other products than can be

sold in this country, complains that the markets of Liverpool fix the price upon his commodity. If that be so, then why not look elsewhere for wider markets. Why not take advantage of the situation in the East?

I predict—and I do it because I believe it—that, should this bill become a law, inside of ten years there will scarcely be a bushel of wheat shipped from the Pacific coast to Europe if we avail ourselves of our opportunity, and find a way to put under our control the transportation of those products in connection with the great transportation system of the United States, which has been made a successful study until, as Governor Shaw told us yesterday, we have reduced the cost to one third of that paid by any other country. This is a part of it, and a very important part of it just now, because if we do not avail ourselves of this situation other countries will, and they are preparing now to do it.

There is a strange contradiction of interests that has crept into this matter since I have paid attention to it recently. I find that people in Boston and people in New York, engaged in the same business—what I would call a commission business—exporting, and otherwise, and who have built up a great business at each of those points, at this late day are bringing to our attention, in the way of an argument against this measure, the fact that it is detrimental to those interests.

The argument has been made to me personally, and, I presume, to many others of my colleagues, that if this measure should become a law it would greatly injure if not destroy that line of business, provided we open the door to the register of foreign vessels. On the other hand, the other house engaged in the same line of business in Boston complains that if we do not open it wider it will ruin its business. In other

words, in the first instance the admission of foreign tonnage to American register will put into operation under this bill lines of steamships that will control certain business.

Take, for example, the South American trade or the Australian trade:—

It is claimed that if a regular line is formed between New York and Brazil or the Argentine, which would supply the needs of that trade regularly, in a short time it would become a monopoly, controlling the trade, and would put freight at an abnormally high price. It is claimed that that would be the result of admitting foreign ships. There is no objection on the part of those people to a subsidy being paid to American vessels. On the other hand, the Boston party contends that unless the door is opened wide enough in this measure to give him or anybody else the privilege at any time in the near future of bringing in as many foreign ships as he can or wants to bring in, after he has made a careful calculation as to the profits of the investment, it will injure his business.

Questions of that character we have had to meet at every stage of the proceeding, but never, until within a week or two, during all of the time that I have been engaged in investigating this subject, has that phase of the question been brought to my attention, that in the same line and kind of business you do one thing and it will ruin one party, and you do the other thing and it will ruin the other party. I cannot understand it. But I do say that the bill as framed and as it is now upon the calendar, as recently amended, is approved, so far as I know, by all the interests that have been consulted and advised with during the three years we have been considering the subject. If it fails to meet every demand and every condition which may arise, it is because we have not had an opportunity to see everybody and to consult every-

body. I believe that it fully and completely answers the demand, and therefore I am in favor of its passage.

I am in favor of its passage upon the ground that it is for the best interests of the whole country, without regard to any special interest, and I know I voice the sentiments of all those who have labored so long and so faithfully in trying at least to perfect this measure when I say it is their desire that only a measure which shall contribute to those ends shall be passed by Congress. Let us start upon the hypothesis that we are all agreed that it will be a good thing for the United States to build up our merchant marine. If some of us believe that entire free ships is the best way to do it, and if the majority of us believe that connected with the other questions involved it is much better that it should be done in this way, but not by this bill, then to those who are willing to admit that the upbuilding of the American merchant marine is a good thing for the United States I say, give us something better than this, and we will support it. I would not under any circumstances be influenced by any other motive.

There is one more feature, but I shall not trespass longer upon the patience of the Senate. I wish to ask one question. Suppose there should be a war between Germany and England, or between England and France, or between any of the great European Powers, particularly any of those three, which are the greatest maritime Powers of Europe. Ninety-two and five tenths per cent of our entire export trade is to-day carried in the ships of England, Germany, France, Norway, Sweden, and Holland. Suppose a war should break out between any of those great maritime Powers, with the conditions that always follow war, particularly now, when each one of them has been growing in naval power every year until the destructive powers of the navies of Europe would

entirely obliterate the whole merchant marine of the world as a consequence.

What would become of us? What would become of the farmers then? What would become of the manufacturer looking to a foreign market to dispose of his surplus? What would become of the men who are working in the mines and the factories with that business absolutely paralyzed? We would have no ships, although a neutral power, to take up and continue that necessary transportation in order that our goods may be carried to markets; and until the war should cease or until some other remedy could be supplied the condition of the United States would be absolutely deplorable and beyond remedy.

If you bring it down to a question of dollars and cents as weighing against the higher considerations, when those conditions come upon us as a sequence of war, and we are asked what would we not give had we a merchant marine, being a neutral power, to go on with the export of our products and not suffer the consequences of the war, would we stop to consider the whole amount of the subsidy, \$9,000,000, multiplied by the twenty years of the existence of this contract, as a price to be paid in cash to remove such conditions as would bring ruin upon us for at least a while?

Oh, no, Mr. President, in making my appeal to the American people for this great industry, I want to put it upon higher grounds than that of dollars and cents. I want to put it upon the broad ground of a connecting link between the producer and the consumer, as an adjunct to our further growth and prosperity, which it is written must continue in the nature of things because of the conditions which control us and our future—conditions which rise above the speculative question whether one man will get a little more benefit

than another, conditions which appeal even to our benevolence in the responsibilities that we owe to the working people of this country.

As to the popularity or the unpopularity of this measure, I stand here to-day in the presence of the whole American people and claim that this kind of legislation is inspired by the best sentiment and the wisest experience of those best qualified to judge its merits. I am standing here as the exponent of that principle, and I claim for every line in the bill that it is in the interest of the whole people of the United States, and particularly of those who must look to higher and more experienced authority to conduct the public affairs of our government in their interest. Upon that basis I make my appeal, and I leave it in your hands.