

FRANK A. VANDERLIP'S INVESTIGATION OF CORRUPTION  
IN PRESIDENT WARREN G. HARDING'S ADMINISTRATION

as described by

JULIAN STREET

**COPY OF LETTER**

ON WASHINGTON SITUATION

WRITTEN MARCH 21, 1924

by

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NOTE: In 1924 my father, Julian Street, went to Washington at Mr. Vanderlip's invitation in an effort to give the general public an unbiased view of the Vanderlip investigation of shady dealings in the Harding White House. It was a difficult task in the face of the wide skepticism which had arisen regarding the Vanderlip accusations of skulduggery in high places—accusations which history has since shown were roundly justified. Today there is a widespread about-face in public opinion. The extensive corruption in the Harding regime is an accepted fact of history. But Vanderlip's role in first bringing these revelations to public attention is, even today, but little recognized or properly appreciated. For that reason alone it is my hope that our families and relatives will find this account my father wrote of particular interest as a significant episode in the history of those times.

A handwritten signature in cursive script that reads "Pete".

Julian Street, Jr.

[Julia Ross Low, to whom my father's letter of March 21, 1924, is addressed, was not only my father's aunt but since his mother had died in his youth, had for many years been in loco parentis. She was also one of the country's first women doctors and wrote occasionally for the Atlantic Monthly.]

March 21, 1924

**COPY — CONFIDENTIAL**

Dear Auntie:

I have received your letter expressing regret at my having come to Washington with Mr. Vanderlip and I am going to write you rather fully in reply, both for your information and because I think it will be interesting later, as corruption in the Government is exposed and cleaned up, to have this letter to read over.

Let me try to give you a picture of my own attitude in the matter, Mr. Vanderlip's attitude, and some outline of what he is doing and what I am doing.

When I read of Mr. Vanderlip's speech made at Briarcliff on Lincoln's birthday—the speech that set the country by the ears and made him the object of so much criticism—I was very sorry, for I felt that he had been guilty of a great indiscretion. As you know, I have for many years admired him, and especially since the trip to Japan four years ago, when I came to know him very well, I have had a real affection for him—a feeling shared by Ada.

From newspaper accounts of his Briarcliff speech, it appeared to me that without sufficient grounds he had implied that President Harding was dishonest, or at least that he had been guilty of a grievous financial impropriety; and it happened that I did not see reports of several of Mr. Vanderlip's subsequent interviews and speeches which made his purpose clearer.

On March 8th he telephoned me at Princeton from his home at Scarborough, asking me to come over for the weekend, bringing Ada and Rosemary. I was reluctant to go because I felt that in the natural course of events his "indiscretion" would be mentioned, and that if it should be mentioned, my opinion, which I could not dissemble, might wound him.

However, we went to Scarborough on Sunday, March 9th, and that on Mr. Vanderlip rehearsed the whole situation to me. Without too much time to go into it, this is the story:

As former Assistant Secretary of the Treasury and later as Vice-President and President of the National City Bank (which as a great financial institution, naturally had to be in close touch with Washington) Mr. Vanderlip had many sources of information concerning what were going on in this beautiful, unhappy city. After his departure he continued to receive much Washington information of the kind that we speak of as "inside". For example, he had information, at the time, of Secretary Fall's more than dubious association with oil interests; also he had information of great corruption in other departments of the Government, and had a perfect understanding of the fact—well known in Washington, and fully understood by the country even yet—that President Harding was surrounded by a group of personal friends and associates who were of high but high character.

As an old newspaper man, Mr. Vanderlip knows that Washington is a hotbed of gossip; he felt that the gossip was becoming so widespread as to be dangerously to shake public confidence in the Government, and in my mind now absolutely no question that his Briarcliff speech, as it was made to appear, largely composed of mere slanderous rumors, but that various rumors of scandal he referred to were mentioned by the press as current reports which, for the public good, ought to be investigated and proven true or false. This can be established in various ways. Mr. Vanderlip did not know at the time that a local newspaper made a stenographic report of his speech; as he testified before the Senate committee investigating the oil scandal, he spoke from notes and believed that a report of the speech existed; it is a great pity he did not then know of the existence of the stenographic report. My friend, John D. Pearmain, a good man and the finest sort of fellow, however, heard the speech and told me about it. He met Mr. Vanderlip for the first time on the day the speech was made and he assures me that Mr. Vanderlip specifically mentioned in the speech that the "Marion Star" rumor ought to be investigated in order to clear Harding's name. [In the Briarcliff Speech, Mr. Vanderlip said, "There is a rumor that President Harding sold his paper, the 'Marion Star' for many times its value."] Pearmain talked the matter over with Vanderlip that evening, after having heard the speech. In telling me about it, he said: "I asked him whether he thought that Mr. Wilson or Wilson had either of them been personally corrupt and he answered instantly and vigorously, 'Not at all, but I feel certain that thorough investigation would reveal a lamentable amount of corruption in their administrations'."

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which he could not substantiate. Also, I failed even then accurately to grasp his motives.

Without speaking to him about his motives, I jumped to the conclusion that they had to do with the libel suit filed against him by the owners of the "Marion Star"—that in an effort to win the suit and vindicate himself, he was setting out to tear things up by the roots. I know that other friends of his have been under the same misapprehension and that many of them are so still. I have heard some of them trying to dissuade him from carrying things through. The kind of thing he is doing does not appeal to conservative bankers and men of affairs, or to party politicians.

That evening, the question of motive came up. I referred to the libel suit and found that he was not apparently interested in it at all. He had engaged as his counsel Hon. John W. Davis, former Ambassador to Great Britain, and Hon. Henry L. Stimson, former Secretary of War, but he had not even bothered to talk to them about the case since he engaged them, so taken up he was with the matter of general corruption in the Government.

Since then I have, I believe, become thoroughly familiar with his motive, for I have been with him for hours almost every day. He has two motives: First, as a public spirited citizen he is determined to render a great and necessary service to the country. Second, he desires to regain the esteem of his fellow citizens which in the past he has always had, and of which he has been justifiably proud. And I want to add this: that important as the second motive is to him, the first motive outweighs the second in his mind. His spirit is that of a crusader.

He has been of the greatest help to Senator Wheeler, who conducts the examinations for the Committee (five Senators investigating the Attorney General and the Department of Justice under the Chairmanship of Senator Brookhart), and Senator Wheeler, a fine, courageous man (not nearly so much of a radical, I think, as he has been made to appear), has in my presence more than once expressed gratitude to Mr. Vanderlip for the very extensive and real help he has given. Senator Wheeler has, moreover, made a public statement on the matter.

On March 10th when Ada and Rosemary went home from Scarborough, I did not go but remained to hear more of what Mr. Vanderlip had to tell. He urged upon me that I inform myself as fast as possible with a view to writing on Washington conditions. I, however, had been working for some time on a short story which I had nearly completed and I was very reluctant to drop it at that point because it is always so hard to go back to a partly finished story when it has become cold. On the other hand, I was deeply stirred by his revelations and inspired by his example, and I began to feel that to consult my personal interests and my personal comfort at such a time would not be to exhibit a very high type of citizenship. You see, I can't

forget that Roosevelt [Theodore Roosevelt] more than once said of me and wrote of me that I was a good American with the interests of the country at heart—and I don't want to forget it, either, though it makes it very inconvenient at times, my instinct being to sit comfortably at home and write short stories or a novel.

I stayed in New York two or three days discussing with Mr. Vanderlip various plans of campaign. His first idea was to form what he called a Citizens Federal Research Bureau to conduct independent investigations and report to the people at large. I found that he had tentatively interested such men as President Emeritus Charles W. Eliot of Harvard, President Lowell of Harvard, Dean Pound of Harvard Law School, Howard Coonley, President of the Boston Chamber of Commerce, Henry Dennison, the paper tag manufacturer, noted as a public spirited citizen, and other gentlemen of high reputation, all of whom stated their willingness to serve on an Executive Committee if the membership of the Committee was satisfactory to them.

The trouble with this scheme was that the mere matter of organization would have taken much time, and that meanwhile there was a vast amount of work that needed to be done immediately. Two young Harvard men, Boyd Fisher and John D. Pearmain, volunteered at the outset to help Mr. Vanderlip in the crusade, and the work was progressing rapidly, but if time had been given to organization at that point, other things infinitely more important must necessarily have been put aside. Mr. Vanderlip therefore gave up, for the time being, the idea of a large and impressive list of dignitaries and decided instead to operate through a small group of earnest men who would do a lot of real work. He has been doing that but is now incorporating the Bureau and going after membership and support with the idea of making it a less personal affair.

My position all through this, and through what has gone on subsequently, is twofold. First of all, I am—as you know, I have been for over twenty years past—an independent journalist. I gather from your letter that you may have the impression that because I came here with Mr. Vanderlip, I was or am working for him, and that you suppose I may be committed to him regardless of what course he pursues. That is not the case. As a journalist I retain, as I always have and always shall, absolute independence. On that score Mr. Vanderlip is valuable to me just as other friends and acquaintances of mine, such as Secretary Hoover, Senator Wheeler and such newspaper men as Mark Sullivan, Gilson Gardner, Kenneth L. Roberts, Angus MacSween, Lowell Mellett and Lawrence Martin are valuable to me, namely, as a source of information; but I have secured from Mr. Vanderlip much more information than from any of the others mentioned because he knows more about the situation, I believe, than does anyone else, with the possible exception of Senator Wheeler himself.

Through Mr. Vanderlip I am able to learn of the Committee's plans, of the lines they are likely to pursue, the witnesses they are likely to call, and in many instances the things to which these witnesses are going to testify. You will, of course, see what a tremendous asset all this information is to a writer. Through Mr. Vanderlip I have been in touch with all manner of inside goings on, including even things unknown as yet to members of the committee, and through him I have met a number of the conspicuous figures in this investigation, among them the now widely advertised Roxie Stinson, really a very clever and interesting woman with whom I have talked for several hours; Gaston B. Means, another extraordinarily interesting character, to whom I have listened for a long time; Colonel Felder, a queer fish, and others.

It has been fascinating—the most fascinating and dramatic story, or rather series of stories, I have ever come in contact with, and you will readily realize how I long to write some "color" articles on the investigation, the leading figures in it and the general Washington background. I first took it up with the "Saturday Evening Post", but Mr. Lorimer wants fiction from me rather than this kind of journalism. The trouble about writing this sort of stuff for a magazine is that things move so rapidly you can't be sure your magazine article will not be stale by the time it gets into print six or eight weeks later. I have therefore temporarily given up the magazine idea and have been trying to arrange with a syndicate to do a daily letter of eight hundred to a thousand words to go out by wire to a great number of newspapers, and to be (insofar as I am capable of making it so) an interpretation of the Washington situation day by day and a color picture of the general background here.

Aside from the purely journalistic aspect of the case, I am more and more Mr. Vanderlip's friend and admirer. He is doing a heroic thing, for which he is, as yet, getting little thanks from the nation, simply because the nation does not yet understand what he is trying to do for it, and how much what he is doing needs to be done. As Mr. Vanderlip's personal friend, I advise with him on various points in connection with his work as they come up, but I have not joined his organization as I feel that might be construed as signifying that I am a propagandist rather than an independent writer. This attitude Mr. Vanderlip has thoroughly understood from the outset. When at first I did not quite understand what he wanted me to do if I came to Washington, he said in substance: "I want you to serve your country in whatever way you see fit, and if at any time you do not share my views as to how you can best serve your country, then I want you to go ahead and serve it as seems best to you."

After working several days in New York, trying to interest newspapers in the work but meeting with small success (because of what appeared to me to be a combination of incredulity, timidity and lassitude on

the part of the press), Mr. Vanderlip decided that he could operate most effectively by coming to Washington and placing his services, the services of his staff, and all his information at Senator Wheeler's disposal, for use of the Committee. This he did and I came with him. I have been present at several of his conferences with the Senator and his temper in the matter is indicated by this remark which I heard him make to Senator Wheeler:

"I want to serve you in your work of investigation," he said, "in any way I can, spending my money as you may direct to assist the investigation, and even being your office boy if I can help in that way."

That shows his spirit, and I call it pretty handsome in a man of his position talking to a man so much younger and relatively so little known—though let me add that I think Senator Wheeler is going far. He may even prove ultimately to be of presidential timbre.

One thing in this situation which has struck me very forcibly is the feeble position generally assumed by the press. The newspapers, with some few exceptions, seem to me to have been soft pedaling. The big metropolitan dailies have printed a lot of the testimony but have not generally interpreted the story as I think they should, and their editorial policy has, to date, been in most cases positively pitiful. Only the day before yesterday, the leading editorial in so great a newspaper as the "New York Times" was devoted to an argument in favor of President Coolidge's stand in retaining Mr. Daugherty as Attorney General. The "Times" in its editorial practically admitted that Mr. Daugherty never should have been Attorney General and that he ought to leave the Cabinet but declared that the President is "necessarily in the position of a judge waiting for the incriminating facts, if there are any, to be established."

It is difficult to understand the spirit in which a great newspaper can make an assertion so preposterous. The President most emphatically is not in the position of a judge waiting for the facts. Enough facts are already established absolutely to disqualify Mr. Daugherty for his position. But even if that were not so, the position of the President resembles not that of a judge, but that of a bank president who, when grave charges have been brought against his cashier, leaves that cashier in full possession of the books and the funds of the institution, with access to files and the safe, while the investigation of his performances is being carried on. Nor is that the worst of it, for whereas the bank cashier, in my hypothetical case, has no offensive power to enable him to intimidate, cripple, or destroy those charged with the investigation of his acts, we have now in Washington the scandalous picture of an Attorney General who, even if corruption is never proved against him (and I am of the opinion that it will be proved if Senator Wheeler's health does not break down under the strain), has in certain instances enormous power over Federal Judges and Federal District Attorneys, is able to make indictments for purposes of persecution, or to

withhold indictments for the protection of his friends, and most outrageous of all, has control of the Secret Service under Burns, himself a man of doubtful reputation.

You can hardly imagine the situation thus created. No one outside of Washington and unfamiliar with conditions here can possibly imagine it. If the current stories of terrorization and blackmail prove true, Mr. Daugherty's department is not one of Justice but of Injustice. The methods said to be used are those of the Russian Secret Police. Investigators of the Department of Justice are reputed to spy upon honest men, endeavoring to find out discreditable things about them on which they can trade to buy silence. Those who can be intimidated are intimidated. It is commonly said that the indiscretions of public men with women are dug up and utilized. If the Department of Justice is doing this, the situation is a disgrace to democracy and to civilization. And somebody is doing things of this kind.

The President's course in sustaining Mr. Daugherty is, in my opinion, inexcusable and if he persists longer, I believe he will bring himself and his party to political ruin. I wanted almost passionately to believe that President Coolidge, for whom I voted, was a great leader, but how can one believe it? How can one believe in a President who manifestly considers his responsibility to an individual, and that individual a man of Mr. Daugherty's qualities, as more important than his responsibility to the nation?

The President seems to have absolutely no grasp of the nation's present frame of mind. The people of this country are fairly aching for forthright and courageous leadership. If Mr. Hoover would resign today from the Cabinet, as I should like to see him do, and announce as his reason for so doing the utter impossibility of the present situation, which is of course unspeakably repugnant to him, he could without doubt be the next President of the United States. Honesty and courage, both of which the people know he possesses in full measure, are the only platform he would need. I understand, however, that this course has been urged upon him by some of his friends and that he indignantly refused to think of such a thing because of what appears to me to be a misguided concept of loyalty. What is there to be loyal to with the Cabinet in its present state, preserved in that state by the President himself, and with the former Secretary of the Interior, a bribe-taker, not yet under indictment? It must be pretty hard to be loyal to a garbage pail! The one trouble with Hoover is that he is too fine a man for his position, and as things are, it is increasingly difficult to get first rate men to accept cabinet positions.

Just fancy Roosevelt in the White House at this moment! How long would it take him to act! Mr. Daugherty would go out through the roof, and his organs and entrails would be scattered through every state in the

Union. And of course Mr. Fall would instantly be indicted and vigorously prosecuted. Nor are the Fall scandal and the Daugherty scandal by any means the only scandals requiring attention. There must be an investigation of the War Department, so far as concerns sales of war material; there must be an investigation of the Bureau of Alien Property Custodian, of the Interstate Commerce Commission in the matter of settlements with railroads for the Control Period; of the Veterans Bureau in which there has evidently been enormous graft (this is especially disgraceful because disabled soldiers were the victims); and of immense liquor frauds leading apparently directly to the Treasury Department.

Politics, of course, plays its part in these investigations, but politics or no politics, they must be made, and if the Democrats are now sometimes guilty of unnecessary mud-throwing, we must remember that the Republicans did precisely the same thing, though perhaps less effectually and with less justification, in the last year of the Wilson Administration. As a Republican who was very critical of the Wilson Administration and who voted for Harding as the opponent of everything that Wilson stood for, I hang my head in shame at the state of official degradation which began in Washington on the day that President Harding took office.

This is a painful thing to say but it should and must be said, for it is vitally important that people understand it. The whole revolting mess traces directly back to our way of making Presidents—to the way Harding was made President. The Attorney General himself has been quoted as saying something to the effect that Presidents are made not at conventions but by two or three men sitting in a back room somewhere. Harding, we know, was made in that way and Daugherty made him. He was not the people's choice but Daugherty's choice. Daugherty put him into the Senate and realized his dream of twenty or more years when he put him into the White House.

The best that can be said of Harding is that he was a good-natured man of small-town type whose intimates were, to say the least of it, a very cheap lot, and who got his relief from official cares by sitting around with them playing poker, swapping stories and drinking whiskey. Don't misunderstand me when I say he was a small-town type. I know that there are as good men in small towns as there are in big cities. Sometimes I have thought that the finest small town types produced in America are, on the whole, the best men in the country. But, sad to say, President Harding and his associates were not of the finest small town type. Put it if you like on a basis of ordinary decent taste; what sort of picture does it make when the President of the United States, sworn to uphold the Constitution and the Law, breaks flagrantly and conspicuously an amendment to the Constitution? Quite aside from the example set to the nation, it is exceedingly unpleasant to think of the reports made on this subject by Foreign Diplomats stationed here. It is not pleasant that the United States should

be a laughing stock before the world. I hardly need tell you how distasteful it is to me to attack the memory of a dead man, especially when that dead man was President, and when I voted for him. But the reputation of no man, dead or living, is as important as the integrity of this Government; and if in order to arouse the people they must be shocked by such statements, then the statements must be made even if the man who makes them is thereby damaged, as Mr. Vanderlip has been.

Nothing is more important to the welfare of the country than the arousing of the people to a sense of what the actual situation is, for the root of the evil will not be reached until the people rebel against the appointment of Presidents by small cliques of political highbinders, of whatever party. Therefore, I say that if, in order to bring home to the people the fact that they, the people, do not make their Presidents (as they so fondly and fatuously imagine they do), the reputation of some man must suffer, suffer it must.

There is a very pitiful side to all this. It is painful to see such fine, honest men as Secretary Hoover and Secretary Hughes pilloried by politicians when, as everybody knows, or ought to know, they are trying loyally and honestly to serve the Nation. And how grotesque the situation when the Secretary of State, renowned for his probity, finds it necessary seriously to deny knowledge of the fact that a motion picture film, run off in his presence in the house of a Washington publisher, had been illegally transported. In the present situation Mr. Hughes and Mr. Hoover are handicapped by being gentlemen; they expect to find in others that sense of the fitness of things which they themselves possess.

Roosevelt used to tell with mischievous glee of having sent John L. Sullivan with a letter of introduction to Mr. Hughes when he was Governor of New York. The idea of rough, burly old John L. engaged in conversation with a gentleman of Mr. Hughes's type appealed to his sense of the grotesque; but how much more grotesque is the spectacle of Ned McLean inviting the Secretary of State to a party at which films, illegally transported, were to be exhibited. Of course, it was not the Secretary's fault at all. His only sin lay in not knowing a mucker when he saw one, or in associating with one if he did know he was a mucker.

Do not imagine from all this that I think there are no honest people in Washington anymore. Even the Department of Justice knows it, for they have shadowed and investigated a lot of honest people. Do not believe, either, that I think there are no longer honest newspapers. I have been trying to fathom the curious attitude of the newspapers and will give you my thoughts on the subject.

The old enterprising style of investigating and interpretative journalism I used to know seems practically to have disappeared. Why?, I ask my-

self. There are several reasons. Partly it is a matter of transition. The great personal editors and the great personal reporters are today practically extinct. The late Frank Cobb of the "World" was one of the last of them. Newspapers tend more and more to become great corporate affairs, owned by enormously rich men who study balance sheets and lack entirely the journalistic flair. It is perhaps needless to add that rich men, whether they be bankers, merchants or newspaper owners, do not as a class approve of investigations such as we are now having, because they are afraid business will thereby be injured. Thus, the tendency of large newspapers today is generally to soft pedal—not to lead but to follow public sentiment and to misunderstand and condemn such men as Mr. Vanderlip.

Another important point in the newspaper situation is this: the last remnants of real enterprise in Washington journalism were almost entirely stamped out by the war. Instead of trying to secure and print all the news, journalists were obliged in wartime to take only such news as was handed to them by Government publicity agents and were required to suppress news distasteful to the Government. This may have been necessary, though I never had confidence in Mr. Creel. By the time the war was over and the censorship lifted, journalistic initiative had been largely destroyed and it has never come back. Still another point is the fact that during the war the people were surfeited with sensation. Their nerves were continually on edge; their sense of proportion became distorted with the result that things which before the war would have deeply moved them now hardly catch their interest. In order to attract their attention you must shock them, and since the war that has become hard to do. Mr. Vanderlip did, however, shock them with his "indiscretion," and I am now convinced that he thereby performed a great public service.

There are three attitudes of mind concerning affairs in Washington at the present time.

One group of people, while admitting the enormity of the scandals, takes the stand that matters so deplorable should not be brought to light, holding the nation up to shame before the world. That is, they maintain, in effect, that the way to treat a cancer is to ignore it.

A second group belittles the situation, trying to explain away the scandals on the ground that such things always follow after wars. These people overlook the fact that without any war there must still have been great scandals in an administration such as Harding's. The war simply gave the grafters among his associates added opportunities. Persons taking this view are recommending a poultice as a cure for cancer.

A third group believes that the only way to treat this Governmental cancer is to operate and remove it, however far it may run. To the latter group I belong, for it is my profound conviction, conservative though I have

always been, that if financial and political reactionaries continue to run this country, there is very definite trouble ahead.

You speak of fear of a revolution if disclosures such as are now in progress continue. I am not afraid of that. There is still a lot of sanity left in the land, but I do not think that the old-line, hard-boiled politicians, of the type of Senator Lodge, have the faintest conception of the silent indignation their methods are engendering among the mass of the people. The thing I am afraid of is not that we may have revolution now, however shocking the disclosures, but that the politicians and the crooks will win this time, as they have so often before, and will go on running the country as they have run it in the past. That is what will ultimately bring revolution, if it comes. Perhaps Mr. Vanderlip will not live to see it; perhaps I will not live to see it, but neither he nor I can face with equanimity the thought that our children may have to go through what the children of Russia have lately gone through.

No later than yesterday Mr. Vanderlip, realizing that he was being shadowed, went up to the man who was following him and asked him if he cared to know where he was going. The man made some feeble excuse and went away. Mr. Vanderlip and I frequently hear talk of the possible "bumping off" of those most conspicuous in the attack on corruption. I should perhaps explain that in the vernacular of Mr. Burns and his associates, to "bump off" a man is to assassinate him. I do not believe they will dare to try to kill Mr. Vanderlip, but I do know that an accident insurance of one million dollars which he tried to secure, so that his work might be carried on even if he were assassinated, has been refused him, and I know further that he has repeatedly been urged by friends familiar with the temper and the methods of certain of the Attorney General's subordinates, never to go about alone, especially at night.

In your letter to me you related the following story which you had heard: that Mr. Vanderlip was to have spoken on "Courage" before a lot of insurance men, heads of companies, in Detroit, but that at the time appointed he did not appear and sent no explanation. You add that the newspapers handled him without gloves and that the expression of opinion by people you know is most unfavorable.

That is a good sample of one of the methods of attack upon him. It is pure slander, though of course, I realize you did not know it. It is slander visited upon Mr. Vanderlip because at huge expense and at some risk to his life, he is trying to render a great service to you and to me and to all other Americans.

I happen to know all about that speech on "Courage," which was not delivered. I have seen the correspondence. It is true that these insurance men did ask Mr. Vanderlip to address them, though it was in New York

and not in Detroit that he was to have spoken. Mr. Vanderlip accepted the invitation to speak, informing them that his subject would be "Courage"—a subject, I may add, upon which he is well qualified to speak. In accepting, he asked who were to be the other speakers and was informed that one of them was to be Mr. George Gordon Battle, a prominent New York attorney, and the other a professional humorist. (In this connection it is perhaps worth remarking that Mr. Battle's law partner has been attorney for the German Dye Kartel, which is trying to get back for the Germans 800 patents seized here during the war. Official connivance has been charged in this matter.)

Mr. Vanderlip's one stipulation, a very natural one, was that he would not speak after the professional humorist; otherwise, they could place him where they pleased on the program. Evidently, however, there was some protest in the organization against his being allowed to speak at all, for I myself saw a letter from the president of the organization stating that as the program was arranged, Mr. Vanderlip would be obliged to follow the professional humorist—the one thing he had said he would not do. Nor was Mr. Vanderlip given a chance to recede from his position on this point, for the letter wound up with some such statement as, "so I assume that you will not speak." To a child it would have been obvious that they were withdrawing their invitation and doing so in a manner both discourteous and cowardly. A talk on "Courage" might have done them good but they lacked the courage to listen to it. Moreover, as the report of this matter, garbled as you gave it to me, certainly did not emanate from Mr. Vanderlip; it would appear to have emanated from this organization of insurance men. In view of the foregoing facts, I leave it to you to decide what sort of men they must be.

A charming lady whom I met here in Washington the other day informed me she had heard that Mr. Vanderlip, when he made his Briarcliff speech, was drunk. I have, as you know, been with him on many occasions, and once was with him for more than two months, and I know him as an unusually abstemious man. Furthermore, he is one of comparatively few men in my acquaintance who has never bought one drop of bootleg liquor. Only a man whose record is clear would dare enter the fight on which he has entered, and no one recognizes the necessity of such a record in this situation more than he. Only the other night he spoke to me about this, saying: "Has it ever occurred to you, Julian, that a man has to be pretty sure of his record before he goes into this kind of thing?" And he said it with the air of one who is sure of his record.

Here in Washington the crooks are having a hard time trying to discredit him. In one instance they tried to dig up some relatively trifling scandal in the Treasury Department, but it developed that this scandal had occurred while he was not in the Treasury Department, so we have heard no more of it. Now apparently there is an organized campaign on foot to

make people believe him a sick man with a mind that has deteriorated. Ah me, how it all reminds me of the old Roosevelt days! You will perhaps remember that the "New York Sun" many years ago printed an editorial stating, or distinctly implying, that Roosevelt was crazy; and you know that Roosevelt finally went into court at a cost of fifty or sixty thousand dollars and won a damage suit against the editor who had printed the statement that he was a drunkard.

It is true that Mr. Vanderlip has diabetes, but it is equally true that under this new magical insulin treatment he is as vigorous and clear-headed as he was when president of the National City Bank. He can do more work than any of his assistants; he wears them out; and when he talks to me about the various cases he has under investigation, jumping from one to the other as he recounts the latest developments, I frequently have to stop him because I become confused and cannot carry in my head the things he can. If his mental equipment is impaired, as his enemies would have us believe, I can only wish that mine was impaired in the same way. I feel about that as Lincoln did about Grant's whiskey.

Do not think that one word of all this letter implies the slightest criticism of you. I understand your attitude because it is practically the same as my own attitude of two weeks ago. It is the present attitude of most of the American people, but it will change. I have been through a situation of this same kind with Roosevelt. I have seen him reviled by the people he was trying wholeheartedly to serve, and I have seen him in the end idolized by the people because at last they caught up with him and saw that he was right.

I shall be astonished and grieved if Mr. Vanderlip does not also gain the trust and gratitude he deserves, even though the newspapers are against him.

I heard today that Mr. Daugherty's counsel had asked that he be subpoenaed to appear before the Senate Committee, and I have no doubt that before the hearing is concluded, he will be subpoenaed. On the stand he will, I feel confident, be able to tell Mr. Daugherty's counsel things that neither Mr. Daugherty nor his counsel will be glad to hear, and I do not believe that in cross-examination they will be able materially to damage him. But whether they are able to damage him or not, he will gladly take the stand and endure the damage, if he has to. I shall be disappointed in the American people if presently they do not realize, in spite of the newspapers, that Frank Vanderlip, with his courage and his money, but almost single-handed, is fighting their fight.

Your devoted nephew,

[Signed] JULIAN STREET