

New York Tribune

First to Last—the Truth—News—Editorials—Advertisements—Member of the Audit Bureau of Circulations

THURSDAY, FEBRUARY 21, 1918

Owned and published daily by The Tribune Association, a New York Corporation, Ogden Reid, President; G. Vernon Barnes, Vice-President; F. A. Steer, Treasurer. Address: Tribune Building, 234 Nassau Street, New York. Telephone, Beckman 4090.

SUBSCRIPTION RATES.—By Mail, Postage Paid, outside of Greater New York: Yearly, \$10.00; Six Months, \$5.00; Three Months, \$2.50. Single Copies, 10 Cents.

ADVERTISING RATES.—By Mail, Postage Paid, outside of Greater New York: Daily, 10 Cents per line; Sunday, 5 Cents per line; Long Copy, by arrangement.

Entered at the Postoffice at New York as Second Class Mail Matter.

GUARANTEE: This newspaper is not responsible for the contents of advertisements unless the advertiser inserts the words "with absolute safety" in the copy of advertisement.

MEMBER OF THE ASSOCIATED PRESS: The Associated Press is exclusively entitled to the use for publication of all news dispatches received by it or not.

The "Requiem" of Private Railroad Ownership

The Honorable Hiram Johnson, Senator from California, comes from a state which, for long years, suffered grievously from "railroad domination." Those were the days of high buccaneering in the railroad world, and especially in the construction of the Pacific transcontinentals.

This latter work was no child's play; it brought forth a brood of resolute and dominating men, who were not slow to seize all the fruits of their pioneering. When they had amassed great fortunes it was a natural part that they should utilize their power and wealth to elect themselves Governors and Senators and to regard politics as their special private game.

The people of California are slow to forget these evil days, and their hatred of "railroad rule" survives much of the abuses from which they suffered. Because of these memories they gave their then Governor a majority of 275,000 for the Senatorship, where Mr. Hughes could gain no majority at all.

It is very natural that Senator Johnson should project the sentiment of his own constituents into an image of the whole country. We believe in this he is very seriously mistaken. After its experience with the fuel administration, we do not believe the country at large is hungering deeply for a vast extension of governmental powers or a huge addition to the number of Federal employees.

There are now nearly 1,700,000 railway employees. Is Senator Johnson ready to add this great force to our political life, compactly interested in bargaining politically for shorter hours of work and more pay? Or would he disfranchise the railway vote? And, if so, would he disfranchise every government employe or official?

This is a vital question. But there are larger issues. In his grand way Senator Johnson denounces the return on their capital which the railways will receive while under government control as exorbitant. Fifty per cent of railway shares, he declares, are simply watered stock.

If we are to have government ownership this stock must either be paid for or confiscated. Does Senator Johnson advocate confiscation? This is a large order. In the same vein the California Senator gives new voice to the cry that the railroads of the country in the last few months "have broken down."

On 75 per cent of the trackage of the country there has been no "break-down," no congestion. The entire freight tie-up came on a relatively small amount of trackage, over which was pouring all the huge volume of freight destined for foreign shipments or for the war industries plants. And even here there was no tie-up until priority orders from the government had disrupted the whole traffic movement.

Up to this time—that is, for the first six months after our declaration of war—the railroads were carrying a volume of merchandise estimated at more than one-third greater than in any year prior to 1915. This was a tremendous increase.

It is a libel upon a great achievement to call this a "break-down." Out of the present urgencies of the nation may come a larger order and a better system for the conduct of our transportation machine. But it is well to remember that that system as it stands is still the finest in the world. The freight movement in America, either for volume or cheapness, has no parallel in any other nation.

This system is an achievement of private enterprise. With all the defects inherent in a competitive régime, we doubt if the people of the country are yet ready to bring this huge machine under the domination of politicians, bending the knee to a vast brotherhood of railway employes.

Clearance by Suspicion

Let us look back five days and read the letter to the Attorney General with which the President started the country last Friday, calling for an investigation into affairs at Hog Island, with a view to "instituting criminal process" in case the facts justify it. We reprint the letter below, with italics of our own:

The White House, Washington, D. C., February 13, 1918.

My Dear Mr. Attorney General: Mr. Hurley, of the Shipping Board, has called my attention to some very serious facts which have recently been developed with regard to contracts made in connection with the shipbuilding programme with the company operating at Hog Island. They are so serious, indeed, that I do not think we can let them be taken care of merely by public disclosure and discussion. I would be very much obliged if you would have some trustworthy person in your department get into consultation with Mr. Hurley about the whole matter, with a view to instituting criminal process in case the facts justify it.

Cordially and sincerely yours, WOODROW WILSON,

Hon. T. W. Greigory, The Attorney General.

Consider the astonishing language of this note, and then reflect: Mr. Hurley stated yesterday to The Tribune that he had no anticipation that anything crooked would be developed by the investigation of the Department of Justice.

When had he no such anticipation? Before he urged the President to take this step or now? Apparently before, for when asked as to why he suggested that the President order the inquiry he replied that he considered it a necessary step in order to keep his records clear.

This is the rest: "The company operating at Hog Island" is the American International Corporation, through its subsidiary. On its board are men of high standing in the financial world. The public, through the newspapers, is advised by Mr. Hurley and the President that "facts so serious have come to light as to demand investigation with a view to a 'criminal process.'"

A "criminal" process? Mr. Hurley knew, and the President must have known, that the officers of the Shipping Board, Mr. Hurley's board, had approved every contract, every purchase, made at Hog Island, either by the American International or any of the sub-contractors.

And Admiral Bowles had already been sent to Hog Island to review the whole work, and now reports that he has found no graft.

Is Mr. Hurley sitting tight in the boat?

Food for Confidence

Our declaration of war was precipitated by Germany's announcement of a ruthless campaign with its submarines. Even at that time the submarine had inflicted rather severe damage on transatlantic shipping. The sinking of the Lusitania goes back to May, 1915. It was well known last April that there was an acute shortage of ships, that our most vital and imminent need was tonnage.

It was with feelings that grew from misgivings to dismay that the country watched month after month the quarrels and changes which characterized the working out of our shipbuilding programme. It was a miserable fiasco that at the head of the Shipping Board should have been placed a San Francisco lawyer with as little experience with shipbuilding as, let us say, Dr. Garfield's experience with the coal industry. Then came the unfortunate controversy with General Goethals and the peremptory dismissal of both; next the appointment of Admiral Capps, his failure and resignation; then the advent of Mr. Hurley and Mr. Piez.

Meanwhile the country had enlisted half a million men; it had drafted a million more. And it read with dismay when the December revelations came that there was very little prospect of getting anything like this number of men to France this year. In a word, we could not send men, we could not send food, we could not send munitions and aeroplanes and trucks—all for the lack of ships, ships, ships.

No one could read day after day, with agreeable feelings, how the plans and purposes of this great nation were being balked and brought to naught largely through this single lack. Even the most hopeful could hardly watch with composure all the endless delays. We are thankful that, if we look far enough ahead, there is a brighter side to the picture. Our effective entry into the war will be slow. It will probably be delayed many months from what it might have been if our whole programme could have been planned with that engineering ability which as a nation of engineers we might reasonably have expected. But it seems certain now that by the fall at least we shall be launching ships at a rate which will astonish the world.

We spoke yesterday of the enormous dimensions of the shipyards at Hog Island. We did not speak of their capacity. The present estimate of the engineers is that on each of the fifty ways a new steel ship can be completed, launched and a new one begun in a hundred days. Allowing for delays, this is at least three ships for each way per year, or 150 ships for the whole yard. If the projected force of 35,000 men could be employed at full time, twenty-four hours in the day, this minimum might be considerably exceeded.

Here, then, is a definite prospect that in a few weeks we shall have completed a single yard able to supply somewhere in the neighborhood of a million tons a year. It should be working at full pressure by the early fall. Six months ago it was a deserted mud flat.

Consider what this means: almost half

the tonnage now being sunk by German submarines replaced by a single yard!

And if we take the number of ships at present contracted for as a guide, the capacity of the shipyards of the whole country when they get under way will be perhaps six or seven times that of Hog Island. It is not at all impossible that if the labor problem can be solved we might be able to turn out next year seven or eight million tons of new shipping—possibly more.

That would be equal to one-half of England's effective oceanic shipping at the outbreak of the war.

We shall need it all, for already it appears that production in many lines of war munitions is exceeding all prospective cargo space. We are now making or shall very soon be making far more aeroplanes than space can be found for to send abroad. Locomotives, railway cars, trackage, trucks and no end are already waiting at the docks for their turn. We shall be slow. We have not organized for the war with characteristic American speed. A political machine cannot be quickly converted into a vast commercial enterprise. But it is being converted, and there now seems reasonable promise that by next year we shall be able to give our allies the support which we have promised and from which they have hoped so much.

Open Strategy

There is optical camouflage, and then there is mental camouflage. For several weeks the war correspondents have been talking of an imminent German offensive on the Western front. Almost any newspaper reader could mark an X on the very spot where the blow will fall. Now Secretary Baker goes further. In his weekly review he forecasts the technique of the impending offensive. Large numbers of men lately withdrawn from the first line trenches, he says, are being intensively trained as "shock battalions," with which the German commanders hope at last to break the line. If we positively knew all of these things to be true would it be good strategy to expose our information to the Germans? Would it not be better to let them think they were going to surprise us? These are obvious questions, but they derive from absolute assumptions. Modern war is not all physical. It has its rare and baffling subtleties. Here is where mental camouflage begins. The Secretary of War is playing a game with the enemy. The point of it is to pretend that we are deceived. Open strategy is almost as fascinating as open diplomacy.

For Lenroot

If the Legislature of Wisconsin does not give to Governor Philipp the power to appoint a Senator to fill the vacancy caused by the death of Senator Hastings it will be because Senator La Follette does not want to have an American as his colleague in Washington and is able, not overtly, to have his way. Governor Philipp has done well in promising to name Representative Irvine L. Lenroot to fill the vacancy if the Legislature authorizes him to do so.

Mr. Lenroot has many qualifications for the Senatorship. He comes nearer to being a statesman than any one else in Wisconsin. He comes as near to being a statesman as almost any one in the Senate to-day. He is an American without compromise. He is a Progressive—said to relate, almost the only Progressive in Wisconsin who is not tainted with the La Follette heresy, with pacifism or pro-Germanism.

If appointed he could be elected when action on the vacancy comes before the people at the polls, and thus the country would be assured of one loyal member of the Senate from Wisconsin during the remainder of the war. He could be elected because he is a Progressive. In addition, La Follette cannot openly oppose him. He was once La Follette's right-hand man and is invulnerable in Wisconsin on the railroads and big business and all the other strictly La Follette issues. And the issue of having supported the Administration in the war even the senior Senator from Wisconsin will not dare to raise against him.

Thus, his choice is at once patriotism and good politics. That is its immediate aspect. A longer view of it is that it would lend character and strength to the Progressive element in the Senate, and Progressivism in the Senate needs an infusion of character and strength and leadership—above all leadership.

What Is a Luxury?

It is very easy to jeer at the lady who wanted a private car in which to go to Spartenburg—a private car, when our allies are distressed for lack of food rail-bound in the West and we ourselves are freezing for lack of coal rail-bound in Pennsylvania. But who is anybody these days to jeer at a luxury? What is a luxury, anyway, but the thing a little more luxurious and expensive than you yourself can afford? It is a beautiful, endless chain, this pursuit of luxuries. What you yourself use is always a necessity, and not a luxury. You can prove the point by any amount of excellent arguments. If a "movie" is your limit, then it is a "movie." You can't be expected to give up "movies," war or no war. If your limit is a parlor car seat on a train, then a parlor car seat is a necessity, not a luxury. If it is a limousine, how can anybody expect you to give up a limousine just to win a war? If you have always travelled in private cars, nothing seems more unreasonable than that a mere war should cut off this simple, inexpensive way of proceeding from spot to spot.

Let's stop talking of luxuries and begin to cut out necessities. Then we'll begin to hit ourselves instead of safely jeering at the other fellow.

An operation for appendicitis is nowadays not a very serious matter, but Senator Chamberlain is at this particular time a very valuable person, and we shall be greatly relieved when he is on his feet again, with his face to the north wind.

Economy

A FEW days ago Secretary McAdoo sent out a financial telegram. In this telegram it was specifically stated that it was sent to every bank and trust company in the United States.

We are advised by the American Bankers' Association that there are something like 29,750 banks and trust companies doing business in this country. This meant, then, 29,750 messages. The telegram contained 459 words. The total number of words transmitted, then, was in the neighborhood of 13,655,250.

But the message calls for a reply. If all the banks answered it, using ten words each, this would mean an additional 297,500 words.

As a matter of curiosity we append the telegram:

"Between now and the time for making the next Liberty Loan I shall offer for subscription Treasury certificates of indebtedness in amounts of five hundred million dollars or more every two weeks. I desire to postpone the next Liberty Loan issue until conditions will insure a wide distribution of the bonds throughout the country."

"In order successfully to carry through this programme and to provide for the expenditures for the military operations of the United States and the Allies I must have the whole-hearted cooperation of the bankers of the United States, and to that end I request the board of directors or trustees of each bank and trust company to reserve each week of its loanable funds for the use of the government of the United States about 1 per cent of the gross resources of their institution, not to exceed in the aggregate 10 per cent, and to invest that amount in Treasury certificates of indebtedness. The exact amount, interest rate, date and maturity (not exceeding ninety days) of each issue of certificates will be announced from time to time by me through the Federal Reserve banks.

"There is a steady growth in the movement for economy. Banks should be able by participating in the campaign for economy, which means economy of credit as well as of expenditure, to teach their customers to save and accumulate the means to buy the government's certificates and bonds; by this method a distribution of Treasury certificates of indebtedness should become possible which will relieve the absorbing banks of at least a part of their purchases and furnish the means of making payments for the next issue of Liberty bonds without undue strain.

"The needs of the government for the war are great and imperative. The resources of the country are ample to meet these needs if every bank will do its share. I know that once it is realized that by complete cooperation all around and by every one doing his part this vital and patriotic service can be performed every bank will do its share. We are approaching a critical test on the battle fronts in Europe. America's sons are now actually shedding their blood in the trenches. If the banks which are the first line of defence fail to support the government fully in its necessary operations, we shall imperil America's army and America's safety. I know that I have only to state the case to command the support of every patriotic bank and banker. This is a supreme duty of patriotism. May I count upon you to do your part and to telegraph me immediately of my expense that you will? I am sending this telegram to every bank and trust company in the United States."

We especially note Secretary McAdoo's statement that there is a steady growth in the movement for economy.

Did the Railroads "Break Down"?

People who have developed the habit of living in Washington all the year around are at present a little bewildered. One day they are the dependent auxiliary of a government machine and the next they find, like Lord Byron, they have become famous overnight. It is very troubling, especially if you are naturally of a placid disposition. Washingtonians had rather got in the habit of looking on the government as their own little local affair. Their hobnobbed streetcars were a source of pleasure to them. They liked the smiling motion. Suddenly they found a lot of strangers flocking in, just as if they, too, had an ownership in the government; important looking strangers, who swore at the smiling streetcars; energetic folk who walked, talked fast, bought fast and licked over all the traditions that the simple Washingtonians had been sitting on.

True, they didn't entirely scatter a trail of recrets behind them. They drove their chariots in a cloud of dust, and it was dust with golden suggestions in it. They raised the standard of living so high in Washington that right now it takes a telescope even for visitors to find the peak of it.

The result of all this is a multiplication of contrasts that are as stimulating as they are amazing. Imagine Frankfort, Ky., suddenly crowned with the regalities of a great international capital, and you get an idea of Washington.

A correspondent for a London daily arrived in the United States not long ago to establish an American bureau. He went to New York and discovered, little by little, that every time he tried to find any one who counted he had to run down to Washington. After a while he took a look around Washington and tried to figure it out. Being handicapped by an Old World imagination, he had a little trouble realizing that, under this troubled Southern sky, colored here and there with the fever of a new significance, was probably the most important

1917 there was no break-down of railroad transportation until governmental interference and priority orders had done their malign work. I should like to get it out in very bold type that in 1917 the railroads of the United States carried the greatest traffic in their history.

This traffic was nearly 15 per cent greater than in 1916, in spite of a general smaller tonnage of basic products. It was more than one-third greater than the greatest tonnage ever known in the nation before the war. It was fully one-half greater than in 1914. And this increase represents the most amazing expansion of a transportation system ever known in this country or in any country in the world since railroad transport became general.

There was no serious discrimination until the Administration began to put the crowbar in the machinery with priority orders. This is said advisedly, with a full knowledge of the situation. The railroads were operating at practically 100 per cent capacity under great difficulties, largely due to the loss of skilled mechanics, and especially of expert repair men, who had gone to munition plants, steelworks, and the jam at the seaboard was beginning to do its deadly work. But it was priority orders which actually began the trouble. It was not very long before government priority orders were plastered on four cars out of five, on some lines. The railroads were under orders to weed out this fifth car! The whole machine stopped to take out one car in five to put on a siding. It is almost beyond belief, but it was often literally true.

Export Tonnage Less: In 1917 the total export tonnage of the United States, owing largely to the operations of the submarine and the attendant shipping difficulties, was less than in 1916. Therefore the amount of freight which ought to have been delivered at the seaboard for export was less, with that much less occasion for embargo orders.

In only one great industry was there a distinct increase in the total of production and of tonnage offered, and that was in the one line most needed to keep traffic moving and industry thriving, that is to say, coal. But even this increase was less than 10 per cent. Coal and coke make up, roughly, about 40 per cent of the total ton-mileage of the railroads, so that an increase of 10 per cent in coal production implied an increase of only 3 or 4 per cent in the total ton-mileage.

Now for the other side of the picture. In

Among the Fellows Working and Fighting for Us



There's No Question of Hours and Overtime

—From The Indianapolis News

Rousing Washington Out of Long Sleep

By Ralph Bloch

CARTHAGE was a great capital, so they say, but it had nothing on Washington. There was Tyre, too, to say nothing of Babylon, Alexandria, Athens and Rome. They all took their turn at running the world, and they did it with a good deal of swagger, with purple and gold around the edges. Washington may be a little thin yet on the purple and gold, but it has lots of swagger.

It is true that a part of Washington, the part that has permanently resided in the District of Columbia for decades, still has to realize adequately what has happened. It is even possible that deating has taken up his abode here, and some parts of Washington, out of heavy-lidded eyes not yet cleared of the maze of a long sleep, mistake deating for the Democratic Administration. But even that mistake can't persist for long against the blinding light of Washington's new splendor.

If you come to Washington during the war—and there are ninety-nine chances that you will if you live anywhere between the Atlantic and the Pacific oceans—don't let yourself be disappointed. Deontomelles de Constant, a Frenchman with admirable taste, said a few years ago that Washington had become a magnificent city. And after Paris, that's no mean praise. Even if you conclude that a Frenchman's natural courtesy invites a grain of salt, you will be forced to admit just the same that Washington, like men who are in the process of becoming great, does have its moments. The present is one of them.

Old Washingtonians bewildered: People who have developed the habit of living in Washington all the year around are at present a little bewildered. One day they are the dependent auxiliary of a government machine and the next they find, like Lord Byron, they have become famous overnight. It is very troubling, especially if you are naturally of a placid disposition. Washingtonians had rather got in the habit of looking on the government as their own little local affair. Their hobnobbed streetcars were a source of pleasure to them. They liked the smiling motion. Suddenly they found a lot of strangers flocking in, just as if they, too, had an ownership in the government; important looking strangers, who swore at the smiling streetcars; energetic folk who walked, talked fast, bought fast and licked over all the traditions that the simple Washingtonians had been sitting on.

True, they didn't entirely scatter a trail of recrets behind them. They drove their chariots in a cloud of dust, and it was dust with golden suggestions in it. They raised the standard of living so high in Washington that right now it takes a telescope even for visitors to find the peak of it.

The result of all this is a multiplication of contrasts that are as stimulating as they are amazing. Imagine Frankfort, Ky., suddenly crowned with the regalities of a great international capital, and you get an idea of Washington.

A correspondent for a London daily arrived in the United States not long ago to establish an American bureau. He went to New York and discovered, little by little, that every time he tried to find any one who counted he had to run down to Washington. After a while he took a look around Washington and tried to figure it out. Being handicapped by an Old World imagination, he had a little trouble realizing that, under this troubled Southern sky, colored here and there with the fever of a new significance, was probably the most important

1917 there was no break-down of railroad transportation until governmental interference and priority orders had done their malign work. I should like to get it out in very bold type that in 1917 the railroads of the United States carried the greatest traffic in their history.

This traffic was nearly 15 per cent greater than in 1916, in spite of a general smaller tonnage of basic products. It was more than one-third greater than the greatest tonnage ever known in the nation before the war. It was fully one-half greater than in 1914. And this increase represents the most amazing expansion of a transportation system ever known in this country or in any country in the world since railroad transport became general.

There was no serious discrimination until the Administration began to put the crowbar in the machinery with priority orders. This is said advisedly, with a full knowledge of the situation. The railroads were operating at practically 100 per cent capacity under great difficulties, largely due to the loss of skilled mechanics, and especially of expert repair men, who had gone to munition plants, steelworks, and the jam at the seaboard was beginning to do its deadly work. But it was priority orders which actually began the trouble. It was not very long before government priority orders were plastered on four cars out of five, on some lines. The railroads were under orders to weed out this fifth car! The whole machine stopped to take out one car in five to put on a siding. It is almost beyond belief, but it was often literally true.

Export Tonnage Less: In 1917 the total export tonnage of the United States, owing largely to the operations of the submarine and the attendant shipping difficulties, was less than in 1916. Therefore the amount of freight which ought to have been delivered at the seaboard for export was less, with that much less occasion for embargo orders.

In only one great industry was there a distinct increase in the total of production and of tonnage offered, and that was in the one line most needed to keep traffic moving and industry thriving, that is to say, coal. But even this increase was less than 10 per cent. Coal and coke make up, roughly, about 40 per cent of the total ton-mileage of the railroads, so that an increase of 10 per cent in coal production implied an increase of only 3 or 4 per cent in the total ton-mileage.

human organization in the world. He finally moved to Washington.

If he had been an American it wouldn't have taken so long. For the signs are everywhere. Washington shows no privacy about changing its clothes to conform to its new cosmopolitanism. Streets piled high with snowdrifts days after the storm left its burden are walked by trim Allied officers, British with the red banded cap of the General Staff, Frenchmen in enchanting gray, who greet their dinner hostesses of the night before in the open air with a kiss on the hand. In France it is a usual salute. New York might frankly stare, but Washington is not so daring. Washington is startled, but discreet, looks out of sidelong eyes and scurries away.

The Victorian Horse: The horse lingers on in Washington. It may be a long day yet before he sounds the retreat in sad reply to the brutal glare of the Ford taxibus. He is not only lingers, but in style. He draws coupés, landaus, dogcarts and all other styles of Victorian transportation. It is no unusual sight to see a coach and two stepping down the road, silver mounted, the box ornamented with two negro servants in boots, silk hats and cockades and smoking coronet pipes. If you stand on Connecticut Avenue, near Jackson Place, about a block from the rather bulky Georgian mansion called the White House, you can see it almost any morning.

Washington has always had a diversified society, built on a space but firm substratum of old and exclusive families. It is a commonplace of Washington legend that the old families have taken pride in snobbing official life, have descended to entertain in diplomacy, but have set a shut door against riches. But patriotism works a strange, yeasty ferment. Some of the "dollar a year" people who have become a part of the Federal machine, give power to the drive against the enemy, give men of social place in regions more extended than their own home districts. Their very entrance into Washington life has constituted an assault on established lines. Washington itself has, more or less openly, disowned the official life of the Democratic Administration, finding it lacking in the distinctions begotten by wealth that marked Republican rule. But the Administration did not choose its war aid by political lines, and wealth has come to Washington in abundant quantity.

Even Clubs Yield: The club life of Washington is varied and plentiful. The Metropolitan Club, the Cosmos Club, the University Club, the Army and Navy Club, and even the National Profs Club have been forced to hand out keys to the city so extensively that they are all rapidly in danger of losing their distinctive character. The Cosmos Club is probably the best to yield, but even there scholarly distinction is said to be giving way in the pressure of circumstances to a hospitality that is war-begotten.

The war may end, but Washington will never return to the long sleep. The streetcars will speed away, the telephone girls drop their soft drawl, and Congress, the common council of the capital, may even admonish the commissioners to clean the streets. It is barely possible in a few years, after the National Commission of Fine Arts has had an opportunity to show its worth, that Deontomelles de Constant, returning, will find he spoke the truth. At least, the tree-lined avenues will not be so sleepy as they used to be. The old rusticity will be gone. It may be hoped that something of equal flavor and greater distinction will have taken its place.

And he departed and drew up the bill for the War Finance Corporation.

And the Director General went forth and directed another flood of speed-up telegrams to the railroads.

Abolish "Out of Style" Unpatriotic and Disloyalty: To the Editor of The Tribune: Sir: The Commercial Economy Board of the Council of National Defense has called upon all shoe wholesalers in the United States to reduce the number of styles of shoes for men and women and to avoid styles that involve the unnecessary use of materials and capital.

In addition the board makes this statement: "It is also highly desirable that selling costs should be kept down and that the amount of capital tied up in dealers' stocks should be kept as low as possible."

This suggestion appeals to people in the shoe trade as by all means the most significant part of the whole communication. Not only in the shoe business but in countless other industries enormous sums of money are tied up in excellently made goods which are unsalable solely because they are "out of style."

In the case of shoes, these are goods made of materials that could not now be duplicated for considerably more than is asked for them. There is a fine market for such goods in the countries of our allies and of the neutrals, where quality rather than passing style is the strongest selling point.

We have replied to the Commercial Economy Board at Washington, making a suggestion that we feel will settle the whole problem.

It is that: A board to purchase such surplus stocks throughout the country. This purchasing board to buy these shoes at reasonable prices, the amount to be paid in Liberty bonds. The board in turn could sell these shoes to our allies and to neutrals, who are in dire need of footwear. As I have said, our so-called "out of style" footwear is the desired style in a great many of these countries. This plan will release millions of dollars which will finance Liberty loans far more than that, it would put hundreds of dealers in a far better way financially. And beyond all that, the expenses of such a board could readily be made in this transaction, making it self-sustaining.

We believe "out of style" should be made a phrase of unpatriotism and disloyalty in this country at this time. MILTON J. MEYER, President Milton J. Meyer & Co., New York, Feb. 15, 1918.

Federal Traffic

[Staff Correspondence]

WASHINGTON, Feb. 20.—When the Eastern railways got stuck in snow-banks other things besides traffic were delayed. The cold that held the trains held up war financing. As the weather was responsible for only a part of the interference with traffic, it would be better to say that because the transportation system ceased to function in a much-favored word nowadays, satisfactory government financing is delayed.

One of the reasons, at least, why the next Liberty Loan has been postponed for a time is that Mr. McAdoo is waiting until the wheels are going around properly and regularly on the railroads before he invites people to invest in some more government credit. The railway blockade has affected all business disastrously. For months past now railway embargoes and unofficial delays have been more numerous than freight cars. To the ordinary citizen who wanted to ship something it was seemed as if the business of the railroads was to prevent traffic instead of to carry it. If a New York lumberman has a car of Pacific Coast lumber adorning the tracks for nine months the effect on him and the Pacific Coast lumber miller is not altogether one of enthusiasm for Liberty Loan bonds or any other kind of bonds. There isn't a business man in America who has not been cramped and harassed by the restriction of transportation.

In such a business atmosphere Secretary of the Treasury McAdoo saw little encouragement for another one of those big loans, so he arranged a little consultation with Director General of the Railways McAdams, and latter promised to get very busy straightening out the railway tangle. And he did. Having thus obligated the Secretary of the Treasury, the Director General felt that he was in a position to offer a little advice to the Secretary, which he did, in something like this manner:

"My officials keep me in pretty close touch with people all over this great country, and I have noticed that investors in railway securities are somewhat agitated about them. They are the heavy buyers of Liberty Loan bonds, too. The holders of railway securities are the backbone of investment potentially. While they are concerned about their railway investments they are not in that cheerful state of mind that prepares the way for further investments. If you will permit me to make a suggestion, I would say that one way to smooth the path of the next loan would be to get that railway law through Congress before you start the loan."

"That's a profoundly good idea," answered the Secretary of the Treasury. "Since you have received that suggestion in such a good spirit," continued the Director General, "I would call your attention to another matter that this discussion of railway finance has brought to my attention. It is this, if I do not presume on your good nature: Your loans have so severely taxed the financial resources of the country that a great many industries that contribute to the promotion of the success of the war, in one way or another, are unable to obtain the financial accommodation in order to keep the machinery of production or even to the continuation of the business. Don't you remember that a wide-gauge Charlie Schwab had almost to pawn his watch in Wall Street, and had to come down here to Washington and beg pitifully for a beggarly two or three million advance on his non-dollar work he is doing for the government in a splendid spirit?"

"I would call your attention to another matter that this discussion of railway finance has brought to my attention. It is this, if I do not presume on your good nature: Your loans have so severely taxed the financial resources of the country that a great many industries that contribute to the promotion of the success of the war, in one way or another, are unable to obtain the financial accommodation in order to keep the machinery of production or even to the continuation of the business. Don't you remember that a wide-gauge Charlie Schwab had almost to pawn his watch in Wall Street, and had to come down here to Washington and beg pitifully for a beggarly two or three million advance on his non-dollar work he is doing for the government in a splendid spirit?"

"I would call your attention to another matter that this discussion of railway finance has brought to my attention. It is this, if I do not presume on your good nature: Your loans have so severely taxed the financial resources of the country that a great many industries that contribute to the promotion of the success of the war, in one way or another, are unable to obtain the financial accommodation in order to keep the machinery of production or even to the continuation of the business. Don't you remember that a wide-gauge Charlie Schwab had almost to pawn his watch in Wall Street, and had to come down here to Washington and beg pitifully for a beggarly two or three million advance on his non-dollar work he is doing for the government in a splendid spirit?"

"I would call your attention to another