

STRONG LETTER OF PRESIDENT

President Taft Points to Past Achievements and Promises More Results.

PROGRESSIVE REPUBLICANISM

Democracy a Party of Negation and Opposition Only—The Tariff Law Defended—Interstate Commerce and Postal Savings Bank—Conservation Laws Passed—Other Pledges Redeemed—Future Legislation Will Be Along Same Lines.

President Taft in the following wise and statesmanlike letter to Chairman McKinley, which has won applause from even his political foes, makes plain the remarkable achievements of the Republican party:

Beverly, Mass., Aug. 20, 1910.

My Dear Mr. McKinley:—As the Chairman of the National Congressional Republican Committee, you have asked me to give the reasons which should lead voters in the coming November election to cast their ballots for Republican candidates for Congress.

I assume that when this letter is given publicity the lines will be drawn, the party candidates will have been selected, and the question for decision will be whether we shall have in the House of Representatives a Republican or a Democratic majority. The question then will be not what complexion of Republicanism one prefers, but whether it is better for the country to have the Republican party control the legislation for the next two years and further redeem its promises, or to enable a Democratic majority in the House either to interpose a veto to Republican measures, or to formulate and pass bills to carry out Democratic principles. Prominence has been given during the preliminary canvasses just ended to the differences between Republicans; but in the election such differences should be forgotten. Differences within the party were manifested in the two sessions of the present Congress, and yet never in its history has the Republican party passed and become responsible for as much useful and progressive legislation. So, while issues will doubtless arise between members of a Republican majority as to the details of further legislation, the party, as a whole, will show itself in the future, as in the past, practical and patriotic in subordinating individual opinions in order to secure real progress. Hence it is important that after Republican Congressional candidates have been duly and fairly chosen, all Republicans who believe in the party principles as declared in its national platform of 1908 should give the candidates loyal and effective support. If this is done, there will be no doubt of a return of a Republican majority.

Democratic Repudiation.

The only other alternative is a Democratic majority. It is difficult, very difficult, to state all the principles that would govern such a majority in its legislative course; and this because its party platforms have presented a variety of planks not altogether consistent, and because in the present Congress, leading Democrats in the Senate and the House have not hesitated to repudiate certain of their party pledges and to deny their binding character. We may reasonably assume, however, that a Democratic majority in the House would reject the Republican doctrine of protection as announced in 1908. What, therefore, has a Republican who believes in protection but objects to some rates or schedules in the present tariff act to hope for from a Democratic majority, which, if allowed its way, would attack the protective system and halt business by a threatened revision of the whole tariff on a revenue basis, or if prevented by the Senate or the Executive, would merely do nothing.

Such a legislative program as that set forth in the Republican National platform of 1908 could not be carried out in full by one Congress. Certainly if all its promises are executed in one administration, it will be within a proper time. The present Congress has not only fulfilled many party pledges, but it has by its course set higher the standard of party responsibility for such pledges than ever before in the history of American parties. Hereafter those who would catch voters by declarations in favor of alluring remedial legislation will not make them except with much more care as to the possibility of its enactment. In view of the history of the present Congress, the re-

turn of a Republican majority in the next Congress may well inspire confidence that the pledges still unredeemed will be met and satisfied.

The Tariff.

Let us consider, summarily, the promises made and the legislation enacted by the present Congress: First and of primary importance was the promise to revise the tariff in accordance with the rule laid down in the platform, to-wit: that the tariff on articles imported should be equal to the difference between their cost of production abroad and that cost in this country, including a reasonable profit for the domestic manufacturer. A very full investigation—full, at least, as such investigations have been conducted in the past—was made by the Ways and Means Committee of the House to determine what rates should be changed to conform to this rule. A reduction was made in six hundred and fifty-four numbers, and an increase in some two hundred and twenty, while eleven hundred and fifty remained unchanged. The bill was amended in the Senate, but the proportion of increases to decreases was maintained. When I signed the bill, I accompanied my approval with the following memorandum:

"I have signed the Payne tariff bill because I believe it to be the result of a sincere effort on the part of the Republican party to make a downward revision, and to comply with the promises of the platform as they have been generally understood, and as I interpreted them in the campaign before election.

"The bill is not a perfect tariff bill, or a complete compliance with the promises made strictly interpreted, but a fulfillment free from criticism in respect to a subject matter involving many schedules and thousands of articles could not be expected. It suffices to say that except with regard to whiskey, liquors, and wines, and in regard to silks and to some high classes of cottons—all of which may be treated as luxuries and proper subjects of a revenue tariff—there have been very few increases in rates. There have been a great number of real decreases in rates, and they constitute a sufficient amount to justify the statement that this bill is a substantial downward revision, and a reduction of excessive rates. This is not a free-trade bill. It was not intended to be. The Republican party did not promise to make a free-trade bill. It promised to make the rates protective, but to reduce them when they exceeded the difference between the cost of production abroad and here, making allowance for the greater normal profit on active investments here. I believe that while this excess has not been reduced in a number of cases, in a great majority the rates are such as are necessary to protect American industries, but are low enough, in case of abnormal increase of demand and raising of prices, to permit the possibility of the importation of the foreign article and thus to prevent excessive prices.

"The power granted to the Executive under the maximum and minimum clause may be exercised to secure the removal of obstacles which have been interposed by foreign governments in the way of undue and unfair discrimination against American merchandise and products.

"The Philippine tariff section I have struggled to secure for ten years last past, and it gratifies me exceedingly by my signature to give it the effect of law. I am sure it will greatly increase the trade between the two countries, and it will do much to build up the Philippines in a healthful prosperity.

"The administrative clauses of the bill and the Customs Court are admirably adapted to secure a more uniform and a more speedy final construction of the meaning of the law.

"The authority to the President to use agents to assist him in the application of the maximum and minimum section of the statute, and to enable officials to administer the law, gives a wide latitude for the acquisition, under circumstances favorable to its truth, of information in respect to the price and cost of production of goods at home and abroad, which will throw much light on the operation of the present tariff and be of primary importance as officially collected data upon which future Executive action and Executive recommendations may be based.

"The corporation tax is a just and equitable exercise measure, which it is hoped will produce a sufficient amount to prevent a deficit and which incidentally will secure valuable statistics and information concerning the many corporations of the country, and will constitute an important step toward that degree of publicity and regulation which the tendency in corporate enterprises in the last twenty years has shown to be necessary."

This fairly states the effect of the bill. The bill has been criticised for certain of its rates and schedules.

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"Cold Facts" About Butler and the Bonds.

Dr. Kemp P. Battle, the Democratic State Treasurer, When the Bonds Were Issued, Gives the Official Facts

He Asserts That They Were Honest Bonds and the State Received 100 Cents on the Dollar for Them. He Further Asserts That They Were Issued by a Democratic Legislature, and Signed by Him as State Treasurer, While Hon. Jonathan Worth Was Governor

NO HONEST CITIZEN WILL REPUDIATE OR REFUSE TO PAY AN HONEST DEBT

Correspondence of Dr. Battle.

Washington, D. C., October 25, 1906.

My Dear Dr. Battle:

Mr. Butler is in the West and I don't know what he will think of what I am going to do. I have just finished reading the papers, and they are very abusive. I am writing to ask if you will give me a statement about the issue of these bonds that were collected. When Mr. Butler took that case, he talked it over with me as he does every big question that concerns us. I told him, after I knew the facts, that I approved of him accepting it. He never has or never will be a party to collecting those "carpet-bag" bonds.

In justice to him, as a son of the University and one that loves it, and has always come to its aid when he was needed and always will continue to do so, I ask you to give me this statement to use as I see fit. This I am asking in justice to my sons who I hope to raise good North Carolinians and a credit to the State and to the University.

Hoping to hear from you very soon, I am,

Very sincerely,
FLARENCE FAISON BUTLER.

Chapel Hill, N. C., October 27, 1906.

My Dear Mrs. Butler:

In reply to yours of the 25th, in regard to the bonds sued on by South Dakota, I give the substance of my testimony in the suit. The bonds were issued under an act ratified December 19, 1866, and an act of 1854-55, 1860-61, authorizing subscription by the State to the capital stock of the Western North Carolina Railroad. In order to enhance the value of the State bonds issued for paying for the stock by the act of 1866, a mortgage of ten shares of stock in the North Carolina Railroad Company was endorsed on each one thousand dollar bond.

By that act the State bonds were to be sold to the highest bidder at not less than par. After due advertisement the Western North Carolina Railroad Company was found to have bid par, and Governor Worth and myself executed the bonds and delivered them to the President of the Company. What price the company received for them I have no means of knowing.

The officers of the company were men of high character, viz.—S. McD. Tate, president; James R. Wilson, superintendent; A. B. Simonton, Treasurer.

I give you the "cold facts" about the bonds. I think that the public is beginning to understand the truth. You cannot go further than I do in expressing the magnitude of Senator Butler's services to the University. I have given my testimony publicly and privately.

Hoping the above explanation is what you wish,

Very truly yours,
KEMP P. BATTLE.

THE FACTS IN FULL IN REPLY TO LYING SLANDERS.

The News and Observer and Its Libelous Campaign.

The Caucasian (Sept. 8th).

The following editorial appeared in the Raleigh News and Observer of last Sunday:

"The Shelby Aurora (Republican) says 'Ex-Senator Butler will take an active part in this campaign.' Of course—he is the whole cheese. It also says 'No honest man can censure him for this'—meaning Butler's connection with the South Dakota bond suit. Butler, three months before his term as Senator expired, accepted employment to work a fraud upon the jurisdiction of the Supreme Court to enable bond speculators to sue his State. This was moral treason and no honest man should fail to denounce it."

Hardly a day passes that the News and Observer does not publish a lying slander of some kind. When the editor of that paper is caught and exposed for bald misrepresentations he may be sorry that he is caught, but he is certainly still glad that he made the publication because he never, so far as we know, corrects a single false statement, but, on the other hand, proceeds to manufacture new ones as soon as possible.

This has been the conduct of the editor of that paper toward Marion Butler—as attorney for the collection of the North Carolina "ten-share second mortgage bonds."

The First Lying Slander.
That paper first started its tirade of abuse of Mr. Butler by declaring that those were fraudulent carpet-bag bonds, and that it was dishonest and unpatriotic to attempt to enforce their collection.

The editor of that paper either knew better at the time, or was densely ignorant about the facts, which he could have easily learned. One thing is certainly true, and that is that he was either publishing a wilful and malicious falsehood or else he was guilty of criminal recklessness.

For a short while he succeeded in fooling many good people. When the facts were produced, did the editor of that paper publish them and make a truthful and honorable correction? No. He refused to publish the facts, and by his conduct showed that he hoped the falsehood would never be overtaken by the truth.

Then and there the editor of the paper became a self-confessed falsifier—one of the wilful and malicious kind. And to this day those who depend on the Raleigh News and Observer for their information are still in ignorance of the facts and still believe that the published falsehoods are true. It always gives a sneaking and contemptible shudder a great deal of pleasure to know that he still has some good people fooled.

Dr. Battle's Testimony—An Honest Debt.

Now let us for a moment again look at the facts. The law which authorized the "ten-share second mortgage bonds" was passed by a Legislature controlled by our own white people, when Hon. Jonathan Worth was Governor and Dr. Kemp P. Battle was State Treasurer. In order to induce the public to buy these bonds and to pay 100 cents on the dollar for them, the Legislature, in the Act of 1866, offered a mortgage on ten shares of its stock in the North Carolina Railroad as security to go with each \$1,000 bond, and declared in the Act that this was done to enhance the value of the bonds and induce the people to pay for them. Dr. Kemp P. Battle, the State Treasurer, did advertise those bonds with this security, and did sell them for 100 cents on the dollar. Dr. Battle testified to these facts in the suit brought in the Supreme Court of the United States to collect those bonds.

Honor of the State Pledged and Backed by Security.

So if there ever was an honest bond, and if ever the credit and honor of the State was pledged in good faith to pay an honest debt, it was in this case. But the State not only pledged its honor and good faith to pay these bonds and the interest on them in full, but it put up valuable security and induced the public to part with its money and pay more for the bonds than would otherwise have been paid, and by this means the State got a higher price for the bonds than it could have otherwise received.

The Value of the Security on Which the State Gave a Mortgage.

Now let us look at the security. It is very valuable. The State is now and has for many years, been getting an income from this security (its stock in the North Carolina Railroad)—an income large enough to pay the interest on the first mortgage bonds and have \$46,800 each year left over. The interest on these "ten-share second mortgage bonds" should have been paid out of this money which the State has kept. In short, the security pledged by the State to make those bonds sell at a high price is valuable enough to pay both the principal and the interest in full of the first mortgage bonds and also the second mortgage bonds and for the State still to have left over \$2,000,000. And these are the bonds that the State repudiated and refused to pay, while keeping every dollar of the large income from the security!

What the Supreme Court Held.

These are the facts that were brought out in the suit before the Supreme Court. Is it strange that

the Supreme Court, with these facts before it, held that these were honest bonds, and that the State was not only in honor bound to pay them, but that the State could no longer hold back the valuable security and the income from it, which honestly belonged to those who had bought her bonds?

The Second Lying Slander.

When these facts were placed before the public by the Supreme Court then the editor of the News and Observer hatched and published another lie, charging that Marion Butler was also the attorney for the special tax bonds and other fraudulent bonds issued by the "carpet-bag" legislature. He had no foundation for such a charge, so he was wilfully and maliciously guilty of falsifying. Mr. Butler prepared a statement giving the facts as to the difference between the second mortgage bonds and the carpet-bag bonds, and stating that he had refused to act as attorney for any of the carpet-bag bonds. This statement the News and Observer refused to publish, but, on the other hand, continued to make the baseless charge.

Butler Refused to Represent the Carpet-Bag Bonds, and Opposes Their Collection.

The editor of that paper knew then, as he knows now, that Hon. John G. Carlisle, the late Democratic Secretary of Treasury, was the attorney for the carpet-bag syndicate and that Mr. Butler refused to be associated with him as attorney or to be connected with the carpet-bag syndicate in any way. Indeed, Mr. Butler declared that he would have nothing to do with those bonds and was opposed to their collection.

The Third Lying Slander.

The editor of that paper, now, continuing this tirade of misrepresentation and abuse, charges in the editorial clipped above that Mr. Butler, when he advised his clients to make a donation of some of their bonds to some State, was guilty of working "a fraud upon the jurisdiction of the Supreme Court to enable bond speculators to sue his State." This charge is not only false but asinine to the last degree. It is a deliberate attempt to deceive the people. The attorneys whom the State of North Carolina employed to appear before the Supreme Court to urge that the State be allowed to repudiate its honest debt and to keep its security which had been pledged to the purchase of the bonds, urged in the Supreme Court that to take jurisdiction in this case would be to work a fraud upon the jurisdiction of the Supreme Court. Those attorneys, who should have advised the State to pay this honest debt and preserve the good name and credit of the State, did not even dare contend before the Supreme Court that the bonds were fraudulent, and that the State did not get value received, but attempted to have the State continue to refuse to pay its honest debt by means of technicalities, and that such a suit would be a fraud upon the jurisdiction of the court was the chief technicality urged in that suit.

Where the Decision of the Supreme Court Puts the Brand of Malice and Moral Turpitude.

The Supreme Court considered this question carefully, and held that the bringing of such a suit was entirely proper, and it was the duty of the Supreme Court to hear it and render its judgement according to the law and the facts.

Therefore, we say that the decision of the highest court in the land places the correct brand of malice and moral turpitude upon the Raleigh News and Observer in this connection.

The charge that the holders of these bonds were speculators is also false. Schaffer Brothers bought those bonds for investment, and they held them all of those years hoping that the conscience of the State would be aroused to the great injustice done them, and that this honest debt would sooner or later be paid. But even if they were bond speculators, they are entitled to justice, and if a bond speculator holds an honest bond no State can afford to refuse to pay it because the hold-

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OLD VETERANS HEAR YOUR COMRADES

Democrat Official Refuses Them Pensions if They Vote Their Convictions.

AN OUTRAGE AND AN INSULT

W. C. Hammond, Democratic Leader of Randolph County, Has Pensions Denied Republican Veterans—Promises That if They Vote the Democratic Ticket to Secure Pensions for Them—Appeals to Officials in Raleigh Unheeded—Cruel Injustice to Deserving Men.

Raleigh Bulletin.]

The following affidavits and correspondence will show how the old soldiers are being treated by those in authority because they will not dance to Democratic music. These affidavits and letters were given voluntarily by these worthy veterans that the public may become acquainted with what they are up against.

J. M. Fields' Affidavit.

Personally appeared before me, James Fields, of Randleman Township, county and State aforesaid, who was duly sworn and made the following affidavit, to-wit: I enlisted at the age of 17 in Company F, 79th North Carolina Regiment, W. S. Lineberry captain. I served nine months and was honorably discharged. In after years I applied for a pension. My application was accepted and received a pension for three successive years. One day at an election in Randleman I was approached by a prominent Democrat who told me if I voted the Republican ticket my pension would be discontinued, which was done. I have often since applied to the Pension Board to have my pension restored, but my demands were ignored.

(Signed) J. M. FIELDS.

Witness: Wm. H. Pickard. Subscribed and sworn to this the first day of September, 1910.

(Signed) WM. H. PICKARD, Notary Public.

W. B. Yates' Affidavit.

North Carolina—Randolph County.

Wm. Bailey Yates being duly sworn says: That he will be 75 years old on the 4th day of September, next; that he was born and raised in Randolph County and has lived here the greater part of his life; that he (affiant) served in the Civil War for two years in Company B, Fifty-second North Carolina Regiment, and was then captured by the Union Army; that affiant was informed and believed that he was entitled to a pension and has at five different times made application for the same, and that since the Civil War affiant has never been worth the sum of three hundred dollars; that when said affiant entered the war he was a stout able-bodied man, but that on account of the hardships and exposures caused by said war that affiant became disabled and that he has never been stout since the war; that when affiant would appear before the Pension Board he was informed by the Board, or some member of it, that they would do the best they could for him; that in July, 1909, was the last time that he has appeared before said Board; that at said time he had a certificate from a leading physician of the county certifying that affiant was three-fourths disabled and that said Board said that they would do the best they could; that during court, 1909, affiant went to W. C. Hammond, a member of the Pension Board, and asked him if he would get his pension, and that said W. C. Hammond said to him: "We can't afford to work you up a pension and you vote square against us." That affiant replied: "I can't afford to sacrifice my principles for a pension." That affiant is poor and disabled and sorely in need of a pension, but that he has never received any; that affiant has frequently been told by leading Democrats of Randolph County that if he would vote the Democratic ticket that they would see to it that he got a pension.

(Signed) W. B. YATES.

Affirmed to and subscribed before me this July 21, 1910.

(Signed) JOHN M. NEELY, Notary Public.

B. N. Modlin's Statement.

In witness hereto B. N. Modlin makes the following statement this the 10th day of September, 1910: That he is now 73 years old and that he served near four years as a soldier

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