

NEWS NARRATIVE

To use the reference figures of this Department for obtaining continuous news narratives:

Observe the reference figures in any article; turn back to the page they indicate and find there the next preceding article on the same subject; observe the reference figures in that article, and turn back as before; continue until you come to the earliest article on the subject; then retrace your course through the indicated pages, reading each article in chronological order, and you will have a continuous news narrative of the subject from its historical beginnings to date.

Week ending Tuesday, December 22, 1908.

The Panama Canal and President Roosevelt.

President Roosevelt augmented the literature of the alleged scandal relative to the Panama Canal purchase (p. 901) with a message to Congress on the 15th, in which he denounced Joseph Pulitzer, proprietor of the New York World, for libeling Mr. Taft's brother, Mr. Roosevelt's brother-in-law and the government of the United States, and threatened his prosecution by the Attorney General as an offender against the United States. The occasion of the message, as stated in the text, is the Rainey resolution (p. 875) calling for a Congressional investigation of the Panama canal charges. Referring to this, the President says: "I therefore lay all the facts before you." Continuing he presents in detail the course of the canal purchase, and then says:

I wish to make as clear as possible and as emphatic as possible the statement that we did not have anything to do with the distribution of a dollar of the \$40,000,000 we paid as regards any stockholder or bondholder of the French companies, save that we followed out the award of the arbitrators appointed in accordance with the decree of the French court which had dealt with the subject in awarding a certain proportion to the old company and a certain proportion to the new company. Any question concerning the stockholders, bondholders or other beneficiaries of the proceeds of sale was purely a question for the civil tribunal of the Seine, the French governmental body, with which this nation had nothing whatever to do.

Under these circumstances there was not the slightest need for Mr. Cromwell to give any information on the subject of the companies for which he had been counsel. This government has no concern with Mr. Cromwell's relation to these companies, or either of them, or with the amount of his professional compensation; it was not the affair of this government to inquire who were the security holders of the companies. Nevertheless, Mr. Cromwell, of his own accord, has submitted to me, together with a copy of his statement published on the 11th instant, and which I transmit herewith, a full list of the stockholders of the new Panama Canal Company of France on Jan. 15, 1900 (numbering over 6,000, and a list of all stockholders who were present at a special meeting of the company held Feb. 28, 1902, immediately after the cable offer of the company was made to the United States (Jan. 9-11,

1902), to accept the appraisement of \$40,000,000 made by the Isthmian Canal Commission, and to sell for said sum the Panama Canal, concessions and other property, and the shares of the Panama Railroad Company. He has also furnished me a certified copy of the final report of the liquidator of the old company, which was filed on June 25th last and formally approved by the civil tribunal of the Seine, together with a summary account prepared and signed by said liquidator as late as the 24th ultimo. I also transmit a translation of the two resolutions, with the vote upon them, adopted at a meeting of the stockholders of the new company held on April 23, 1904, for the purpose of finally ratifying the sale.

Upon these documents the President's conclusion is that—

As a matter of fact, there is nothing whatever, in which this government is interested to investigate about this transaction; so far as this government is concerned, every step of the slightest importance has been made public by its Executive, and every step taken in France has there been made public by the proper officials.

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After the reading of the message Mr. Rainey said: "The message of the President establishes beyond question the validity of the transfer, but it does not clear up the question as to whether the government has been the victim of Wall street jobbing operations." He added that he would continue his efforts to obtain information on the subject, and said that the matter would come up in some form after the holidays.

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Investigating the President.

The lower House of Congress adopted a resolution on the 17th calling upon the President for proof of the statement in his annual message (pp. 875, 901) with reference to an amendment to an appropriation bill which restrained the use of secret service officers by the President, that "his amendment has been of benefit only, and could be of benefit only, to the criminal classes," and "the chief argument in favor of the provision was that the Congressmen did not themselves wish to be investigated by secret service men," and "if this is not considered desirable a special exception could be made in the law prohibiting the use of the secret service force in investigating members of Congress," as "it would be far better to do this than to do what actually was done, and strive to prevent, or at least to hamper, effective action against criminals by the executive branch of the government." A committee had been appointed to consider these statements. This committee reported that it could—

not find in the hearings before committees nor in the records of the House or Senate any justification of this impeachment of the honor and integrity of Congress.