

AMERICAN MERCHANT MARINE.

MESSAGE

FROM THE

PRESIDENT OF THE UNITED STATES,

CALLING ATTENTION TO

THE GREAT DESIRABILITY OF ENACTING LEGISLATION TO HELP AMERICAN SHIPPING AND AMERICAN TRADE BY ENCOURAGING THE BUILDING AND RUNNING OF LINES OF LARGE AND SWIFT STEAMERS TO SOUTH AMERICA AND THE ORIENT.

JANUARY 23, 1907.—Read; referred to the Committee on the Merchant Marine and Fisheries and ordered to be printed.

To the Senate and House of Representatives:

I call your attention to the great desirability of enacting legislation to help American shipping and American trade by encouraging the building and running of lines of large and swift steamers to South America and the Orient.

The urgent need of our country's making an effort to do something like its share of its own carrying trade on the ocean has been called to our attention in striking fashion by the experiences of Secretary Root on his recent South American tour. The result of these experiences he has set forth in his address before the Trans-Mississippi Commercial Congress, at Kansas City, Mo., on November 20 last, an address so important that it deserves the careful study of all public men.

The facts set forth by Mr. Root are striking, and they can not but arrest the attention of our people. The great continent to the south of us, which should be knit to us by the closest commercial ties, is hardly in direct commercial communication with us at all, its commercial relations being almost exclusively with Europe. Between all the principal South American ports and Europe lines of swift and commodious steamers, subsidized by their home governments, ply regularly. There is no such line of steamers between these ports and the United States.

In consequence, our shipping in South American ports is almost a negligible quantity; for instance, in the year ending June 30, 1905,

there entered the port of Rio de Janeiro over 3,000 steamers and sailing vessels from Europe, but from the United States no steamers and only seven sailing vessels, two of which were in distress. One prime reason for this state of things is the fact that those who now do business on the sea do business in a world not of natural competition, but of subsidized competition. State aid to steamship lines is as much a part of the commercial system of to-day as State employment of consuls to promote business. Our commercial competitors in Europe pay in the aggregate some twenty-five millions a year to their steamship lines—Great Britain paying nearly seven millions. Japan pays between three and four millions. By the proposed legislation the United States will still pay relatively less than any one of our competitors pays. Three years ago the Trans-Mississippi Congress formally set forth as axiomatic the statement that every ship is a missionary of trade, that steamship lines work for their own countries just as railroad lines work for their terminal points, and that it is as absurd for the United States to depend upon foreign ships to distribute its products as it would be for a department store to depend upon wagons of a competing house to deliver its goods. This statement is the literal truth.

Moreover, it must be remembered that American ships do not have to contend merely against the subsidization of their foreign competitors. The higher wages and the greater cost of maintenance of American officers and crews make it almost impossible for our people who do business on the ocean to compete on equal terms with foreign ships unless they are protected somewhat as their fellow-countrymen who do business on land are protected. We can not as a country afford to have the wages and the manner of life of our seamen cut down; and the only alternative, if we are to have seamen at all, is to offset the expense by giving some advantage to the ship itself.

The proposed law which has been introduced in Congress is in no sense experimental. It is based on the best and most successful precedents, as, for instance, on the recent Cunard contract with the British Government. As far as South America is concerned, its aim is to provide from the Atlantic and Pacific coasts better American lines to the great ports of South America than the present European lines. The South American Republics now see only our warships. Under this bill our trade friendship will be made evident to them. The bill proposes to build large-sized steamers of 16-knot speed. There are nearly 200 such steamships already in the world's foreign trade, and over three-fourths of them now draw subsidies—postal or admiralty or both. The bill will encourage our shipyards, which are almost as necessary to the national defense as battle ships, and the efficiency of which depends in large measure upon their steady employment in large construction. The proposed bill is of importance to our Navy, because it gives a considerable fleet of auxiliary steamships, such as is now almost wholly lacking, and also provides for an effective naval reserve.

The bill provides for 14 steamships, subsidized to the extent of over a million and a half, from the Atlantic coast, all to run to South American ports. It provides on the Pacific coast for 22 steamers subsidized to the extent of two millions and a quarter, some of these to run to South America, most of them to Manila, Australia, and Asia. Be it remembered that while the ships will be owned on the coasts, the

cargoes will largely be supplied by the interior, and that the bill will benefit the Mississippi Valley as much as it benefits the seaboard.

I have laid stress upon the benefit to be expected from our trade with South America. The lines to the Orient are also of vital importance. The commercial possibilities of the Pacific are unlimited, and for national reasons it is imperative that we should have direct and adequate communication by American lines with Hawaii and the Philippines. The existence of our present steamship lines on the Pacific is seriously threatened by the foreign subsidized lines. Our communications with the markets of Asia and with our own possessions in the Philippines, no less than our communications with Australia, should depend not upon foreign, but upon our own steamships. The Southwest and the Northwest should alike be served by these lines, and if this is done they will also give to the Mississippi Valley throughout its entire length the advantage of all transcontinental railways running to the Pacific coast. To fail to establish adequate lines on the Pacific is equivalent to proclaiming to the world that we have neither the ability nor the disposition to contend for our rightful share of the commerce of the Orient; nor yet to protect our interests in the Philippines. It would surely be discreditable for us to surrender to our commercial rivals the great commerce of the Orient, the great commerce we should have with South America, and even our own communications with Hawaii and the Philippines.

I earnestly hope for the enactment of some law like the bill in question.

THEODORE ROOSEVELT.

THE WHITE HOUSE, *January 23, 1907.*

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