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May 18, 1925.

Miss Ida M. Tarbell,
120 E. 19th St.,
New York City.

My dear Miss Tarbell;

I have just received your letter
of May 15th.

I am, of course, eager to be of any help I can in the study you are making, but a search of my files here does not disclose that either the original or a copy of the letter to which Mr. Scott refers was brought away among my papers. In the normal course of events I would not have a copy of it, as I endeavored to leave in the office of the Secretary of War all communications of a public or semi-public character, and to bring away only personal correspondence.

I should think it entirely likely that your best chance of finding the Scott letter would be by asking Mr. John W. Martyn, private secretary to Secretary of War Weeks, to look it up for you. It ought to be in the files of the Secretary of War's office, and Mr. Martyn has in Miss Thomas and Mrs. McPherson two highly efficient women who worked in the Secretary's office during my incumbency and who know generally about the files. You will find Mr. Martyn a very gracious and helpful man. If he is unable himself to locate the letter, he will doubtless ask Mr. Scofield, the Chief Clerk of the Department, to look through his files, which may give us a clue.

My own recollection on the subject, unassisted by any examination of papers, is that Secretary Daniels did the first price fixing done in Washington, and that he did it by fixing the price the Navy would pay for steel; that this led, by some process, to a conference in my office, where Secretary Daniels and I represented the government, and about fifteen gentlemen, including Judge Gary, Mr. Farrell, Mr. Grace and others, represented the American Iron & Steel Institute. The purpose of this con-

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ference was to agree upon steel prices for the government, including army and navy needs of all kinds. There was no difficulty, as I recall it, in agreeing that the price fixed by Secretary Daniels should be uniformly the government price. I, however, raised the question of the price to foreign governments allied or associated with us in the war and the first impression of the manufacturers was that they should be permitted to charge whatever they pleased to those governments. I pointed out that this was impossible, since it meant a low price to the American government at the expense of higher prices to our allies, whose buying was being consolidated with our own, and who had a right to expect to use the same prices which we ourselves had to pay. I, therefore, insisted that we should have a uniform price for all steel and steel products for war purposes, both to the United States and the allied nations. The opposition to this was vigorous, but after some debate, the conference adjourned to meet later in the day and when it did so meet, the manufacturers yielded the point and fixed a uniform price.

So far as I can recall it, this was my first contact with the question of price fixing, and it no doubt grew out of the letter from Mr. Scott, although as I gather from your description of it, his letter had to do rather with the formation of a committee for general price fixing than the particular subject of steel prices.

Cordially yours,

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Newton D. Baker.