

U. S. Treasury Campaigns

The Sunday after the demise of the *Daily News* I read that the Federal Farm Loan Board would meet with Secretary of the Treasury William Gibbs McAdoo on Wednesday to organize the system. Herbert Quick, a former mayor of Sioux City and a native of Mason City, had been appointed a member of the board by President Wilson. Since leaving Sioux City, he had edited *La Follette's Weekly* and several other farm papers and was at that time associate editor of the *Saturday Evening Post* and editor of the *Country Gentleman*.

I was able to scrape up enough money to buy a round-trip ticket to Washington and New York. As soon as I reached Washington I saw Herbert Quick and asked him if they could use me to promote the Federal Farm Loan system. It was the middle of July, 1916, and President Woodrow Wilson was up for re-election that November. They had only three months in which to get the story of the Farm Loan Act to the six million farmers in the nation. Quick said that he would introduce me to Secretary McAdoo if I could present a promotion plan. He told me to be in the waiting room of McAdoo's office the next day,

and he would ask the Secretary if he would see me. Sure enough, a messenger announced me. I nearly caved in as I entered.

The Federal Farm Loan Campaign

A country boy trying to sell an idea to a member of the cabinet has to have the pressure of desperation. I suggested a program of public hearings to be conducted by the Secretary of the Treasury and the board in the state capitals. Farm organizations would be invited and the new system would be explained. Questions and answers were to be recorded to show what farmers wanted to know.

At the end of my suggestions, Mr. McAdoo asked me to retire while they considered it. That night Quick gave me the word that McAdoo was pleased and that I could go to work the next morning. I wired my wife the news and sold my return ticket to Sioux City.

I will never forget the meeting with Secretary McAdoo on that hot day. He had on a white suit, and when he stood up to shake hands with me, he seemed a mile high. I was to start at \$75 a week. McAdoo wanted me to precede the board and arrange these hearings — one day to a state.

I spent a week writing a series of interviews for the five members of the board — all in a different angle. Then I was on my way to Augusta, Maine. The Governor, a Republican, gave me the use of

the senate chamber. The Maine state chamber of commerce took charge of inviting all farm organizations and, in addition, inaugurated a campaign for the location of a federal land bank in Maine. Eight days later the board came along and hearings started. I kept just about eight days ahead of them.

When I got to San Francisco, I discovered that the chamber of commerce was the headquarters for a great antilabor movement. I smelled political difficulty if we did business with them. So I sent a telegram to Herbert Quick, who was attending the hearing at Helena, Montana. My wire suggested that we move the hearing over to the State Agricultural College at Berkeley, California. Quick showed the telegram to McAdoo, whose response was, "Tell that kid to go ahead and make the change."

I proceeded eastward to Columbus, Ohio, where I received a telegram from McAdoo asking me to ride to Washington with the board in its private car. I killed the waiting time by going around the state visiting farm publications.

McAdoo was very happy with the results of the tour and told me that he would like to have me to help him on some other publicity problems. As soon as we got back to Washington we selected three hundred of the questions most often asked by farmers. We rushed out six million pamphlets containing the questions and answers and put

them in the hands of six million farmers before November.

That was the year when the nation went to bed on election night thinking that Charles Evans Hughes had been elected President, only to learn upon waking that a very close vote in California had given that state to Wilson, thus assuring his re-election.

The Liberty Loan Campaigns

I was still with the Federal Farm Loan Board when the United States entered the first World War. I had thirty days of leave coming, and I volunteered that time to Secretary McAdoo. He had had requests from all over the United States to make speeches. I prepared speech material designed to arouse the public to co-operation. For the United Press Association, I wrote a series of six releases on the costs of all previous American wars: how the money was raised, and how the debt was met. The head of the United Press in Washington at that time was Robert Bender, son of Victor Bender, who owned the Council Bluffs *Nonpareil* when I worked there. Robert was then a boy in school. The United Press distributed six articles over my signature to their three thousand newspapers. Then McAdoo asked the Farm Loan Board to lend me to him so that I could go ahead of his tour and make arrangements for his appearances.

At the time war was declared there were only 300,000 owners of government securities in the United States, and most of these were banks, life insurance companies, other financial institutions, and wealthy persons. Now it was obvious that in order to raise these unprecedentedly huge sums of money the co-operation of millions of people was necessary. The question before Congress was whether a greater part of the cost of the war should be met by taxation or bonds. McAdoo maintained that the major portion should come from bonds. He held that it would be unwise, if not impossible, to inflict such a heavy tax burden on a single generation. It was decided, as an initial step, to authorize the issuance of five billion dollars in bonds, of which three billions could be used in loans to our allies. President Wilson approved this plan on April 24, 1917, and a few days later Secretary McAdoo offered for subscription \$2,000,000,000 of Liberty Bonds to bear $3\frac{1}{2}$ per cent interest.

On the first day, subscriptions were at the rate of \$330,166 a minute. Sales on the second day jumped to \$480,508 a minute. In the First loan \$3,035,226,850 was subscribed, of which \$2,000,000,000 was accepted by the government. More than four million persons bought bonds, and 99 per cent of these subscriptions were for denominations of from \$50 to \$10,000. Twenty-one each bought \$5,000,000.

Congress increased the interest rate to 4 per cent for the Second loan, which began on October 1, 1917, the offering being for \$3,000,000,000. McAdoo made a tour of the country, and the Second loan produced \$4,617,532,000, of which \$3,800,000,000 was used. Mounting war costs made it obvious that we had to use every means possible to reach all the people in the country. Secretary McAdoo made me director of publicity for the Third, Fourth, and Fifth loans.

Through the twelve Federal Reserve Banks, local organizations were completed in practically every community. More than one million volunteers were recruited to do solicitation. The motion picture industry, under the leadership of Adolph Zukor, threw its power behind the campaign, and 35 of the leading motion picture stars produced 35 one- and two-reel subjects, which we showed in 17,000 theaters. They included such stars as Mary Pickford, Douglas Fairbanks, Charlie Chaplin, D. W. Griffith, and many others. Production cost was borne by the industry. We paid only for the prints.

The great advertising industry assigned its ablest copywriters to compose a series of advertisements — mostly full-page displays — which were put into mat form and distributed to all newspapers. Local firms and individuals purchased newspaper space for these advertisements. The paid space for the Fourth loan exceeded

75,000 pages. One of these advertisements was in the handwriting of President Woodrow Wilson. He did this at our request.

Most of the big stars of the theater and motion pictures appeared before audiences to arouse enthusiasm. When Douglas Fairbanks, Mary Pickford, and Chaplin were in Washington one day, I got word from our New York office that a \$5,000,000 subscription was available. In order to make this subscription spectacular, I took Fairbanks down to the Postmaster General and got "First Class Mail" stamped on his forehead. The only mail air route in those days was between Washington and New York. I handed him up to the pilot as the cameras ground, and he gave a one-man parade on Fifth Avenue before thousands of spectators. When he came back to Washington he ate a sandwich lunch at a counter, and then I started to take him to McAdoo's office. He asked me to point out the Secretary's window. Then he mounted the eight-foot iron fence and went up the outside of the building, knocked on McAdoo's window, and got in.

Every device known to publicity was used in the Liberty Loan campaigns. The greatest artists, including Charles Dana Gibson and Howard Chandler Christy, contributed freely to make posters for public display. Hundreds of artists responded, but we could use only seven or eight posters for each loan. These were selected by a

jury, of which Mrs. McAdoo was a member.

I asked Secretary of War Newton Baker to have five shiploads of captured German artillery sent from Europe. These pieces were awarded to communities when they reached their quotas. Many are still standing in public parks. German cannons were melted down to make badges, which millions of people wore. Five captured German submarines were brought across the ocean and inspected by millions in coastal ports. Navy Secretary Daniels assigned me a boat to take the news cameramen 400 miles out in the Atlantic to get shots of these captured submarines.

More than a hundred United States soldiers, who had seen service with General Pershing, and fifty of the famous French "Blue Devils" were brought over for speaking tours and parades. President Wilson and all members of the cabinet participated in the speaking campaigns. A sample sermon, prepared for us by a brilliant newspaperman, Homer Joseph Dodge, was distributed to ministers, 114,000 of whom delivered Liberty Loan sermons. An honor flag was designed and sent to each city for display when it had attained its quota. Exhibit trains carrying instruments of warfare were sent throughout the United States for public inspection. Bond sellers on these trains did a land office business.

President Wilson attended the vaudeville show at Keith's Theater in Washington once a week.

The four-minute speech given in the theaters throughout the nation originated at this theater. President Wilson made a subscription of \$50, and then we sent out a challenge to "match the President." This single stunt produced over \$100,000,000.

A woman's committee was set up with well-known representatives from all areas. The women were assigned a quota. The contributions they turned in amounted to more than \$1,000,000,000. In the Fourth loan the women of Pennsylvania were credited with one-third of the entire state quota of \$226,000,000. The national committee chairman for this campaign for the women was Mrs. William McAdoo, daughter of the President.

The quota for the Third Liberty Loan was \$3,000,000,000, and it brought \$4,176,516,850 from 18,308,325 subscriptions. We had succeeded in getting a wider distribution. The Fourth Liberty Loan, beginning October 19, 1918, was the most successful drive during the war, despite the fact that an epidemic of influenza was sweeping the country. Because many public meetings were canceled, it became necessary to resort to more personal solicitation. I wrote a memo to Secretary McAdoo asking him if he would set an example by joining the solicitors the following Sunday. I got back a note saying, "F.R.W., Yes I'll do this. W.G.M."

On that Sunday the leaders of the Washington campaign met at the McAdoo home at two o'clock. When I went in, Mrs. McAdoo said, "Mr. Wilson, you are always making Mack do the strangest things." There was a crowd of several hundred in the street and a flock of newsreel crews. I had laid out a route including a visit to a Negro woman in a humble cottage, a boarding house where a dozen government workers lived, and a variety of other calls that would make human interest. The colored widow had already taken a \$50 subscription, and all other calls produced results. At the end of the prepared route McAdoo said, "Frank, let's go and get some real money." Our first call was on Bernard M. Baruch, chairman of the War Industries Board. He took \$1,000,000. Next Eugene Meyer, who was director of the War Finance Corporation, took \$500,000. He is now publisher and owner of the *Washington Post and Times-Herald*. On the way to our next call we passed a carriage containing Ray Baker, director of the Mint. McAdoo hailed him and got \$1,000. We got \$10,000 from Eleanor Patterson, one of the owners of the *Chicago Tribune*; another \$100,000 from J. L. Replogle.

Then we went to the White House to see the President, and I waited in the Green Room while McAdoo talked to the President, who was eating dinner. We wanted the President to make another subscription to stimulate the national sale.

He soon came down and subscribed for \$10,000 while the cameras clicked. He had previously subscribed for \$10,000. After signing the agreement he handed me the pen, but in all the excitement it got away from me. The Fourth Liberty Loan had 22,777,680 individual subscribers making commitments of \$6,992,927,100.

As the loans progressed state competition became sharper. In the Fourth loan, Iowa reported its quota fully subscribed at the end of four days. We announced this, and Oregon contested the claim. The Treasury Department was never able to decide which state was first, so we sent congratulatory telegrams to both.

Iowa's record in the whole series of loans was excellent. I do not have the dollar subscriptions for each state in the First loan, but in the Second loan Iowa's contribution was \$82,922,750; Third loan, \$117,211,450; Fourth loan, \$157,870,250; and in the Victory Liberty Loan, \$111,787,450. The total subscriptions for the Victory Liberty Loan amounted to \$5,249,908,300. This was a remarkable performance in view of the fact that even when the loan started, the war was over. Stripped bare of their wonderful patriotic values and considered solely from a financial viewpoint the Liberty Loan campaigns stand without parallel in history. In the five loans, subscriptions amounted to \$23,972,111,400 and \$21,477,355,840 was accepted.

I will never forget an interesting incident at the White House. Fairbanks, Chaplin, Pickford, and two or three other important stars had asked if they could meet President Wilson. The President was probably the busiest man in the world, but his secretary, Joseph Tumulty, arranged the meeting. Mary Pickford's mother was with her. The President shook hands with all of them with his usual dignity. The picture stars, ordinarily voluble, seemed almost speechless in the presence of the President. As they left, the President said, "I wish you all success in your undertakings." Nobody knew what to say, but Mary's mother came to the rescue. She said, "We wish you the same, Mr. President." The man who was carrying the greatest responsibility in the world said, "Thank you very much" and said it as if he meant it.

When the Victory Liberty Loan started on April 22, 1919, the war was over, and President Wilson was already in Paris with Lloyd George, Clemenceau, and Orlando working on the peace treaty. To this conference Wilson had taken his dream of ending all wars through the creation of the League of Nations. At the opening of each loan we had had no difficulty in getting the President to issue an appeal to the people. I sent a cablegram to Tumulty, the President's secretary, at Paris, requesting this again. Tumulty cabled back to submit a draft. I prepared a proclamation,

with the assistance of Russell Leffingwell, and we cabled this to Paris. It came back immediately and the next day appeared on the front page of American newspapers.

FRANK R. WILSON

IOWA'S LIBERTY LOAN RECORD

	<i>Amount Subscribed</i>	<i>Number of Subscribers</i>
First Loan	\$ 30,740,600	60,000
Second Loan	82,922,750	288,080
Third Loan	117,211,450	660,942
Fourth Loan	157,870,250	643,889
Fifth Loan	111,787,450	364,303