P QECIB PALACE HOTEL SAN FRANCISCO FEB The 18, 1900 STESTADA_NW We have the photographs Lak - when here, and would be placed pleased with theme. the hope to have the pleasure of seeing Han trancisco, and America J.b. Drew.

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W. H. METSON F. C. DREW J. A. MACKENZIE

E. H. RYAN R. G. HUDSON

> METSON, DREW & MACKENZIE ATTORNEYS-AT-LAW Nos. 511-523 Balboa Building

> > San Francisco, Cal., April 6, 1918.

Hon. Reed Smoot, United States Senate, Washington, D. C.

My dear Senator :---

This will introduce to you General A. Obregon, a personal friend of mine who goes to Washington in reference to some business matters, the nature of which he will explain to you.

I will consider it a personal favor if you will do everything in your power to assist the General in obtaining what he desires.

With assurances of appreciation of anything that you may do for my friend, I am,

Yours sincerely

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> > San Francisco, Cal., April 6, 1918.

Hon. Hiram W. Johnson, United States Senate, Washington, D. C.

My dear Senator :--

This will introduce to you General A. Obregon of Mexico, a personal friend of mine, who may desire some assistance in a matter which he will explain to you.

I will appreciate it if you will do everything you can in your power in assisting the General to obtain what he desires.

Yours sincerely

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Hon. Julius Kahn, Hcuse of Representatives, Washington, D. C.

My dear Congressman: -

This will introduce to you General A. Obregon, a personal friend of mine who goes to Washington in reference to some business matters, the nature of which he will explain to you.

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production of tungsten, chrome, molybdenum, antimony, and mang ese, for example, does not constitute the class of enterprise that commonly attracts large capital. The Government will be short of its requirements in these substances unless the small miner is directly aided and protected in the manner proposed in the bill as originally introduced. The mining of pyrite in this country has been retarded in the past because the Spanish mines, capable of being operated on a large scale and at low cost in a country where small wages prevail, and containing copper and a minor amount of the precious metals to be won from the cinder as a by-product, offered an almost overwhelming competition against the exploiters of Eastern deposits where the ore was free enough from arsenic to make good sulphuric acid. These deposits must be protected by guarantees for a period at a fixed price, or must be financed by the Government itself, to warrant the use of the capital needed for development and beneficiation. Estimates by those best informed indicate a requirement of 9,000,000 tons of sulphuric acid this year, whereas there is sulphur available for making only 7,500,000, leaving a shortage of 1,500,000. In spite of a curtailment of the chrome ore set aside for refractories to about 12,000 tons, and of a reduction of the amount of chrome for use in the chemical industries from 40,000 to 20,000 tons, the urgent requirements for producing ferro-chrome swell the demand this year to about 150,000 tons, according to a forecast by the War Industries Board. Domestic production last year was only 40,000 tons, and without suitable guarantees it is not to be expected that small investors will be able to risk their money in the production of a mineral that exists habitually in small, erratic, and

idely scattered deposits. It is just because most of the products specified in this bill are found in small quantities, and constitute a basis for mining that is highly speculative as compared with copper, lead, and zinc, for example, that this market has been dominated to a large extent by brokers. The producer usually has not been able to deal with the actual consumer. The middleman seemed necessitated, and, as usual in such cases, the field of the legitimate commission merchant has been invaded to a large extent by sharpers. Producers of the minor metals and minerals have been so victimized by disreputable brokers that the Government must extinguish the breed if a great increase of production in these substances is to be realized. That means direct contract with the miners, and facilities for assisting in financing operations of merit. It must be noted that a considerable proportion of the middlemen who deal in these subsidiary products are Germans and German sympathizers. A persistent policy on their part has been to keep negotiations with prospective producers dangling as long as possible, and to offer attractive prices so limited by conditions of time and other details imperiling the shipper as to check the output during the War and to cause financial losses that would discourage vigorous development. Congress is doing its best to facilitate the efforts of our country to grapple successfully with the grave issues raised by the War, and it has doubtless acted in the light of what seemed intelligent advice in emasculating the bill, as now reported by the Associated Press, but the result would be to leave these special industries exposed to the sinister influences that have dominated them in the past. We have but to recall how the Nation was tricked by the German chemists into wasting our precious opportunities to become independent of foreign resources in the matter of fixed nitrogen, to realize the importance of defeating the apparent purpose to limit the production of the vitally needed materials of War that this bill was intended to facilitate. We look to the Senate to re-instate the authority to fix prices and to make contracts for a period of at least two years on a basis commensurate with profitable operation, when the bill comes before it for consideration. We understand that the President, as well as the Secretaries of War and the Navy, already possess the right to commandeer these or any other minerals, but the prices are arranged by the War Industries Board through agreement with the producers. In this way prices may be established by the President, but only on the recommendation of the pricefixing committee, after an investigation has been made by the Federal Trade Commission. This is a long circuitous method of approximating the end that is attainable directly and swiftly by a single administrator under the pending bill. It involves the persistence of red-tape which has already defeated so many well-meant efforts of Government officials. Multiplicity of committees sharing responsibility in such a case introduces delay, and affords opportunity for interested parties to exert an influence through plausible objections. Whether done with deliberate purpose to limit our efficiency, or merely for personal pecuniary advantage, the result is the same; it slows us down in producing the materials needed in the War. Incidentally this, more than any other measure yet enacted, was looked upon as offering the small miner a chance to serve his country and obtain a little profit at the same time. The skill to prospect successfully and to produce minerals economically is a valuable national asset worthy of encouragement and reward. Mutilated as the bill appears to have been by the House of Representatives, the advantages it possessed as a democratic measure have been sacrificed, and its effectiveness as a stimulant to production has been seriously impaired.

Incorrigible Mexico

"What can be done to create friendly relations with Mexico?" writes an eastern correspondent. Can anyone answer that question? Our Government has tried to help Mexico; it has coddled and petted Mexico through six long years of turmoil and misrule; it has borne patiently with murder and rapine and insult, in a sincere effort to bring about reforms that should in the end restore political and industrial stability; but it has failed. Mexico today is a centre of political corruption, shamelessly submitting to be used as a base for German activity against the welfare of this country, persisting in the destruction of American interests in her mines and farms, which is accomplished under cover of decrees

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that give a varnish of legality to the proceedings. Mexico displays contempt for our nationals and for our Government; it is clear that she construes our long forbearance as an indication of impotence. We have hurled 'ultimatum' after 'ultimatum,' only to follow gentler courses than had been threatened, until her people laugh and refuse to take us seriously. They talk of the heroic Teuton, and call the American craven. It is a pity to have to confess it, but such is the fact. Our Government has dealt gently with them and they translate our kindness into cowardice. When Carranza wrote his first letter to President Wilson several years ago he was a fugitive after defeat in Coahuila, domiciled in Sonora, where he was trying to bluff the State government into accepting his leadership. Villa meanwhile was conquering Chihuahua, and in a half-hearted way was recognizing the long-whiskered chief who claimed to be the defender of the Constitution that he later violated and overthrew. An American had been taken prisoner in the Sierra; our State Department demanded Villa to surrender him; Villa, thinking to be clever, referred our Government to Carranza. That was the first opportunity accorded Carranza to display his diplomatic astuteness. He wrote a letter, which was insolent and petty, quibbling over the division of authority as between himself and Villa, and pointing out that the boundary line in the Sierra was not well-defined. Therefore, he pleaded that the matter of jurisdiction was uncertain, but an investigation would be made, and so on. The American disappeared from sight, the case was settled by delay, and Carranza had scored his first diplomatic triumph. From that time forth lofty impudence has been the characteristic attitude of Carranza toward this country, its President, and its people. We have accepted it, our ultimatums never reached finality, our invasion at Vera Cruz ended in evacuation at the command of Carranza; our invasion of Chihuahua in quest of the evasive Villa, who was sheltered by every Carrancista, made us a joke and a by-word, and ended in withdrawal with nothing accomplished.

It is time that we redeemed the errors of our good nature by no longer suffering our desire for the welfare of Mexico to hold our hand now that she has become a menace to us in the great War that we must win. Carranza understands force. He knew the meaning of it when it overcame him in Coahuila; he will understand an ultimatum from the United States at this time, for we have ceased being pacifists; we are in earnest now to save the world from the Hun, and the voice of President Wilson to a recalcitrant Mexico will possess an unfamiliar harshness that will command obedience. We have had to suspend telephonic communication across the border, because of the nest of German spies using it to obtain information to send to the intelligence department of the Kaiser; we have seen a German raider outfitted openly in a Mexican port; we have seen a great American smelting enterprise forced out of business until it compromised with the exactions of local officials, while its Teutonic rivals flourish in the same so-called republic; we have seen our efforts to enter into a reciprocity treaty

waved aside contemptuously; we see oil production threatened by impositions that are meant to hamper us and our Allies, and, if complied with, to make us seem such easy game as to win adherents to the Government through the opportunities offered for graft. Meanwhile Mexico is bankrupt, her citizens are resisting the per measures of Carranza because his administration has been discredited by corruption; the people in the cities are famine-stricken; the actual control of the Government is limited to the few rosaries of towns along the railroad but the spirit of genuine reform is present in the nation at large, and all they need is a leader. The surest way in call forth the strong man is to send Carranza a deman for compliance with the old unabrogated treaties, and follow it with a demonstration that will leave no doubt the purpose of America to end this nonsense in Mexic We desire the friendship of Mexico, but we do not posse it. We have given Carranza years of opportunity for 1 form in his attitude, but his enmity grows deeper an more dangerous. He has even shut off his newspape from this country so that we may less readily gain i formation of the schemes afoot in aid of our arch enem We cannot afford to permit a neighbor to threaten our well-being. If Mexico will not accept our friendship when offered with the olive branch, she may appreciate it better if offered with the last argument in diplomacy

We must, however, keep in mind that our country is pledged to stamp out imperialism, that our President has promised to eliminate it utterly from the democratized world that is to arise from the existing conflict, that we are on our honor to establish the principle of self-determination as another of the rights of man This will govern us in our relations with Mexico, wi Central and South America, but it is not too much pledge again to our Allies and to all the World our wo that we will not disregard our high mission by moving our border southward, neither by absorbing more Porto Ricos, nor by conniving at the rupture of another Colombia. We stand convicted of imperialism in the past; in this hour of the trial of democracy and freedom we must confess that we have given our neighbors in the Western Hemisphere cause to hold us under suspicion Nevertheless, no one is so blind or so prejudiced as not to recognize the restraint of a benevolent giant in cur dealing with Mexico while she was passing through the paroxysms of anarchy. That was hard to endure, in the face of the murders and the shameless atrocities committed against American men and women, and our forbeau ance under these provocations was not only misjudged by Mexico but by the German militarists. They though not that we were "too proud to fight," but too pusillant mous to fight. Our generosity to Mexico helped to courage the German in his atrocities, which finally led to war. We will not violate our pledges nor rob Mexico of a single square mile of territory, but she has trifled too far with our tolerance by harboring German plotten against our safety. A deep significance lay in Secretary McAdoo's choice of El Paso as the place for announcing at a public address that "the United States has gone 💷 the very limit in dealing with Mexico."

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E. H. RYAN R. G. HUDSON

> METSON, DREW & MACKENZIE ATTORNEYS-AT-LAW Nos. 511-523 Balboa Building

> > San ^Francisco, California, May 13, 1918.

General A. Obregon, c/o The Mexican Embassy, Washington, D. C.

My dear General:-

I enclose herewith an article from the San Francisco "Mining and Scientific Press" of May 11th, 1918, which speaks for itself. If the conditions in exico are such as to justify such an article, it is much to be regretted, and if such conditions do not justify the article it is more to be regretted. This journal has a wide circulation among professional and mining men and such articles will certainly injure any censor of establishing a cordial friendship between the two nations. If the conditions as set forth in the article actually exist you and your friends, in my judgment, should do everything possible to change them. If conditions as set forth in the article do not exist, then my friends and myself should do everything to prevent any such articles being written in the future. Mexico and the United States should be good friends, as it will be to the advantage of both, and all friends of Mexico in the United States, and all friends of the United States in Mexico should do everything in their power to bring about the most harmonious relations. To this end we will all work on this side, and no doubt you and your friends will do so on the other.

With kindest regards, I am,

Yours sincerely, Tread,

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dich I shall like to 7 distanth you a shall hit to ? distanth you a sparse monstain of "Inan the Jop" and place acapt with you plicet. With Kindest my ands. I an Yours Sincery Strank 6 Bren Palace Hotel, Jam Frances, bal,

Diciembre 24' 1918.

Sr. Frank C. Drew. Palace Hotel. San Francisco, - Cal.

Estimado amigo:-

Hoy recibí su carta fecha 17 de los corrientes y por ella me he enterado con pena de la enfermedad que ha venido padeciendo . 8

Contestando la pregunta que me hace en su citada, le participo que espero estar en ese puerto para la primera decena del entrante mes de enero.

Tomo nota de que se ha servido enviarme una traducción de "Over the Top" que acepto con todo agradecimiento y que leeré al recibirla.

Descándole un pronto restablecimiento en sus males, quedo su amigo afmo. y atto. 5. 5.

Frb