

- Q. I do not know of any other.
- Q. I show you a circular headed "BLACK STAR LINE" carrying a picture of what purports to be the "Phyllis Wheatley". That went out through the mails?
- A. Yes sir.
- Q. I now show you a circular headed "NEW IN AMERICA S/S PHYLLIS WHEATLEY" apparently printed before May 25, 1921. Isn't that the same cut?
- A. Yes sir.
- Q. Are you responsible for the printing of that circular?
- A. I do not recall it but I know I gave the information regarding the association of the boat. I do not remember this circular at all.
- Q. As far as a matter of fact you have the name "Phyllis Wheatley" here, you have the picture of the "Orion" here with the name "Phyllis Wheatley" written on it, and you have below a description of the "Hengshang", have you not?
- A. This is the "Phyllis Wheatley".
- Q. The information as to capacity, accommodations, etc., are of the "Orion" and not the "Hengshang"?
- A. Yes sir.
- Q. As a matter of fact, that cut has been used for more than one mailing before?
- A. This was not mailed (indicating second circular). It was used in Liberty Hall.
- Q. Did you begin negotiating for a ship before or after the failure of the Thruway, the Harada and the Shelbyside?
- A. It was after.
- Q. You regard these three ships as failures?
- A. Yes, I do.
- Q. And the investment in them has virtually been a total loss?
- A. From a material viewpoint I should say - of course at the time I started negotiations for the African ship I did not think the Harada a total loss.
- Q. You understand that these brokers sold them to you at enormously appreciated prices?
- A. Yes.
- Q. For example, the Shelbyside, purchased at some three or four thousand dollars, was sold to your company for \$34,000?
- A. Yes sir.
- Q. And the Harada, worth possibly ten thousand dollars, was sold to your company at \$60,000?
- A. Yes sir.
- Q. And the Thruway, sold to your company for \$160,000, had been purchased by the brokers for how much?
- A. They paid a good price for her but they know her condition. They made their money with one trip.
- Q. She was in bad condition? One boiler out of commission?
- A. Yes, that is what I heard.
- Q. With these ships as a total loss you have an assets to show for the \$750,000 taken in, first, an equity in the property at 150-54-56 West 155 St. valued possibly at \$7,000 or \$10,000?
- A. Yes.
- Q. Then you have in addition the good will of the Black Star Line and a very small bank account.
- A. Yes.

-7- Statement of Orlando M. Thompson.

- Q. Can you think of anything else that you have as an asset?
- A. Furniture, fixtures, a truck, and small items of that sort.
- Q. I notice that this company advertised that it was being run by experienced business men. Do you regard that as a correct statement?
- A. I do.
- Q. That is to say, they were experienced men in the ship business?
- A. I can hardly put it that way when the statement was made, for this reason, that the men ~~xxxx~~ who were conducting the business, if they did not have the experience on the premises, paid for the experience outside; that is, they had enough business training to go out and get ship managers.
- Q. They were to hire the experienced men?
- A. Yes. For instance, I have had some business training, so have Garcia and Smith, and we decided that the proper thing to do was to get some ship managers to look after the company's ships.
- Q. There being no one in the company who had had enough experience?
- A. Yes, that is the way we looked at it.
- Q. What is your telephone number, Mr. Thompson?
- A. Earle 6714.

STATEMENT OF ELIE GARCIA

Present: O. B. Williamson, Post Office Inspector,  
T. P. Morrillios, Expert Bank Accountant,  
J. W. Gardener, " " "  
M. J. Davis, Special Agent, Bureau of Invest.

Stenographic minutes by M. J. Davis, " " "

-i-

By Mr. Williamson:

- Q. What is your full name?  
A. Elie Garcia
- Q. And you live at?  
A. 2423 Seventh Avenue, New York City.
- Q. What is your connection with the Black Star Line, Inc.?  
A. Secretary.
- Q. How long have you been Secretary?  
A. Since September, 1920. I was elected in August, but I was in England at that time and I was not notified until I returned.
- Q. Did you have any official connection with the Line prior to your election as Secretary?  
A. No official connection. I was working as salesman.
- Q. Selling the stock?  
A. Yes, in Philadelphia.
- Q. How long had you been selling the stock before your appointment as Secretary?  
A. About a month after the date of the corporation - from August, 1919.
- Q. So that you have had some connection with this Company since August, either as salesman or official of the company?  
A. Yes sir.
- Q. Under whose direction were you working as salesman?  
A. Under Direction of the President.
- Q. Who was he?  
A. Marcus Garvey.
- Q. Now, have you any connection with the Universal Negro Improvement Association?  
A. Yes sir.
- Q. What is it?  
A. Auditor of the U.N.I.A.
- Q. When were you appointed Auditor?  
A. I was elected in August, 1920. ~~Prior to that time~~
- Q. Prior to that time what connection did you have with that Association?  
A. I was Secretary of the local branch of the U.N.I.A. in Philadelphia.
- Q. For how long a time approximately?  
A. From June, 1919, to April, 1920. I was Secretary of the Philadelphia district.

- Q. Were you working under the direction of Garvey in that position?
- A. Yes. It is only a branch of the same association here in New York.
- Q. Are you a citizen of the United States?
- A. No sir.
- Q. Of what country are you a citizen?
- A. Hayti.
- Q. Let us talk about the Black Star Line first. Who has a contract for selling the stock?
- A. The company disposes of its own stock.
- Q. Does the company receive any reimbursement for the sale of the stock, any percentage?
- A. No.
- Q. Does any percentage go to anyone?
- A. We use a large number of salesmen from the office and send them out. We pay them a salary, in that we do not have agents only selling stock, we have them also doing office work and we pay a weekly salary and sometimes three percent. We have never paid any more than three percent, and merely as an incentive.
- Q. What is the salary average of the stock salesmen?
- A. From seventeen to twenty-two dollars a week. But they never get a salary just for selling stock. Most of the salesmen are clerks in the office. The company has been disposing of its stock in a special way, that is, by campaigns, - drives. Whenever a drive is on for the sale of a certain number of shares, we have branches in various cities; we inform these branches that salesmen from the office will be at their meetings to sell stock and we make a campaign for one or two months in the branches.
- Q. Who finances these meetings?
- A. The U. N. I. A.
- Q. About how many shares have you disposed of?
- A. I would say about 150,000, of course more or less. About \$750,000 or \$850,000 worth.
- Q. You have received that much?
- A. Yes, about that much.
- Q. All told?
- A. Yes.
- Q. What salary does Mr. Garvey receive?
- A. From the Black Star Line?
- Q. Yes?
- A. He does not receive any.
- Q. From the Line-----?
- A. That is, from the date of his election as President of the U. N. I. A. he had a salary of \$100 a week before 1920; that was \$400 a month, but at the time he was elected as President of the U.N.I.A. the condition was that all of us who would have offices in both organizations should receive salaries from one or the other, not from both.
- Q. Then what is Mr. Garvey's salary from the U. N. I. A.?
- A. I believe it is \$10,000 a year.

Q. And when was that first authorized?

A. It was authorized at the convention held in August, 1920, through the various delegates forming the association.

Q. In addition to the salary, who pays Mr. Garvey's expenses when he conducts these drives?

A. His personal expenses?

Q. Yes?

A. He pays them. But expenses such as travelling, railroad fare and his board when he goes in the interests of the association, the association pays; that is, the governing body of the association, which is called the Executive Council, has voted that the expenses of any officers, including Mr. Garvey, should not go above \$5 a day for board and lodging. So the officers are entitled to at least an allowance of \$5 a day but it is understood that they are not to charge the entire \$5 because they submit their vouchers; but that is the maximum allowance.

Q. Are you paid by the Line or the Association?

A. By the Association.

Q. How much?

A. Five thousand dollars (\$5,000) a year.

Q. How long have you been receiving that salary?

A. Since August, 1920;

Q. And you are paid your expenses also?

A. Yes, but I never travel. My duties call for me to stay in the office all the time. The only time I go out is when something happens in the branches and they send me to make an audit. They ~~that~~ pay my expenses.

Q. Who is the next highest paid officer?

A. There are many. There are sixteen officers forming the Council, which they call the officials of the organization.

Q. And each receive how much?

A. Each receives a salary from \$5,000 to \$6,000. Not above that.

Q. Who receives \$3,000 per year?

A. The Secretary General.

Q. Who is he?

A. Mr. Toote.

Q. Who else receives \$6,000 a year?

A. The Counsel General.

Q. Who is he?

A. Mr. Willford H. Smith, an attorney.

Q. Who else receives \$6,000?

A. I believe the chancellor.

Q. That is Mr. Stewart?

A. Yes, Mr. Stewart. And that is all.

Q. So that you have three men receiving \$6,000 a year, you yourself receive \$5,000, and Mr. Garvey receives \$10,000?

A. Yes. I want to make this explanation. These are the salaries voted at the convention at the time of our election but as you will find we have not been drawing these salaries all the time because after the salaries were voted - they voted a salary which was to be in

Elie Garcia.

- keeping with the dignity of the office - but it was to be understood that if the organization was not financially strong to pay this salary we were to get whatever we could.
- Q. But still the Company would then owe you the difference, payable at some future time if you desired to collect?
- A. No, because you will find after the convention of 1920 it was said we were to take office sixty days after that. Sixty days after, when we met for the first time, and report of the financial conditions was read, we voted the two first months' salary to the Association and after that in the future we decided ourselves to make other gifts to the Association because things were not so that we could get our salaries. You will find that since the month of September we have not been paid our salaries.
- Q. Little short of cash?
- A. Yes, on account of that boat that we have -----
- Q. Your first ship was the "Yarmouth"?
- A. Yes.
- Q. When did you get possession of the "Yarmouth" - I mean your company?
- A. As far as I can remember, the Black Star Line presented - as far as I know because I was not officially connected - on the 31st of October, 1920.
- Q. What kind of a title did you get?
- A. I could not say. I was not in the office.
- Q. What did you pay down on the ship?
- A. I do not know, but I have found that from the books afterwards that on the 31st of October there was about seventy or eighty thousand dollars (\$70,000 or \$80,000) paid.
- Q. On the ship?
- A. Yes, there was \$50,000 in one payment and \$10,000 checks in another payment, and maybe some other money.
- Q. Paid to whom?
- A. From whom we bought the ship - I think Harriss, McGill & Co.
- Q. You were to pay a balance?
- A. We were to pay the balance in notes of \$7,000 or something like that, in so many notes of equal value, to be paid monthly or every three months.
- Q. So that the ship was to cost in all --?
- A. \$168,000.
- Q. How much was paid in all?
- A. Up to this time, as far as I know, there is a balance of about \$25,000 which is still due.
- Q. Who has the title for that ship now?
- A. The titles, I believe, are in Canada.
- Q. In the name of what company or individual?
- A. In the name of the Black Star Line, I suppose.
- Q. But you have not control of the ship?
- A. Yes.
- Q. Where is the ship?
- A. The last information was in Staten Island - Morse Dry Docks.

- Q. You told me in Mr. Garvey's presence the other day that you had lost title to the ship by default in payments?
- A. Did I say that?
- A. That is my understanding?
- A. No, maybe you asked for the title.
- Q. You said the titles were in the name of some person in Canada?
- A. I could not say that because I never saw the titles. I asked for them several times, and three weeks ago I received a letter from the Department of Commerce in Canada asking me to send the titles for the Yarmouth to be registered. I asked Mr. Thompson about the title. He said he believed Mr. Nolan, our attorney, has them. I asked Garvey, but he said he did not know; Mr. Thompson should have them, so I went down personally to see Mr. Nolan in his office. He told me that at the time we bought the "Yarmouth" it was a British ship and there was a mortgage to be recorded in Canada and the title was to go along with the mortgage but on account of some formalities not being complied with this has never been done. The mortgage has never been recorded and the title is in the hands of some attorneys.
- Q. What is the amount of that mortgage?
- A. The mortgage was - I do not know, but I believe for the amount due on the boat.
- Q. After that difficulty you had with Capt. Cockburn, libels were filed against your company to the amount of some \$200,000? You also told me that the other day?
- A. As far as I can remember there was a libel for \$52,000 by the Green River Company for short delivery of cargo for 400 cases of whiskey.
- Q. But that is not the only libel?
- A. There was a libel from Cockburn; there was another from the Government for collision, and other things. These were previous to my taking of office and these matters have never been brought to me because they were disposed of before in the hands of the attorneys.
- Q. (Mr. Williamson reading from ledger) What do you mean by that entry on page 72 of your ledger, dated July 1, 1920?
- A. You may find details of it in the journal. After we bought the "Yarmouth" for \$168,000 we made some improvements on the ship that amounted to \$52,000 or \$53,000, and the man who made it was ---- it was a firm Simonoff, Deyser & Citrin, #1 Madison Avenue. This firm also made out our income tax report.
- Q. Do you understand that you have an asset in the "Yarmouth" of \$200,000?
- A. Yes, I understand so.
- Q. How do you make that out?
- A. Well, I understand that this is the book value of the ship - the purchase price of the ship and what we spent on it. But there are some charges against that. It also appears in the ledger.
- Q. Charges amounting to how much?
- A. (reading from tax statement) Mortgage payable \$116,000.

- A. (continued) There is a large sum there charged against the "Yarmouth".
- Q. Now, Mr. Garcia, let us clear up the "Yarmouth" matter. The price was to be --
- A. \$153,000.
- Q. Your initial payment was --
- A. \$70,000 up to October 31, 1919, but this sum was not all paid down the same day. The records show that. First payment Sept. 18, 1919 - \$16,500. Second payment Oct. 20, 1919 - \$3,500. Third payment Oct. 31, 1919 - \$50,000. This item (pointing to book) represents the cost of repairs and additions to the "Yarmouth" - \$48,419.09 - ledger page 500. All of this sum was not charged, as some of the items forming this sum are for taxes, port charges, etc.
- Ledger page 164, shows that on July 1, 1920, there were notes to the amount of \$49,500 still due on the purchase price of the "Yarmouth".
- Between October, 1919, and July 1, 1920, there were other payments on account of the "Yarmouth" which will be found in the cash disbursement book. The last trip of the "Yarmouth" was made in August, 1920, as I remember it.
- Q. Is there any mortgage on the "Yarmouth" now? If so, how much?
- A. I understand that there is a mortgage. I could not give you all the information. I could not give you all the information. I didn't take any part in this contract so I don't know what the terms were. Mr. Thompson and Mr. Nolan --
- Q. Do you know about the amount of the mortgage?
- A. I only know that we owe \$28,500 on the "Yarmouth" still. The Yarmouth is not seaworthy at the present time and it would possibly take \$90,000 to render her so. This, of course is my own estimate, subject to correction. She has been in that condition since she was sent to the Morse Dry Dock. Mr. Thompson and Mr. Nolan know the mortgage history of this ship.
- Q. Now, you entered the S/S "Kanawha" deal about when?
- A. I believe the "Kanawha" was bought sometime in May or June, 1920. I was out of the country. I was in England and I just heard the news.
- Q. That is the H. E. Rogers yacht?
- A. I believe so.
- Q. The price was to be --
- A. \$50,000.
- Q. What was the initial payment on the "Kanawha" and when was it met?
- A. First payment was April 24, 1920 - \$5,000 - page 18 Cash book. Second payment May 25, 1920, page 23 Cash book. \$10,000. Page 105, ledger, shows that on July 1, 1920 six notes of \$7,500 each were due. That makes the total cost of the "Kanawha" - \$60,000.
- Q. Is the "Kanawha" seaworthy now?
- A. I could not say. I do not have the information.
- Q. She is in charge of the Counsel at Antilla, Cuba?
- A. I don't know.



- Q. That is what you told me the other day?  
A. Yes, but I do not know it officially.  
Q. You know Mr. Garvey told me that?  
A. Yes.  
Q. Isn't that official enough?  
A. I mean to say - to say something about the company I must say something in which I had taken a part. The "Manawha" was repaired by Morse and sent to the West Indies to meet Mr. Garvey and supposed to be in good order, I understand, but Mr. Garvey never told me, where the "Manawha" was.  
Q. Mr. Garvey stated to me in your presence the other day that she was in Antilla, Cuba?  
A. Yes.  
Q. How did she get there?  
A. I could not say.  
Q. As per Mr. Garvey's explanation to you, how did she get there?  
A. He never explained the matter to me.  
Q. What information have you as to how she got there?  
A. I have known we sent the ship to Mr. Garvey to meet him in Cuba. He met the ship and I believe had some misunderstanding with the crew and he made changes and left the boat. When he came back he told me that he left the "Manawha" in Kingston, Jamaica, and that the boat would be here in a few days. And this is the last statement Mr. Garvey ever made to me concerning the "Manawha".  
Q. You do know that the boat is not in this country?  
A. I know it is not in this country. I have heard that and ~~for~~ it is generally understood about the office that she is at Antilla, Cuba.  
Q. What we have said covers the history of two ships. Have you ever had another ship?  
A. We have - the "Shady-side."  
Q. That is the river boat - an excursion steamer?  
A. Yes.  
Q. You used it during one Summer in New York - a Hudson River boat?  
A. Yes.  
Q. Is she the boat now at Fort Lee?  
A. Yes.  
Q. You told me the other day she was damaged by ice?  
A. She was damaged by storm.  
Q. She is not an ocean-going boat?  
A. No.  
Q. Whose money paid for this boat, the "Shady-side"?  
A. The Black Star Line.  
Q. What justification have you for that - for taking Black Star Line money with which to buy an excursion boat to run on the Hudson?  
A. I understand that at the time the company wanted to buy the "Shady-side" they called a meeting of the Directors and the boat was offered and they thought it would be a money making proposition to have the boat run during the summer, as in Harlem there is a large colored

population and they thought if we advertised we could make a great deal of money out of that boat and as it was in line with the purposes of the company to run all kinds of ships it was bought for that purpose.

- Q. How much did you lose on the "Shadyside"?
- A. I could not tell you that.
- Q. Could you approximate it?
- A. I do not think we lost anything on the "Shadyside".
- Q. What did you pay for the boat?
- A. \$35,000.
- Q. About when?
- A. I believe it was about the same time they bought the "Manawha".
- Q. As per the books, when did you buy the "Shadyside"?
- A. About April or May. About the same time we bought the "Manawha". (Reading from book) First payment was made March 24, 1920 - \$8,000. Second payment was made April 10, 1920 - \$8,000.
- Q. And you ran the boat during the Summer of 1920?
- A. I understand they did.
- Q. It was damaged in the ice that winter, or by storm?
- A. I believe so. A year after.
- Q. Did you run it through the summer of 1921?
- A. No.
- Q. It was not in condition to run?
- A. It was not in condition and besides we could not move it because we had an action against it.
- Q. It was available only during the summer of 1920 then?
- A. Yes.
- Q. How did you make the profit, or how did you avoid incurring loss?
- A. I don't mean to say we made out of the ship, but the operating expenses were not so high that the returns from the boat could not meet them, because besides the passengers we had excursions, we had a restaurant, soft drinks, etc., and the profits of these things were turned into the Corporation.
- Q. It was used as an advertising proposition for the sale of stock?
- A. I believe so.
- Q. Is there any boat on the seas today named the "Phyllis Wheatley"?
- A. No.
- Q. ~~Is~~ And so far as you know there has never been?
- A. No.
- Q. Is it true that you contemplated purchasing a boat to be named or renamed the "Phyllis Wheatley"?
- A. It is.
- Q. When did you first enter negotiations for a boat to be named the "Phyllis Wheatley"?
- A. In January, 1921.
- Q. In January, 1921, you started negotiations with whom?
- A. With some brokers to buy the steamer "Byron" or "Tennyson" owned by Lamport and Holt.

-9- Statement of Elie Garcia.

- Q. You did not succeed in consummating that deal - that is, you did not get a ship?
- A. No, but we were waiting about two months until about March.
- Q. You did not succeed in getting a ship?
- A. No.
- Q. When did you break off negotiations?
- A. I believe it was early in March, 1921. There is a letter from those brokers notifying us that they had declined our offer.
- Q. I believe you and Mr. Garvey stated to me the other day that in June, 1921, you took up the question with the shipping board with a view to getting the "Orion"?
- A. Yes, but Mr. Garvey did not explain to you that immediately, or early in March, when we dropped the transactions with Lamport & Holt, we started negotiations almost the same day with the New York Ship Exchange.
- Q. And that was unsuccessful as the first deal was; that is, you did not get a ship?
- A. I have to explain that.
- Q. Did you get a ship?
- A. We have not gotten it yet.
- Q. You then took up the question with the shipping board?
- A. No. When we started negotiations early in March with the New York Ship Exchange, we have contracts signed by the New York Ship Exchange to say that on the 12th day of May they were to deliver us the Steamer "Kongsheng" that they were buying from some other firm.
- Q. How much was that to cost?
- A. \$350,000.
- Q. About what was your bank balance at that time?
- A. I do not remember.
- Q. As of May 1st, 1921, what was your bank balance?
- A. \$658.91.
- Q. And since this boat was to be delivered about the middle of May, what was your bank balance about the middle of May?
- A. About \$20,000. You must remember that prior to this time I think in April, the Black Star Line paid the New York Ship Exchange \$20,000 as a first payment on some ship. It was first to be the Kongsheng, then the Orion, and the payment made on the earlier ship was to apply on the Orion if we should get that.
- Q. When did your negotiations begin with the "Orion" approximately?
- A. Early in June.
- Q. What was the "Orion" to cost?
- A. The same price - \$350,000.
- Q. What was your bank balance June 1st, 1921?
- A. \$1,649.10.
- Q. Have you succeeded in getting the "Orion" since June 1, 1921?
- A. We have not as yet.
- Q. Negotiations are still pending?

1. Yes.
- Q. If you pay the money you could get the ship?
- A. It is not a matter of the money because we could get that any time.
- Q. By borrowing it?
- A. Yes, or any other means.
- Q. The ship is there already, ready for sale?
- A. The ship has been awarded to us but the Shipping Board has assumed responsibility for the delay in a letter addressed to us since the boat was awarded to us.
- Q. Providing you pay for it?
- A. No, not that. Before we could pay for it we had to have the terms of the Shipping Board. They took five months before telling us the terms on the ground that it was a new board and the Legal Department of that board was not satisfied with the previous terms of contract that existed and that they had to revise same.
- Q. Mr. Garcia, I show you a file of literature and call your particular attention to a circular headed "BLACK STAR LINE" carrying a picture of what purports to be the "Phyllis Wheatley" and ask you how that name "Phyllis Wheatley" got on the picture of that ship?
- A. It was an understanding between the company and the stockholders, and those who bought shares to enable us to buy that boat, that the ship was to be called after the name of "Phyllis Wheatley". They understood well that we were not buying a ship called "Phyllis Wheatley," but to them that ship would be the "Phyllis Wheatley", just like the "Yarmouth" to them was to be the "Frederick Douglass".
- Q. Point out to me where that explanation is made in that circular?
- A. It is not made.
- Q. How did you get the picture with the name "Phyllis Wheatley"?
- A. I believe this is the picture of the "Orion". Mr. Thompson purchased the picture.
- Q. You understand that?
- A. Yes.
- Q. But there had to be some sort of arrangement made whereby the name "Phyllis Wheatley" appeared. How was that done?
- A. I do not know. Mr. Thompson handled all that.
- Q. Mr. Garcia, look over the other literature and state whether that material is the literature of the Black Star Line, Inc., used by that Company in the sale of its stock?
- A. Yes, except that you have some pieces relating to the U. S. I. A.
- Q. I show you a circular headed "NOW IN AMERICA - 8/3 PHYLIS WHEATLEY", apparently printed before May 25, 1921, and ask you if that circular was not used before you began your negotiations for the "Orion"?
- A. Yes, I address so.
- Q. What ship are you talking about when you say "this ship will carry 4,000 tons a week"?
- A. The "Orion". It was called in my contract with the New York Ship Company and the "Orion" was to be delivered on the 1st and it would take about 400 or

- A. (continued) ten days to inspect.
- Q. So that you have a circular here with the name "Phyllis Wheatley" on it and a picture of the "Orion"?
- A. I would not say it is the "Orion."
- Q. It is if the other is the "Orion," because this is the same ship? So that you have here a circular stating that the "Phyllis Wheatley" is now in America, which bears the picture of the "Orion" and below the picture is a description of the "Hongkong"?
- A. I don't know that the picture here is the "Orion". I know it is the picture of the ship we were to get.
- Q. Among this literature is a circular without date, but which relates to the passage on the "Phyllis Wheatley"?
- xx How much did you collect as passage on the "Phyllis Wheatley"?
- A. The books will show that.
- Q. Can you point out from the books? Without consulting the books ----
- A. Without consulting the books I would say that some \$8,000 was collected for passage on the "Phyllis Wheatley" and that of it something like \$4,000 was returned.
- Q. What happened to the \$4,000?
- A. The people are willing to wait until we have the boat.
- Q. Have you \$4,000 in the bank?
- A. No.
- Q. So that you must have dispersed that money collected for a specific purpose?
- A. Yes. I know that part of that money went into the \$20,000 or so paid to the shipping board.
- Q. Now, we are going to speak about the Association, and I am going to ask you to look at your statement of September 1, 1920, and ask if you did not collect \$19,562.80 as death tax?
- A. No did.
- Q. I ask you further if you did not disperse \$1,275.00 to the next of kin of people who died?
- A. Yes.
- Q. That would leave the difference in that fund, would it not?
- A. It would.
- Q. As of that date?
- A. Yes.
- Q. Your bank balance of that date, which I understand covers the whole business of the U.M.I.A., is only \$2,383.55.
- A. It was.
- Q. Does not this show a shortage in the death fund of at least \$17,000?
- A. It does.
- Q. Do you not consider this a trust fund?
- A. No, I do not.
- Q. What do you consider it?
- A. There is no provision made in the by-laws of the Association that we have to keep that money.

100-1781-6

- any other funds.
- Q. You not only have not kept it separate but you have not kept it at all.
- A. There is no provision that we must not use it.
- Q. So you have used it?
- A. Yes.
- Q. Have you not also used the money of the association to the extent of \$34,440 in the purchase of stock in the Black Star Line?
- A. Yes, we did.
- Q. About when was that purchased?
- A. In July, I believe.
- Q. 1921?
- A. Yes.
- Q. That was to keep the Black Star Line from insolvency?
- A. It was not so. The organization decided to take stock in the Line. This money was paid out of the Construction Loan. This loan was raised to carry some special works in ~~the~~ Africa - Liberia - which we could not carry on without having transportation, so the organization decided instead of using an outside steamship line to subsidize or to finance the Black Star Line to the extent where they could have use of the Line for the carrying out of their program. As it was understood if we raised sufficient money we were to send building materials, etc. to Liberia. It was understood that the Black Star Line was to give service of course or in part payment to the association and that the association had interest to have building in the Black Star Line.
- Q. Did you have any materials at that time to transport?
- A. No, we did not have, but we were preparing the Black Star Line for future service.
- Q. Did you have any steamship ships in July, 1921?
- A. No, but we were expecting to have the "Lyellie Bentley".
- Q. Now, regarding the Negro World, who was the first owner of the Negro World?
- A. The Negro World is owned by the African Communities League.
- Q. Was it ~~first~~ founded by them?
- A. Yes. Let me explain. The African Communities League is a stock corporation under whose charter the Negro World operates. But all the stock of the A.C.L. was bought by the New York branch of the U.N.I.A. Then they were the sole owners of the stock and then the New York local financed the Negro World and brought it to a circulation of 60,000 or 65,000. Then, of late, the parent body decided that the branch should not have the Negro World, it being the organ of the entire association, and should be under and owned by the parent body. But up to that time the Negro World was considered a source of income to the New York local which has its accounts separate from all the others, and the New York local would not depart of the income of the Negro World except for a reasonable amount.

At that time the good will of the Negro World was estimated worth \$60,000, in that it had an income of maybe \$2,000 or \$3,000 a month net. So the New York local sold its rights to the Negro World to the parent body for \$60,000. Then at this time the income of the Negro World belonged to the parent body. So that the next balance sheet of the parent body, the assets and cash paid of the Negro World will appear, instead of in the New York local.

Q. How much of the \$60,000 has the parent body paid to the New York local for the good will of the Negro World?

A. \$46,505.

Q. Were you ever present at a meeting when the sum of \$15,000 or any other sum, was voted by the board of Directors of the Black Star Line to Mr. Garvey to do as he pleased with?

A. No. I may say I remember being present at a meeting not of ~~the~~ the Black Star Line, but of the Executive Council of the Association. The matter was being discussed should the parent body make ~~arrangements~~ to the other corporations when they are in need of such loans and should such loans be made on Mr. Garvey's own initiative without consulting the Council. This was the matter presented for discussion.

Q. When?

A. At a meeting held sometime last year. At that meeting I remember that Richard McGuire, who was then Chairman General of the Association, was a motion that the President General, to insure the inconveniences of calling Executive Council meetings extra, should be allowed to make loans not exceeding \$10,000 to the other corporations against notes properly signed by the officers of the other corporations and that after making such loans he was to report to the Council at the first meeting about the same. And that furthermore if that loan of \$10,000 should be made, he could not make any other loan without having the consent of the Council first. This was the motion as I remember it.

Q. Was it carried?

A. It was carried.

Q. And under it, how many loans have been made as you recall?

A. I do not think that the sums have exceeded \$10,000.

Q. Sum total of all the loans?

A. There were previous loans to the Black Star Line, but since that rule was made I do not believe a greater amount was loaned.

Q. Was the sum total of all the loans since that time made by the association to the Black Star Line not over \$10,000?

A. No, I do not mean to say that. I mean to say that since Mr. Garvey could have made loans to the extent of \$10,000, I do not believe that at one time he ever made loans of more than that amount without further

- Q. But what did these loans amount to in all since that time?
- A. You will find it in the ledger. Up to Sept. 30, 1921, the Black Star Line owes to the parent body about \$4,280.
- Q. What security do you hold for the \$4,000?
- A. We have the notes of the Black Star Line.
- Q. How much stock have you got, Mr. Garcia?
- A. I have about 25 or 23 shares.
- Q. Does Mr. Carver own any stock?
- A. Yes, he owns 200 shares.
- Q. Did he pay for them?
- A. Yes.
- Q. Has any stock been issued in payment of salaries?
- A. No.
- Q. As I understand it, the capitalization of the Black Star Line originally was \$500,000. When was it increased to \$10,000,000?
- A. I do not remember but it was sometime in 1920.
- Q. What consideration was given the corporation when the capitalization was increased? What assets were added to justify that?
- A. I was not with the company at the time this was done.
- A. Do you know of any assets which were added to those which the company already had when you increased the capitalization to \$10,000,000?
- A. I do not remember if the two other boats were bought after the increase of value. I came to the company when they already had three boats and had already increased their capital stock but I may suppose that after buying the "Hermuth" and "Hampden" I believe that was the consideration. They found out that the excess of authorized capital would not be enough to enable the company to purchase other ships. So they wanted to purchase capital to buy new ships.
- Q. How did you take care of the outstanding capital stock when the capitalization was increased? Did you re-issue share for share?
- A. No.
- Q. Twenty to one?
- A. No, I believe there was a stockholders meeting to consider it and the stockholders reached an agreement which must be shown in the minute book, to increase the capital stock.
- Q. Suppose I had a stock of share under the old. What would I get under the new?
- A. The same rate of dividend under the new.
- Q. Which was nothings? But how many shares of the new stock would I get?
- A. None.
- Q. I have a share of stock under the old capitalization for which I paid \$5. Now you make my company a ten million dollar corporation. Do I then continue to hold my one share?



-15- Statement of Elio Garcia.

A. Yes.

By Mr. Merrillos:

Q. This payment of \$32,820 (reading from cash book page 105) to New York local, July 26, 1921. What does it represent?

A. This represents the amount of loans that were made by the New York local to the Black Star Line previous to that time. We refunded to the New York local.

Q. Was that a cash transaction?

A. No, it was simply a check transaction. A check was issued to the New York local for that amount. The New York local endorsed the check and bought shares in the Black Star Line.

Q. Ultimately, that represents the purchase of stock of the Black Star Line?

A. Yes.

Q. Then they have over 6,000 shares?

A. Yes.

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A. He/ was here in January, as I recall it.

Q. And he returned?

A. About August, 1901.

Q. Did he instruct you to make these representations before he went away or after he returned?

A. Before he went away.

Q. Before January, 1901?

A. Yes.

Q. And you began making them immediately thereafter in the course of your lectures.

A. Yes, in May. They were supposed to own the *Memphis* and *Shady Side* before I went with them.

Q. Did you ever, in the course of your conversations with Garvey, hear him say anything about buying these vessels so that they could use them to boost the sale of stock?

A. Yes, the *Yanmouth* was called the "propaganda ship".

Q. You mean she was not intended to pay but intended to boost sales?

A. That is it, exactly.

Q. What was the *Shady Side* for?

A. I don't know much about the *Shady Side*.

Q. Did you make any representations as to the *Phyllis Wheatley* in the course of your work?

A. Yes.

Q. Who gave you the instructions you followed?

A. Marcus Garvey.

Q. What were the representations which you made under his instructions?

A. First, that the next ship of the line would be the *Phyllis Wheatley*. We were to get this ship in honor of a noted colored woman. That was the first representation. That this ship would be the largest ship of the line.

Q. Did you ever, during the course of your lectures, make any representations to the effect that the Line owned the *Phyllis Wheatley*?

A. Yes.

Q. When did you begin making these representations?

A. In April or May, 1901, I think.

Q. Who gave you these instructions did you say?

A. Marcus Garvey.

Q. Now Marcus Garvey was out of the country from January, 1901?

A. Yes, but he returned to the country since he had left.

Q. I am not sure of the date, but you said they owned the ship?

A. That was the idea of it.

Q. When did you begin making these representations?

A. That we owned it?

Yes?

A. In May, 1901. We began collecting money in January to purchase the *Phyllis Wheatley*, and that is where Garvey enters, before we began collecting, before Garvey left the country. In April (Chapman, then President of the *Black Star Line*, and Corbin, Exec. Secretary, were supposed to be negotiating for a ship called the

-7- Statement of James D. Brooks.

- Louping, in China, and Thomson told us that he lost that ship and then they had another one the same name in Chinese waters.
- Q So that when you went out and made representations to the effect that the line owned this ship, the Myllis Wheatley, you were following the instructions of Garcia?
- A I began in May. From January to May we were raising funds to buy this Myllis Wheatley. Then in May I received a telegram from Garcia that the Myllis Wheatley is here under inspection by our own men and the telegraphic records should show that.
- Q So that from the date of that telegram on you believed that they owned the Myllis Wheatley?
- A Yes.
- Q And you continued to make representations to that effect for how long?
- A Until about sometime early in July.
- Q Have you seen these circulars showing the Myllis Wheatley?
- A They sent them to me. I distributed them.
- Q And you and your agents told the people you owned that ship and on that representation I presume many people bought stock?
- A Yes.
- Q Did you sell passage on the ship as well?
- A No.
- Q Do you know whether passage was sold?
- A Passage was sold.
- Q Do you know of any other lecturers or agents who travelled about making representations similar to those made by yourself?
- A Yes: Sarah Branch, address care of myself.  
Rev. J. D. Gordon, 535 Harkness St., Brooklyn,  
A. L. Lewis, Buffalo, New York, or address care of myself.  
Dr. J. A. McGuire, can be reached through Cyril Briggs.  
Bishop Sellridge, address care of myself.
- These persons will tell you the truth about it.
- Q Do you know where your expense money came from?
- A When I was on the road it came out of whatever funds I collected.
- Q What was the cost of this pro-segunda talk?
- A My salary as secretary General of the Association was \$6,000 a year with a daily allowance of \$5.00 for board and lodging when out speaking. My secretary received \$20 a week and \$5.00 per day for board and lodging, and in addition to this there were travelling expenses, newspaper advertising, telegrams, telephone, and other things.
- Q Did you have any other funds of the Society that this money came from?
- A I did not handle them directly but was responsible for them. The Society handled the funds.
- Q And in increasing expenses you used other funds, depending on which was available?
- A The ship.
- Q Do you know whether the Disfranchisement funds were ever used for the talk or purchase of Liberty Hall?
- A I do not know.
- Q Did you know in those days Liberty Hall existed?
- A I do not, it existed since the National Convention in 1892 or the New York branch and he gave no advantage of the funds.

4 Statement of James D. Brooks.

- Q. Have you any knowledge as to the Black Star Line Corporation or the Association ever having voted any lump sum to Garvey?
- A. Yes sir.
- Q. What are the facts regarding it?
- A. Garvey claimed to have been hampered at times by lack of funds, etc., so we voted him a lump sum, I think, between eight and fifteen thousand dollars to be used at his discretion. That was in either October or November, 1920.
- Q. That was a lump sum allowance?
- A. Yes.
- Q. Was it renewed?
- A. No.
- Q. Have you any knowledge as to what disposition was made of the death fund of the association?
- A. That was handled in my office.
- Q. Was that kept intact?
- A. No.
- Q. What was done with it?
- A. It was put in with the other funds.
- Q. And went in the payment of salaries, and every day expenses, etc?
- A. Yes sir.
- Q. What was done with that construction loan account?
- A. That was used just as the other moneys, for general purposes.
- Q. That effort, or was there any effort made to keep separate the business of the Black Star Line and the Association, that is, insofar as finances were concerned?
- A. I should think so, because there were two separate treasurers.
- Q. When a Black Star Line expenditure was made were they always careful to use that Black Star funds were used, and vice versa?
- A. The Black Star Line did not have any money. The line was insolvent sometime in October or November, 1920. Their checks were not honored by the bank.
- Q. Briefly, what did Garvey have you arrested for?
- A. Grand larceny.
- Q. What are the facts?
- A. He claims that I collected, first it was \$1,400. The specific charge, however, is \$400, and that this was not reported to the association.
- Q. What was your object in withdrawing the funds?
- A. I did not withdraw them. I withdrew funds just as I had always done and the funds so withdrawn, as I understood, were to apply against my salary and expenses and were in every instance reported to the association. I did not understand that any of the money was to be used for anything other than the support of the line.
- Q. How long was that?
- A. November 20, 1921.

100-1701-0144

In re: Black Star Line, Inc.  
Room 214, Post Office Building,  
New York City, Jan. 15, 1921.

STATEMENT OF CAPTAIN J. W. JONES

Present: C. B. Williamson, Post Office Inspector,  
J. W. Gardner, Expert Bank Accountant,  
H. J. Davis, Special Agent, Bureau of Invest.

Stenographic minutes by H. J. Davis " " "

By Mr. Williamson:

- Q. Where do you live?  
A. 2505 Seventh Avenue, New York City.
- Q. When did you first enter Garvey's employ?  
A. This coming March two years ago.
- Q. March 1920?  
A. Yes sir.
- Q. What were your duties?  
A. I started first - my first job with Garvey was to check up on the finances of the restaurant that he was at that time running.
- Q. Was that restaurant run under the name of the Negro Factories Corporation?  
A. No, under the auspices of the African Communities League.
- Q. Were you in Garvey's employ during the summer when the Black Star Line ran the Shadyside?  
A. Yes sir.
- Q. Did you ever make any trips on the Shadyside?  
A. No, I was down to the wharf but I never went up the river on the boat.
- Q. Do you know whose money bought the Shadyside?  
A. I understood that the money was the result of the sale of stocks in the Black Star Line.
- Q. The upkeep of the boat - who paid for that?  
A. That was done in a like manner.
- Q. And as I understand it they charged for those trips?  
A. Yes, \$1.05.
- Q. And then the funds obtained from the sale of tickets, etc., go to the Black Star Line treasury?  
A. Yes, but the boat never paid for the coal.
- Q. It had a good sized band?  
A. Yes, 22 pieces. The excursions run at night and half of the band was taken from Liberty Hall and put on this boat.
- Q. On what information do you base the statement that the operation of the boat hardly paid for the coal?  
A. From statements that I had heard in the offices of the corporation.
- Q. Where were these statements made?  
A. Statements in general.
- Q. It was your own knowledge?  
A. Yes. In fact, I heard Garvey say on one occasion to one of the officers on the boat and to those about him, "Garvey's boat does not pay for the coal it consumes."

- Q. He was slow about paying salaries?
- A. He has always been slow about paying all salaries.
- Q. Do you know how long this boat ran?
- A. All in all during the summer about three months, but the machinery in the boat was so worn out that after running the boat a week or ten days she would lay up and then he was also disappointed in the amount of passengers carried and there was no regular schedule for the boat. But I do not think any trip it made paid for itself. It was a very old hull. I understand they paid \$55,000.
- Q. What in your judgment was the real purpose of operating that boat?
- A. It was more for prop agnia. The boat was bought to say "that we have another ship". Of course he expected to make profit.
- Q. Do you recall any conversation with Garvey or Garcia you ~~think~~ might have had that had reference to that?
- A. No, I don't. But that was general knowledge in and around the offices.
- Q. Did Garvey, when you went with him, own Liberty Hall?
- A. No sir. He does not at the present time.
- Q. But he did have access to it?
- A. Yes. There is still a mortgage against it.
- Q. What is the history of obtaining access to Liberty Hall?
- A. Just what the history is I do not know because of the fact that he had access to the hall when I came with him, but since I have been with Garvey he has increased the hall about fifty percent in size.
- Q. He had an option to purchase it?
- A. He had an option on the original building. Then he made the increase to the hall by making what was called a Building Loan from the members here in New York. They loaned from five to one hundred dollars, for which they were to receive six percent.
- Q. Do you know whether any of the proceeds of the stock of the Black Star Line was ever applied to the purchase price of the hall?
- A. Whether the purchase - whether the proceeds were applied to the purchase price I do not know but I do know that many times the money taken in for stock of the Black Star Line has been used for all purposes, such as paying bills of the Negro World. The stub checks will show that the printer was paid with money derived from the sale of stocks. The check stubs should show that the band that is known as the Black Star Line Band - these checks are drawn in the name of Miles, he is the leader of the band - all the checks are drawn in his name, he cashes them and pays the musicians.
- Q. Do you mean to say that the proceeds of the sale of the stock went to pay for the band?
- A. At the time when the U. N. I. L. did not have funds to pay for the band. There is kind of combination of corporations. There is the U. N. I. L. and A. C. L. That is a double corporation. It has been the policy that when the funds of the U. N. I. L. - the band goes under the name of the Black Star Line Band, yet that band plays every night in Liberty Hall. If there are not

enough funds in the U.N.I.A. to pay that bond then the funds of the line are drawn on, or the funds of the African Communities League, or the Negro Factories Cor. In other words, the funds have been manipulated so that any bill that was due, the fund that was available or had the most money in it, was drawn on to settle that account.

Q. Would the stubs show that?

A. They should. There is no doubt that you will find in these stub checks - this I know you will find, that the bills of the Negro World have been paid by the Black Star Line checks. When I first went to the Negro World their printing bill ran between \$2100 and \$2300 a week. At that time the paper was turning in from \$500 to \$700 a week. There was a deficit of about \$1500 a week because of the fact that the agents were given to understand by Garvey, well, if you pay all right, and if you do not, all right too. His idea was to get the sheet before the public and some weeks that deficit would be made up from funds of the U.N.I.A. or from any other fund available. But at that time the Black Star Line was selling stock from \$5000 to \$10,000 a week and of course the Black Star Line fund was most available. Sometimes the check would not be drawn on the Black Star Line, it would be drawn on the U.N.I.A., but funds would be transferred from the Black Star Line to cover this check drawn on the U.N.I.A.

Q. Would the necessary entries be made in the books to show this transfer?

A. Yes. For instance, here is one entry that you will find. There were \$54,000 worth of stock sold to the U. N. I. A. There was an effort there to always try to cover up funds. For instance when the delegates from the different organization divisions came to the last convention, there was a fund known as a death fund. That is, each member in a division outside of and including New York pays 35¢ a month dues. Five cents of that comes to the parent body, supposed to be operating expenses. Ten cents of that 35 cents goes in a death fund to pay death benefits. Twenty cents of it stays in the local division for their operating expenses. In other words, 15¢ of the 35¢ is supposed to go to the parent body. When these delegates were here in New York Garvey knew they would ask about the death fund. In order to cover up \$46,000 of this death fund, the U. N. I. A. is supposed to have bought the Negro World for \$46,000 and the fact is not a cent was transferred. In July, 1921 possibly the ownership of the Negro World, of which I am Circulation Manager and have been since March, 1921, passed from the U.N.I.A. to the general association, known as the parent body, from the U.N.I.A. local (or N.U.A. of which it owns the entire capitalization). The sale price was, I think, \$46,000.

Q. What happened as to payment?

A. There was no payment because of the fact that the A. C. L. treasury that should have received this fund, has not at any time had that much in it.



Statement of Capt. J. W. Jones.

- Q. What is the basis of your information as to that?
- A. From my actual knowledge.
- Q. Did you take care of any payments?
- A. No, I did not, but, for instance, I have deposited money for the A. C. L. from time to time and I have seen the books of the A. C. L. and I know at no time has the A.C.L. had \$46,000 in its treasury.
- Q. So that the parent body bought the "World" without paying for it?
- A. Yes. That statement was made so as to be able to tell the delegates what had become of the death fund that has been sent to the parent body, to say it has been used to purchase the Negro World. At the present time the funds taken in for the sale of the paper are still banked in the funds of the A.C.L., its original owners. It is understood now that the parent body owns the Negro World and I have personal knowledge that when bills are to be paid, no distinction is made between the funds of the A.C.L., the Black Star Line, Inc., or the parent body. At first it was a deficit in the Negro World fund, and the other corporations made that up. Later on the Negro World had a surplus and all of the other corporations helped to consume that. I am trying to make it plain that there is no distinction made between one fund or another. It is all used for whatever purpose is required.
- Q. Specifically, what concrete instances of this have you of your own knowledge?
- A. Roganski, the printer, 444 Pearl Street, has from time to time been paid by funds from the A. C. L., the U.S.I.A., Black Star Line, by checks drawn on those corporations.
- Q. When Garvey took a trip to the West Indies, who financed this trip?
- A. I could not say what funds he drew his original fare from.
- Q. Did he get any money advanced to him?
- A. No did. How much, I do not know.
- Q. Up to recently, say July 1921, the principal source of income has been through the sale of stock in the Black Star Line?
- A. Yes, also sale of the Liberian Construction bonds since last August, and as the Black Star Line began to dwindle, Garvey took up what he called the Liberian Construction Loan and issued bonds for construction purposes in Liberia.
- Q. How many of these bonds did he sell?
- A. About \$14,000 worth.
- Q. How much of that was expended in Liberia?
- A. As to actual expenditures in Liberia I would say about \$5,000.
- Q. And so this fund was drawn on and used interchangeably with the others?
- A. Yes. This was also used to pay all bills presented - electric light, coal, fuel, help hire, anything at all. There was a saw mill bought in this country for Liberia. I think they paid \$7,000. That is the only tangible asset purchased with this money.
- Garcia went to Liberia in 1920, June. He remained about a month and returned in the latter part of August, 1920. He brought Garvey two reports, one to be made public, and which was never done, and another confidential report, both of which I have seen with my own eyes. The confidential report, which of course was in Garvey's hands before he launched the construction loan

proposition, pointed out to him clearly the impossibility of the whole project, the difficulties being, general economic conditions of the country, climatic conditions, opposition from the Liberian Government.

Q. What do you know about the S/S Nyllis Wheatley?

A. In March last year Garvey sent telegrams to, I think, 14 Presidents of the largest divisions of his association. The Presidents were sent for to come to New York and 15 came. They held a conference. At this conference Garvey told these Presidents that if he could raise \$25,000 he could purchase a boat to be named the Nyllis Wheatley. The amounts were allotted to the divisions according to their number of members, for example, a division with five thousand members of course would be allotted more than a division of three thousand. The Presidents returned to their divisions after promising to raise their allotted amounts. This \$25,000 was raised. Some of this sum was raised by selling stock and those that did not sell the allotted amount took funds from local treasuries. That money was turned over to Thompson, and at the present time \$22,500 of that money is now in the hands of the U. S. Shipping Board in the form of escrow or security for good faith to procure a ship. Thompson told me this morning that it was impossible to raise the balance of the bond that was required because the Shipping Board had doubled the amount and unless this was done the \$25,000 now on deposit would be forfeited. In the issues of March and May of the Negro World the Black Star Line advertised the sailing of the Nyllis Wheatley in May on or about a certain date, I think April 25th. Through these advertisements and others they sold shares, I have heard, to the extent of \$22,000 to Liberia. From the best information I can get the greater part of this money has been returned, for example I know one man who had \$250.00 up as fare deposit last April. He got that fare back in October, after having been on deposit for about seven months. As late as the 6th of December, 1921, \$250 was accepted from one Adolphus Graham, 712 Hooker St., Brooklyn, for fare, and also \$100 left as deposit for safe keeping. Through these advertisements prospective passengers came from Washington state, California, etc., and about two weeks previous to the Tulsa riots eleven refugees came from there and told me personally that Dr. Brooks had told them that if they came to New York the Black Star Line would furnish them free passage to Africa. These people came here because destitute, and were finally taken care of by some charitable organizations in New York, and I think returned to their homes.

Re: U. S. vs Black Star Line, Inc.

Post Office Bldg.,  
New York, January 16, 1922.

STATEMENT OF FREDERICK A. TOOTE.

Present: O. B. Williamson, Post Office Inspector,  
M. J. Davis, Special Agent, Bur. of Inv.

Stenographic minutes by M. J. Davis, " " "

By Mr. Williamson:

- Q. What is your full name?  
A. Frederick Augustus Toote.  
Q. And your home address?  
A. #2374 Seventh Avenue, New York.  
Q. What is your connection with the U.N.I.A.?  
A. Secretary General of the U.N.I.A.  
Q. You are not connected with the Black Star Line?  
A. I am a Director of the Line.  
Q. What is your association salary?  
A. Five thousand dollars a year.  
Q. What is your Black Star Line salary?  
A. None.  
Q. How long have you been a director of the Black Star Line?  
A. Two years.  
Q. How long have you been Secretary General of the Association?  
A. Last August I was speaker in convention, that is chairman of the convention.  
Q. As a director you usually attend the directors meetings?  
A. Yes.  
Q. Was the "Yarmouth" called the "propaganda ship?"  
A. I was not a director when they bought the "Yarmouth."  
Q. Did you -- but you were present and knew about what they were doing?  
A. Yes, after.  
Q. Was the "Yarmouth" called the "propaganda ship?"  
A. I have never heard it called the "propaganda ship" in the Board of Directors.  
Q. I am not talking about the Directors meetings?  
A. I have heard the President General say at one meeting during the conference that the "Yarmouth" was bought principally to carry out his obligation with the people because he promised them a ship at a certain time and he bought that ship in order to carry out his promises to the people and that it was principally for propaganda work.  
Q. What do you mean "For propaganda work"?  
A. You see, he advertised that the ship would go out and if they did not get the ship, why the whole thing would have crumbled.  
Q. You mean that they were going to buy the ship, and he bought it regardless of whether they could make a profit or not - it was for advertising purposes?

2 Statement of F. A. Toots.

- A. No, it made two successful trips, so far as I know.
- Q. You mean ~~financially~~ financially successful?
- A. No, I do not mean financially successful. It shows that they had some expectation of running the ships and that it was not only bought for propuganda purposes when it went away twice.
- Q. You know that the "Phyllis Wheatley" never existed, don't you?
- A. Yes, it never existed.
- Q. Did you ever have a chance to buy a ship called the "Phyllis Wheatley"?
- A. Yes, Mr. Thompson, the Vice President, during the absence of the President General, was negotiating for a ship.
- Q. I know. The negotiation is one thing, but having the money to buy a ship is another.
- A. We collected a certain amount of money and they said if we paid so much the ship would be delivered.
- Q. You depended on stock sales for the remainder?
- A. Yes.
- Q. You sold something like \$750,000 worth of shares of stock all told?
- A. Yes.
- Q. Shares or stocks?
- A. I thought shares and stock were about the same thing.
- Q. You have sold about \$750,000 worth of stock?
- A. I do not know how much stock was sold.
- Q. What is the connection between the association and the Black Star Line?
- A. The association was first formed and then the Black Star Line was born out of the association. The Association was sort of promoter for the black star line.
- Q. What is the object of the association?
- A. It is principally a humanitarian, charitable, and to build up schools and enterprises among our own people.
- Q. And to carry on work of ~~making~~ colonizing Africa?
- A. No, that is not the object of the association.
- Q. That is the object of the Black Star Line?
- A. No. That is the object of the Provisional President of Africa, but the Association's object is humanitarian, friendly, and to establish schools in Africa.
- Q. Where does the colonization idea come in?
- A. That comes through the provisional President of Africa.
- Q. And what association?
- A. That is with him. I do not know how to bring that in - that is not connected with the U.S.I.A. to my knowledge.
- Q. Was not the Black Star Line to carry the men and provisions to Africa?
- A. Yes, carry men and provisions whether you were colonizing or not. Just as a matter of business.
- Q. When did you begin selling passage on the Phyllis Wheatley?
- A. I do not know of
- Q. Did you ever hear that being done?
- A. I have heard, yes.

Q. Was there any such thing done?

A. I do not know. I have heard. I have no evidence that it was.

Q. Where did you hear it?

A. I did not hear it in the office. I just heard people say they had paid prices to go to Africa on the new ship of the Black Star Line, the "Phyllis Wheatley" but I have never seen any money or receipts or tickets, etc.

Q. What are your duties?

A. My duties are to attend to the ~~tax~~ correspondence work of the U.N.I.A. and all monies coming in pass through my office to the High Chancellor. I keep a record of all monies coming in.

Q. Does the Black Star Line ever get any of your money?

A. When the members voted for them to have.

Q. Association members?

A. Yes, I mean the members of the Executive Council of the U.N.I.A.

Q. Give me some examples of their having voted money?

A. I think during the drive for this boat that was to be called the Phyllis Wheatley they needed an amount of money. It was reported to us by the Vice President that the Shipping Board needed so much money and that they wanted to borrow this money from the U.N.I.A. to pay this money on the ship.

Q. Did they borrow it?

A. I believe they did.

Q. Did they give notes?

A. They did.

Q. What was the amount?

A. I cannot tell you now, but I know that some money was involved

Q. About how much?

A. I could not tell you. The reports would come to my office ~~later~~ after they would pass through the Chancellor's office, not first. My office is not a dispersing office.

Q. The Association last June ~~and~~ loaned the Black Star Line some money?

A. Yes.

Q. Was it under \$20,000?

A. Yes.

Q. Was it under \$10,000?

A. I could not tell you the exact amount

Q. And the Black Star Line gave notes?

A. Yes, so far as I know.

Q. Have the notes been paid?

A. I do not know.

Q. Did the Black Star Line ever loan the Association any money?

A. Not to my knowledge, not since I have been Secy. General.

Q. Did the Black Star Line ever loan the Association any money?

A. Not to my knowledge.

Q. Did the Association ever buy any Black Star Line stock?

A. Yes.

Q. Do you keep your financial records separate - Black Star Line from yours?

A. Yes, the High Chancellor is Treasurer of the UNIA, and Mr.

4 Statement of J. A. Toots.

- Tobias is Treasurer of the Black Star Line, and Mr.....
- Q. I mean your finances?
- A. Yes.
- Q. Mr. Garvey was in the West Indies during the early part of 1921?
- A. Yes.
- Q. Between what dates?
- A. About between Feb. and July, I think, 1921.
- Q. Who handled the propaganda with reference to the "Yarmouth" during his absence?
- A. There was no propaganda.
- Q. There were some advertisements sent out?
- A. Not to my knowledge. I was out of the city myself.
- Q. You were not out from Feb. to July?
- A. Yes. I was travelling from one Division to another, speaking in the interests of the association. I was in Canada, I think in March.
- Q. What were you doing?
- A. Visiting the different divisions?
- Q. You were also acting as an Agent of the Black Star Line?
- A. Oh, yes.
- Q. You were making representations as to the Black Star Line?
- A. Yes.
- Q. Who authorized you to make these representations?
- A. As a director of the Black Star Line, I had authority of the President of the Line.
- Q. As a Director you did some of the directing?
- A. Yes.
- Q. What representations did you make as to the "Yarmouth"?
- A. I made none.
- Q. You never used the word "Yarmouth"?
- A. Oh, yes.
- Q. What representations did you make as to the "Phyllis Wheatley"?
- A. I made none to my knowledge. In Canada I told them I had certain papers of the Phyllis Wheatley stating that it would be delivered at a certain date. I have those letters at home that I received from Mr. Thompson.
- Q. What did you say regarding the "Phyllis Wheatley"?
- A. I said the Phyllis Wheatley was supposed to sail for Africa at the time they stated.
- Q. What was the time?
- A. I could not say. I received letters that the boat was to be procured at a certain time.
- Q. Who was sending out this information from the office?
- A. Mr. Thompson, as Vice President in the President's absence.
- Q. Was Mr. Garcia acting with him?
- A. Yes, Mr. Garcia was acting with him.
- Q. They reported to you that the Phyllis Wheatley would sail on such and such a date, changing it from time to time?
- A. Yes - no, they did not change the date.

(General conversation followed at this point)

- Q. So that, after you came back to the office and found out that you had inadvertently misrepresented the facts to those people, you now say that you did not return the money to the people?
- A. No, I did not.
- Q. But it was turned over to the Corporation and used as ~~they~~ though it had been gotten in a direct and open deal?
- A. That is right.
- Q. You and Mr. Garvey worked pretty close together on these matters?
- A. Not at all.
- Q. Explain?
- A. Because Mr. Garvey did not want me as General Secretary and our feelings are not very keen since that/
- Q. You are satisfied that Mr. Garvey has not used any of this money?
- A. I am satisfied about that. I do not believe Mr. Garvey would use one cent of it for his own use.
- Q. You are in sympathy with his plan to colonize Africa and believe in the possibilities of the plan?
- A. Yes.
- Q. And in making these representations to the people that you are dealing openly with them?
- A. Making what representations?
- Q. That you are going to have a President of Africa; that you are going to run a line of ships to every negro country of the world; that if they spend their money here they will be in a company financed and managed by experienced business men. You believe all these things?
- A. Yes.
- Q. And you are one of the experienced business men?
- A. I am not an experienced business man, of course not.
- Q. Is Mr. Thompson an experienced business man?
- A. Yes.
- Q. Having been a clerk in a shipping office in British Guiana?
- A. I do not know. But I know he has been experienced and is a graduate of some school of commerce.
- Q. ~~Is~~ Mr. Garvey has had some experience in handling ships before this venture?
- A. I do not know.
- Q. What men connected with your concern have had such experience in handling ships and dealing with shipping matters?
- A. The men who we employed.
- Q. I am talking about the company, not the help.
- A. I do not know.
- Q. Has there been anybody?
- A. Yes, the man whom we employed.
- Q. Who are they?
- A. There was Capt. Cockburn who was a member of the Board of Directors.
- Q. His experience was rather unfortunate?
- A. We have had Capt. Mosuo (?)
- Q. Who inside the directorate and among the officials of the

- 6
- A. Cookburn was a Director, and other men who were directors.
- Q. You have a death benefit fund in the Association?
- A. Yes.
- Q. And you collect so much a month to keep that fund replenished?
- A. Yes sir.
- Q. Do you keep the funds separate in the bank?
- A. No.
- Q. Do you keep it separate on your books?
- A. Yes, on the Secretary's books.
- Q. Do you use the death fund for anything else but to pay death benefits?
- A. Yes, it is used in the general paying out of expenses of the Association.
- Q. Such as salaries, office expense, etc.?
- A. Yes.
- Q. You do not regard it as a trust fund for this specific purpose?
- A. It is regarded so to a certain extent.
- Q. But not to the extent that would prevent you from using it for anything else?
- A. No.
- Q. Take that Construction loan fund. You helped in its collection?
- A. Yes.
- Q. How much about was collected?
- A. I could not tell you
- Q. \$100?
- A. Oh, no. Thousands of dollars/
- Q. Thousands of Dollars?
- A. Yes.
- Q. Did you use it for anything else but construction purposes?
- A. I guess it was. You are mixing me up with things I know nothing of/
- Q. The construction loan was spent for several things?
- A. Yes.
- Q. Some for constructing, some for current expenses?
- A. Yes, and some for advertising purposes.
- Q. So that this is practically used up now?
- A. I do not think so.
- Q. You still have some balance?
- A. Yes, we have some balance because we are paying off them as they come in/
- Q. Don't you know, as a matter of fact, that you did not return all the money collected for passage to Africa?
- A. I do not know that.
- Q. Would these reports come to you from some other official? and you would pay no attention to that?
- A. The officials never said one word to me about that money.
- Q. And you never asked about it?
- A. Yes.
- Q. You had enough confidence never to ask about it?
- A. Yes, I had confidence in the men, that they were doing the right thing.
- Q. You have confidence in these men who spent this death fund and used up the construction fund?



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A. Yes.

Q. What country are you a citizen of?

A. The United States. I was born in Key West, Fla.

Q. Where can you be reached by telephone?

A. At the office, Harlem 5775.

In re: U. S. vs Elmer A. Linde, Inc.

Post Office Building,  
New York, Jan. 16, 1922.

STATEMENT OF HUBERT HARRISON.

Present: O. B. Williamson, P. O. Inspector,  
H. J. Davis, Special Agent, Bur. of Investigation.

Stenographic minutes by H. J. Davis " " "

By Mr. Williamson:

- Q. What is your full name?  
A. Hubert H. Harrison.
- Q. Your home address?  
A. 570 Lenox Avenue, New York.
- Q. And your business now?  
A. Associate editor of the "Negro World" - one of the contributing editors.
- Q. How long have you been in that position?  
A. Since November, 1920, antecedent to which I was editor of the "Negro World".
- Q. Who were the first owners of the "Negro World"?  
A. The same people who are the owners of it now, that is, the U.N.I.A. and A.C.L.
- Q. The paper has always been owned by the U.N.I.A. & A.C.L.?  
A. Yes - one name.
- Q. Where did Garvey get the money to buy the paper?  
A. What do you mean?  
Q. Didn't he pay the paper some money?  
A. I guess you are referring to that statement---  
Q. Yes?  
A. That is bunk. No such transaction ever occurred.
- Q. Did Garvey ever use any Black Star Line funds to make payments to that paper?  
A. Prior to my going there in January, 1920, I do not know. Between January, 1920 and November, 1921, when I gave up the editorship, I can but say I do not believe so. I saw no signs of it, and on the contrary, the paper's money was being used to pay for Black Star Line work and things of that sort. They owed the paper money. The paper did not owe them any.
- Q. Does Garvey and his agents, in selling Black Star Line stock, want hold out the hope of colonizing Africa or some part of it?  
A. Always.
- Q. Is that one of the main inducements?  
A. Yes.
- Q. And the Black Star Line is to run the ships?  
A. Oh, yes.

- Q. Now, have you ever seen a report made by Garcia to Garvey as to the feasibility of this plan?
- A. I have seen the report made by Garcia to Garvey when Garcia came back in 1900 from Africa in August or July. I do not know that the report could be fairly described as a report on the feasibility of his invasion of Africa, but in the course of the report he gave information which indicated that they had no base to work from or on.
- Q. Did it indicate that Garvey owned nothing in Liberia?
- A. Yes.
- Q. What were the objections raised as to colonizing that part of the world by the Liberians?
- A. The objection of the Liberians themselves. And he advised if they wanted to exert any influence in Liberia they must soft-pedal and rather persuasively permeate the situation than buck it.
- Q. And eventually get control of the Government?
- A. I do not think Garcia's words in that report ran to any such an explicit conclusion, but the gobb is abundantly furnished at Liberty Hall. The more than - there happens to be a certain issue of the Negro World in 1910 about March or April, and in that issue they opened up at Liberty Hall and told all that they intended to do in Africa and what they were going to say to the Chief's, and Garvey was cheap enough to put it in the paper.
- Q. As you understand it, the Garcia report discouraged the colonization project?
- A. Yes.
- Q. You have heard some of Garvey's lectures in the course of which he was trying to sell stock in the Black Star Line?
- A. Yes.
- Q. What representations did he hold out and what promises did he make?
- A. He argued that the race needed ships and needed to be in commerce. He told them that they had to arise themselves from the domination of the whites and if they could do that by owning ships; that at the same time Africa was to be redeemed and that part of the work of redeeming Africa would be done by the Black Star Line by building it into a great big thing, and he assured them that there was wealth in Africa, that the wealth was waiting for our people, and that all our people needed to do was to go over there and get it. As to the method of getting in there, he explained that all he had to do was to drive the British out.
- Q. The seat of Government was to be in Liberia?
- A. Yes, of the Garvey Government.
- Q. Did you ever hear him make any promises there?
- A. Yes, I know Garvey and nothing.
- Q. Did you ever hear him make his speech in furtherance of this construction a loan?
- A. No.
- Q. Did you ever hear him make any representations as to the ownership or control or operation of any ships?
- A. Yes.
- Q. What did he say about actual ownership or possession of ships?

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-3- Statement of Hubert Harrison.

- Q. He said - more than said - that they owned the S/S Yarmouth, to be rechristened the "Frederick Douglass"; that they owned the "Kankwa" which they called the Moco; that they owned the Shadyside, and I have read the circular showing that they owned - had taken over - the S/S Elyllis Chestley.
- Q. You heard him make those statements in speeches?
- A. Oh yes.
- Q. Can you give me approximately the dates when he made such statements as to the Elyllis Chestley?
- A. About February, 1921 I heard Servey, in Liberty Hall, make those statements as to the Elyllis Chestley: that he had been examining the ship; that the ship suited him and the company and that the sole reason why he did not take her over then was that it was a Sunday on which he was locking her over. Furthermore, last at the time of his locking her over the Black Star Line funds stood so strong in six banks that they could have with bought the Elyllis Chestley any time, and in the same speech he made the statement that if they wanted to raise a million dollars any time they could do it in less than a month.
- Q. Were these representations made for the purpose of influencing stock sales?
- A. I could only infer as to that.
- Q. They were selling stock at the time?
- A. Yes.
- Q. Have you seen the printed representations as to the ownership or control of the Elyllis Chestley?
- A. Yes, insofar as they were a reproduction of this speech. He printed that, coming down to 1921 I think, read the statements made in Liberty Hall. Subsequent to this, I heard, in Feb. 1921, to the effect that they had the Elyllis Chestley.

Post Office Building,  
New York, Jan. 16, 1932.

STATEMENT OF GEORGE SOBIES

Present: D. B. Williamson, S.O. Inspector,  
H. J. Davis, Special Agent, Bureau of Investigation.

Stenographic minutes by H. J. Davis " " "

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By Mr. Williamson:

- Q. What is your full name?  
A. George Sobies.  
Q. And you are the - George Sobies who is Treasurer of the B. S. L.?  
A. Treasurer of the Black Star Line, yes sir.  
Q. And this is your picture on the circular headed "The Negro in the Realm of Commerce"?  
A. Yes, that is my picture.  
Q. What was that circular used for?  
A. For advertising the Black Star Line.  
Q. Sent out by mail, was it not?  
A. All over the country.  
Q. What are your duties as treasurer?  
A. - Receiving money and depositing in savings bank, etc.  
Q. How are dividends paid on any the funds were received and distributed?  
A. Of the Black Star Line, yes sir.  
Q. Why?  
A. That is, of the Black Star Line only.  
Q. For which stock did you call?  
A. Up to now I think it is about over 17,000 shareholders, but the secretary has the exact figures.  
Q. How much money have you taken in?  
A. About 1,000,000 or thereabouts.  
Q. Has money been practically all spent now?  
A. Well, there is some money invested in the ships.  
Q. Aside from that?  
A. Yes, in the office.  
Q. How do you get it and where in other ways, to run the company?  
A. In general, now, you have a small equity in each of these ships.  
Q. Yes, a large one I should say.  
Q. Would you have an idea of about what it would amount to?  
A. The figures I do not know. Mr. Garcia keeps all those figures.  
Q. Who did the circularizing?  
A. It was done, I think - I really do not know - some department of the office. I do not know whether - probably from the President.  
Q. What is your salary?  
A. Fifty dollars (\$50) a week.

-2- Statement of ...

- Q. You are not one of the high priced officers?  
A. No sir.
- Q. Did you authorize the use of Black Star Line funds in financing any of Garvey's trips?  
A. No sir.
- Q. Was any fund so used?  
A. Not from my department/  
Q. From any other department?  
A. I do not know what they did in the other departments.  
Q. What do you mean by "other departments?"  
A. I mean the U. S. I. A.  
Q. We are talking about the Black Star Line?  
A. All business for the Black Star Line - he gets his expenses for going on that business/  
Q. You required strict accounting from him?  
A. Yes.  
Q. So that we have all the vouchers covering that?  
A. Yes.  
Q. He never made any expenditure that you did not have covered properly by vouchers?  
A. Those papers go to the Secretary.  
Q. You are the treasurer?  
A. Yes.  
Q. As treasurer you must look out for disbursements?  
A. Any money I spent is recorded in the cash book.  
Q. You attended the Directors meetings?  
A. Of the Black Star Line?  
Q. Yes?  
A. Yes.  
Q. You recall they wanted to buy the "Yarmouth" so as to make a kind of propaganda ship?  
A. No sir.  
Q. Were they buying it for the purpose of making money out of it?  
A. Yes sir.  
Q. Did they buy it with the idea of making a stock selling feature out of it?  
A. Yes.  
Q. Did you see all the receipts?  
A. Yes.  
Q. So far as I can remember we got the boat for trading business.

AL:STT

January 20, 1934.

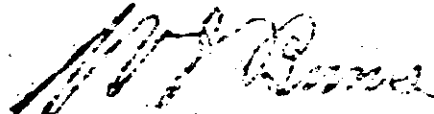
J. James P. Morrillous,  
c/o. Post Hill,  
May Hill Station,  
New York City.

Dear Sir:

Confirming instructions by telephone, you will please make the necessary investigation of the books and records of Harroun Carver and the companies he controls, with relation to the charge that he has used the mails in a scheme to defraud in violation of Section 418 of the Criminal Code.

In this connection the Bureau advises you that Special Agent Martin J. Davis at New York, has been assigned to the investigation of Carver and other persons associated with him, and it is suggested, for your own information, that you secure from the files of the New York office, copies of Agent Davis reports in order that you may assimilate the contents of these reports.

Yours very truly,

  
Director.

031-310.

## Department of Justice

### Bureau of Investigation

15 PARK ROW, 14TH FLOOR

NEW YORK, N. Y.

January 21, 1922

Director,  
Bureau of Investigation,  
Department of Justice,  
Washington, D. C.

General Intelligence Division.

Dear Sir:

U. S. vs. Marcus Garvey. Violation  
Section 215, U. S. C. C.

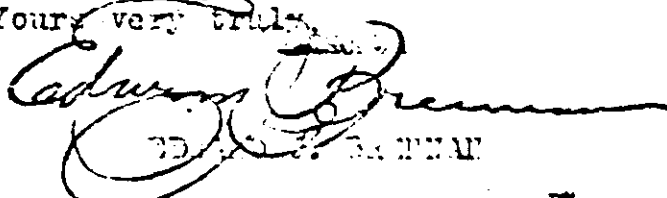
In connection with the investigation of the above entitled case, it is respectfully requested that a representative of the Washington Office of Bureau confer with the Division of Contracts and Sales, of the United States Shipping Board in your city, for the purpose of obtaining from said Board photostat copies of all letters, contracts and other papers concerning negotiations between the Black Star Line, Inc., and the Shipping Board, for the purchase of the S. S. "Orion".

It is further requested that the Shipping Board furnish the exact dates upon which such negotiations first started, and also the present status of the matter. The United States Attorney in this district is desirous of ascertaining the reason why the Shipping Board failed to turn over the "Orion", as it is claimed that the Black Star Line had already paid the sum of \$22,500 for the vessel.

Garvey's hearing is scheduled for Thursday, January 26th, and it would be appreciated if the information requested be in this office prior to that date.

It is further requested that this office be advised as to whether or not any complaints have ever been filed against the Black Star Line by dissatisfied stockholders, with the various offices of our Bureau throughout the United States, and if such complaints have been filed, Assistant United States Attorney Joyce, who is handling the matter against Garvey, is quite anxious to learn the names and addresses of the persons making said complaints.

Yours very truly,

  
J. EDGAR HOOVER  
SPECIAL AGENT IN CHARGE



REPORT MADE AT: <b>New York City</b>	DATE WHEN MADE: <b>1/20/22</b>	PERIOD FOR WHICH MADE: <b>1/16/17/18/19</b>	REPORT MADE BY: <b>Mortimer J. Davis.</b>
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TITLE AND CHARACTER OF CASE:

In re: U. S. vs Black Star Line, Inc., Marcus Garvey, et al.,  
 Vio. Sec. 215, Using the Mails to Defraud.  
 Negro Activities.

FACTS DEVELOPED:

Continuing this case:

Following the return to Pittsburgh of Post Office Inspector Williamson, Agent made an investigation of the purchase by the Black Star Line of its various boats.

Re: S/S "Yarmouth"

This boat, which is described as being built at Dumbarton, Scotland, in 1877 of steel, 1452 tons gross, 725 tons net, cargo capacity 60,000 ft., length 220 ft., breadth 35 ft., depth 21 ft., bunkers capacity 300 tons, average speed 9 knots, passenger accommodations for about 25 persons, rebuilt in 1917, and electric lights, wireless and towing machine added, was, at the time the Black Star Line started negotiations for her acquisition, the property of the North American Steamship Corp., of Canada. The stock of this company had been acquired by the firm of Harriss, Irbe & Vose, presently located at 15 William Street, New York City.

I have interviewed Mr. W. L. Harriss, who was formerly a member of the firm Harriss, McGill & Co. 35 So. William St., which firm originally acted in a brokerage capacity for the North American S/S Co. in the sale of the "Yarmouth." He states that the firm of Harriss, Irbe & Vose originally paid about \$350,000 for the boat, but that they purchased it during the war, when boats of any description were at a premium. Furthermore, the firm covered the purchase price from the profits of the first several trips of the boat with cargo. At least two of such trips, states Mr. Harriss, were

M.J. Davis for 1/16 to 19/22 Re: Black Star Line, Inc.

trans-Atlantic, on each of which she developed boiler trouble, was forced to return to port, but finally completed the trips.

The original contract between the Black Star Line and Harriss, Irbe & Vose for the purchase of the "Yarmouth" is dated September 16th, 1919. It calls for delivery to be made to the purchaser between October 31st and November 10th, 1919. The purchase price was \$165,000, ten percent of which (or \$16,500) was paid upon signing this contract. It provided further that \$83,000 was to be paid upon delivery of the boat to the purchaser, and the balance to be paid in installments within ten months. This contract was signed for the Black Star Line by Marcus Garvey, President, and E. D. Smith Green.

On October 20th, 1919, the Black Star Line notified Mr. Harriss that they were not prepared to take delivery of the boat. The general reason given was that they were not in a position to make the necessary payment at the time. A supplemental contract was then entered into, according to which the purchase price was raised to \$168,000.00. The sum of \$3,500 was paid by the Black Star Line upon the signing of this contract, and \$50,000 was to be paid upon delivery of the boat to them.

On October 31st, 1919, the Black Star Line again made a plea of poverty, stating they were not yet prepared to take delivery. They requested Harriss, Irbe & Vose to permit them to charter the boat and make one round trip to the West Indies, promising to take delivery upon completion of this voyage. Mr. Harriss recalls that the general reason for this request advanced, he thinks by Garvey, was so that the Line could make a profit from the carrying of cargo and passengers sufficient to meet part of the balance due, and in addition it would make good propoganda

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M. J. Davis for 1/16 to 19th/22      Re: Black Star Line, Inc.

for the raising of money by the sale of stocks. Mr. Harriss agreed to this arrangement, and accordingly a second supplemental agreement was entered into embodying this arrangement, and calling for the payment upon signing of \$50,000 (which was met by the B.S.L. on Nov. 8th). Also, it provided that the balance due on the boat was to be paid in ten equal monthly installments starting thirty days after delivery. On Nov. 25th the Line made another payment of \$22,000.

On January 10th, 1920, after the ship had completed its round trip from the West Indies under the agreement just mentioned, Garvey again came to Mr. Harriss to ask another deferrment of the delivery date. Thereupon, a third supplement contract was entered into, according to which \$20,000 was to be paid by the Line upon signing (which was done), and the balance to be met in ten equal monthly installments commencing thirty days after delivery.

Up to this point, it will be noted, a total of \$112,000 had been paid on the "Yarmouth" by the Black Star Line, leaving a balance of \$56,000, covered by the arrangement just explained. Between January 10th, and May 17th, 1920 Garvey was able to meet but \$6500 of this balance, and this, states Mr. Harriss, was paid irregularly in small amounts of \$500 and up. Therefore, on May 17th, 1920, Mr. Harriss accepted from Garvey a series of ten notes for the \$49,500 balance, each note calling for the payment of \$4,950, dated a month apart, the first one dated May 17th. On this date, also, Harriss Irbe & Vose gave to the Black Star Line a bill of sale, so that it therefore became the actual date of delivery and is so recorded in the records of the former concern. It is not to be understood, however, that title to the ship passed to the Line with this bill of sale, for such was not the case. In an

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interview with Mr. Leo Healy, 44 Court Street, Brooklyn, attorney for Harriss, Irbe & Vose, he advises that title has never passed to the Black Star Line, and that the ship is to this day registered under the name of his clients. He further explains that the reason for this is due to the unwillingness of the Department of Commerce, Canada, to transfer the registry, based upon an investigation by that Department of the Black Star Line, and their finding that it was not officered by responsible parties or managed with proper care. This, states Mr. Healey, was not only made known to himself and his clients, but was also well understood by Garvey and other officers of the Black Star Line, who, in an effort to circumvent this ruling, formed what was known as the Black Star Line of Canada, for the purpose of taking the ship over. However, when the Canadian authorities again investigated, and found that this new corporation was officered by the same persons entrusted with the affairs of the Black Star Line, Inc. in this country, they again refused to transfer registry. There are several letters from the Dept. of Commerce, Canada, in Mr. Healy's possession, addressed to Harriss, Irbe & Vose, which I did not have an opportunity to read, but which I believe contain the information above outlined.

Since May 17th, 1920, the date upon which Garvey gave his ten notes in payment for the \$49,000 then still due on the "Yarmouth," the Black Star Line has, up to the present date, met but \$17,500 of this balance, and this in small, irregular payments. Messrs. Harriss, Irbe & Vose hold a mortgage for the balance. This mortgage, of course, could not be

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recorded because of the fact that H. I. & V., being the registered owners, could not file a mortgage against their own ship. Mr. Healy states that his clients are not worried about the balance due and have no intention of taking any action to recover, because of the fact, as already stated, whatever they received from the Black Star Line was clear profit. Mr. Healy states that his clients were continually annoyed by Garvey's pleas of poverty, and he believes the Black Star Line has been insolvent for a long period. Mr. Harriss verifies Mr. Healy's statements, and, with reference to the balance due, adds that even if they should recover the "Yarmouth" it would cost about \$100,000 to repair her, whereas at present, conditions are such in the shipping industry that they could not obtain more than a few hundred dollars if they attempted to sell her.

Despite Mr. Healy's statement that his clients are the registered owners of the "Yarmouth", I have learned, by communicating with the U. S. Marshal for the Eastern District that the ship was sold by court order on December 3rd, 1921, to one Robert F. Townsend, for \$1,625.00, while lying in the National Dry Docks, Port Richmond, S. I. The Marshal's explanation of this situation is that the Black Star Line must have furnished some satisfactory evidence that they were the owners of the ship. It is my intention to review the papers in this case at the first opportunity. Attention, however, is called to the fact that the Black Star Line, according to their books and the Statement made by Elie Garcia, Secretary, is carrying the "Yarmouth" as a \$200,000.00 asset, whereas, as just stated, she was recently sold for \$1625.00.

I have also been informed that there are libels against the "Yarmouth"

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approximating \$200,000. At the first opportunity I will obtain the history of such actions filed in this and the Eastern Districts.

Re: S/S "Kanawha".

I have interviewed Capt. Leon E. Swift, ship broker and maritime consultant, #68 Broad Street, this city, who acted in a brokerage capacity between Marvin Briggs, Inc., of 168 Sixth Street, Brooklyn, and the Black Star Line, Inc., in the sale of the S/S "Kanawha". I have, also, interviewed Briggs.

Capt. Swift is openly sympathetic toward Marcus Garvey, stating that he believes him to be honest and sincere, but has been made the victim of double crossing by dishonest associates. Just who these associates are Capt. Swift does not seem to know, however.

Swift offered the "Kanawha" to the Black Star Line on April 19th, 1920. Thompson and Garvey did the negotiating for their company. The records indicate that the ship was built in 1899 at New York, is 3200 h.p., 375 tons gross displacement, 330 tons net, 208'4" long, 24'4" wide, 14'8" deep, classed as a yacht. Takes crew of 37 to man. Swift states also that it will carry about 55 passengers and 150 tons of freight.

The purchase/price to the Black Star Line was \$60,000. The formal contract was entered into on April 24th, 1920, according to which the Line, per its President, Garvey, agreed to pay \$5,000 down, \$10,000 upon delivery, and the balance to be arranged in installments and to be paid within six months. Marvin Briggs states that title passed with the second payment, at which time a bill of sale was delivered to the Line. Mr. Briggs has been

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paid in full, but states he was not paid within the contract time limit. From time to time Garvey and Thompson came to Briggs' office and pleaded for time extensions, claiming they were in all kinds of difficulties and very short of cash. On one occasion, states Mr. Briggs, Garvey almost wept upon telling of the trouble he was experiencing with the financial matters of the Line. On another occasion Thompson came to Briggs and asked the latter to forego, for a period of time, his mortgage claim against the "Kanawha" in order that necessary repairs could be made upon her, explaining that the Morse Dry Docks would not make these repairs under any other arrangement (evidently not being satisfied with the financial condition of the Line). Briggs refused to do this.

After the Black Star Line took over the "Kanawha", Capt. Swift went into their employ in the capacity, he states, of consultant and Captain. His employment with them started about May 1st, 1920, continuing until about the middle of August, 1920, with the exception of about three weeks during which Swift was on jury duty. Swift states that he supervised the repairing, refitting, painting, etc., of the ship while in this port, and then went aboard her as Captain, taking her to Norfolk, Va., where he turned the ship over to Capt. Richardson and a colored crew. While in the employ of the Black Star Line Swift received \$100 a week while in port and \$275 per month when at sea.

Swift further states that in his opinion \$60,000 was a bargain price for the "Kanawha"; that she was able to make trans Atlantic voyages, could develop a speed of about 22 knots, and could have made the trip to Africa in about 9 days. He states he never heard Garvey or any of his other associates state that <sup>this</sup> ship was to be used in the African trade, but it was his understanding

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that it would ply between the U. S. and the West Indies, carrying freight and passengers. Swift could not give any idea of the approximate present worth of the "Kanawha", but assumes she is little better than worthless due to deterioration caused by the briny waters around Cuba, where he understands the ship is now tied up.

Swift is particularly antagonistic toward Capt. Richardson, alleging that he wilfully neglected the "Kanawha" and is responsible for much of her mechanical troubles.

I asked Swift whether or not he had dealt with anyone in the Black Star Line, among the officers, who knew anything about running ships. He replied that outside of Thompson, who he stated had a limited knowledge of such matters, there appeared to be none. I also asked Mr. Briggs, who is presumed to be thoroly familiar with the mechanical operation of ships, the same question. He stated that he met no one connected with the Black Star Line who appeared to have the slightest knowledge of running ships.

Re: S/S Shadyside:

This boat was sold to the Black Star Line by Captain Swift. It was owned by the latter, who states he originally got it for "one dollar and other valuable considerations" from parties he did not name. It is he states, a river excursion boat, built in 1875 in New Jersey and originally had a book value of from \$26,000 to \$27,000. When Swift took it over he states it was practically worthless and was lying at Stamford, Conn. He completely overhauled her, claiming he spent upwards of \$20,000, per-



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sonally supervising this work. Swift experienced much trouble getting a permit to operate the boat after the repair work was completed, and according to his story he "went over the head" of the inspector who made the examination in order to get the necessary permit.

Swift states that when he learned the Black Star Line was in the market for a boat, he drew up a prospectus of the "Shadyside", advancing therein the idea of their purchasing this excursion steamer to run up the Hudson so that they could not only make a profit, but could also show their stockholders they were actually running a ship, thereby enhancing the prospects for further stock sales. In Swift's own words, "it was good propaganda for their stock salesmen". Garvey and Thompson, after going over the prospectus, agreed, and entered into contract for the purchase.

The formal contract was signed on March 24, 1920, and delivery of the ship was made on April 10th, 1920. The purchase price agreed upon was \$55,000, \$2,000 to be paid upon signing of the contract, \$8,000 more upon delivery of the bill of sale. The balance was covered by a mortgage and a series of <sup>12</sup> notes signed by Garvey, each for \$2,000, the twelfth for \$3,000, interest at 6%. At the present time \$17,000 is still due on the boat, in addition to interest, in other words, but four notes have been met, the last of these being paid during November, 1920, which, however had been due previously. Swift states Garvey and Thompson continually pleaded poverty, and he was willing to wait, believing in their honesty.

During the Winter of 1920-21 the "Shadyside" was damaged by ice and storm, and is now at Ft. Lee, N.J., states Swift. He has inspected her since this accident and pronounces her a total loss.

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Swift states that he does not intend to foreclose his mortgage. When I asked him how he expects to collect the balance due him, inasmuch as he believes the Line to be bankrupt, he called my attention to the fact that when he sold the ship to the Line an insurance policy was taken out in some London company whose name he cannot recall, covering the boat to the extent of \$35,000. The insurance company, he says, placed a \$45,000 valuation on her, but he admitted that the valuation took into consideration general shipping conditions at the time, and that the "Shadyside" had a market value approximating that, which, however it would not have at present even if in good condition. After the Line took out the policy, they drew up and signed an agreement with Swift, appointing him their agent to hold, survey and do everything pertaining to the collection of the insurance. This agreement also contains the following clause:

"It is understood and agreed that during the life of this steamer the said steamer is not to be removed from New York or vicinity without written consent of the owner. It is also understood and agreed that insurance is to be placed on the said steamer. This insurance is to apply as interest may appear. Premium on this insurance to be paid by the purchaser."

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Thus, Swift states he intends to take the balance due him out of the insurance money. He is now suing the company for full insurance, claiming, as stated above, that she is a total loss. What he intends to do with the amount above that due him he did not say.

Re: S/S "Orion".

I have interviewed both Mr. Julius Wolff and Mr. Stephanie,

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Re: Black Star Line, Inc.

of the firm Wolff & Stephanie, ship brokers, 22 Rector Street, New York. They state their firm and the Black Star Line were brought together by mutual friends for the first time on October 24th, 1921. Joseph Nolan, acting as Attorney for the Line, in company with Garvey, Thompson and Garcia, came to their offices in Rector Street. Nolan stated that the Black Star Line had already paid deposit of \$22,500 on the S/S "Orion", then at Norfolk, Va. and owned by the U. S. Shipping Board. The purpose in interesting Wolff and Stephanie was to get them to raise \$135,000 balance so that the ship could be purchased for cash. The price asked by the Shipping Board Mr. Wolff understands to have been \$175,000, \$22,500 of which had already been deposited by the B.S.L., who agreed to provide at once an additional \$20,000 or thereabouts, leaving the approximate balance of \$135,000 for Wolff & Stephanie to raise. Mr. Wolff stated to me that he clearly understands that the only reason he was approached in the matter was because the Black Star Line was short of cash and had no immediate prospects of raising it, and the further fact that no bonding company would issue a surety under present shipping conditions.

Mr. Wolff states that he was able to raise the cash needed thru clients, but decided to first investigate the Black Star Line's ability to make it good. Mr. Wolff stated to me that Garvey told him a new company, known as the Black Star Steamship Co., Inc. had already been chartered in the state of New Jersey, which company was to create a bond issue to the amount of from four to five hundred thousand dollars, the bonds themselves to be deposited with any institution named by Wolff & Stephanie. The bonds were to carry 7% interest. The Black Star Line was to ~~sell~~ sell the bonds

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to its customers, and as the sale progressed the depository was to be instructed to turn the proceeds over to Wolff & Stephanie until the amount of \$202,500 (this is the balance on the boat, including interest and commission bonuses, apparently) was paid. Wolff states that after superficial investigation by him he decided that he did not care to entrust the boat to Black Star Line management, so it was agreed to place it under operation of a shipping concern to be agreed upon by both, the profits accruing from the carriage of freight and passengers to the west coast of Africa, after deducting expenses, to be added to the first proceeds of the bonds, in liquidation thereof.

During all this time, and up to the end of December (28th) 1921, all these negotiations were made verbally, no contracts of any kind being drawn, and the consent of Wolff & Stephanie being given conditionally. On December 28th, 1921, Wolff & Stephanie received from attorney Nolan a letter, outlining the entire proposition. Copy of this letter which I obtained from Mr. Wolff, reads as follows:

December 28th, 1921

"Dear Sir:

The following is the proposition which we have to present to you on behalf of the Black Star Line.

The Black Star Line has contracted with the U.S. Shipping Board for the purchase of the SS. "Orion" at a price of \$225,000.00, payment of this amount to be made by giving a Surety Company-bond, mortgage on the ship, etc.

I am satisfied that we can purchase this ship for the sum of \$175,000 cash, or best price possible, payment to be made as follows;

\$22,500.00 already paid to the Shipping Board by the Black Star Line.

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\$20,000 additional to be provided by the Black Star Line.

\$135,000.00 to be furnished by your parties.

In addition to the proposed purchase price of \$175,000.00 the repairs of the ship will approximate \$55,000.00. Out-fitting, stores, supplies and crew's wages for the first voyage will approximate \$30,000.00. Insurance for the first quarter will approximate ~~approximately~~ \$7,500.00 making a total disbursement of \$247,500.00 of which the payments of the Black Star Line already made and to be made will total \$42,000.00, and \$105,000.00 expected to be realized on the first voyage from freight and passage money. The net cash investment, therefore, of your clients, would be \$135,000.00, although it would be necessary, in order to get title to the ship from the Shipping Board, for your clients to put up \$135,000.00 as an initial payment.

The Black Star Line will secure the repayment of your clients' advances, as well as the payment of the sum of \$67,500.00 by creating a bond issue upon the SS. "Orion" covered by a first mortgage, the bonds to carry 7% interest. The bond issue will be either for Four or Five hundred Thousand Dollars. The bonds themselves will be deposited in escrow with a depository to be named by your clients, the Black Star Line to sell these bonds to its customers, the proceeds of the sale to be turned over to the depository and the bonds released as the cash is paid to the depository. Under an appropriate agreement the depository will be instructed to turn over the proceeds of the sale of these bonds to your clients until the full amount due your clients, \$202,500.00, has been received by your clients.

In addition to this the "Orion" will be managed and operated under the direction of a proper shipping concern to be agreed upon between your client and the Black Star Line, and the freight and passage money, after payment of the expenses of the ship, to be turned over to your clients in further reduction of the amount due, so that the first proceeds of the bonds, as well as of the freight moneys, shall be paid in liquidation of the amount due your clients. After your clients have been paid in full the depository will be instructed by the Black Star Line with regard to the disposition of the balance of the bonds in its hands.

For your information I would say that the SS. "Orion" is a steel screw steamer, is a German built vessel, formerly

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known as the "Prinz Oscar", and is approximately 9100 tons deadweight. Lloyd's Book will give you full advice as to this. She has been appraised since she was in the hands of the Shipping Board and within the last few months by the Insurance Underwriters as being worth \$60.00 a ton, so that her appraisal value for insurance purposes has been fixed at \$720,000.00.

She is now at Norfolk, Va., where she is being used by the Government as a supply ship for the fleet of ships tied up there, consequently she has not been allowed to run down in her various departments as would happen to a vessel tied up in idleness.

Of course you will understand that there are to be no commissions due from the Black Star Line unless the transaction goes through.

Very truly yours.

The original of this letter is in Mr. Wolff's possession. According to this communication, Mr. Wolff appears to be mistaken as to his understanding that a Black Star Steamship Co. of New Jersey had been formed to take over the "Orion".

Mr. Wolff characterizes the statement that the delay in obtaining this boat was due to the Shipping Board changing the form of contract, as untrue. It will be recalled that Thompson, in his statement to Mr. Williamson and the writer, gave that as the only reason he could not obtain the ship. All that was needed to procure it, stated Mr. Wolff, is payment of the balance

The letter above quoted has not been replied to by Wolff & Stephanie. Following receipt of it they went personally to the offices of the Black Star Line at 56 W. 135 St. for the purpose of satisfying themselves further that the resources of the Line were sufficient to take care of a proposed bond issue.

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At the offices they were shown the income of the Line and the Association, and from their story I take it that Garvey and Garcia did everything to make the Line's financial status as bright as possible. Wolff & Stephanie were shown by Garcia and Garvey that the Line had sold during 1921 alone, some \$600,000 worth of stock, and the former were given the impression from their visit that several millions of dollars must have been collected from all sources since Garvey started operations. They were told by Garvey that the U. N. I. A. had "several million members", practically all of whom would buy the new bonds merely upon command from Garvey. They were also told that the same officers who controlled the steamship Line controlled the U.N.I.A. and other collection enterprises headed by Garvey, and intimations were made by Garcia and Garvey that they would manipulate the funds so received to go toward payment of the "Orion." As Wolff stated, "they seemed to have a flood of money coming in". Both he and Stephanie were fully satisfied after this visit that the money would be easily raised by Garvey. Mr. Wolff admitted he had no idea of the present bank account of any of the Garvey organizations, except that "they showed him four or five bank books showing vast deposits", he also admitted he was not shown how the moneys received had been disbursed. Wolff states he was not interested what had become of monies collected, but was solely interested to know whether it could actually be raised. Even if they failed to make good, stated Mr. Wolff, he would be protected by the bond issue in escrow, and he was further satisfied that there is sufficient passenger and freight trade to make the boat pay.

After the visit mentioned Wolff & Stephanie were about to accept the

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proposition when they read of Garvey's arrest in the newspapers, since which time they have refused, and will continue to refuse to consider it any longer.

Neither Mr. Wolff or Mr. Stephanie cannot recall ever hearing the "Orion" referred to by Garvey or any of his followers as the "Phyllis Wheatley". There is, however, in Mr. Wolff's possession a typewritten list of repairs to be made on the "Orion", written across the top of which in pencil are the words "Phyllis Wheatley." Upon calling Mr. Wolff's attention to this, he stated it is Thompson's handwriting, and that the list is one prepared by Thompson after his visit to Norfolk on an inspection trip.

The Shipping Board in New York is unable to furnish any up to date data on this matter, and refer us to the Division of Contracts and Sales in Washington. I would suggest that the Washington office of this bureau procure photostatic copies of all papers showing the negotiations between the Black Star Line, or its agents, and the Shipping Board, for the purchase of the "Orion", for the use of the writer. If possible, also, it would be of assistance to have from the Shipping Board a photograph of the "Orion" if one is available.

The "Orion" sometime ago was operated by the Kerr Steamship Co. under auspices of the Shipping Board. I submitted the circular showing the alleged "Phyllis Wheatley" to Mr. Smith of that Company, and he identifies it as the Orion.

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The above data is submitted for the assistance of Post Office Inspector Williamson and Asst. U.S. Attorney Joyce, for the purpose of showing



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Re: Black Star Line, Inc.

that during the period the Black Star Line was advertising itself as "the most prosperous industry of all time, etc., etc.", it was as a matter of fact a bankrupt organization, without any prospect of realizing its published intention of running a successful steamship line.

Continued.

REPORT MADE AT: New York City	DATE WHEN MADE: 1/21 /22	PERIOD FOR WHICH MADE: 1/16/22	REPORT MADE BY: Mortimer J. Davis
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TITLE AND CHARACTER OF CASE:

In re: Black Star Line, Inc., Marcus Garvey, et al.,  
Vio. Sec. 215, U.S.C.C., Using the Mails to Defraud.

FACTS DEVELOPED:

On this date HUBERT H. HARRISON brought CYRIL CRICHLow, #92 Ege Avenue, Jersey City, N.J., also #28 W. 44 St., New York City, to the Bureau office. Harrison, it will be recalled, made a statement to P.O. Inspector Williamson and the writer during the past two weeks, and brought Crichtlow in today to have him make a statement of his knowledge of Garvey's affairs. I have deferred taking such statement until Mr. Williamson returns to New York. However, Crichtlow advises me that he is willing to testify to:

1. Conditions in Africa
2. Speeches delivered by Garvey in the U.S.
3. The purpose of Garvey's trip to the West Indies during 1921.

Crichtlow was for a long period Official Reporter of the U.N.I.

A. In this capacity he travelled throughout the United States with Marcus Garvey, reporting stenographically his various speeches, many of which subsequently appeared in the "Negro World" verbatim. He is willing to testify to any of the speeches so reported, and believes he can produce the original notes of many.

During 1920, I believe, Crichtlow was selected by the U.N.I.A. to head a delegation of its members, which made a trip to Liberia, Africa. Crichtlow's findings there are embodied in several letters, photostats of which are in possession of this office. He is willing to testify as to the  
neither  
African situation. In general, he found that Garvey or the U.N.I.A. had

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any standing or holdings in Liberia; that the Liberian Government was antagonistic to Garvey's proposed colonization scheme; that climatic and economic conditions were such that this scheme would be impracticable, and that he notified Garvey in writing and in person of these facts. It is of course well known that not only did Garvey suppress Crichlow's report, but, in addition, continued to publicly misrepresent the facts after receiving it. Crichlow is now suing Garvey for \$1500 back pay, which he claims is due him from the African trip.

Regarding Garvey's trip to the West Indies during 1921, Crichlow states that the former freely discussed it with him prior to leaving the country, and while they were both travelling around the U.S. visiting different divisions of the U.E.I.A. Garvey, states Crichlow, told him that things looked very bad financially for the Black Star Line at the time and that a crash was imminent. Therefore, Garvey is alleged to have said, he intended leaving the country so that should anything happen he could claim ignorance because of his absence. This is probably true, for I have received information from several sources during the past week that Garvey's defense in this case, so far as it refers to the phantom "Phyllis Wheatley" will be that all transactions regarding it took place during his absence from the country.

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Harrison today submitted voluntarily the following memoranda:

"Mrs. - - PARRIS, 117-119 West 142 St., one flight up, front, east side. Bought passage for Africa (for herself and family). Sold land in Yonkers and in St. Croix, V.I. Also sold household furniture in preparation for trip. Constant attendant at Liberty Hall. Sick of Garvey's lies and crookedness, but has pathetic regard for "welfare of movement" for which reason she is slightly inclined to rally round him until they on the inside can deal with him themselves. Rich in witness stand possibilities. I could coach you somewhat on line of questioning her."

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"Capt. Joshua Cockburn, 201 W. 128 St. Very valuable person, from whom could be had the addresses of Edward Smith Green, former Secretary of Black Star Line, and Mr. Johnson, former passenger and Traffic Agent. All three "have it in" for Garvey. Perhaps they would be more valuable for Dept. of Justice than for restricted limits of P.O. case. Their names might be passed on.

"Capt. Jones, of Negro World. If privately examined, could give name and address of man to whom passage to Africa on the phantom "Phyllis Wheatley" was sold as late as Dec. 6th, 1921 for \$250. At any rate, he talked in office with many to whom such passage was sold in summer of 1921. He too, could be benevolently "forced."

"Cyril A. Crichtow, 92 Ege Ave. Jersey City. Eager to testify. Went to Liberia for Garvey in 1921. Can expose the whole swindle and prove that Garvey has no U.N.I.A. lands or concessions in Liberia and never had.

"In re Negro World of Jan. 21, 1922. Garvey seeks to shift responsibility by pretending that he was not here when certain things were planned. But the series of "book your passage" ads (now in the hands of Mr. Spewak of New York World) began as early as Jan. 1921 when Garvey was here, and ran uninterruptedly to Dec. 17th of same year.

"If you look up Negro World for April and October 1921 you will find statements of ownership of paper (African Communities League). This was sworn to, and proves that there has been no transfer of ownership as alleged by Garvey, and Garcia, in print, to explain peculations and wastage of funds of Liberian Construction Loan (about \$46,000) as payment for the Negro World.

"Harrison bought a bond of this loan which was advertised for months as a "Liberian Loan". In speeches printed in the Negro World, Garvey first convey impression that it was a loan to Liberia. Harrison paid in weekly instalments of a dollar each, missing many weeks, and taking about 20 weeks to pay. So that during all that time he was under impression first created by Garvey. Then, when he had paid, he received bond and noted that Liberia's name never occurred once on it, and the word "Africa" only once, near the end. It had been transformed into a loan to "The Parent Body of the U.N.I.A." All the office employees were forced to buy bonds, even the poor typists on \$12 and \$15 a week. The money was simply taken from their pay envelope without any precedent explanation. So also in Harrison's case.

"Re African Construction Loan "Bonds" : Garcia's report made to Garvey's on his return from Liberia in 1920 before first convention shows that Garvey knew that U.N.I.A. had no lands or concessions of any sort when he launched this swindle. Harrison was head of a delegation to go to Liberia and could be "forced" to show in his testimony that

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Re: Black Star Line, Inc.

Garvey had no plans whatever for getting concessions up to time set for sailing."

"In New York World of Sat. Jan. 14, 1921, Garvey said to Spewak that the figures showing that only about \$6,000 out of \$144,000 was sent to Liberia, were the lying work of an enemy. One of the Negro World issues for August shows that these were Garvey's own official figures given by Chancellor Stewart and "explained" in a 2 column article by Garcia as Auditor Genl. The printing was forced by Noah D. Thompson, delegate from Los Angeles, Calif."

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Copy of this report is being furnished to P.C. Inspector

Williamson for his information.

SL:72

January 21, 1923.

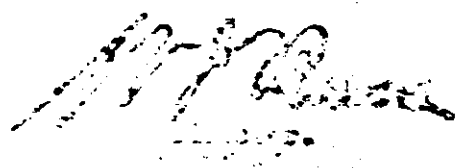
Mr. George P. Herricks,  
P. O. Box 101,  
City Hall Station,  
Portland, Ore.

Dear Sir:

There is enclosed herewith copy of a report in connection with  
the investigation of Maxine Barry.

I would appreciate it if you would also bring it to the  
attention of Post Office Inspector Williamson for his information.

Yours very truly,

A handwritten signature in dark ink, appearing to be "W. C. Sullivan", written in a cursive style.

REPORT MADE AT:	DATE WHEN MADE:	PERIOD FOR WHICH MADE:	REPORT MADE BY:
NORFOLK, VA.	1/23/22.	1/23/22.	H.S.WHITE.

TITLE AND CHARACTER OF CASE:

U.S. vs. MARCUS <sup>G</sup>HARVEY -- VIOLATION OF SECTION 215, U.S.C.C. -  
USE OF MAILS TO PROMOTE FRAUDS.

FACTS DEVELOPED:

AT NORFOLK, VA.

Reference is hereby made to letter from the New York office under date of January 21, 1922, initialed CJS, on the above matter, requesting information as to the record of any libel proceedings against the Steamships "Kanawha," "Yarmouth" and "Shady Side," in this district.

I today made a search of the records in the offices of the U.S. Marshal and the Clerk of the District Court here, going as far back as 1917, and the only record found pertaining to either of the above ships is record showing that on September 4, 1920, the S/S "Kanawha," A. RICHARDSON, Master, was libelled by C. B. WHITE & BRO., INC., for the sum of \$2,600.00, representing the cost of bunker coal furnished by the libellants to the S/S "Kanawha." This claim was settled on September 11, 1920, and the Marshal's release was filed September 14, 1920.

There is no other libel record against either of the above named vessels on the records here from 1917 to date.

Investigation CONCLUDED at this office.

# FINANCIER, PROPHET AND "SIR PRESIDENT OF AFRICA" IS HELD

Harlem's Wizard of Black Star  
Line and Colonization Scheme  
Gives \$2,500 Bail.

Marcus Garvey's heralded plans for the colonization of Africa by means of a half-dozen stock-selling corporations caused his arrest yesterday on charges of using the mails to defraud.

This provides a climax to a bizarre career that lifted the Negro from obscurity to mellifluous titles, hero worship and wealth. Provisional President of the "Republic of Africa," guiding spirit of the Black Star Line, the Universal Steam Laundry and other diversified organizations, he was hailed by some of his race in Harlem as a phenomenal promoter, statesman and prophet.

All his widely advertised activities on behalf of the Africa that was to be are cast in the shadow by the Post Office inspectors, who charge he made "fraudulent representations" to induce membership in them.

## Mythical Vessel Figures.

Specifically he is accused, as President of the Black Star Line, of advertising and selling passage to Africa on a mythical vessel. The Post Office inspectors charge too that he used the mails to defraud in disposing of stock in the Black Star Line, the link between this country and the Africa of the future.

For this he was taken from his apartment at No. 123 West 130th Street to the Federal Building, arraigned before United States Commissioner Hitchcock and released in \$2,500 bail.

His portly figure was wrapped in a fur-covered overcoat. On his arm rested an ornamental cane. He appeared flustered at the proceedings and refused to talk with reporters. Afterward, he sought to telephone his home, and remarked petulantly to those near him:

"I never can remember my private telephone number!"

Then the "Provisional President," etc., sped back to his Harlem home.

Planned \$12,000,000 Empire.

Four months of investigation—prompted by antiracial members of his race—led to the arrest. For Garvey's plans reached out to embrace 4,000,000 of his people, and triple that in dollars that would build up an industrial empire of Negroes.

Some comprehension of the extent of his plans can be obtained from this: The Black Star Line alone is capitalized at \$10,000,000. The Universal Negro Improvement Association is credited with 4,000,000 members. Each member pays 35 cents a month, 10 cents of which goes to the home office, the rest for expenses of the branch headquarters. At the last convention a special levy of \$1 was placed on each member—a total of \$4,000,000, making the financial possibilities upon paper at least, rosy.

(Continued on Sixth Page)



# FINANCIER-PROPHET OF HARLEM IS HELD

(Continued From First Page.)

enough for the group of statesmen faced with the work of floating an African Republic.

An extensive system of printed and verbal propaganda went with the practical work of financial and industrial organization. Garvey is editor of the Negro World, devoted largely to the African and race problem from his standpoint.

### Had Colorful Following.

Pictorially, too, his schemes were not wanting. As Provisional President he wore a vivid gown of green and red, and his subordinates and followers he organized the "Distinguished Service Order of Ethiopia"—from which he obtained his Knighthood.

All of the Knights are equipped with the "Sir" to prefix to their names, and a string of mitras to follow. Then there is the Sublime Order of the Nile, equally profuse in titles.

Investors did not, as far as is known, concern themselves with these pompous gowns, and content their inquiry upon the industrial activities of the phenomenal promoter and Provisional President.

Part of the Government's files disclose numerous pamphlets and advertising matter that Garvey circulated. These describe the possibilities of the Black Star Line.

"The Black Star Line will turn average profits and dividends to stockholders, and operate to their interest even while they will be asleep. Every colored man, woman and child should buy stocks in this corporation," reads one advertisement.

### Pleasure Yacht in Fleet.

The Federal authorities insist the Black Star Line is composed of but two vessels, unlisted: The Shady Side, used as an excursion boat up the Hudson, and the Kanawha, a pleasure yacht, now in Cuba, and according to the authorities, in the custody of the American Consul there, for reasons as yet undisclosed.

It was the "S. S. Phillis Wheatley" that the authorities name as the mythical ship used to sell passage. The Crusader, a journal for Negroes, wrote to the Department of Commerce to learn whether such a ship was listed. No record of it was found. The Crusader then launched a bitter attack upon Garvey.

No mention is made of the Yarmouth maiden ship of the line, which collided with the Federal authorities when it attempted to carry a cargo of whiskey down the coast. After local entertainments it went down, only later to be laid up. Apparently the way of the Black Star Line was rough and choppy. The Shady Side, a river boat, was damaged by ice last winter. Just what use it now holds, most of the Yarmouth cannot be learned.

### Pictorered Great Fleet.

But the advertisements of the Black Star Line ran in this current:

"A line of steamships to run between America, Africa, the West Indies, South America, South and Central America for freight and passengers.

"The Black Star Line will open up untold possibilities for the race. Stock sold only to Negroes.

"You can buy one to 200 shares at \$100. Buy your shares to-day."

Unofficially, Federal men said Garvey's company had taken in more than \$1,000,000—that he had sold stock all over the country, through the West Indies, wherever Negroes are to be found. For Garvey's appeal emphasized:

"The Black Star Line Corporation presents to every black man, woman and child the opportunity to climb the great ladder of industrial and commercial progress. If you have \$10, \$20 or \$500 to invest for profit, then buy your shares in the Black Star Line to-day."

As has been indicated, the fate of the Black Star Line seemed fine

kind. There was dissension even among the inner circle. The skipper and crew of the Kanawha sued for wages, and Garvey accused the master of shooting crews with the sailors. The skipper had been unlucky in his course, and the ship was damaged. But he was absolved from blame by the American Consul at Jamaica.

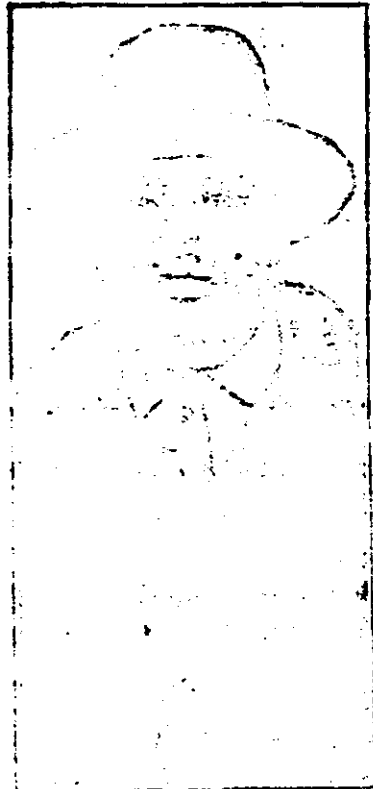
Garvey's line sailed yesterday when the Black Star Line was launched upon its uneven course. Seven years ago he came from Jamaica unknown. It took him three years to raise his many berths, and up to yesterday he stayed there, pulled down occasionally by misadventure, but not by loss.

He had not temporary official setbacks previously. Assistant District Attorney Kane compelled Garvey to promise to cease selling stock of the Black Star Line in June, 1910. Cyril Briggs, editor of the Crusader, brought charges of criminal libel in the same period. Briggs opposed Garvey's plans, and Garvey, Briggs charged, called him a "white nigger." No newspaper record of the disposition of the case could be found.

### Orator at Conventions.

It was during this period that Garvey became the signal speaker. His conventions were held in Harlem, and Garvey held forth in ready costume and fervid oratory. Garvey's policy announced aims are for the establishment of an independent Negro republic in Africa, with definite aims of ousting the European governments. All his negotiations were to be preliminaries to this end.

Hearing on the charges will be held next Thursday. Assistant United States District Attorney Joyce is prosecuting the case, and Department of Justice men are aiding Post Office Inspectors in the investigation.



MARCUS GARVEY.  
BY WORLD STAFF PHOTOGRAPHER YESTERDAY.

WLM:MT

January 24, 1922.

Mr. Edward J. Brennan,  
Special Agent in Charge,  
P. O. Box 241,  
City Hall Station,  
New York City.

Dear Sir:

The Bureau acknowledges receipt of your letter of January 21, 1922, with relation to the case of United States vs. Marcus Garvey, an alleged violation of Section 215 of the Criminal Code.

The information therein requested to be obtained from the records of the United States Shipping Board at Washington, will be procured at the earliest practicable moment and transmitted promptly to you.

Yours very truly,



Director.

AL:MT

January 25, 1922.

Mr. Edward J. Brennan,  
Special Agent in Charge,  
P. O. Box 241,  
City Hall Station,  
New York City.

Dear Sir:

Referring to your letter of January 21, 1922, concerning the case of United States versus Marcus Garvey, alleged violation of Section 215 of the Criminal Code, please be advised that the Bureau obtained for temporary examination, the complete file on this matter from the Shipping Board and after examination it appears that there never was a contract entered into between the Black Star Line and the Shipping Board for the purchase of the steamship Orion.

The file indicates, however, that the Shipping Board has now on deposit and hold in escrow the sum of \$22,500.00, and that the negotiations leading to the purchase of this vessel were carried on between the Shipping Board and the United States Ship Company of New York.

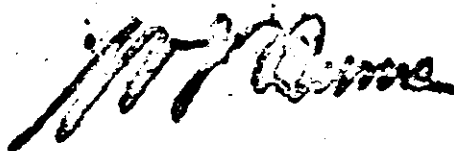
Arrangements were made with Mr. Frank Burke, Manager of the Investigation Division, Shipping Board, with the approval of the Director of this Bureau, to transport the Shipping Board file for the use of Assistant United States Attorney Joyce in the Garvey hearing at New York on Thursday, January 26, 1922, in the custody of a Special Agent of this Bureau, if the papers in this file were considered to be of great importance. This Bureau, however, is of the judgment that a prima facie case can be made out against Garvey sufficient to hold him for Grand Jury inquiry without the introduction of the Shipping Board file as evidence before a United States Commissioner.

Referring to the last paragraph of your letter of January 21, 1922, in which it is requested that this Bureau get into communication with the various field offices, in order to ascertain whether or not complaints have been filed against Garvey in the various field offices of the Bureau, it is suggested to you that this phase of the investigation be taken up with Post Office Inspector Williamson, as it is thought that if complaints have been filed heretofore against Garvey from different sections of the country, a record of such complaints is now available in the office of the Chief Post

Office Inspector and it is assured that evidence with respect to complaints and the direct representations made by Garvey to the public, is being assembled by Inspector Williamson.

If, after taking the matter up with him, it is still desired to have this Bureau get into communication with the various field offices in this connection, please so advise.

Yours very truly,

A handwritten signature in dark ink, appearing to read "J. P. Quinn". The signature is written in a cursive style with a large, sweeping initial "J".

Director.

Inst. of Spec. Agt. in Charge Edward J. Brennan:

REPORT MADE AT: NEW YORK, N.Y.	DATE WHEN MADE: 2/1/22	PERIOD FOR WHICH MADE: 1/23 to 27	REPORT MADE BY: MORTIMER J. DAVIS
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TITLE AND CHARACTER OF CASE:

RE: U. S. vs BLACK STAR LINE INCORPORATED  
 Marcus Garvey, et al - Violation Section 215, U.S.C.C.  
 Using Mails to defraud.

FACTS DEVELOPED:

Supplementing my previous reports, after a careful search of the Admiralty records in the Eastern and Southern Districts of New York, I find the following libels on file against the S/S Vermont.

Eastern District:

<u>Name</u>		<u>Amount</u>
Eudson Towboat Co.	Towing	\$365.00
Joseph J. Keough	Coal	270.00
H. L. Clark	Pilotage	40.77
W. J. Hurrell	"	54.08
Olsen Towing Co.	Towing	575.00
Irvine Engineering Co.	Repairs	3500.00
National Dry Dock Co.	"	2517.80
Burnheim Distilling Co.	Breach of Contract	4038.59

Southern District:

<u>Date:</u>	<u>Name</u>	<u>For</u>	<u>Amount</u>
1/16/20	Broad Steamship	Services	\$342.70
8/24/20	Joshua Cockburn	wages	1310.92
8/26/20	Nitrate Agencies Co.	Services	4610.02
5/15/20	Anthony Oches Co.	Damage & Loss	3212.00
5/23/20	Produce Trading Corp'n.	Food	159.22
11/24/20	P. Minelli et al	Labor	500.00
11/29/20	U.S. of America	Collision	2500.00

The Steamship KANAWHA appears to have had the follow-

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NEW YORK, N.Y. 2/1/22 1/23 to 27 U.S. VS BLACK STAR LINE  
M.J. DAVIS

ing libels filed against it in the Southern District.

<u>Date:</u>	<u>Name</u>	<u>For</u>	<u>Amount</u>
6/16/20	Lee's Towing Co.	Towing	\$265.00
5/28/21	Produce Trading Co.	Food	426.31
11/20/19	Edw. H. Timmerman	Damage	300.00

The excursion steamer "SHADYSIDE" has recorded against it in the Southern District a libel dated May 28th, 1921 filed by the Produce Trading Co. covering delivery of food in the amount of \$315.76.

On the 25th of January Marcus Garvey upon request, came to the U.S. Attorney's office in company with his attorney LR. MATTHEWS. An informal conference between Assistant U.S. Attorney Mattuck, Post Office Inspector Williamson and the writer was held, and the minutes of which were reported stenographically and will be forwarded to Washington as soon as prepared. In effect, Garvey appears to be sticking to the charge that "A group of wilfull men has caused the Government to bring this unfounded charge against him". He admitted among other things the mailing of the circular bearing the picture of the S/S Phyllis Wheatley.

On the 26th of January, Assistant U.S. Attorney ~~presented~~ presented the matter to the Grand Jury, calling Inspector Williamson as his witness. The indictment contains eight counts and names as defendents, MARCUS GARVEY, ELIE GARCIA, ORLANDO L. THOMPSON and GEORGE TOBIAS. Up to the present time an indictment

Instructi                      s. Act. Charles J.

REPORT MADE AT:	DATE WHEN MADE:	PERIOD FOR WHICH MADE:	REPORT MADE BY:
NEW YORK, N.Y.	2/3/22	1/31/22	MORTIMER J. DEVI
TITLE AND CHARACTER OF CASE:			
RE: U.S. vs BLACK STAR LINE INC., MARCUS GARVEY, ET AL. Via. Sec. 215 U.S.C.C. Using the Mails to Defraud.			
FACTS DEVELOPED:			
<p>On this date THOMAS H. COBT, a stockholder in the Black Star Line, came to the Bureau office voluntarily, and made in substance the following statement:</p> <p>"My name is THOMAS H. COBT; I reside at 100 West 141 Str., Apartment 34 c/o BANCROFT; I am married, and have one child nine years old. I formerly lived in Galveston, Texas, at 2513-1/2 Market Street. I have been in the U.S. for about twenty five years served in the Red Cross, Phillipines, during the Spanish-American War, although I have never been an American citizen. I am a subject of England.</p> <p>"I am not a member of the U.N.I.A. While residing in Galveston, where I had my own business as a contractor, doing ship repair work for the U.S. Shipping Board, I heard of the Black Star Line. A colored man employed on one of the Mallory Line steamers whom I met in Galveston gave me a copy of the "Negro World" from which I learned that the Black Star Line was selling shares at \$5.00 each. The man who gave me this paper stated it was a good investment, and I learned that he also subsequently became a stockholder. He was not in the employ of the Black Star Line, however. His name is CARLIGNON but I do not know his present whereabouts. This happened on or about November 20th, 1919. After reading the copy of "Negro World" I became convinced that the stock would pay</p>			

NEW YORK, N.Y.      2/5/22      1/31/22      BLACK STAR LINE      M.J. DAVIS

dividends and I thought it would be a good thing to prepare for old age. Finally, in about December, 1919, I came to New York and went to the offices of the Black Star Line on 135th Street. My purpose in coming here was to investigate the Line, and, if satisfactory, purchase stock. I had an interview with MARCUS GARVEY, who, however, immediately turned me over to GEORGE TOBIAS, who I believe is Treasurer of the Line. I asked Mr. Tobias about the condition of the Black Star Line, and whether or not he considered the purchase of stock a safe investment. He praised the Line highly. When I asked him if they had a ship he replied that they had the S/S "Yarmouth" and said it was somewhere in New York at the time. He said that ship was running and doing business. From this talk I was convinced that the Black Star Line owned the "Yarmouth". He further said that they intended to run ships between the United States, Africa, Central and South America, and the West Indies, and that they expected to add a ship a year to the Line. I also interviewed MR. SMITH-GREEN at the Black Star Line office, and I asked him when, in his opinion the stock would pay dividends. He replied that the stock would pay from forty to fifty cents a share within the next year. After hearing from these men of the Line's good condition and being assured of the security of my investment by their statements, I purchased 40 shares, paying \$200. cash. I have never received any dividends on the stock.

"After purchasing the stock, I returned to my home in Galveston. From there I kept in almost constant correspondence with



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the Black Star Line, receiving letters from Garvey, Garcia, D.W. Sasso, Traffic Manager, many of which letters I still have and will turn over to the Government willingly for its use. In one of my letters to the Line I offered my services to them, inasmuch as I have been in the shipping business for twelve years, particularly on the repair end. In about June, 1921, I received a letter from the Black Star Line, stating that they could use my services, and asking me to report to their offices whenever I came to New York. Upon showing this letter to my wife she stated "It is as good as a position" and we therefore decided to remove our home to New York, which we did, on July 9th, 1921, paying our own way. Enclosed with this letter were several subscription blanks, and copy of a circular, on the front page of which is a picture of a ship bearing the name "Phyllis Wheatley." It was my understanding from this circular that this ship was to be used by the Line in the African trade, and that it was undoubtedly the ship upon which they intended to utilize my services. I hand you herewith the envelope in which this circular was received by me, also a copy of the circular. I have been unable to find the accompanying letter, but hope to do so at my home.

"Upon arriving in New York on or about July 9th, 1921, I went to the Black Star Line offices and was treated very coldly. I first interviewed TOMISON. He said that they have no ship running at the present time, but had paid a deposit to the Shipping Board on one, which they expected to obtain in about a week. This ship, I was given to understand, would be called the Phyllis Wheatley. I was

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told that they had no position for me, although I kept calling at the office continually for a long period. Finally I went into the ship repair business for myself but failed. I then went into the laundry business, but also failed in this. I had a horse and wagon used for delivery purposes, and when I gave up business the Universal Steam Laundry, which is a Garvey enterprise, hired it from me. They had a truck of their own, but this had been damaged. I spoke to the driver at the time and he said the truck was repaired but the Universal Steam Laundry could not get it for lack of \$100. to pay the bill. I have also heard that the employees of the Laundry have, on several occasions, had to wait for their salaries. Finally they offered me \$100. for my horse and wagon, which I accepted. Garvey gave me a check on a Tuesday, and told me not to cash it until the next Saturday for he would not make a deposit until that day. The check was signed by FARRIS, but I cannot remember on whose account it was issued.

During October, 1921, I attended a meeting of stockholders of the Black Star Line, at Liberty Hall. There were from three to four hundred persons present. I did not vote on anything except the election of the officers, because I did not see any other matters submitted to vote. From the discussion that took place I got the impression that the line was losing money, and that their ships were not operating and that they had had exceptionally large expenses in connection with them. I learned there that one ship, the Shadyside, was condemned; that the Kanawha was in the West Indies due to a bad boiler, and that the Yarmouth was unseaworthy. I might state here that

NEW YORK, N.Y. 2/3/22 1/31/22 BLACK STAR LINE H.J. DAVIS

I never met any officer of the Black Star Line who seemed to have the slightest knowledge of the practical running of steamships, and I met almost every one of them from Jarvey down.

"Finally I went broke in about October, 1921, I went to see Jarvey, told him I would like to withdraw as a stockholder, and asked for the return of my money. He said he could not start doing anything like that, because if he paid me out, there would be others who would want him to do the same thing for them. I kept after him from time to time but was always turned down. Finally, last week, I went to see him again. He refused to interview me and turned me over to a fellow named CARTER, who appeared to be one of his confidential advisers. I explained the matter to him and he promised to take it up with Jarvey. Carter telephoned me on Tuesday last and said Jarvey told him he could not do anything for me. I then threatened to take this matter up with the U.S. Government, upon which Carter asked that I come over and see Garcia, which I did yesterday, January 30th. Garcia after going over the matter, finally told me there was no way to get my money back and that he could do nothing for me.

"I am willing to testify, if called upon, as to the above facts."

-----  
Cort has promised to obtain for me the name and address of a man in Harlem who purchased passage for himself and family upon the mythical "Phyllis Wheatley."

*MJD*

IS.

Specific instructions received

on Mr. Bush 2-1-22 -

REPORT MADE AT: Baltimore, Md.	WHEN MADE: Feb. 3, 1922	PERIOD FOR WHICH MADE: Feb. 1-3, 1922	REPORT MADE BY: Harold Nathan.
TITLE AND CHARACTER OF CASE: MARCUS GARVEY -			Universal Negro Improvement Association.

FACTS DEVELOPED: At Baltimore, Md.

Upon instructions from Agent in Charge McKean, based upon telephonic advices received from the Bureau to the effect that the above mentioned subject contemplated making an address in this City on the evening of February 1, arrangements were made to secure the services of a competent and reliable negro informant to cover any meeting or meetings at which subject might appear.

On the night of February 1, 1922, subject spoke, at the Trinity Baptist Church (Colored), this City, to an audience of approximately 200 persons. The pastor of this church, one JOSEPH DIGGS, who is the head of the local branch of the UNIVERSAL NEGRO IMPROVEMENT ASSOCIATION, made a few introductory remarks, referring to the distinguished honor that was to be conferred upon the audience by the universally known and loved speaker of the evening in addressing them; referred to the great services that said speaker had rendered his race, stating that the services rendered in the past were but a fraction of those he could and would render in the future, provided he were properly supported. The pastor of the church then introduced ~~HENRIETTA~~ WINSTON DAVIS, who, he said, would make a few remarks preceding the principal address. Her address was preceded by a march through the church of a number of

negro women garbed in white, who were followed by MARGUS GARVEY and the DAVIS woman, the last named two passing on to the pulpit under two flags, the American flag and a flag purporting to be that of the African-Negro Republic.

The address of the DAVIS woman was almost entirely a panegyric of the merits and character of GARVEY. She dwelt upon his work for the advancement of his race, referred to the enemies he had made, both black and white, because of his unselfish labors, and stated that it behooved all true negroes to support him.

GARVEY was introduced as the PRESIDENT-GENERAL of the UNIVERSAL NEGRO IMPROVEMENT ASSOCIATION. His remarks, which consumed about an hour's time, were without particular significance, following the lines laid down in numerous addresses by subject during the past four years. He did not refer to any of his various projects or organizations other than the U. N. I. A., and made no attempt to secure members for any other organization or to sell stock or solicit subscriptions or contributions in any of his other enterprises. He did, however, appeal to his hearers to join the UNIVERSAL NEGRO IMPROVEMENT ASSOCIATION for their own benefit and for the benefit of the negroes in general throughout the world. He made a single reference to the BLACK STAR LINE, stating that the "pride" of the BLACK STAR LINE fleet was now at Hampton Roads, where she might be seen by all those who scoffed at the efforts of the negro in this or any other enterprise. He referred to his recent arrest in

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Harold Nathan.

New York, stating that he must return to New York on the night of the first, so as to appear in court on the morning of the following day, but that he would again conquer his enemies and reappear in Baltimore for a further address on the night of the second, as well as on the night of the third. He stated that the negro race must win back Africa from the hands of the alien races who had stolen it from them; that the negro race would predominate in Africa, ruling the entire Continent, under a negro president; that in order to conquer Africa, it will be necessary to "spill rivers of blood", but that he was ready and hoped all his hearers possessed the same feeling -- to serve their race as true patriots. He stated that one could die but once, and that he was ready to die in behalf of his race. He referred to the successful accomplishments of those who had struggled for freedom in Ireland, to the martyrs who had died in the Easter rebellion, stating that they had sacrificed their lives for Ireland, and that all true negroes must be ready likewise to sacrifice their lives for the Negro Fatherland and for their people. He spoke of the suffering of the negroes throughout the world, stating that when a white child is born the world is ready and willing to receive it, but that the negro child must struggle against all adverse conditions -- prejudice, hate, malice and envy; that a white child might some day become President of the United States, but not a negro child; that, therefore, the true home of the negro is in Africa, where a black child might be born, grow up and go through life with

Harold Nathan.

every possible advantage, even that of becoming President of the African Continent; that there must be a greater spirit of self-sacrifice manifested on the part of all loyal negroes; that he had always adopted the policy of "going fifty-fifty" with all of his race -- if he had a dollar his hearers could have half of it -- and that this is the spirit that must animate them all -- they must be ready to share all that they have with their brethren. He stated that not only the whites, who hated him for his efforts in behalf of the negroes, but hypocritical and self-seeking negroes as well had been combatting his efforts and ridiculing him; that the Government had spent thousands of dollars in opposing him; that when he was arrested recently there were negro papers, as well as white, that could not find headlines big enough to announce to the world that **MARCUS GARVEY** had been arrested, but that he would conquer them all and live to lead the negro race to victory. He stated that he had been arrested three times before, but that they could not conquer him, and he assured his hearers that he would be back from New York a free man the following evening to address them again. He spoke of the small cost of joining the **UNIVERSAL NEGRO IMPROVEMENT ASSOCIATION**, stating that the initiation fee was only 35 cents, and that all extras only amounted to one dollar. He expressed the hope that every negro in Baltimore would join the local association in order that it might do truly effective work for the negroes of Baltimore and elsewhere.

He closed by stating that in order to truly prepare the negroes

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for service everywhere, and in order to secure for them well-paying positions, he had organized a "Civil Service Board", and all those desiring to secure good Government positions would be taught by competent instructors engaged by this Board.

GARVEY'S remarks were fairly enthusiastically received, although it is apparent that not all of the persons present were members of the Association, a number having attended whose motive in so doing was nothing but pure curiosity.

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On the night of February 2, 1922, GARVEY again spoke at the same place. His address was practically a repetition of that of the previous night. He stated that it was only a matter of time before the whites would drive the negroes out of this country; that even at the present time, those who read understandingly would notice that white immigrants of all races were being received for the sole purpose of taking the place of the negroes; that the negro is not welcome anywhere; that he is not wanted here in Baltimore, referring specifically to McCulloh Street. (There has been some trouble in that neighborhood during the past few years due to the negro invasion in that section of Baltimore City.) He further stated that he did not blame England or the United States for not having colored representatives, colored Congressmen and colored Senators, but that he blamed the negroes themselves; that they were not willing to stand up for their rights, consequently suffering all the indignities that



Harold Nathan.

were heaped upon them at all times and all places. He stated that due to economic and other conditions, the colored race in this country was not increasing. He repeated that the true home of the colored race is in Africa, and that in order to regain the Colored Fatherland, it would be necessary to "wade through blood". He spoke of the negroe whose only desire it was to secure from their race political power, adding that these were the negroes who had always opposed him and the UNIVERSAL NEGRO IMPROVEMENT ASSOCIATION, because they knew that the latter organization aimed solely to benefit its members, and not to secure political power of any kind. He stated that four years ago the U. N. I. A. started with 15 members, and that they now have four million and over; that there are over four billion members of the black race throughout the world; that this great mass of colored humanity is now going to demand fair treatment of this country and of all other countries, and they are going to get it. He referred to the rapid advancement of Japan in the last decade, stating that what the yellow race did the black race could also do; that the black race would soon join hands with the yellow race, possess warships and all the paraphernalia of war and make itself a real power in the world. He again appealed for increased membership in the U.N.I.A. A collection was taken up, netting twenty-eight dollars and some cents. He stated that he would make a further address on the night of the third, and that there would be a "civil service examination" in the basement of the church on the morning of the third for those desiring

to secure Government positions.

There were about 250 persons present at this meeting.

GARVEY'S remarks were fairly enthusiastically received.

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The third and last address of subject was held at the same place on the night of February 3. There were about 500 present. There was the usual "theatrical" opening of the proceedings, the singing of "Onward, Christian Soldiers", the grouping of the American and supposed African flag, etc. HENRIETTA WINSTON DAVIS delivered a short, but fervent address along the lines of her address on the occasion of the first meeting on February 1. She spoke of the so-called Tulsa atrocities, stating that she had been there shortly afterwards and was greatly surprised to see the male members of her audience gradually dispersing. She inquired the reason for this withdrawal, and was informed that the Ku Klux Klan was holding a meeting that evening and that it was not considered safe for any negro to be seen either in the hall or on the streets. She drew from this alleged incident the inference that the negro race was everywhere oppressed and subject to the ill-treatment and abuse of the white race in all parts of the country, and attributed these conditions to the fact that the negroes had not asserted themselves racially and had no country or home that they could call their own. She appealed to her hearers to continue the struggle for better conditions here, but not

to forget that their true home was in Africa and to uphold the great PRESIDENT-GENERAL of the UNIVERSAL NEGRO IMPROVEMENT ASSOCIATION in his efforts to advance the interests of his race, stating that he was a true leader of the race -- a modern Toussaint l'Overture. She regretted that the U.N.I.A. was so weak in Baltimore, stating that the order was stronger in Philadelphia and elsewhere; that the negroes of Baltimore must awake from their slumbers and unite. She concluded by warning her hearers that they must make sacrifices before any actual good can be accomplished. A cornet solo followed. MARCUS GARVEY then spoke.

At the beginning, GARVEY stated that his topic would be "The Laziness of the Negro", by which he meant to imply that the only thing that prevented the negro race from attaining real leadership was their apparent inertia and lack of desire to free themselves from the disabilities by which they were enslaved. He stated that the negroes of America were asleep and that they would have to "get a move on themselves". He stated that he had been endeavoring to wake them for some years, and in his efforts has encountered opposition not only from individuals, but from the Government of the United States; that the United States Department of Justice has a room in Washington loaded down with MARCUS GARVEY'S speeches and literature; that they had been following him everywhere he went; that white men had occupied seats in the rear of churches and halls where he spoke in order to hear what he might say, and that negroes had also

been employed for this purpose; that everything that he had said had been collected by the Department of Justice, and "what good does it do them?"; that they do not follow him any more, but that if they continue to do so they will not only need one room but that they will need a whole building in order to keep his speeches and addresses. He appealed to those present to redeem Africa, stating that they could never find a real home in this country. He stated that the Ku Klux Klan had been organized ostensibly to oppose the Jews, the Catholics and the Negroes, but that, in reality, they are not opposing the Catholics or the Jews, -- their real object is to crush the negro. He stated that Africa, the home of the race, had been conquered by the whites for three hundred years, but that it would not take the negro race that time to win it back; that sooner or later the flag of the African Republic will waive from Cairo to Capetown. He attacked those of the negro race who had opposed him, stating that they were but self-seeking politicians and jealous because he served the true interests of his race. He stated that while he was abroad in South America they sent a petition to the Government asking that he be barred from reentering this country, that if he came back he would ruin them. He stated that he would ruin them, because they were not true leaders of the race -- they are only the white man's lackey and the white man's slave, and would sell their race for a few dollars; that his intention is to have the race free not only from political oppression, but free from adverse economic conditions; that he wants

Harold Nathan.

the negroes here to own and operate factories, banks, stores, steamship lines, railroad lines and public utilities of all kinds, but they must never forget that Africa is their real home and that the time was soon coming when they would have a country of their own, their own military forces and their own navy, and should any other nation ever oppose them, it would do so at its peril; they would then be respected throughout the world. He further stated that on a trip to England, the English Government assigned two men-of-war to lay alongside his ship in the harbor, the purpose of which was to watch **MARCUS GARVEY** and his every movement; that it cost the English Government thousands of dollars to watch him -- all because he brought a message to those of his race which signified freedom from oppression; that the fight upon which he has entered is going to continue in spite of all obstacles, and that three hundred years from now the world will know that **MARCUS GARVEY** was right, and all that he had said and done was right; in less than one hundred years the world would know that he was right; that unless the negroes of this country unite, they will be herded together like sheep and driven out; that every nation has its flag, and the African Republic must have its flag, which will wave in the Capital of Africa. He stated that there was no negro delegate to the Conference on Limitation of Armaments, which showed that the negro was not wanted anywhere by the whites. He referred, in a humorous vein, to colored secret organizations, stating that they were useless and

Harold Nathan.

of no service to the race. He stated that he was leaving Baltimore for New York and was going to rest a short time and then proceed to the headquarters of the organization in Chicago to meet members of the various locals there; that he had lots of work to do, and they could rely upon his being active in behalf of the cause; that it would be some time before he could return to Baltimore, but that if he did not return they would know that **MARCUS GARVEY** was working day and night in their interests. He congratulated his hearers on the success which had marked their efforts in establishing a clubhouse here in Baltimore, and hoped that they would energetically continue to secure new members and make the organization in Baltimore one of which they might be proud.

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At all of the above referred to meetings an admission fee of 35 cents was charged. Only one collection was taken up -- at the second meeting. The proceeds of the three meetings, therefore, were not very large. This organization has been in a somewhat moribund condition here, and it is probable that **GARVEY'S** visit to Baltimore was for the purpose of bringing new life into it. The exact membership is not known, but it is estimated to be not over 300. They have, however, raised \$1,000, as payment on piece of property on Pennsylvania Avenue near Mosher Street, Baltimore, Md., which property is to be utilized as a clubhouse or meeting place for the members of the **UNIVERSAL NEGRO IMPROVEMENT ASSOCIATION**. General

Harold Nathan.

developments along these lines will be kept in touch with. GARVEY,  
however, having left the City, this report is concluded.

CONCLUDED.

November 1949

regarding the matter of the... concerning...  
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Sincerely,  
[Signature]



**Department of Justice,**

**Bureau of Investigation.**

New York City, N. Y.  
February 11, 1922.

Wm. J. Burns Esq., Director,  
Bureau of Investigation,  
Department of Justice,  
Washington, D. C.

Sir:

Reference is made to your file WL:LVT  
- in re Black Star Line Inc. Marcus Gar-  
vey et al.

Assistant U. S. Attorney Mattuck informs  
me that an indictment has been returned against  
four officers of this company:

Marcus Garvey  
O. H. Thompson  
George Tobias  
Elie Garcia

and that the indictment will be filed and warr-  
ants issued against defendants about February 14  
or 15th.

Respectfully,

*Joseph M. ...*  
Expert Bank Accountant.

WL:DJ

February 14, 1932.

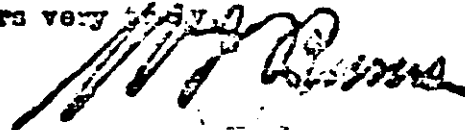
Madisonville, Ky.

Dear Sir:

Receipt is acknowledged of your communication of February 8, 1932, requesting information concerning the case of the United States v. Marcus Carvey.

Please be advised that this defendant is now at liberty on bond held to await the action of the grand jury for the Southern District of New York after evidence shall have been presented to the grand jury upon which the Government alleges that Carvey has violated the provisions of Section 215 of the Criminal Code, which provides a penalty for devising an artifice or scheme to defraud through the use of the United States mails.

Yours very truly,



Director.

REPORT MADE AT: <b>NEW YORK, N.Y.</b>	PERIOD FOR WHICH MADE: <b>2-8-22 to 2-14-22, incl</b>	REPORT MADE BY: <b>JAMES E. AMOS</b>
TITLE AND CHARACTER OF CASE: <b><u>U. S. VS. MARCUS GARVEY</u></b> <b>Alleged Vio. Section 215 U.S.CC Using the Mails in Furtherance of a Scheme to Defraud.</b>		
FACTS DEVELOPED: <b>New York, N.Y.</b>		
<p>From January 8th to January 14th inclusive, Agent was engaged during the entire time examining the stock books of the Black Star Line with a view of securing a list of persons who have purchased stock of this concern of three shares or more (at \$5.00 a share).</p> <p>Most of the evidence has been presented to the grand jury in this case and Agent is informed that the grand jury will not make a final report for a week or ten days yet. It is the intention of the U.S. District Attorney to communicate and get in touch with holders of and purchasers of stock with the hope of having them be willing witnesses for the government in the prosecution of the case.</p> <p>Endeavors in this respect will not be made until after the grand jury has made its final report as to defendant Garvey.</p>		

REPORT MADE AT:

NEW YORK, N.Y.

DATE WHEN MADE:

2-21-22

PERIOD FOR WHICH MADE:

2-14-22 to  
2-21-22 incl

REPORT MADE BY:

JAMES E. AMOS

TITLE AND CHARACTER OF CASE:

U.S. VS. MARCUS GARVEY

Viol. Section 215 C.C.  
Using Mails in Scheme to Defraud

FACTS DEVELOPED:

New York, N.Y.

From the 14th to 16th inclusive, Agent was engaged sending out questionnaire letters to stock holders of the Black Star Line with a view of endeavoring to get in touch with them being desirous of making them witnesses in behalf of the Government.

Feb. 17th accompanied by Special Agent Davis went to the home of Defendant O.M. Thompson, 35 West 129th Street and brought him to the Federal Court where he was released on bail.

Feb. 18th interviewed Mrs. Anderson, 500 Bergen St., Jersey City who informed Agent that she had sold her home and invested the proceeds of same in stock of the Black Star Line. This will be reported to the Asst. District Attorney and Mrs. Anderson will be a government witness.

Feb. 20th interviewed Defendant O.M. Thompson who promised that he would bring all of his files and letters concerning the activities of Defendant Marcus Garvey to this office when agents could have access to and examine same.

Feb. 21st Defendant O.M. Thompson brought to the office his notes and personal papers which were examined by Spl. Agent Davis and ~~Agent~~ Defendant Thompson made a very complete detailed statement concerning his activities with Defendant Marcus Garvey and will testify in open court at the trial of Garvey for the government.

MEMORANDUM CONCERNING MARCUS GARVEY.

This is a case concerning Marcus Garvey, an alien West Indian negro who operates from 56 West 136th Street, New York, N.Y. He is charged with having violated the postal fraud statutes in the promotion of the following companies:

- (1) Universal Negro Improvement Association and African Communities League,
- (2) Black Star Line, Inc.,
- (3) The Negro Factory Corporation, Inc.,
- (4) The Universal Steam Laundry.

The advertised purpose of the Universal Negro Improvement Association and African Communities League is stated as follows:

"An organization embracing the millions of men, women and children of Negro blood and of African descent of all countries of the world, striving for the freedom, manhood, and nationalism of the Negro, and to hand down to posterity a Star of Empire - to restore to the world an Ethiopian Nation one and indivisible out of which shall come our princes and rulers, - to bequeath to our children and our Grand Old Race the heritage of an Ancestry worthy of their time and thoughtful of the future."

The Black Star Line, Inc., is a Delaware corporation with an authorized capitalization of \$10,000,000, organized under the laws of the State of Delaware, and Garvey, since 1920 at least, has been selling shares of the common stock in this corporation. His principal medium of reaching the public is The Negro World, a second class publication mailed from New York. It has a circulation list of some 45,000 names and circulates among negroes in nearly every country in the world but principally among American negroes and negroes in the British West Indies.

The Black Star Line, Inc. pretends to run a line of steamers, both freight and passenger, and is to convey men and materials to the West

where a great negro empire is to be founded. The

line and for the purpose of selling stock in the corporation:

- (1) The Black Star Line is up and doing. Doing what? Running steamships. Help to keep them running by buying your share today!
- (2) Invest your money in the most colossal, most prosperous negro industry of all times.
- (3) Commercially there are few negro concerns in this country, and none in the world, whose prospects are as bright.
- (4) Invest now and help us put more ships on the sea.
- (5) Whatever might have been the errors of the past, the present administration of the Black Star Line is composed of trained business men and specialty service help, unquestionably equal to their responsible tasks.

The advertising literature from which the above has been quoted contains the names of ~~PHILLIS WHEATLEY~~, ~~FREDERICK DOUGLASS~~, ANTONIO MACEO and the SHADY SIDE. Confidential information from an undercover agent is to the effect that the PHILLIS WHEATLEY exists only on paper and that in order to procure the cut used, a ship was photographed with the real name concealed. An old ship, called the YARMOUGH, was re-named the FREDERICK DOUGLASS and I understand a third ship was re-named ANTONIO MACEO. The SHADY SIDE is an excursion steamer which was used on the Hudson River during one summer.

Under one or another of these corporation names Garvey has started a chain of restaurants, has a run a laundry, bought or optioned what he calls the Liberty Hall, procured, presumably for his own personal use, a yacht and has an equity in a property at 54-56 West 135th Street, New York. The YARMOUGH, re-named the FREDERICK DOUGLASS, made one or more trips to the West Indies and when back by its former owners, a

had virtually become a wreck. Your undercover agent advises that the whole of Garvey's project is about to collapse and that the several funds maintained in the New York banks have all been overdrawn. He is being sued by former associates and a report from one of them who was for a time in Liberia shows that the colonization project never could have materialized.

After making only a cursory examination of the papers, most of which were procured for another purpose, the elements of the fraud appear to be as follows:

- (1) Funds belonging properly to one corporation were transferred to another without compensation;
- (2) The charter of the Universal Negro Improvement Association and African Communities League was violated by the officers of that corporation in buying stock in the Black Star Line, Inc.;
- (3) The so-called "death fund" was used, at least in part, to buy the Negro world. My understanding is that this "death fund" was a trust fund and could be used for but one specific purpose which was the payment of death claims filed by members;
- (4) Embezzlement of funds by Garvey and his associates.

It seems that Garvey has been giving the Department of Justice some trouble for years and the Director of the Bureau of Investigation requested the Chief Postoffice Inspector to assign an inspector to this case with instructions to cooperate with the agents of the Department of Justice who desire to bring action under section 415 of the Criminal Code. This has been done. My opinion is that a good case could be made of it with a reasonable amount of investigation.

Respectfully,

## Marcus Garvey Indicted On Stock Fraud Charge

Head of Negro Ship Line and  
Three Associates Accused of  
Using Mails in Swindle

Marcus Garvey, president of the Association for the Advancement of the Colored Race, was indicted by the Federal grand jury yesterday as head of the Black Star Line, Inc., together with Elie Garcia, George Tobias and Orlando M. Thompson. The charge against them is similar to that on which Garvey was arrested several days ago—using the mail to defraud.

It is alleged that in a campaign to sell 2,000,000 shares of stock of \$5 par value prospective investors were informed in circulars sent by mail that the company intended to buy one more steamship, in addition to an excursion boat, to be operated at a profit. This information is asserted to have been part of the scheme to defraud.

"It was represented," it is said in the indictment, "that a steamship larger than any which they had theretofore intended to secure and to be known as the Phillis Wheatley was to be taken over after inspection used for passenger and freight service between the United States and Africa, when in truth and in fact, no such steamship existed."

Mention is made also in the indictment of a scheme to raise money by a "dollar drive" for the purchase of a large vessel in which workmen and materials were to be taken to Africa to build up "the great republic Liberia" for negroes.

*Feb 17 1916*

190-1781



Instructions received

Special Agent in Charge

W.L. Buchanan

REPORT MADE AT: Buffalo, N.Y.	DATE WHEN MADE: 2/24/22	PERIOD FOR WHICH MADE: 2/19-24/22	REPORT MADE BY: W.L. Buchanan
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TITLE AND CHARACTER OF CASE:

MARCUS GARVEY  
LADY HENRIETTA VINTON DAVIS

UNIVERSAL NEGRO IMPROVEMENT  
ASSOCIATION

FACTS DEVELOPED:

At Buffalo, New York.

Reference is made to letter from Special Agent in Charge Brennan, New York City, February 15, 1922, initialed CJS-FJK, in which he states that MARCUS GARVEY, negro radical leader, is scheduled to make an address at Rochester, New York on February 22nd.

Information having been received that MARCUS GARVEY was to speak in Miller's Hall, 264 East Genesee Street, Buffalo, N.Y., on Sunday night, February 19th, - pursuant to instructions Agent proceeded to this hall at 7.30 p.m. to cover same. There were about 750 negroes present, and they seemed to be of the better class of Buffalo's colored people. An admission of 35¢ was charged. After being in the hall a short time, Agent heard voices from an adjoining hall, where the doors were closed, and the voices sounded as if military orders were being given. Agent opened the door and went into the next room, which was a large banquet hall, and there were a number of colored men and women drilling. They were all lined up; about twenty men were not in uniform; about 15 women were dressed in motor corps uniforms, of dark color and about thirty women were dressed in white, representing the African Black Cross. Agent learned that the men are to receive uniforms later

and will be known as the African Legion. At promptly 8 o'clock they marched into the large hall and formed a double line down through the center aisle to the stage, through which MARCUS GARVEY and LADY HENRIETTA VINTON DAVIS, clothed in flowing robes, with several attendants in uniform, marched ~~down~~ to the stage.

GARVEY was introduced by President Alfred A. Boykin, of Local 79, of the Universal Negro Improvement Association and African Communities League, Buffalo, New York, under whose auspices the meeting was held. Garvey then addressed the gathering and his remarks, although not very radical, were carefully chosen. In substance, he spoke as follows:

In opening, he stated that in these times a person speaking had to be very careful about his remarks; that is, to see that the correct meaning was conveyed; that the object of the organization was misunderstood in Buffalo to some extent, and by some clergymen as well as the ordinary colored people; that there were three types of people: white, yellow and black; that recently the white race had become power crazy and almost challenged the power of God; that the yellow race was nearly the same, and both these races exchanged compliments; that the black race had been 300 years in doubt and struggled along doing the bidding of the Caucasian race; that there were 400,000,000 colored people in the world, and what any white or yellow race had been able to accomplish

the black race could also do; that the white race had built the present great empires from the fall of other empires; that there were now rivals in race and rivals in nations, and that while the colored people had been slaves in the past, the negro himself was responsible for his present inferior position, and if they wished to go on being called apes, monkeys, missing links and niggers, it was up to them, but the time had come when they should rise from slavery, both economic and industrial; that one of the great handicaps of the colored race has been its inability to know itself and its powers; that the new negro has discovered that he is a man, a lord of creation, recognizing no master except God; that the white race should not be blamed as long as the negro submitted to his present treatment. He stated that the white race had built their greatest empires in Europe and America, and that it was now hard getting them out or getting equality; that Americans were prejudiced against the negro, not because he was black, but because of his condition, that the Japs were disliked, but respected, because of their condition that England was feared but loved because of her condition; that both of these nations had hundreds of battleships, battle cruisers and troops, and nothing happens to the English or Japs, but everything to the negroes. Therefore, he stated, it was up to the negro to improve his position socially and politically, because a race with nothing could expect nothing. He then related some American history, from the landing of the pilgrims, referring to the war

with Great Britain for independence of the colonies, citing Washington, etc., further saying that the world would only recognize the colored people when they had an African Commonwealth of their own; that in Africa, almost every large nation, except the United States, had possessions; that Africa was the motherland of the negro and they should take possession of it, and build the greatest empire on the face of the earth.

In connection with these remarks, Garvey referred to the return of the Jews to Palestine, of the nationalistic movement in India and Egypt, the Irish Free State, and said if it was right for the Caucasians to rule and govern Europe, for the yellow races to rule and govern Asia, that it then was equally right and proper for the black race to rule and govern Africa. He added that this was the psychological time to strike; that the negro did not wish anything but peace and friendly relations with their white brethren; that the training which the negro troops had received in Europe would be of much value to them in Africa. He closed his address abruptly, stating that he had received an urgent call somewhere else.

Agent afterwards learned that he went to New York City, although he was to remain in Buffalo until Monday night, February 20th.

It may be well to include in this report that

President, Alfred A. Boykin, stated in his remarks that in his belief, the Washington disarmament conference was not called for peace purposes, but was called for the sole purpose of disarming Japan, as the white nations realized that they were unsafe as long as the colored, or yellow, races were as strong as Japan, and the white races also realized that another war among themselves would give the colored races, including yellow, the upper hand in the universe.

Agent again attended a meeting on Monday night, February 20th, and a telegram was read purporting to come from GARVEY in New York, stating that it was impossible for him to be present, but he would be present to speak on Tuesday, February 21st.

LADY HENRIETTA VINTON DAVIS addressed the meeting on Tuesday night, and after eulogizing GARVEY talked along lines similar to GARVEY's the night previous. She stated that GARVEY was 54 years' old; that he was born in St. Ann's parish, Jamaica, West Indies; that he had studied in several colleges and had travelled around the world; that he was a second Douglas, an emancipator; that he came to New York about four and one-half years ago, and after speaking on the streets of New York, where he commanded much attention, he organized the Universal Negro Improvement Association, and African Communities League, in Lafayette Hall, in New York City, beginning with thirteen members, and that t:

organization had extended around the world, and now had 4,000,000 members. She is the National Organizer for the association, and is a very eloquent speaker. She also stated that there was an Egyptian in New York City at the present time whom GARVEY met in Europe, and he was now working with the Universal Negro Improvement Association for the freedom of India.

GARVEY returned to Buffalo on Tuesday night, February 21st, and again addressed the association in Miller's Hall. There were about 500 negroes present, including men and women, and the meeting was covered by Agents Harrigan and Curtin. They report that his speech and that of Lady Henrietta Vinton Davis, who also addressed the meeting, were along the same lines as at the previous meeting.

The officers of Local 79 of the UNIVERSAL NEGRO IMPROVEMENT ASSOCIATION, Buffalo, New York, are as follows:

Alfred A. Boykin, President,  
1st Vice President, C. W. Thomas  
2nd Vice President, Joseph K. Browliea  
Treas. Jno. H. Harris, Jr. Fin. Sec'y, Mrs. Sadie Murray  
Assistant Treas., Mrs. Irene McCullough  
Recording Sec'y, Mrs. Lottie Adams  
Associate Sec'y, Mrs. Delois Harris  
1st Lady Vice President, Mrs. Mack  
2nd Lady Vice President, Mrs. Hattie Briggs  
Lady President, Mrs. Beatrice Washington  
General Sec'y, Mr. H. M. Brockington

As the letter of Agent in Charge Brennan of New York City stated that GARVEY was to speak in Rochester, New York

on the night of February 22nd, Agent proceeded to Rochester, N.Y. on this date, and learned that GARVEY and MISS DAVIS had addressed meetings of the Universal Negro Improvement Association in that city on Friday and Saturday nights, February 17th and 18th in the Zion A.M.E. Church of Fabre Street. About 500 negroes attended the meeting on each night, and an admission fee of 35¢ was charged, as in Buffalo. Their speeches were practically the same as the Buffalo speeches.

Agents Curtin and Harrigan interviewed GARVEY on Tuesday night, February 21st, in Buffalo, under the pretext of being newspaper reporters, and he informed them that he was on a speaking tour and was scheduled to speak in Detroit, Michigan, on February 22nd, 23rd and 24th.

Closed.

Instructions re from Special Agent Scully.

REPORT MADE AT:	DATE WHEN MADE:	PERIOD FOR WHICH MADE:	REPORT MADE BY:
New York, N. Y.	Feb. 25/22.	Feb. 16 & 17/22.	M. J. Davis.
TITLE AND CHARACTER OF CASE:			
RE: <u>BLACK STAR LINE, Inc.</u> : Viol. Section #215 U. S.C.C. : (Using the mails to defraud.)			

FACTS DEVELOPED:

At New York, N. Y.

Asst. U. S. Attorney Lattuck telephoned the writer on the afternoon of the 16th inst., and stated that he had requested Marcus Garvey's attorney to bring Thompson, Garcia and Tobias to his office on the following morning. Garvey's attorney replied that he would produce the last two named, but was afraid THOMPSON would make his getaway. Mr. Lattuck therefore requested that inasmuch as he held a bench warrant for THOMPSON, he be picked up.

Accordingly, the writer, accompanied by Agent Amos, proceeded to THOMPSON'S home, #35 W. 129th St., at 8:00 A. M., Feb. 17th. He was about to leave the house with his wife, on the way to the funeral of his foster father. After verifying this, Agents permitted THOMPSON to attend the funeral, following which he appeared at Mr. Lattuck's office in company with his attorney, a Mr. Nolan of #25 Broad Street.

GARCIA and TOBIAS were arraigned before Judge Thomas, pleaded not guilty, requested a ten day delay to file motions, which was granted, and were held in \$2500. bail each, which they raised. THOMPSON entered no plea, due to the fact that he did not arrive in time to do so, however, he also furnished \$2500. bail and was permitted a ten-day delay.

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EJG:LVH.



# Department of Justice,

## Bureau of Investigation.

New York City, N. Y.  
March 2, 1912.

Wm. J. Burns Esq., Director,  
Bureau of Investigation,  
Department of Justice,  
Washington, D. C.

Sir:

Further reference is made to your file  
-MI:MVT - in re Black Star Line Inc. U.  
S. v. Marcus Carvey et al.

It is desirable that information be had  
from the United States Consul at Antilla, Cuba,  
as to the whereabouts of the s/s Lanawha, a  
vessel owned by the Black Star Line, Inc. and  
if now at Antilla, Cuba, the date of her arriv-  
al there; also as to the present condition of  
the vessel and what libels, if any, are recorded  
against her.

On August 31, 1911, \$1,100. was cabled  
through the Royal Bank of Canada to the Consul  
for use in connection with the vessel the pur-  
pose of which he might also make clear.

Will you please endeavor to procure this  
information through the proper department.

Respectfully,

*Frank M. Merrill*  
Expert Bank Accountant.

MEMORANDUM RECEIVED

SPECIAL AGENT IN CHARGE E. OSBORNE

REPORT MADE AT: Indianapolis, Ind.	DATE WHEN MADE: Mar. 6, '22	PERIOD FOR WHICH MADE: Mar. 6 '22	REPORT MADE BY: HUGH G. GABBER
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TITLE AND CHARACTER OF CASE: **RE: ALLEGED RADICAL AGITATOR.**  
**MARCUS GARVEY (Colored)**

FACTS DEVELOPED:

At Indianapolis, Indiana.

Attached to the original copy sent to Washington is an article appearing in the Indianapolis News of February 28th, 1922- head lines read: "Noted Negro Leader Indianapolis Visitor, Marcus Garvey to Speak on Racial Problems."

Confidential colored informant at the meetings at which GARVEY spoke on Wednesday and Thursday, March 1st and 2nd at the Bethel A. M. E. Church, 418 W. Vermont St., and reports we have received are that there was nothing of a radical nature in this speech and that MARCUS GARVEY spoke only along the lines of the betterment of the negro race.

While in the City MARCUS GARVEY <sup>was</sup> ~~is~~ the guest of A.H. MALONEY of 2127 Boulevard Place.

# WORLD NEGRO LEADER INDIANAPOLIS VISITOR

## MARCUS GARVEY TO SPEAK ON RACIAL PROBLEMS.

### BLACK REPUBLIC ADVOCATE

A negro whom his followers regard as without a peer as a leader of his race, particularly in the paths of industry, commerce and material advancement, came to Indianapolis Monday night from New York, his headquarters and home, and was today at the home of the Rev. A. H. Maloney, 2127 Boulevard place.

The visitor, whose coming was an event among the negro population of Indianapolis, is Marcus Garvey, president-general of the Universal Negro Improvement Association, of which he is the founder also. He is, besides, president of the Black Star Steamship Line, Inc., and, by vote of the thousands of delegates to the conference of negroes in New York, August, 1919, who elected him president-general of the racial improvement association, he wears the title of provisional president of Africa.

#### Purpose Two-Fold.

Garvey, as leader of an organization of negroes which has, as he says, a membership of four and a half millions, explains the organizational aims as two-fold: first, to awaken the racial consciousness of the negro, and in that consciousness to encourage him to the best material and social development of which he is capable; second, to found, in Africa, a black republic, of and by and for the negro, as a solution to the racial problem which he presents in all parts of the world.

The ideas thus outlined have been equipped as a movement, which is widely at work, and for which Mr. Garvey predicts an eventual, complete success, though he is unwilling as yet to say when the African republic will be founded. He is here to speak tonight and again Wednesday night, in the Bethel A. M. E. church, in Vermont street, on the organization. One of its branches exists in Indianapolis, and it has ramifications into every country where the negro dwells in any considerable numbers.

#### Fitting Representative.

Marcus Garvey himself is a fitting representative of the race, he is striving to lead to a better destiny. The son of the descendants of a generation of West Indian slaves, his stock is the original, non-black, west coast African negro. He was born in Jamaica, but has lived in the United States for several years. He is short, powerfully and stocky built, and his small ears and the prognathous jaw make him almost a type of the original African, caught and pressed into slavery in the new world. He himself is well aware of this. He does not imagine that he looks like a white man. It is not improbable, in the opinion of his followers, that some of the strength of his leadership arises from the strong racial markings of his physique and from the scorn in which he holds the too frequent efforts of other negroes, especially those of mixed blood, to approach to the appearance of white men. This, he knows, is impossible to all his race.

Garvey's idea, as frankly explained by him, is not to develop the black race into a white race, as the

March 7, 1942.

Mr. L. H. ...  
Office of the Chief ...  
State Department,  
Washington, D.C.

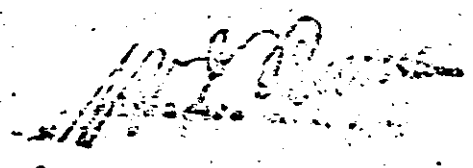
My dear Mr. ...:

I have the honor to request certain information needed in connection with the ... of ... and ... which I understand can be obtained through the ...

It is desired to know the whereabouts of the U.S. ... a vessel owned by the ... and if this vessel is now at ... the date of her arrival there, precise location of the vessel and the ... of ... was ... through the ... to the Consul for use in connection with this vessel the purpose of which he may also be able to make clear.

It will be greatly appreciated if you will obtain and forward this information to me as early as practicable.

Yours very truly,



OFFICE MADE AT: New York City	DATE MADE: 3/8/22	PERIOD FOR WHICH MADE: 2/21/22/23/24	REPORT MADE BY: Martimer J. Davis
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TITLE AND CHARACTER OF CASE:  
U. S. vs BLACK STAR LINE, Inc.,  
Vic. Sec. 215, U.S.J.C. (Using Mails to Defraud)

DEVELOPED:  
Continuing this investigation:

My last report indicated that Orlando M. Thompson, a defendant in this case, had come to the Bureau office and stated his willingness to give a statement. I learned that Thompson had been advised to do so by his attorney Louis P. Nolan, 25 Broad St., this city. On Feb. 21st Thompson came to the Bureau office again, and the writer, in presence of Agent Amos, took a stenographic statement from him, copy of which is attached hereto. This statement supplements the one Thompson gave P.O. Inspector Williamson sometime ago. At the same time Thompson turned over to us all letters, telegrams, and memoranda regarding his official acts while in the West Indies. These were looked over carefully and returned to Thompson on the promise that they would be available to us at any time.

As matters have developed, Garvey, through the medium of his newspaper "Negro World" and public speeches in various parts of the country, is claiming that the blame for the phantom "Phyllis Wheatley" is on Thompson's shoulders, inasmuch as negotiations for it, and the publication of the circulars in question occurred during the time Garvey was in the West Indies; also, Garvey is claiming that Thompson has made away with \$26,000. This, undoubtedly is the amount now held by the Shipping Board as deposits

on the S/S "Orion", which is well known to Garvey but which he is apparently misrepresenting for his own purposes. This situation, therefore, has led to Thompson's attitude, and his offer to help the Government is of course a matter of self-protection.

Feb. 27th

Orlando M. Thompson came to the Bureau office again today voluntarily, and was dismissed after a short talk. Cyril Crichtlow, who has been referred to previously in this investigation also came to the office, upon my request. This individual is important to the case inasmuch as he is the man who went to Africa for the U.N.I.A., and knows of their doings there; likewise he has been the official reporter for the association, and reported stenographically many of Garvey's public speeches. Crichtlow, as has been shown previously, had a disagreement with Garvey, and upon his return to the U.S. entered suit against the association for \$1300 salary, obtaining recently a judgment for \$750.00. I was rumored that the association would settle the judgment in an effort to prevent Crichtlow from testifying against them, which, however, Crichtlow stated he was ignorant of, reiterating today that nothing would prevent him from testifying as to the truth. On March 7th, however, I was confidentially informed that the association had handed Crichtlow \$550 in settlement of his judgment, on the promise that he would not testify against them at the trial. This promise, I understand was extracted from Crichtlow by a Bishop Gainse. This would appear to place the association in the light of endeavoring to buy up witness-

es, and I am working on this point with a view to obtaining evidence of same which may be used if required. On this date, also, I learned confidentially that Elie Garcia, being in charge of the Black Star Line during the absence of New York of Marcus Garvey, ordered, on Feb. 20th, that the sale of stock be stopped. The reasons for this undoubtedly are, first, All stock certificate books are being recalled upon request of Expert Bank Accountant Merrillies, and secondly, because Thompson has notified the Line in writing that he no longer consents to the use of his name on the certificates (several stock books had been signed by him in blank and sent around the country). I learn from Mr. Merrillies, however, that while the sale of stock of the Black Star Line has continued since the indictment, the monies so received have been deposited to the account of the Black Star Steamship Co., Inc., a New Jersey corporation the history of which I have previously given. They are then transferred to the Black Star Line by cash or check. This is being done to avoid the attachment which the National Dry Docks of Staten Island, N.Y. has obtained against the bank account of the Black Star Line for unpaid bills.

Feb. 23rd.

On this date Agent Aros invited to the Bureau office one Louis LeMothe, former purser on the "Yarmouth". After a short conversation I arranged for his appearance at the office on a later date, at which time a statement was taken and will be reported.

On request of Mr. Merrillies, I endeavored to check

**190-1781-6**

up several of the incidents surrounding the insurance on the boats of the Black Star Line, which do not appear on their books.

S/S "Yarmouth":

On July 5, 1920, Messrs. O'Keefe & Lynch, 45 John Street, N.Y. City, Insurance Brokers, placed the following insurance on the "Yarmouth" through Jas. Hewitt & Co., Ltd., London, England:

\$50,000	freight & earnings (total loss)	1	trip to W.I. only
30,000	disbursements	"	" ditto
50,500	hull & machinery	"	" ditto
69,500	" " "	"	" ditto

The first three policies were issued by the National Benefit Co., and the last named by the British Dominion General Maritime Co., both of London, England. O'Keefe & Lynch, according to insurance custom, paid to the London brokers the premium on this insurance, intending to collect same in turn from the Black Star Line. Much difficulty was experienced in this, the Line, through Garvey, Thompson and Wilford H. Smith pleading shortage of funds and it was not until very recently that the brokers here were paid the money they had laid out for the insurance premium.

I have been informed that there were other policies on the "Yarmouth" covering here three trips, but O'Keefe & Lynch state they did not write them. Neither are they able to advise from their records whether there are any assignments against the insurance on the Yarmouth.

S/S "Kanawha":

During June, 1920, the Black Star Line requested O'Keefe & Lynch to obtain a policy on the "Kanawha" covering a trip



to the West Indies. Upon cabling London on this, O'Keefe & Lynch received a reply stating in effect that not only was the "Karawha" unclassified, but that she was too old to insure. The cable and confirming letter containing these statements are available if needed. Insurance on the boat was finally secured by O'Keefe & Lynch, however, as follows:

1st Policy dated 6/16/20 - \$36,000 covering Hull, total constructive loss, rate 10/0, one trip only.

2nd Policy dated 6/16/20 - \$15,000 covering freight and profits, total constructive loss, rate 1- $\frac{1}{2}$ %, trip only.

3rd Policy dated 6/16/20 - \$9,000, covering disbursements, total constructive loss, rate 1 $\frac{1}{2}$ %, trip only.

The total premium amounting to \$622.56 was paid by the Black Star Line on August 2, 1920. On the books of O'Keefe & Lynch appears a proviso that "loss, if any, payable to J. M. Briggs, or Black Star Line, as interest may appear." (Briggs sold them the boat). Subsequently, the Black Star Line, requested that O'Keefe & Lynch consent to having any loss made payable to the Massachusetts Bonding Co., which request was refused.

When the "Karawha" finally left New York under these policies (about Feb. 1921) to the West Indies, she was forced to return, not completing the trip. They then requested return of part of the premium, which, when taken up with the London company which obtained the policies, was met with the reply that instead of part premium being returnable, a penalty was due the insurance company inasmuch as the boat had been laid up in New York an unreasonable time following date of the policies, and, in fact

had not left port within the time limit set down by the insurance company after this delay had been called to their attention.

Later, the Black Star Line requested that similar policies be issued covering one year's operation, but London refused.

S/S "Shadyside"

This excursion boat was insured through Frank

B. Hall & Co., brokers, 67 Wall Street, as follows:

1st Policy dated 4/19/20, period of 1 year, \$10,000.  
Beneficiaries Black Star Line and Leon A. Swift (Joint)  
Covers hull, tackle, fixtures, machinery, total constructive loss. Distributed as follows:  
City of N.Y. Insurance Co. 1/4 interest)  
Baltica Insurance Co., 3/4 " ) \$10,000

2nd Policy dated 5/28/20, period of 1 year, \$25,000  
Covers hull, machinery, tackle, fixtures, etc. total loss.  
Distributed with London, England, companies

Under these policies the movement of the boat is limited to the harbor of New York, as far north as Poughkeepsie. The policies also show that the agreed (between underwriters and B.S.L.) value of the boat was \$45,000 at that time. This, I am informed, was agreed after inspection by the underwriters.

Assignments against the insurance on the "Shadyside" are as follows:

Massachusetts Bonding Co. 6/30/21 filed by  
Thompson - \$5,000.00

Garcia Sugars Corp., filed by Thompson & Garcia ~~for~~  
consisting of a series of promissory notes, viz:

7/6/21	\$250.00	
8/5/21	500.00	
9/4/21	500.00	
10/4/21	500.00	
11/3/21	500.00	\$2,250.00

(N.B. - These notes have since been satisfied, per B.S.L. books)

Independent wireless Tel. Corp., filed by Thompson \$1150.13

I previously reported that Leon R. Swift, who sold the Shadyside to the Black Star Line, is now suing the underwriters direct through his attorneys, Foley & Martin, for the entire \$35,000 insurance, claiming the boat a total constructive loss. Swift has in his possession an agreement signed by Garvey and Thompson, giving him the right to sue for same. There is a balance on the original purchase price of the "Shadyside" of about \$18,000 still due Swift. Upon taking the matter up with Thompson, he advises that this agreement was given Swift, first because of the money due him, and secondly because he was more familiar with such matters than officials of the B.S.L. Questioned as to what measures the Line has taken to obtain from Swift the difference between \$18,000 and \$35,000 (if full insurance is collected) Thompson states that "we depended upon Swift's good faith to pay us". I have learned that since my talk with him he has had his attorney, Mr. Nolan, take the matter up with the underwriters, who have agreed that no monies will be paid to Swift without representatives of the Black Star Line being notified. As to the assignments, it will be noted they have been filed with the brokers, and not with the underwriters. As Swift is suing the latter, I am informed that these assignments will not be effective; Thompson states the Line intends to satisfy them out of the insurance they collect on the boat.

The above information is for the use of Mr. Merrilies.

Feb. 24th.

On this date agent Amos located A. SUDOLPH SILVERSTON, formerly proprietor of the New York Ship Exchange. This is the man who was dealing with the Shipping Board on behalf of the Black Star Line in its attempts to secure the "Orion", which was to be renamed the "Phyllis Wheatley." Silverston came to the Bureau office willingly and gave a statement, copy of which is attached. I am convinced that Silverston has been dishonest in his dealings with the line and is responsible in some measure for the present difficulties.

Feb. 25th

On this date, in company with agent Amos, called at the Standard Engraving Co., 225 W. 59th St. and interviewed the President, Mr. Chilton, and a Miss McDermott. This is the concern which prepared the plate used for the printing of the circular containing picture of a boat named "Phyllis Wheatley." Upon referring to the records of this concern, a bill dated May 2, 1921, was located, made out to O. L. Thompson, containing a charge of \$7.50 for "plate and art work". Miss McDermott, who handled the transaction, described Thompson, and stated that he requested the name "Phyllis Wheatley" to be painted on the picture in his possession, and also asked that the Black Star Line flag be likewise painted thereon, which was done.

Continued.

MEMORANDUM CONCERNING MARCUS GARVEY.

This is a case concerning Marcus Garvey, an alien West Indian Negro who operates from 56 West 136th Street, New York, N.Y. He is charged with having violated the postal fraud statutes in the promotion of the following companies:

- (1) Universal Negro Improvement Association and African Communities League,
- (2) Black Star Line, Inc.,
- (3) The Negro Factory Corporation, Inc.,
- (4) The Universal Steam Laundry.

The advertised purpose of the Universal Negro Improvement Association and African Communities League is stated as follows:

"An organization embracing the millions of men, women and children of Negro blood and of African descent of all countries of the world, striving for the freedom, manhood, and nationalism of the Negro, and to hand down to posterity a King of Empire - to restore to the world an Ethiopian Nation one and indivisible out of which shall come our princes and rulers, - to bequeath to our children and our Grand Old Race the heritage of an ancestry worthy of their time and thoughtful of the future."

The Black Star Line, Inc., is a Delaware corporation with an authorized capitalization of \$10,000,000, organized under the laws of the State of Delaware, and Garvey, since 1920 at least, has been selling shares of the common stock in this corporation. His principal medium of reaching the public is The Negro World, a second class publication mailed from New York. It has a circulation list of some 45,000 names and circulates among negroes in nearly every country in the world but principally among American negroes and negroes in the British West Indies.

The Black Star Line, Inc. pretends to run a line of steamers, both freight and passenger, and is to convey men and materials to the West coast of Africa where a great negro empire is to be founded. The following representations have been made with reference to the steamship

line and for the purpose of selling stock in the corporation:

- (1) The Black Star Line is up and doing. Doing what? Running Steamships. Help to keep them running by buying your share today!
- (2) Invest your money in the most colossal, most prosperous negro industry of all times.
- (3) Commercially there are few negro concerns in this country, and none in the world, whose prospects are as bright.
- (4) Invest now and help us put more ships on the sea.
- (5) Whatever might have been the errors of the past, the present administration of the Black Star Line is composed of trained business men and specialty service help, unquestionably equal to their responsible tasks.

The advertising literature from which the above has been quoted contains the picture of four ships, known as PHYLLIS WHEATLEY, FREDERICK DOUGLASS, ANTONIO MACEO and the SHADY SIDE. Confidential information from an undercover agent is to the effect that the PHYLLIS WHEATLEY exists only on paper and that in order to procure the out used, a ship was photographed with the real name concealed. An old ship, called the YARMOUTH, was re-named the FREDERICK DOUGLASS and I understand a third ship was re-named ANTONIO MACEO. The SHADY SIDE is an excursion steamer which was used on the Hudson River during one summer.

Under one or another of these corporation names Garvey has started a chain of restaurants, has a run a laundry, bought or optioned what he calls the Liberty Hall, procured, presumably for his own personal use, a yacht and has an equity in a property at 54-56 West 135th Street, New York. The YARMOUTH, re-named the FREDERICK DOUGLASS, made one or more trips to the West Indies and was taken back by its former owners, a certain Canadian firm. The SHADY SIDE is now beached in the East River in New York and one other ship which is now called the KANAWHA is now in Cuba in an unseaworthy condition. My information is that the representations above quoted were made after the steamship proposition

had virtually become a wreck. Your undercover agent advises that the whole of Garvey's project is about to collapse and that the several funds maintained in the New York banks have all been overdrawn. He is being sued by former associates and a report from one of them who was for a time in Liberia shows that the colonization project never could have materialized.

After making only a cursory examination of the papers, most of which were procured for another purpose, the elements of the fraud appear to be as follows:

- (1) Funds belonging properly to one corporation were transferred to another without compensation;
- (2) The charter of the Universal Negro Improvement Association and African Communities League was violated by the officers of that corporation in buying stock in the Black Star Line, Inc.;
- (3) The so-called "death fund" was used, at least in part, to buy the Negro World. My understanding is that this "death fund" was a trust fund and could be used for buy one specific purpose which was the payment of death claims filed by members;
- (4) Embezzlement of funds by Garvey and his associates.

It seems that Garvey has been giving the Department of Justice endless trouble for years and the Director of the Bureau of Investigation requested the Chief Postoffice Inspector to assign an inspector to this case with instructions to cooperate with the agents of the Department of Justice who desire to bring action under Section 215 of the Criminal Code. This has been done. My opinion is that a good case could be made of it with a reasonable amount of investigation.

Respectfully,

STATEMENT OF  
6000  
ORLANDO H. THOMPSON

Present:  
Mortimer J. Davis, Special Agent.  
James Amos, Special Agent  
F. J. Kilmartin, Stenographer.

At Bureau of Investigation,  
Department of Justice,  
15 Park Row, New York City.  
February 21, 1935.

- Q. Mr. Thompson, you understand fully that the statement which you make is given voluntarily; that we make you no promises of immunity. To the questions which we ask you here you have the right of replying or not; is that satisfactory?
- A. Yes.
- Q. You are the same Mr. Thompson who some time ago gave a statement to Mr. Williamson, Post Office Inspector, in my presence?
- A. Yes.
- Q. Do you know anything about any insurance carried on the S. S. Yarmouth, Kansas or Shady Side?
- A. Yes.
- Q. Was the Yarmouth insured?
- A. Yes, for a trip only.
- Q. What was the amount of that insurance?
- A. I think it was two per cent on two hundred thousand dollars.
- Q. Was that the premium?
- A. That was the rate; the premium amounted to something like five thousand dollars, but I can get definite word from O'Keefe & Lynch.
- Q. Was the premium ever paid?
- A. Yes.
- Q. Was any part of that insurance ever assigned to any individual or any firm?
- A. Not on the Yarmouth.
- Q. Was any part of the insurance ever collected?
- A. Not to my knowledge; in fact I don't believe so.
- Q. Is the Black Star Line, so far as you know, now suing for any part of that insurance, or making a claim for any part of that insurance?
- A. Not on the Yarmouth. They are making a claim for insurance on the Shady Side.
- Q. Is it true that there was some delay in paying the premium for the insurance on the Yarmouth?
- A. Yes, it is true.
- Q. What was the reason for that delay?
- A. Insufficient funds.
- Q. Insufficiency of funds for the payment of that premium was generally discussed among the officers of the Black Star Line?
- A. Yes.
- Q. But it has since been paid?
- A. It has.
- Q. Why, after the delay, was it finally paid?
- A. Well, we acknowledged the debt.
- Q. Was it because there seemed to be a possibility of collecting a part of the insurance?
- A. There wasn't any chance to collect any insurance on the Yarmouth; there never was any attempt to collect.



- Q. Outside of the insurance on one trip, was the Yarmouth, so far as you know, insured at any other time?
- A. Well, she was insured for each trip and she made three trips.
- Q. Insured through the same concern?
- A. Yes.
- Q. How about the Kanawha?
- A. It was also insured through O'Keefe & Lynch.
- Q. Was the Kanawha insured for trips only?
- A. For round trip from New York to West Indies and Back.
- Q. Is it true that insurance was refused on the Kanawha at any time?
- A. Not that I know of.
- Q. Who dealt with O'Keefe & Lynch regarding the insurance of the boat?
- A. I partially. I interceded with Messrs. O'Keefe & Lynch to stay their hands on suing the company for the insurance of the Yarmouth and I also negotiated in part for the insurance on the Kanawha.
- Q. Wasn't it true that O'Keefe & Lynch received a cablegram from a London insurance concern refusing insurance on the Kanawha because it was too old.
- A. I don't know.
- Q. But the Kanawha was actually insured?
- A. Yes sir.
- Q. Has any part of that insurance ever been collected?
- A. No sir.
- Q. What was the premium paid on the insurance for the Kanawha?
- A. I am sure I cannot remember.
- Q. For how much was it insured?
- A. It was insured for \$65,000.
- Q. Was she insured for any other trips?
- A. No.
- Q. Were there any assignments to any persons or concerns on the insurance of the Kanawha.
- A. Yes, there was such precaution taken: When the bills for repairs were to be paid we were not able to pay them, for the boat to leave port, so that the National Dry Dock Co. who repaired the boat, insisted on getting such an assignment covering a balance due them in case the ship was lost they could get their money if we didn't pay them.
- Q. And the insurance company consented to make such an assignment?
- A. They weren't questioned as to the right to receive any part of the premium.
- Q. So that the assignment was merely an agreement between the Black Star Line and the National Dry Dock Co. without the knowledge or consent of the insurance company?
- A. Yes, it was with their knowledge, but we didn't ask their consent. They knew about it.
- Q. Has the National Dry Dock Co. ever been paid?
- A. Not in full.
- Q. Have they made a claim on the agreement?
- A. They have, they have attached the account of the Black Star Line in the Chelsea Exchange Bank.

(State of Orlan's M. Simpson - 3.)

- Q. Was any assignment for insurance on the Kanawha ever made to Leon Swift?
- A. Not on the Kanawha, on the Shady Side.
- Q. How much was the Shady Side insured for?
- A. Thirty-five thousand.
- Q. That was blanket insurance, wasn't it?
- A. Yes sir.
- Q. Has any part of that ever been collected?
- A. No, the case is pending.
- Q. What company was she insured in?
- A. Through Frank B. Hall, insurance broker, distributed in London.
- Q. Who is endeavoring to collect the insurance on the Shady Side?
- A. Captain Swift has charge.
- Q. And why is he trying to collect it?
- A. Because he is interested to the extent of \$18,000 and he knows the entire case of the Shady Side.
- Q. You mean that the Black Star Line has given him permission to collect the \$35,000 due?
- A. Yes sir.
- Q. In other words, then the Shady Side is considered a total constructive loss.
- A. Yes.
- Q. What is to become of the balance between \$18,000 due Swift and the \$35,000, should he collect it?
- A. Well, it reverts to the owners of the Black Star Line.
- Q. What assurance has the company that it will get this money?
- A. On the clear case of damage by storm.
- Q. I mean, what assurance has it from Swift that he will pay over to them the balance?
- A. Well, there is a--he is negotiating for this not alone. Both Mr. Nolan a marine lawyer and I representing the Company, keep in touch with him and we have agreed that if the thing should go through that prompt payment would be made to the Black Star Line.
- Q. Have you a written agreement with him?
- A. I am not sure--I think there is--I think Mr. Nolan has one.
- Q. In other words then, the Shady Side has never been paid for fully?
- A. Let's say to the extent of about \$18,000.
- Q. Do you know whether or not Marcus Garvey or any of the other officers of the Black Star Line have any personal bank accounts anywhere?
- A. This is what I think, not that I know; I have seen a check from Mr. Garvey on the bank at 125th St. I think it is the Corn Exchange Bank. I have seen checks from Mr. Garcia on the Chelsea Exchange.
- Q. Do you know whether Mr. Garvey has an account in either Canada or West Indies?
- A. I don't know.
- Q. Do you know that it has been alleged that Garvey has gotten away with funds which he has placed either in Canada or the West Indies?
- A. I don't know. As far as I know for your information, during my fifteen months with the Company I have been detailed on the downtown work of the shipping department, so that I have little or no knowledge of the book workings of the office.
- Q. Have you any bank account yourself?
- A. No sir.

- Q. This girl, Amy Jones, do you know whether she has a bank account or not?  
A. I really don't know.
- Q. Did Miss Jones have anything to do with disbursing funds of the Black Star Line?  
A. As far as I know, only as advised by Garvey.
- Q. Who had the power of authorizing expenditures of the Black Star Line funds?  
A. Marcus Garvey.
- Q. Anyone else?  
A. No one else. Let me illustrate that. There wasn't any person who could order a bill paid for any one indebtedness; that is, the Treasurer might and even that was under Garvey's instructions - pay regular bills.
- Q. You mean, that even with the approval of the Treasurer, Garvey's approval was also necessary?  
A. Yes.
- Q. Who else besides Garvey had the power to make such approvals?  
A. I should say no one person.
- Q. During Mr. Garvey's absence from New York City who had power to make disbursements - Mr. Garcia, the secretary?  
A. Mr. Wilfred H. Smith. Mr. Garvey appointed him and gave him power of attorney and made him his personal representative when he was leaving the country for the specific purpose of seeing nothing was done in the matter of paying bills without his knowledge and approval so that no bills were paid without Smith's approval.
- Q. Was that arrangement agreed to by either the officers of the corporation or the Board of Directors or was it a personal action by Garvey?  
A. It was a personal action.
- Q. Wasn't this considered a rather peculiar procedure for a corporation?  
A. Absolutely.
- Q. Did anyone ever question Garvey's retention of the right to give personal approval to expenditures?  
A. Well, it wasn't an open question, but a free discussion among the directors.
- Q. Do you know that the Yarmouth has been sold by the U. S. Marshal at public auction?  
A. I heard it several weeks after it was done.
- Q. Does Garvey know this?  
A. Yes.
- Q. Why was the boat sold?  
A. I heard to satisfy a debt.
- Q. Do you know the price the Marshal sold it for?  
A. I saw a record of it in the Marine News, \$15,000 and some cents; I can't recall the exact figure.
- Q. Do you know whether a record of that was ever made on the books of the Company?  
A. I don't know.
- Q. Were you ever present at a meeting of stockholders where it was decided to claim the steamer Yarmouth as an asset?  
A. At this meeting the contention was that the Massachusetts in favor of the organization was helped by the three trips of the Yarmouth, but the Yarmouth as a physical asset was nil.
- Q. When was that meeting held?  
A. October 23rd, 1921, I think it was.

Q. Were all the officers present at that meeting?

A. Yes sir.

Q. And it was generally admitted that the Yarmouth was not a physical asset, but merely an asset so far as propaganda was concerned?

A. Yes sir.

Q. Do you know whether or not some time ago the District Attorney in New York City threatened Garvey with suit if a ship was not obtained by a certain date?

A. I heard about it, but I was not with the Company at the time.

Q. What did you hear about that?

A. I heard that Marcus Garvey had been collecting moneys and promising a ship and that they were expecting it every day.

Q. Apparently someone had complained to the District Attorney?

A. Yes sir.

Q. Approximately when were arrangements made to insert advertisements in the Negro World regarding the sailing of the Phyllis Wheatley?

A. About some time in January, 1921, an advertisement came out in the Negro World advising of regular sailings to Africa, but it didn't state the name of the boat; although I cannot understand why such an advertisement was put in unless the man who put it in knew something about his plans for obtaining a boat or he may have been thinking that the present boats he had could have made these trips.

Q. Who wrote that advertisement?

A. I don't know.

Q. Was Mr. Garvey in the United States when that advertisement appeared?

A. Yes.

Q. Was he in New York City?

A. Yes.

Q. Do you know whether or not he had previous knowledge that the advertisement was to appear?

A. I don't know, but I drew it to his attention when I saw it.

Q. And what did he say?

A. He made some excuse for its appearance and I told him that that would have to be changed unless you intend to run the Yarmouth to Africa.

Q. You informed him that the Company had no boat which could be run to Africa?

A. Yes, I did.

Q. And what did he reply?

A. He told me to go out and try to get such a boat whether by charter or purchase.

Q. Was Mr. Garvey in the United States when the first advertisement specifically mentioning the Phyllis Wheatley appeared in the Negro World?

A. No sir.

Q. Who prepared those advertisements?

A. I think I had something to do with them.

Q. Did Mr. Garvey have anything to do with the preparation of those advertisements?

A. Not those specifying the boats.

Q. Before leaving the United States did he issue any instructions regarding inserting such advertisements?

A. The advertisements were in the papers before he left, not about the Phyllis but about the sailings to Africa.

- Q. Before Garvey left the United States was the acquisition of a boat to be known as the Phyllis Wheatley discussed?
- A. Yes sir, we were actually negotiating for the Tennyson.
- Q. When you called to Mr. Garvey's attention the fact that the Company did not have a boat which could make the trip to Africa, did he cancel the insertion of the advertisements referred to?
- A. No sir, I insisted on him cancelling the sailing dates, which he consented to, the dates being taken out, but the sailings to remain, not on a specified time, but on or about such and such a time.
- Q. Without the mention of any particular ship?
- A. Yes sir, but it was after we had signed a contract with the New York Ship Exchange for a definite delivery that the advertisement came out announcing the sailing on or about such and such a date.
- Q. Where was Garvey then?
- A. I think in Central America.
- Q. Was Garvey kept informed of negotiations in New York while in the West Indies and Central America?
- A. Not through me, because it was hard to get him; he was in one place and then another.
- Q. When Garvey returned to the United States did he object to the advertisements bearing a specified name and sailing dates having been inserted in the Negro World?
- A. The objection was before he came back, because we withdrew these publications that announced the Phyllis Wheatley after the broker failed to deliver the ship.
- Q. Do you know whether Mr. Garvey made any representations while out of the United States regarding the steamship to be known as the Phyllis Wheatley?
- A. No sir.
- Q. He knew, however, that the ship which you intended to acquire for the African trade was to be called the Phyllis Wheatley?
- A. Yes sir.
- Q. Who suggested that name?
- A. Mr. Garvey.
- Q. When he first inserted advertisements regarding sailings to Africa, with the mention of a specific ship, did he have in mind the steamship to be known as the Phyllis Wheatley?
- A. I really don't know, that's just what I asked him myself.
- Q. Who sold the passage on the Phyllis Wheatley?
- A. People were depositing--this I would like to be clearly understood: It was the volition of the people to deposit money to take care of passages in case the ship became an actuality and people often withdrew their funds week in and week out. It wasn't actually a case of the passage being sold, as moneys were received on deposit when the trip could be procured and the people were told of that, because out of over eight hundred applicants only about forty had actually deposited money.
- Q. Was the money returned?
- A. Some has been returned and some is still being returned as fast as they call for it.
- Q. Did the Company start returning such passage money before or after action by the U. S. Government against the Black Star Line?
- A. Before.
- Q. Since the arrest of Marcus Garvey on January 19, 1922, has the Black Star Line continued the sale of stock?
- A. I don't know.

(Statement of "Crli" to H. Thompson - 7.)

- Q. What do you know regarding the formation of the Black Star Line S. S. Co. of New Jersey?
- A. Yes, I know of that. It was done in October, 1920.
- Q. What was the purpose of forming that corporation.
- A. Specifically for the purpose of controlling one ship. Each ship would be under a different corporate name to avoid the possibility of not making the sailing in case one other ship got into trouble.
- Q. Was that corporation formed for the purpose of taking over any specific ship?
- A. No sir, not at the time of formation, but when the Phyllis Wheatley was actually to be bought, it was suggested that it should be under the clear corporation so that any litigation or judgments would not affect that particular sailing.
- Q. Whose suggestion was that?
- A. My suggestion.
- Q. Was that corporation formed or in your mind, so far as you know, to see that the people got their money back in any way?
- A. Just what I was going to do, to see that the people who had invested their money should be properly taken care of.
- Q. Was it not on the suggestion of Wolf & Steffani that the Black Star Line of New Jersey was formed?
- A. No sir, I only met them recently and this thing was done in October, 1920.
- Q. Wolf & Steffani were the brokers who orally agreed to raise the funds to purchase the Phyllis Wheatley, is that correct?
- A. Yes sir.
- Q. Did they make any inspection of the condition or ability of the Black Star Line to meet its obligations?
- A. Yes sir.
- Q. After such inspection were they satisfied?
- A. Yes, they expressed their satisfaction.
- Q. What sort of an inspection did they make?
- A. Mr. Steffani and Mr. Wolf came to the office one night. They said they were particularly interested in our ability to dispose of or sell bonds and they could only estimate it according to how we impressed them that we could sell the stock of the Black Star Line, provided we had the same clientele, and that we had records that we could finance and that we could dispose of these bonds.
- Q. When was this inspection made, approximately?
- A. About the last week in December.
- Q. At that time the Black Star was practically insolvent, was it not?
- A. Yes sir.
- Q. Was that fact pointed out to Wolf & Steffani?
- A. Oh, yes.
- Q. They understood it?
- A. Yes.
- Q. Up to that time, however, nothing had actually been obtained?
- A. No, it was not in our possession.
- Q. What is the status of the Phyllis Wheatley today?
- A. Well, the Government refused to let us have the ship unless we put up the bond they require and I think they are negotiating now in Washington for the return of the money.
- Q. Being satisfied that they cannot raise the bond?
- A. Yes sir, Of course the indictment and the arrest of Garvey practically

galled every chance we had of raising the bond.

Q. In what way?

A. The people said, if your company is disintegrated we cannot talk finance with you.

Q. What people are you referring to, are you referring to stockholders?

A. The financiers, people who might have been willing to put up the bond.

Q. Wolf & Steffani have refused?

A. They say, if your organization is coming apart, it was the means through which we were sure you could dispose of the bonds; therefore, we don't think it is a good business proposition. We haven't stopped there. There is an arrangement that if the Government will return the ship they will refund the money. There is a firm, a party waiting to turn it over.

Q. What firm is that?

A. The Northeastern Bond Finance Co., 150 Broadway. The man's name that I have been talking with is Mr. Avartus.

Q. Was the New York Ship Exchange ever paid any money by the Black Star Line to procure the ship.

A. The New York Ship Exchange had \$25,000.

Q. What has become of that?

A. What I have been hearing is that \$12,500 of that has been deposited with the Shipping Board and the last I heard of Silverstone's account was that it required excessive expenditures to procure that particular boat for the Black Star Line and he, as power of attorney, used moneys in connection with procuring the award.

Q. With reference to that boat?

A. The Orion.

Q. Did Silverstone actually deposit \$12,500 with the Shipping Board?

A. Yes sir.

Q. When was the balance added to make up the \$22,500 which the Shipping Board now has?

A. Sometime during August.

Q. Through whom was the balance paid?

A. Through Mr. Joseph F. Nolan, 25 Broad Street.

Q. Has any accounting ever been received from Silverstone for the \$12,500?

A. It has been asked for, but not received in writing.

Q. Where is Mr. Silverstone now?

A. I don't know.

Q. What agreement, as to commissions in compensation, did the Line have with Silverstone?

A. The Line offered Silverstone a flat sum of \$350,000 for a boat not under six thousand tons, to be approved by them, and the Orion was considered to be bought; that is, this boat was to be delivered ready for the ocean in every way, seaworthy and fit.

Q. Have Wolf & Steffani ever been paid any commissions, bonuses or compensations?

A. No, the only money that has been used is the \$25,000.

Q. In what capacity did Mr. Nolan act in these transactions?

A. Marine Adviser to the Black Star Line.

Q. Was his compensation on a fixed basis?

A. Yes sir.

Q. Do you know approximately what it was?

A. \$250 a month.

(Statement of Orlando N. Thompson - 9.)

- Q. Did Mr. Nolan receive any bonuses, commissions or compensation of any other kind for any transactions?  
A. No sir.
- Q. Were any compensations, bonuses, etc., paid to Captain Swift for any services rendered?  
A. No sir.
- Q. Captain Swift was at one time in the employ of the Black Star Line?  
A. Yes Sir.
- Q. On a salary basis?  
A. I don't know.
- Q. Do you know of anyone who ever got any money out of the Line which has never been accounted for by services or proper explanations?  
A. No sir.
- Q. Have you any idea of or know as to what has become of the large part of the funds collected by the Black Star Line?  
A. I have been interested to find that out myself and I am satisfied that bad boats and claims for short delivery of cargo and expenses of that kind has consumed a lot of money. Some very big claims have been paid that I know of. There is a firm in Water Street that we brought co-accounts from Jamaica for and they got a claim for \$2,400.
- Q. Do you know generally that you are accused of having received moneys from the Black Star Line without giving proper accounting?  
A. A man came to my house last night and said that he was in a barber shop and heard that I made away with \$32,000. I told him we were hearing lots of things, but I am pretty sure that if I could get my salary it would be enough.
- Q. Do you know how much money Garvey took with him on his trip to the West Indies?  
A. No sir, I don't know.
- Q. You do know there was a collection taken up that night and Amy James took the money herself.  
A. Yes sir, before, and after, when he came back, they gave him a bag of gold.

Subscribed and sworn to before me

.....  
ORLANDO N. THOMPSON

this      day of February, 1922.

.....  
Notary Public



STATEMENT OF  
0003  
BY RUDOLPH SILVERSTON

Present:

Hortimer J. Davis, Special Agent  
James Tracy, Special Agent  
F. J. Elzartia, Stenographer

At Bureau of Investigation,  
Department of Justice,  
15 Park Row, New York City.  
February 24, 1932.

Q. What is your full name and address?

A. Anthony Rudolph Silverston, Park Avenue Hotel.

Q. What is your business?

A. I am a ship broker, a ship builder.

Q. What is your business address?

A. Room 1210, 17 Battery Place.

Q. How long have you been in the shipping business?

A. About seven or eight years.

Q. Are you a United States subject?

A. I am.

Q. Have you ever had any dealings with or for the Black Star Line?

A. I have.

Q. Will you kindly explain exactly what dealings?

A. I met Mr. Carvey the first time somewhere during the beginning of the war when I was at 35 Beaver St. I was doing business under the name of the New York Ship Exchange, a fictitious name registered at the City Hall. You know to comply with the law, if you want to do business under a certain name you have to incorporate or register. I believe somewhere in 1918 Mr. Carvey, through some broker, approached me to sell him some oil tankers and I believe, if my memory serves me right, he claimed at that time to be a lawyer with an office somewhere on Broadway. I refused to do any business with him, because during the time of war we had to be careful. I had to know who his principals were, and, of course, I wanted to know where his money came from. I could not get any satisfaction from him. He had a miserable office with a little desk; you could not call it anything else but a hole. I had practically forgotten all about it until I saw in the newspapers an advertisement of a great parade in Madison Square and the name Carvey was the leading figure there. I thought I remembered the name. Of course, I read his statements, don't you know and so on, and also the idea that he wanted to establish a steamship line. At the time I had an interest in a British boat, a British steam trader that I had had already for two or three years previously in my name. I believe it was in 1920 when it occurred to me that it might be a boat that could be used by Carvey. I was given to understand that he was in the market for a steamer. That's the second time I met him. He ordered a man - I forget his name - supposed to be his Chief Engineer - to go with me to make an inspection of the steamship. I think it was a vessel by the name of Smith, a young man, and I took him over to where I had the boat. That was the last I heard of it. I never heard from him again. The next I heard of the Black Star Line - that was, I think, what I tried to get in communication with Carvey at the time in reference to the steamer; his name was the "Alia". However, I could never get him on the telephone so I concluded there was nothing doing. I dropped it. Then the next I knew of - when I met Mr. Thompson. I met him in the office of a Scotchman, a marine contractor, accidentally. His name was Harris. He was a very prominent engineer. He was in a partnership with United States Marine Engineers, Toronto. I had had some business dealings with that firm and I accidentally met Thompson there. Of course, you see I have been dealing in machinery - I mean to say engines and boilers for steamers and so on. Harris called me to consult with Mr. Thompson, and they were looking then for some engine and boilers for a steamer that I had built and they were at the Vermont. I handled the machinery and boiler previously. Of course, it was for the steamer that they wanted the engine and

A. Yes.

Q. Did you submit to them a detailed estimate of the repairs needed?

A. Well, yes, I had the Government survey. That survey was obtained from the people that I was recommended to in Norfolk. I obtained it there; the official survey made on behalf of the Government and I obtained from the same party a photograph, a large one, of the Orion.

Q. Did you furnish a copy of that photograph?

A. I gave him, Mr. Thompson, the photograph and he never returned it.

Q. Do you think you could recognize the picture of the Orion if you saw it today?

A. I think I can.

Q. I show you a circular headed, "The Black Star Line," containing a picture of a boat supposed to be the Phyllis Wheatley, and ask you if that is the Steamship Orion?

A. Yes, I think it is. I also remember that the name was to be changed to the Phyllis Wheatley, because, in honor of a woman from Boston.

Q. Have you any idea as to how the name Phyllis Wheatley got on the picture?

A. Well, I suppose they went ahead and re-photographed it.

Q. As a matter of fact did the Black Star Line have any authority to publish a picture of the S. S. Orion as belonging to them?

A. No.

Q. As a matter of fact has the Black Star Line ever owned the steamship Orion?

A. For the boat could not be owned unless they furnished a bond.

Q. Did the Black Star Line at any time put up through you any money as deposit on the steamship Orion?

A. Yes.

Q. What was the amount?

A. \$22,500.

Q. They paid that money to you and you in turn paid it to the Shipping Board?

A. Yes.

Q. What other moneys have been paid to you by the Black Star Line?

A. I received from the Black Star Line about 200,000 - let's see, somewhere around that.

Q. Did the Black Star Line ever pay you any money which was to be applied to the S. S. Hong Kong?

A. They paid me. I received a check I believe for \$500, yes, to cover my expenses, to be returned to them and taken out of my profits.

Q. Did they ever place any money in escrow?

A. Yes.

Q. Approximately how much?

A. About sixteen or seventeen thousand dollars.

Q. Representing what?

A. That was to cover life payments.

Q. Has that money ever been returned to them?

A. That was paid to the Shipping Board.

Q. What money was later turned over to the Shipping Board through you?

A. Through me, yes.

Q. And makes up part of the \$25,000?

A. Yes.

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