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3/8/22

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Mortimer J. Davis

TITLE AND CHARACTER OF CASE:
U. S. vs BLACK STAR LINE, Inc.,
Vio. Sec. 215, U.S.C. (Using Mails to Defraud) **61-50**

FACTS 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 \$25,000. This, un-

oubtedly is the amount now held by the Shipping Board as deposited.

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DELETED COPY SENT *New York*

BY LETTER 4-27-76

PER FOIA REQUEST (1)

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Section 1

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 L. Thompson came to the Bureau office again today voluntarily, and was dismissed after a short talk. Cyril Crichlow, 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.K.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. Crichlow, 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 Crichlow from testifying against them, which, however, Crichlow stated he was ignorant of, reiterating today that nothing would ~~ix~~ prevent him from testifying as to the truth. On March 7th, however, I was confidentially informed that the association had handed Crichlow \$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 Crichlow 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 Amos invited to the Bureau office one Louis LeMoth, 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

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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 her 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 "Kanawha" 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- $\frac{1}{4}$ %, trip only.

3rd Policy dated 6/16/20 - \$9,000, covering disbursements, total constructive loss, rate 1 $\frac{1}{4}$ %, 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 "Kanawha" 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

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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 W. Swift (Joint)
 Covers hull, tackle, fixtures, machinery, total constructive loss. Distributed as follows:

City of N.Y. Insurance Co.	1/4 interest)) \$10,000
Baltica Insurance Co.,	3/4 ")	

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	\$280.20	
8/5/21	500.00	
9/4/21	500.00	
10/4/21	500.00	
11/3/21	500.00	\$2,280.00

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

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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. Merrillies.

Feb. 24th.

On this date Agent Amos located A. RUDOLPH 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. 39th St. and interviewed the President, Mr. Chilton, and a Miss MacDermott. 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 MacDermott, 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.

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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 Flag 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

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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 cut 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. 51717

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 any 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,

61-50
A. J.
W. L. C.

STATEMENT OF
0000
ORLANDO M. THOMPSON

61703

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, 1922.

- 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, Kanswaha 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.

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(Statement of Orlando M. Thompson - 2.)

- Q. Outside of the insurance on one trip, was the Yarmouth, so far as we 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 boats?
- 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 this 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 assign 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 H. ompson - 3.)

Q. Was any assignment for insurance on the Kanawha ever made to Leon Swift?

A. Not on the Kanawha, on the Shady Side.

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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 \$25,000 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 \$25,000, 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 126th 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. Let me say 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 back workings of the office.

Q. Have you any bank account yourself?

A. No sir.

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- Q. This girl, Amy James, do you know whether she has a bank account or not?
A. I really don't know.
- Q. Did Miss James 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 new 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 steamship Yarmouth as an asset?
A. At this meeting the contention was that the propaganda 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 29th, 1921, I think it was.

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Statement of Oris M. Thompson - 5.)

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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 propoganda 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.

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- 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 passage 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.

61-52

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

61-50

would 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 stepped 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. Avarutus.

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 what 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 P. 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.

61-50

(Statement of Orlando M. Thompson - 9.)

51711

- 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 coconuts 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 \$22,000. 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 Jakes 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 M. THOMPSON

this day of February, 1922.

.....
Notary Public

61-5-

STATEMENT OF
0000
ANTHONY RUDOLPH SILVERSTON

51710

Present:

Walter J. Davis, Special Agent
James Amor, Special Agent
E. J. Eilmartin, Stenographer

At Bureau of Investigation,
Department of Justice,
15 Park Row, New York City.
February 24, 1922.

- 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. Garvey the first time somewhere during the beginning of the war when I was at 25 Beaver St. I am 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 1915 Mr. Garvey, 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 what 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 Garvey 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 trawler that I had had already for two or three years previously in my hands. I believe it was in 1920 when it occurred to me that it might be a boat that could be used by Garvey. I was given to understand that he was in the market for steamers. 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 fellow 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 - Oh! yes, I might add that I tried to get in communication with Garvey at the time in reference to the steamer; her name was the Hollis. 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 engineer, accidentally. His name was Harris. He was a very prominent engineer. He was in partnership with United States German Ambassador, Gerard. I had had some business dealings with that man 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 Mr. Harris called me to meeting with Mr. Thompson, as they were looking then for some engines and boilers for a steamer that I also had handled and her name was the Yarmouth. I handled the Yarmouth several years previously. Of course, it was for the steamer that they wanted the engine and boiler.

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 rooms ended 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. No, 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 \$25,000 - 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 the 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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Y.M.D.J
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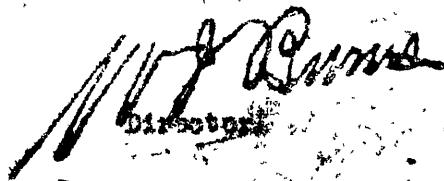
March 7, 1922.

Mr. T. P. Merrilees,
P.O. Box 241, City Hall Station,
New York City.

Dear Sir:

Receipt is acknowledged of your communication of the 2nd instant, relative to certain information desired from the United States Consul at Antilla, Cuba, regarding the S.S. *Kanawha*, owned by the Black Star Line, Inc., and in reply please be advised that request has been made of the State Department that such information be obtained from the Consul at Antilla, and forwarded to this office as early as practicable at which time it will be transmitted to you promptly.

Yours very truly,


Director

61-150
File under original
when file completed

51719

WHL:WJ
21-50-

March 7, 1932.

Mr. W. L. Hurley,
Office of the Junior Secretary,
State Department,
Washington, D.C.

61-50

My dear Mr. Hurley:

I have the honor to request certain information needed in connection with the matter of U. S. v. Black Star Line, Inc., and Hannas Garvey et al., which I understand can be obtained through the American Consul at Matanzas, Cuba.

It is desired to know the whereabouts of the S.S. Kanroha, a vessel owned by the Black Star Line, Inc., and if this vessel is now at Matanzas, Cuba, the date of her arrival there, present condition of the vessel and what libels, if any, are recorded against her. On August 31, 1921, \$1200. was cabled through the Royal Bank of Canada 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,

W. L. Hurley

DELIVER COPY SENT FOR TECHNICAL
BY LETTER 4-27-36
FOR FOR REQUEST
M.D.

61-50-57
MAY 8 2 M.
D.P.R. OFFICE

COPIES RECEIVED

SPECIAL AGENT IN CHARGE

APPROVED BY

E. Osborne

L. OSBORNE - CHIEF

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:

MARCUS GARVEY (Colored)

ALLEGED RADICAL AGITATOR.

61-50

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 ^{was} the guest of A. H. MALONEY of 2127 Boulevard Place.

DELETED COPY SENT *Ben Watkins*
BY LETTER 4-27-76
PER FOIA REQUEST
719.

Continued.

GENERAL INTELLIGENCE
MAR 9 1922
DIVISION

MAR 14 1922

W. J. BURRILL
MAR 18 1922
READ BY

61-50-53
INVESTIGATION RECORDED
MAR 3 1922
HOOVER

REPORT MADE AT NEW YORK NY	DATE WHEN MADE. 3-1-22	PERIOD FOR WHICH MADE Feb. 21 to 28 1922	REPORT MADE BY. JAMES E. AMOS
TITLE AND CHARACTER OF CASE U.S. VS. MARCUS GARVEY et al		Vio. Section 215 C.C. Using Mails in Scheme to Defraud	

FACTS DEVELOPED.

61-50

New York, N.Y.

On Feb. 21st, 22nd, 23rd and 27th agent was engaged obtaining a statement from one of the defendants in the above entitled case, Orlando M. Thompson, 37 W. 129th St., New York, N.Y.

Feb. 21st interviewed Given Campbell, witness, 2376 Seventh Ave., New York, N.Y.

Feb. 23, interviewed Louis Le Mothe, 221 W. 141st St. N.Y.

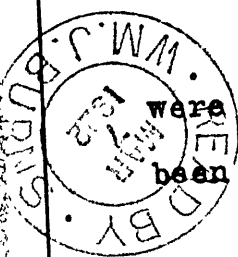
Feb. 23, located Witness Anthony R. Silverston, Room 1240 17 Battery Pl., c/o Arango Rosso & Co., Silverston lives at the Park Ave. Hotel.

Feb. 24th obtained statement from Anthony Silverston.

Feb. 25th, interviewed Mr. E. F. Chilton, President of Standard Engraving Co., 229 W. 39th St., also Miss Mary McDermitt who took order from Orlando M. Thompson to make plate for Philis Wheatly S.S.

Feb. 28, interviewed Given Campbell former Asst. Secretary to Marcus Garvey.

All the statements taken from the above named witnesses were turned over to Special Agent M. J. Davis with whom I have been cooperating - see his reports on this matter.



MAR 6 - 1922 MAR 10 1922
W.M.

61-50-52

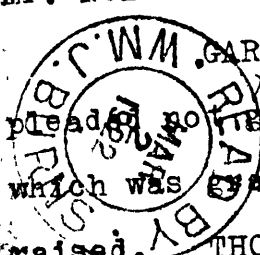
BUREAU OF INVESTIGATION	RECORDED
MAR 8 1922	5 A.M.
DEPARTMENT OF JUSTICE	
LEWIS	JEA:DB

REFERENCE:

COPIES OF THIS REPORT FURNISHED TO:
Washington 3; New York 2

W. A. S.

REPORT MADE AT New York, N. Y.	DATE WHEN MADE Feb. 25/22.	PERIOD FOR WHICH MADE Feb. 16 & 17/22.	REPORT MADE BY: M. J. Davis. <i>61-57</i>
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: <u>At New York, N. Y.</u>			
<p>Asst. U. S. Attorney Mattuck 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. Mattuck therefore requested that inasmuch as he held a bench warrant for THOMPSON, he be picked up.</p> <p>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. Mattuck's office in company with his attorney, a Mr. Nolan of #25 Broad Street.</p> <p>GARCIA and TOBIAS were arraigned before Judge Thomas, pleaded no guilty ^{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.</p>			
REFERENCE:	COPIES OF THIS REPORT FURNISHED TO: Washington 3; New York; LEWIS		



DELETED COPY SENT *Revised*
BY LETTER 4-27-76
PER FOIA REQUEST *7/19*

ngo
E. O. L.
MJD: MVN.

61-57-50
BUREAU OF INVESTIGATION
RECORDED
FL 28 21 M.
61

Department of Justice,
Bureau of Investigation.

New York City, N. Y.
March 2, 1922.

MAR 7 1922
9 4 5 0

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

Sir:

Further reference is made to your file
-WL:MVT 61-50 - in re Black Star Line Inc. U.
S. v. Marcus Garvey 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 Kanawha, 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, 1921, \$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,

Thos. P. Meredith

Expert Bank Accountant.

DELETED COPY SENT
BY LETTER 4-27-76
PER FOIA REQUEST 7/19/91

Ben Watkins

Ant. H. ...
MAR 9 1922

MAR 6 - 1922

V. W. H.

61-50-51

RECORDED

W. A. S.

LEWIS

[Handwritten signature]

61-50

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

GENERAL INVESTIGATIVE
UNIVERSAL NEGRO IMPROVEMENT
ASSOCIATION
FEB 27 1922
DIVISION

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 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

Agent learned that the men are to receive uniforms later

J. BURNS
FEB 28 1922
RECORDED

[Handwritten signature]

61-50-49

DELETED COPY SENT BY LETTER 4-27-26

COPIES OF THIS REPORT FURNISHED TO:

PER FOIA REQUEST Washington-3; New York-4; Buffalo-1

RECORDED
MAR 3
25 4⁰⁰ M.
WLB
WLB-CMR

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

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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 34 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, and 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:

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

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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.

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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
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TITLE AND CHARACTER OF CASE
U.S. VS. MARCUS GARVEY **Vio. 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.

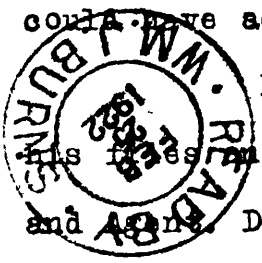
DELETED COPY SENT *Benjamin*
BY LETTER 4-27-76

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.

PER FOIA REQUEST 7/0

Feb. 21st Defendant O.M. Thompson brought to the office

his files and personal papers which were examined by Spl. Agent Davis and Agent 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.



FEB 25 1922
FEB 27 1922

61-30-48

RECORDED
FEB 23 22 A.M. JEA-DD
DEPARTMENT OF JUSTICE
LEWIS FILE

REFERENCE: COPIES OF THIS REPORT FURNISHED TO:
Washington 3; New York 2

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 descent 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 Flag 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

and a great many negroes in

of funds

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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 ~~the~~ 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 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 FREDERICK DOUGLASS, made one or more trips to the West Indies and ~~was~~ ~~run~~ ~~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 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 a great deal of 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,

**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 Ehe Garcia, George Tobias and Oriando 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 shares of stock of \$5 per share prospective investors were informed in circulars sent by mail that the concern intended to buy one more steamships, 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 Phyllis Wheatley, was to be taken over after inspection and used for passenger and freight traffic 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 of Liberia" for negroes.

Feb 17 1922

Mr Hoover 61-

*N.Y.
Bibb
Feb 17
1922*

Miss Trovillion

Mrs. Bartley

Mr. Rouser

FEB 24 1922

W. L.

[Handwritten signature]

W. W. G.

W. L. M.

61-50

50 T.A.S.

REPORT MADE AT NEW YORK, N.Y.	PERIOD FOR WHICH MADE: 2-8-22 to 2-14-22, incl	REPORT MADE BY: JAMES E. AMOS
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TITLE AND CHARACTER OF CASE
U. S. VS. MARCUS GARVEY

Alleged Vio. Section 215 U.S.CC Using the Mails in Furtherance of a Scheme to Defraud.

FACTS DEVELOPED
New York, N.Y.

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).

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.

Endeavors in this respect will not be made until after the grand jury has made its final report as to defendant Garvey.

DELETED COPY SENT *Ben Watkins*
BY LETTER *4-27-76*
PER FOIA REQUEST *H.A.*

READ BY
FEB 17 1922
W.M.J. BUREAU

FEB 20 1922

FEB 17 1922

61-50-47
RECORDED

FEB 20 1922
LEWIS
J. E. Amos
JEA-DD

REFERENCE: COPIES OF THIS REPORT FURNISHED TO:
WASHINGTON 3; New York 1

WL:DJ
61-50-44

61-50

February 14, 1922.

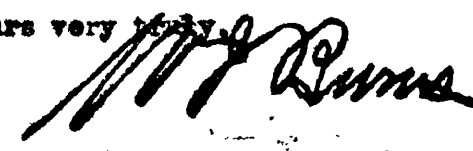
Mr. A. J. Day,
835 Oats Street,
Madisonville, Ky.

Dear Sir:

Receipt is acknowledged of your communication of February 8, 1922, requesting information concerning the case of the United States v. Marcus Garvey.

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 Garvey 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,



DELETED COPY SENT ^{Director, 7-25-76} *New William*
BY LETTER 4-27-76
PER FOIA REQUEST *MD*

61-50-4
BUREAU OF INVESTIGATION
FEB 15 1922
COMMERCIAL

Department of Justice,
Bureau of Investigation.

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

61-50

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

Sir: Reference is made to your file WL:MVT
61-50 - 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. M. Thompson
George Tobias
Elie Garcia

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

Respectfully,

Thos. J. McQuinn
Expert Bank Accountant.

Read by
FEB 14 1922
Wm. J. Burns.

FEB 16 1922

61-50-45
DELETED COPY SENT *Ben Watkins*
BY LETTER 4-27-76
PER FOIA REQUEST *MA.*

RECORDED

Carls

File in *Wills My Feb*

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writing you to ask you for facts concerning Garay,
 woman. It is not to know is the gov. want
 to be to *Wills* and can they want a law that
 being organization without the U.S. regular base
 it and man is this organization founder or in time
 has and is in any part of the *substance* with
 not the U.S. the back of it and a can can *another*
 flag be recorded except the U.S. flag and is
 not allowed to attempt to bring any other
 flag out as a flag of the *the* *the* *the* *the*
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 please give me full understanding according to
 law as early as possible.

Yours truly
A. J. Day
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GENERAL INTELLIGENCE
 DIVISION
 FEB 13 1922

FEB 1922

Hand by
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 No. 3 *the* *the* *the* *the* *the* *the* *the* *the*

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ic instructions received from Mr. Ruch 2-1-22 -

REPORT MADE AT Baltimore, Md.	DATE WHEN MADE. Feb. 8, 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. <u>At Baltimore, Md.</u>			
<p>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.</p> <p>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</p>			
REFERENCE	COPIES OF THIS REPORT FURNISHED TO: Wm. J. Burns		RECORDED
	DELETED COPY SENT BY LETTER 4-27-26		FILE
	PER FOIA REQUEST		

FEB 15 1922
 DIVISION

61-5

FEB 13 1922
 Wm. J. Burns

FEB 15 1922
 61-50-43

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 FILE

Harold Nathan.

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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

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

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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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Harold Nathan.

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.

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

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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 negroes 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 13 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

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Harold Nathan.

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to secure Government positions.

There were about 250 persons present at this meeting.

GARVEY'S remarks were fairly enthusiastically received.

The third and last address of subject was held at the same place on the night of February 3. There were about 300 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

Harold Nathan.

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. MARGUS 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

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Harold Nathan.

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

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.

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**

Harold Nathan.

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

CONCLUDED.

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Instructions of Insp. Agt. Charles J. ...

REPORT MADE AT NEW YORK, N.Y.	DATE WHEN MADE 2/3/22	PERIOD FOR WHICH MADE 1/31/22	REPORT MADE BY MORTIMER J. DAVIDSON
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TITLE AND CHARACTER OF CASE
 RE: U.S. vs BLACK STAR LINE INC., MARCUS GARVEY, ETAL.
 Vio. Sec. 215 U.S.C.C. Using the Mails to Defraud.

61-50
 FEB 11 1922

FACTS DEVELOPED

On this date THOMAS H. CORT, a stockholder in the Black Star Line, came to the Bureau office voluntarily, and made, in substance the following statement:

"My name is THOMAS H. CORT; 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.

"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 CARRINGTON but I do not know his present whereabouts.

This happened on or about November 20th, 1919. After reading the copy of ~~Read by~~ Negro World I was convinced that the stock would pay. DELETED COPY SENT BY LETTER 4-27-76 PER FOIA REQUEST 71A.

REFERENCE: Wm. J. Burns WASHINGTON (3) NEW YORK (2) U.S. ATTORNEY

61-50-42
 FEB 11 1922
 RECORDED
 DEPT. OF JUSTICE
 BOONVILLE LEWIS
 W.H.S.

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

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 THOMPSON. 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

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

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 FERRIS, 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 M. 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 Garvey down.

"Finally I went broke in about October, 1921, I went to see Garvey, 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 Garvey. Carter telephoned me on Tuesday last and said Garvey 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
MJD WED

2/2

gh ✓

Insti. 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
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.			<i>Carbon sent to Mr. Lewis 2-6-22 W.</i>

FACTS DEVELOPED:

61-50

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 Yarmouth.

GENERAL INTELLIGENCE
- FEB 9 1922
DIVISION

Eastern District:

Name

Read by

FEB 6 - 1922

For

Amount

Hudson Towboat Co.	Towing	\$365.00
Joseph J. Keough	Coal	270.00
H. M. 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.	"	2317.80
Burnheim Distilling Co.	Breach of Contract	4038.59

Southern District:

Date:

Name

For

Amount

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
5/28/20	Produce Trading Corp.	Food	159.22
11/24/20	P. Rinelli et al	Labor	500.00
11/29/20	U.S. of America	Collision	2500.00

DELETED COPY SENT *Ben Watkins*
BY LETTER 4-27-76 The Steamship KANAWHA appears to have had the follow-

PER FOIA REQUEST *1/9*
REFERENCE:

COPIES OF THIS REPORT FURNISHED TO:

WASHINGTON (3) NEW YORK (2) U.S. ATTORNEY (1)
ORIGINAL

61-5041
FEB 4 22
WJ

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. M. 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 MR. 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 ~~Matthews~~ 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 M. THOMPSON and GEORGE TOBIAS. Up to the present time an indictment has not been returned.

MJD. WED

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Number	<u>Letter</u> Memo Report Teleg.	Date 1-23-22	Date Covered	Agency Casefile Number 61-50-40	
Report to Wm. J. Burns	Position Director	City DC	Report by Chief Inspector	Position of P.O. Dept.	City DC

Subjects

Enclosed is copy of P.O. Inspector Williamson's report of 1-18-22 re investigation of alleged use of mails to defraud in Garvey case, in connection with BSL, UNIA, and other concerns.

Investigation was made in cooperation with agent of BI who has probably already received copy of this report.

PAC-EY-178.
2c.

PERSONAL.

Hon. William J. Burns, Director,
Bureau of Investigation,
Department of Justice.

My dear Mr. Burns:

I beg to transmit herewith for your information, a copy of the report of Post Office Inspector O. B. Williamson, dated January 18, 1922, concerning his investigation of an alleged use of the mails for fraudulent purposes by Marcus Garvey of New York, New York, in connection with the operations of the Black Star Line, Inc., the Universal Negro Improvement Association, and other concerns.

You will recall that Inspector Williamson's investigation was made in cooperation with a representative of your Bureau and it is probable that the latter has already been furnished with a copy of this report.

Sincerely yours,
JAN 23 1922

[Signature]
Chief Inspector

Post Office Department
OFFICE OF THE CHIEF INSPECTOR
Washington

72487-E.
January 23, 1922.

READ BY W. J. B.

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DELETED COPY SENT
BY LETTER 6-976
PER FOIA REQUEST
71A

Inclosure.

61-50-40
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U.S. MAIL INTELLIGENCE
DIVISION
JAN 28 1922

61-50-40

72487-E
42487-E.

O. B. Williamson,

S.

Pittsburgh, Pa., January 18, 1922.

Subject: Marcus Garvey, Black Star Line, Inc., of New York, New York.

Mr. Rush D. Simmons,
Chief Inspector,
Washington, D. C.

My dear Sir:

I am submitting this special report in the above cited case to give you some information in the case concerning Marcus Garvey, an alien West Indian negro, who operates what is believed to be a stock-selling swindle from 56 West 136th Street, New York, New York. 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, Inc.
- (2) Black Star Line, Inc.
- (3) The Negro Factories Corporation, Inc.
- (4) The "Negro World".
- (5) 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

Flag 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) 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.
- (2) Commercially there are few negro concerns in this country, and none in the world, whose prospects are as bright.
- (3) Invest your money in the most colossal, most prosperous negro industry of all time.
- (4) The Black Star Line is up and doing. Doing what? Running Steamships. Help to keep them running by buying your share today!
- (5) Invest now and help us put more ships on the sea.

The advertising literature from which the above has been quoted, and which was used in May, 1921, contains the picture of four ships, known as PHYLIS WHATLEY, FREDERICK DOUGLASS, ANTONIO MACEO and the SHADY SIDE. Confidential information from an agent of the Department of Justice is to the effect that the PHYLIS WHATLEY exists only on paper and that in order to procure the out used, a ship was photographed

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with the real name concealed. And old ship, called the YARMOUTH, was re-named the FREDERICK DOUGLASS and, as this agent understands it, a third ship was re-named the ANTONIO MACEO. The SHADY SIDE, he reports, is an excursion steamer which was used on the Hudson River during one summer.

Garvey, on being interviewed, gave some interesting information on the ship question. In October, 1919, he got possession of the S/S YARMOUTH, a 1400 ton freight and passenger vessel. It was the property of the North American Steamship Co., and the Garvey deal was conducted through the firm of Harris, McGill and Co., 35 South William Street. Garvey says he paid \$50,000 down and thereafter he paid \$10,000 to \$11,000 per month until \$135,000 had been paid. He now owes \$29,000 on this ship.

This vessel had an exciting experience in January and February, 1920. It was put in charge of Captain Joshua Cockburn, a Negro skipper, and a crew of negroes. Below decks she carried some 21,419 cases of whiskey, 500 cases of champagne and 350 barrels of wine. She was bound for Havana, Cuba, but developed engine trouble somewhere off the Virginia capes and was towed back to New York. Then trouble with the cargo began. The liquor, or a considerable part of it, was stolen and the Black Star Line is defendant in Libel suits for damages amounting to over \$200,000. The title to the ship, Garvey said, passed to a law firm in Canada. So as to statement No. 1, the company, instead of being composed of "trained business men", was then and is still dominated by Garvey, who had no more sense than to sponsor this ill-starred venture.

The next ship, the Kanawha, Garvey says, was secured in May, 1920. She was a 700-ton passenger vessel. The deal was made with James M. Briggs, whose address is care of Foley and Martin, Attorneys at Law. The price was \$60,000. She was once a yacht owned by H. H. Rogers, but when Garvey got possession, she was in a bad condition. He re-named the vessel ANTONIO MACEO and says he spent \$75,000 to make her seaworthy. She made one trip to Charlestown and in August, 1921, set out for Cuba. She is now at or near the mouth of a river at Antilla, Cuba, in the charge of the American Consul. Garvey's company owes \$9,500 on the vessel which is virtually a wreck. This debt, by some arrangement not yet explained, is due the Massachusetts Bonding Company.

This, in brief, is the story of the only two ships which ever made a pretext of putting out to sea. But in March, 1920, a river boat, the Shady Side, was optioned for from Leon R. Swift, a ship broker in New York. The price to be paid was \$35,000. Garvey ran this boat up and down the Hudson for a time as an excursion steamer, had on it his famous Negro band of some 35 pieces, but the boat, like the two ships, soon came to grief.

Garvey paid but \$18,000 of the purchase price when the boat was damaged by ice. This occurred sometime last winter. She is now docked at Fort Lee and the Black Star Line is trying to collect the insurance. This, as well as what has been said of the Kanawha wreck, bears on statement No. 1, and with equal force on statements No. 2 and No. 3. Commercially, the prospects are anything but bright, and certainly this industry is neither prosperous nor colossal, as claimed.

Statements No. 4 and No. 5 were made to deceive. This is evident from the story of the PHYLLIS WHEATLEY, a ship existing only in Garvey's imagination. In the same circular in which you will find these statements, is a picture of the imaginary ship, the name plainly visible. This picture appeared as early as March, 1921. Garvey explained that this ship is really the ORION and is owned by the Shipping Board. He made a bid for her on June 12, 1921, offering to pay \$225,000. Through the New York Ship Exchange at 115 Broadway, he put up \$25,000. The Shipping Board required a performance bond of \$200,000, and to date this has not been accepted.

What could be more fraudulent than this advertisement which appeared in Garvey's paper, the "Negro world" on March 26, 1921? -

BLACK STAR LINE. Passengers and freight for***
Monrovia, Africa. By S/S PHYLLIS WHEATLEY.
Sailing on or about April 25th.*** Book your
baggage now.

As bearing on the dishonest intent of Garvey, the investigation discloses -

- (1) That funds belonging to one corporation were transferred to another without compensation.

This has reference to the "Negro World", a newspaper which was first owned by the local branch of the Universal Negro Improvement Association and African Communities League. It was sold by the local to the parent body. Then one of two things happened: either (1) the parent body sold it to the African Communities League (a part of itself), using Universal Negro Improvement Association funds to buy the paper from itself, or (2) the Universal Negro Improvement Association sold the paper to itself and made a gift of it to the African Communities League. Which plan was adopted depends on the way Garvey juggled the books. But in either event, the money which the Universal Negro Improvement Association used in the transaction was the money of the so-called "Liberian Construction Loan".

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a subsidiary special fund of the Universal Negro Improvement Association. This use of this fund is shown in the annual report of "High Chancellor" for 1921.

And as a further bearing on dishonest intent, the investigation further disclosed -

- (2) That the charter of the African Communities League was violated by the officers of that corporation in buying stock in the Black Star Line, Inc.

This is inferred from the evidence of the report of the "High Chancellor" which is signed by him and to which is attached a report of the "Auditor General", Elie Garcia. This report shows that one of the items of expense of the so-called "Construction Loan" was \$34,000, this in fact being the largest item of it. It is the amount invested in Black Star Line stock and it can be assumed that the Universal Negro Improvement Association, which purports to be an eleemosynary organization, could only invest in safe securities. Garvey, who controlled the Board of Directors, made this investment with knowledge of the insolvency of the Black Star Line, Inc. It was, therefore, not an investment in good faith for the purposes of the eleemosynary organization, but simply a diversion of trust funds by Garvey to himself under a guise which concealed the real purpose.

James D. Brooks was formerly Secretary-General of the Universal Negro Improvement Association and as such learned that at one meeting of the Board of Directors Garvey was voted \$15,000 of the funds of this eleemosynary organization to be used as he saw fit. It is presumed that the \$15,000 so voted is a part of the \$34,440 mentioned by the "High Chancellor".

Further, the investigation discloses -

- (3) That the so-called "death fund" was used, at least in part, to meet running expenses. This being clearly a trust fund, it could only be legally used to satisfy death claims filed by the beneficiaries of the association members.

The Constitution and By Laws of the Universal Negro Improvement Association provide that a death tax of ten cents per month shall be levied against each member and that this shall be a levy distinct and separate from the regular monthly dues. It provides also that this sum shall be forwarded to the Secretary General to be placed to the credit

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of the so-called death fund. Then, on the death of a member, it was provided that the sum of \$75 should be paid to the next of kin. Brooks, who for over a year held the office of Secretary-General, informed an agent of the Department of Justice that during his incumbency, that while records of this fund were kept separate from the principal records, that is to say the 10¢ per month collected, the fund to mingle with the general funds of the Association and was applied generally to the payment of salaries and to such other incidental expenses as arose from time to time.

In the statement of the "High Chancellor", heretofore referred to, the death tax levy yielded \$19,526.80, from which there had been paid \$1,275.00, leaving \$18,287.80. The balance sheet as of July, 1921, which includes the business of the entire Universal Negro Improvement Association, shows that the bank balance as of that date amounted to only \$10,913.67, so that the fund as of the date of the statement must have been depleted to the extent of \$7,374.13.

Garvey was arrested on January 12, 1922, after I had submitted the facts substantially as given above to the United States Attorney for the Southern District of New York. He was held in the sum of \$2500 bail pending presentation of the case to the United States grand jury. My understanding is that the case will be heard by the grand jury on or about January 24th. In the meantime, accountants are working on the books of two of the corporations and the information which they have already gathered and the information which I have indicates that Garvey, through his several schemes has filched from the public as much as \$1,000,000. I have sent a copy of this report and the arrest forms to the Inspector in Charge in New York, New York. The question of issuing a fraud order need not, in my opinion, be considered now, because prosecution of this case will not be long delayed, and if successful, this will destroy the business.

Respectfully yours,

O. B. Williams
Post Office Inspector.

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WL:MVT
61-50

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 held 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

DELETED COPY SENT *Ben Alkin*

BY LETTER 4-27-76

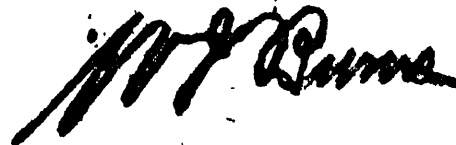
PER FOIA REQUEST

61-50-39

Office Inspector and it is assumed 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,



Director.

39 71

WL:MVT
61-50

January 24, 1922.

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

61-50

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.

It is noted that your letter CJS-JGD bears the reference notation "General Intelligence Division." This is in error as references to this investigation should relate to mail frauds and be routed according to the provisions of SAO letter #80 dated December 27, 1921.

Yours very truly,

W. J. Burns
Director.

DELETED COPY SENT *Ben Watkins*
BY LETTER 4-27-76
PER FOIA REQUEST *MP*

61-50-38

RECORDED

JAN 25 1922 P.M.
U.S. DEPT. OF JUSTICE
FILE

REPORT MADE AT: NORFOLK, VA.	DATE WHEN MADE: 1/23/22.	PERIOD FOR WHICH MADE: 1/23/22.	REPORT MADE BY: H.S. WHITE.
TITLE AND CHARACTER OF CASE: U.S. vs. <i>Marcus Harvey</i> -- VIOLATION OF SECTION 215, U.S.C.C. - USE OF MAILS TO PROMOTE FRAUDS.			
FACTS DEVELOPED: <i>Marcus Harvey</i> <u>AT NORFOLK, VA.</u> DEAD F.W.J.E			
<p>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.</p> <p>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.</p> <p>There is no other libel record against either of the above named vessels on the records here from 1917 to date.</p> <p>Investigation CONCLUDED at this office.</p> <p>DELETED COPY SENT <i>Ben Watkins</i> BY LETTER 4-27-76 PER FOIA REQUEST <i>M.D.</i></p> <p style="text-align: right;">JAN 27 1922 61-50-37 RECORDED</p>			
REFERENCE:	COPIES OF THIS REPORT FURNISHED TO: 3-Washington; 1-New York; 1-Norfolk.		

ORIGINAL

61-50-37

ENCLOSURE

(Dem. . .) said evidence in the case "shows more corruption than in both the Lorimer and Stevenson cases combined

"It will be a sad day for the Senate if Newberry is allowed to sit here," he said, "as for myself, I myself, I would vote to unseat a Democrat on the evidence disclosed in this case, just as quickly as I will vote against Senator Newberry."

Senator McLean (Rep., Conn.) said the assault on Newberry was of "the sort that usually comes from poor losers". He attacked the war record of Henry Ford, declaring the Newberry supporters were dealing with a situation in which patriotism weighed heavily

Senator Heflin (Dem., Ala.) asked recognition "I cannot yield," replied McLean "I do not care to have the Senator from Alabama cool his

ted in "Well through down, Sena tacked peared mitte to be dr e Senator eq which r innocent

Stern Brothe

West 42nd St.

(Between 5th and 6th Avenues)

An Initial Presentation of the Latest Fashion Themes in WOMEN

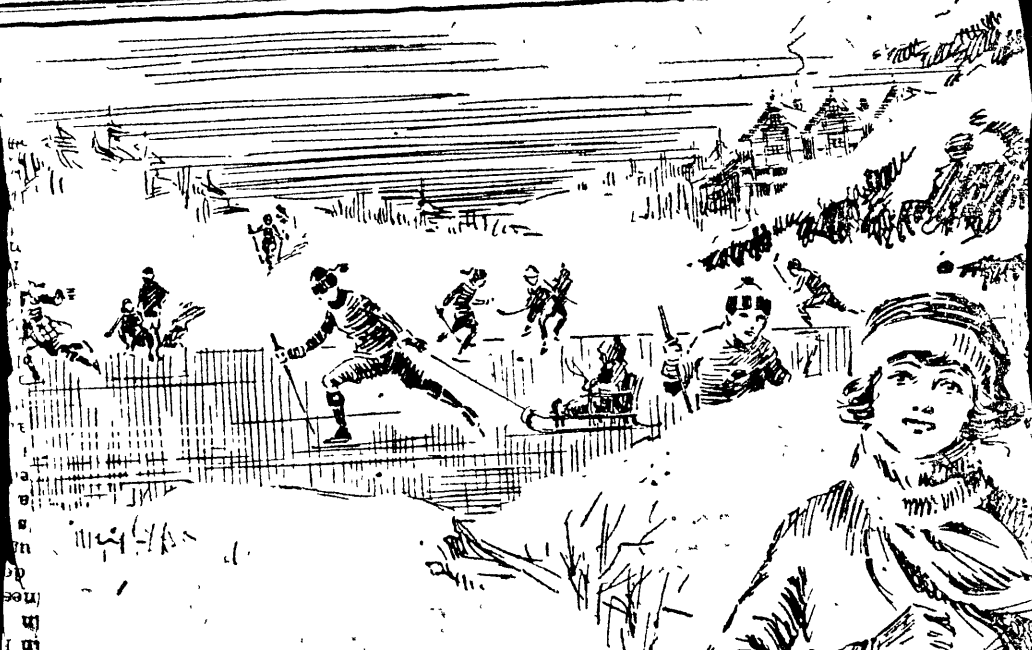
WINTER RESORT DR

Every type of dress that has a place on the day's calendar is expressed in modes of marked originality and colorful as brilliant as the plumage of tropical birds.

Dresses of quaint Chintzes with Eton collars, cuffs and vestees of white Voile Hand-Made Dresses; new Roma Crepe weaves in lovely color tones polka dot Georgette Crepes, Novelty Laces; exquisitely embroidered and trimmed nets, also soft silks, all contribute a charm to the day's pro that requires specific Dresses for:

Country Clubs, Ocean Boulevard Cycling, Dancing, Tea in the Coconut Groves.

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to his
Meyer



...ors Is Calling!

...ION sleds; cutting capers and fancy
...idsnates and annihilating space on skis.
... our own Adirondacks; or they may con-
... York's parks, when nature permits.
... they have chosen their apparel and equip-
... they have outfitted themselves at Macy's.



THE



Ski Shoes. \$9.44 pair
Ski Poles. \$2.24 pair

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 propoganda 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 Colorfull 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 initials to follow. Then there is the Sublime Order of the Nile, equally profuse in titles.

Investigators did not, as far as is known, concern themselves with these pompous groups, and centred 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 over large 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.



MARCUS GARVEY... BY WORLD STAFF PHOTOGRAPHER YESTERDAY.

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 craps 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.

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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 colided with the Federal authorities when it attempted to carry a cargo of whiskey down the coast. After legal entanglements it went forth, 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 is now being made of the Yarmouth cannot be learned.

Pilotage of 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, Canada, South and Central America, carrying 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 \$5 each. 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, \$100 or \$5,000 to invest for profit, then take our shares in the Black Star Line, Inc."

But, as has been indicated, the fate of the Black Star line seemed un-

Garvey's fame waxed brightest 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 rise to dizzy heights, and up to yesterday he stayed there, pulled down occasionally by interference, but not for long.

He had met temporary official setbacks previously. Assistant District Attorney Kilroe compelled Garvey to promise to cease selling stock of the Black Star Line in June, 1919. 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 man." No newspaper record of the disposition of the case could be found.

Orator at Conventions.

It was during this period that Garvey became Provisional President. Enthusiastic conventions were held in Harlem, and Garvey held forth in gaudy costume and fervid oratory.

Garvey's publicly announced aims are for the establishment of an independent Negro republic in Africa, with no definite aims of ousting the European governments. All his corporations 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 agents are aiding Post Office Inspectors in the investigation

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**Do You
Need Money?**



**Loans from \$50 to \$5,000
for one year**

**Call at 261 Broadway
or any of our five branches**

"A NATIONAL INSTITUTION"

King & Co.

men declare the strike has been called to resist an attempt to throw them back into the position of low wages, long hours and bad working conditions of a decade ago. The strike will affect 23,000 workers.

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

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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 enlist 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. 129 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-lined overcoat. On his arm rested an ornamental cane. He ap

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peared stated 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,"
&c, sped back to his Harlem home

Planned \$12,000,000 Empire.

Four months of investigation—
prompted by antagonistic members
of his race—led to the arrest. For
Gervy's plans reached out to em-
brace 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 Uni-
versal Negro Improvement Associa-
tion is credited with 4,000,000 mem-
bers. 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 pos-
sibilities upon paper at least, rosy

(Continued on Sixth Page)

THE WORLD TRAVEL BUREAU.

Arcade, Pulitzer (World) Building, 58-63 Park
Row, N. Y. City Telephone Beekman 4000.
Check room for baggage and parcels open day and
night. Money orders and travellers' checks for
sale.—Advt.

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(Staff Correspondent of The World.)
By Charles Merz.
WASHINGTON, Jan. 12.—A new
"formula" for settling the Shantung
question appears upon the scene—
issuing from Chinese quarters—and
meantime it is reported that Mr.
Hughes has cabled to Peking directly
urging the necessity of action before
the conference adjourns.
The delegates themselves, Japanese
and Chinese, marked time to-day,
discussing minor features of the
Shantung problem, teaching an
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tensions" and debating for three
hours the question of converting
Shantung's chief seacoast city
(Shingtao) into an "open port."
That Mr. Hughes has cabled to
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Department neither confirms nor
denies. It denies that Mr. Hughes
has joined with Mr. Bullout in send-
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discuss whether Mr. Hughes has sent
a message of his own.
Such a cable, if despatched, pre-
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for the railway problem, the stum-
bling block in the negotiations. These
compromise terms were laid before
the two delegations informally and by

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—The
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Press
**PTON
RUCK**



By Charles Merz.

(Staff Correspondent of The World)

WASHINGTON, Jan. 12.—A new "formula" for settling the Shantung question appears upon the scene—issuing from Chinese quarters—and meantime it is reported that Mr. Hughes has cabled to Peking directly urging the necessity of action before the conference adjourns.

The delegates themselves, Japanese and Chinese, marked time to-day, discussing minor features of the Shantung problem, reaching an agreement concerning "railway extensions" and debating for three hours the question of converting Shantung's chief seacoast city (Tsingtao) into an "open port."

That Mr. Hughes has cabled to Peking is a report which the State Department neither confirms nor denies. It denies that Mr. Hughes has joined with Mr. Balfour in sending such a message. But it will not discuss whether Mr. Hughes has sent a message of his own.

Such a cable, if despatched, presumably does not contain the proposed terms of a compromise solution for the railway problem, the stumbling block in the negotiations. These compromise terms were laid before the two delegations informally and by them cabled to their Governments.

The Compromise Terms.

The World outlined these terms this morning and its report elicited comment to-day which definitely establishes the fact that American or Anglo-American terms have been cabled to Tokio and Peking.

Substantially it is proposed either that China agree to accept a Japanese loan and Japan agree not to insist upon control of important railways, or that China be permitted to purchase the railway with her own funds and Japan be granted some measure of control.

It is these alternatives which Tokio and Peking are now discussing while their delegations here in Washington sit at windmills. The points debated to-day are two upon which China and Japan were never far apart, even before the conference assembled, and any decisions reached regarding either of them are wholly dependent upon solution of the all-important railway problem.

On the question of making Tsingtao an "open port" for trade, no decision was arrived at, for the reason that China's delegates want purely Chinese Administration of the port, and their Japanese colleagues do not agree.

Extension of Railroad.

Regarding new extensions to the Shantung Railway, Japan, some months ago, announced her willingness to put the financing of such extensions in International hands, and to claim special privileges. This offer was repeated to-day by Japan's delegates, and the Chinese accepted it.

One more minor Shantung issue is thus disposed of, but it is still the railway (not its extensions) around which the whole question pivots. As stated, the Chinese delegates are known to-night to be considering a new compromise proposal of their own.

Nothing can be said of this proposal to-night, except that it aims to meet both China's concern about accepting a loan from Japan and Japan's concern about surrendering control of the railway and jeopardizing Japanese commercial interests through "inefficient Chinese management" and "discrimination against Japan."

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DAY, 31 JANUARY 13, 1922.

HUGHES PRESSING
CHINA TO SETTLE
SHANTUNG QUICKLY

State Department Does Not
Deny He Has Sent an Urgent
Message to Peking.

TWO MINOR QUESTIONS
TAKEN UP BY DELEGATES.

Fail to Agree on Administration
of Tsingtao as "Open Port"

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point of view—the famous twenty-one demands—a somewhat different light was thrown to-day.

The Twenty-one Demands.

For the past week British spokesmen have been citing Mr Root as authority for the statement that the treaties based upon the twenty-one demands could not be brought before the conference "A treaty is a treaty." Mr. Root is quoted as saying, with the implication that there the matter ended.

The State Department was asked about this point to-day, and its spokesman suggested that Mr. Root had never intended such an implication. The statement was made that Mr. Root was probably not discussing "any particular situation" when he turned his epigram, and the department let it be understood that it has not yet agreed to dismissing the twenty-one demands as being "off the programme."

Six years ago the State Department protested these demands "in view of the circumstances of the negotiations." It will take great statesmanship to bring them into the conference now and keep them there. Perhaps at this stage of the proceedings it cannot be accomplished.

Still there is unquestionably a display of renewed American interest in the Far Eastern issues. Questions which seemed to have been dismissed weeks ago may yet be brought up for discussion. We are at the tail end of the conference. But that end may have the sting.

GERMAN WORKMEN ASKED NOT TO PRODUCE MUNITIONS.

LEIPZIG, Jan. 12.—The Independent Socialist Party Convention today adopted a resolution, sponsored by the union workers, asking laborers to refuse to participate in the manufacture of munitions. The resolution also asked the men to prevent the illegal production of arms and munitions as a means of restoring world faith in Germany's intentions.

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NEW YORK, FRIDAY, J...

ALL IRISH RAILMEN STRIKE TO-MORROW

DUBLIN, Jan. 12 (Associated Press).—A general strike on all the Irish railways is announced for Saturday at midnight, owing to a refusal of the railway managers to meet the Chairman and Secretary of the Locomotive Society to discuss the proposal of the companies to abolish the regulation wages and hours which were settled in 1906. The National Union of Railwaymen met on Saturday, June, 1906.

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

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

The strike will affect 23,000 workers.
The conditions of a decade ago.
long hours and bad working into the position of low wages, attempt to throw them back

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January 21, 1922.

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Mr. Thomas P. Morrill,
P. O. Box 241,
City Hall Station,
New York City.

Dear Sir:

There is enclosed herewith copy of a report in connection with
the investigation of Marcus Garvey.

I suggest that you read this and also that you bring it to the
attention of Post Office Inspector Williamson for his information.

Yours very truly,

M. J. Quinn
Director.

DELETED COPY SENT *Ben Altkin*
BY LETTER 4-27-76
PER FOIA REQUEST *HR*

61-50-36

61-50

REPORT MADE AT New York City	DATE WHEN MADE 1/21 /22	PERIOD FOR WHICH MADE 1/18/22	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 CRICHLAW, #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.

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 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 African situation. In general, he found that Garvey or the U.N.I.A. had

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REFERENCE:	COPIES OF THIS REPORT FURNISHED TO: Washington (5) New York (2) U.S. Attorney (1)
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DELETED COPY SENT BY LETTER 4-27-76 PER FOIA REQUEST

M. J. Davis for 1/18/22 Re: Black Star Line, Inc.

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 \$1300 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 H.N.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, 241 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 \$230. 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. Crichlow, 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 employes were forced to buy bonds, even the poor typists on \$12 and \$15 a week. The money was simply taken from their pay ~~xxx~~ 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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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~~ went 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 ~~an~~ 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.O. Inspector Williamson for his information.

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Handwritten marks: a checkmark, the number '60', and a checkmark.

REPORT MADE AT New York City	DATE WHEN MADE 1/20/22	PERIOD FOR WHICH MADE 1/16/17/18/19	REPORT MADE BY Mortimer J. Davis.
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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.
 Negrom 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 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

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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 18th, 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 instalments 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 propaganda

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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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M. J. Davis for 1/16 to 19th, 1922

Re: Black Star Line.

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 R. 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 ^{this} ship was to be used in the African trade.

Mr. J. Davis for 1/16 to 1/19th, 1922 Re: Black Star Line, Inc.

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 1873 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-

M.J.Davis for 1/16 to 1/19th, 1922 Re: Black Star Line.

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 \$35,000, \$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 ¹² 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.

M. J. Davis for 1/16 to 1/19, 1922

Re: Black Star Line, Inc.

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 grew 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."

¶

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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M. J. Davis for 1/16 to 1/19, 1922 Re: Black Star Line, Inc.

of the firm Wolff & Stephanie, ship brokers, #2 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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M. J. Davis for 1/16 to 1/19, 1922 Re: Black Star Line, Inc.

\$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 \$35,000.00. Out-fitting, stores, supplies and crew's wages for the first voyage will approximate \$30,000.00. Insurance for the first quarter will approximate ~~\$25,000.00~~ \$7,500.00 making a total disbursement of \$247,000.00 of which the payments of the Black Star Line already made and to be made will total \$42,000.00, and \$100,000.00 expected to be realized on the first voyage from freight and passage money. The net cash investment, therefore, of your clients, would be \$145,000.00, 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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M. J. Davis for 1/16 to 1/19, 1922 Re: Black Star Line, Inc.

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 \$80.00 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.

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CJS-CWD.

51723

Department of Justice

Bureau of Investigation

15 PARK ROW, 14TH FLOOR
NEW YORK, N. Y.

January 21, 1922

61-50
READY BY W. J. B.

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,

JAN 26 1922

Edward J. Brennan
EDWARD J. BRENNAN

SPECIAL AGENT IN CHARGE

61-50-33

RELIED COPY SENT *Rev. W. J. B.*
BY LETTER 4-27-76
FOR FORA REQUEST *11/29*

JAN 23 1922

(Circular stamp)
A. JOYCE

WL:NVT
61-50

61-500 January 20, 1920.

51724

Mr. Thomas P. Merrilee,
P. O. Box 241,
City Hall Station,
New York City.

Dear Sir:

Confirming instructions by telephone, you will please make the necessary investigation of the books and records of Marcus Garvey 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 215 of the Criminal Code.

In this connection the Bureau advises you that Special Agent Mortimer J. Davis at New York, has been assigned to the investigation of Garvey 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,

W. J. Clegg
Director.

DELETED COPY SENT

BY LETTER 4-22-76

PER FOIA REQUEST

Pen. Watkins
712
61-50-32

51725

STATEMENT OF ORLANDO M. THOMPSON

Ex

Presents C. B. Williamson, Post Office Inspector.
E. J. Davis, Special Agent, Bureau of Invest.

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

By Mr. Williamson:

- Q. What is your full name?
A. Orlando M. Thompson.
Q. Where do you live?
A. 35 W. 127 Street.
Q. What is your official connection with the Garvey companies?
A. I am connected with the Black Star Lin.
Q. In what capacity?
A. Vice President.
Q. How long have you been Vice President?
A. About seventeen months.
Q. What is your salary?
A. \$5.00 a week.
Q. Have you ever gotten any more than that?
A. No. They still owe me some. I have not gotten all. I was just supposed to help systematize the office.
Q. Before you were Vice President, were you with Garvey?
A. Yes, about two months before.
Q. Are you a citizen of the United States?
A. I have my first papers. I will get my second papers in March.
Q. Did Mr. Garvey bring you here from the West Indies?
A. No sir.
Q. You came here before he did?
A. I came here July 9th, 1907.
Q. What are your duties as Vice President of the Black Star Line?
A. Mr. Garvey told me to work on a ship which could be used in the African trade to carry out the colonization scheme of the association.
Q. Are we to believe that you believe in this colonization scheme?
A. I do not believe in the methods pursued to effect colonization.
Q. Then we are to understand that you are not a participant in the things that have been done by Garvey?
A. Not in the benevolent association.
Q. What objection do you have to it?
A. First, I think it is absurd to build up an independent government.
Q. Have you ever told Garvey that?
A. There was no occasion for it.
Q. On what do you base your opinion?
A. By getting the advice from people who lived on the west coast of Africa and who know the British government system.

61-50

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Q. Have you ever had occasion to discuss this with Mr. Garvey?

A. No.

Q. Don't you consider yourself in the confidence of Mr. Garvey?

A. I do not.

Q. Don't you know, as a matter of fact, that the funds of the association have been used for the purchase of Black Star Line stock?

A. I heard about that.

51726

Q. What did you hear?

A. I heard that the Council had advised such a step as they wanted to control the movement of the Black Star Line.

Q. Were you present at the meetings when Garvey was authorized

A. No, I am not a member of the Council.

Q. You have nothing to do with the books?

A. No sir.

Q. By working on a ship, you mean making plans to buy a ship?

A. Yes sir.

Q. Where did you go first?

A. I sent out several letters.

Q. To whom?

A. Different ship brokers, and got some reply from the Davidson Brokers Company, 42 Broadway, representing Lamport & Holt.

Q. When did this happen?

A. Either late February or early March.

Q. That was after they had gotten control of the *Ferworth*, *Kanaka*, and *Shalyside*?

A. Yes sir.

Q. Was it your understanding that these ships would be suitable for the African trade?

A. I personally knew they were not.

Q. You so stated to Mr. Garvey?

A. Yes.

Q. Mr. Garvey understood it?

A. I think he did.

Q. And you were sent out to procure a ship suitable for the African trade?

A. Yes.

Q. After you sent out your letters, who did you interview?

A. The Lamport & Holt people, and tried to charter one of their ships, either the "*Byron*" or "*Tennyson*", and after considerable correspondence I got a letter from these brokers declining our terms.

Q. When was that?

A. During the month of March.

Q. After you failed to get the *Byron* and *Tennyson*, what other ship did you undertake to secure?

A. Then I got in connection with the New York Ship Exchange, 115 Broadway.

Q. And what ship did you have in mind?