

CHAPTER XXII

Profiteering versus Patriotism in Hog Island Project

The Hog Island project, in its contractual aspects, started out with a heavy load of prejudice against it. It gave to the public, whether rightly or wrongly, the impression that it was conceived in the purpose of the profiteer and developed in a riot of wastefulness. The Denman-Goethals dispute, a perfectly natural issue between a lawyer and an engineer accustomed to have complete control, helped to concentrate interest and inquiry almost exclusively upon this one of the twelve fabricating plants. There is something heroic in the fortitude of the responsible contractors in facing all the resulting criticism, investigation and popular reproach, biding the time until they could make good. To a large extent, however, the interests representing the contractor's side of the bargain were responsible for all that befell them. However public spirited they may have been as individuals, their official attitude spelled profiteering purpose to the public, which had long since made up its mind that the thing that the government paid for to this contracting interest was not worth the price.

PUBLIC DISTRUST OF BIG BUSINESS METHODS

In the first place, the negotiations with the government were not open and frank. Mr. Connick, of the agent corporation, in his persistent failure to submit to the Shipping Board the essential basis of the contract—the estimated cost of the ships for which he had been negotiating with General Goethals—utterly forfeited the confidence of the Shipping Board of which the Emergency Fleet Corporation was the subsidiary.¹ This vital datum of cost was retained in the hands of the contractors to be, without a copy either in the possession of the Fleet Corporation's office or of the Shipping Board, at the

¹ Hearings on Senate Resolution 170, Vol. I, p. 1113.