

izing social life, and making a mockery of morals. The time is ripe for its overthrow. Let us attack it boldly, making our appeal to the awakened conscience of the nation in the name of the counting-room which it has defiled, in the name of business honor which it has sullied, in the name of the people whom it has oppressed, in the name of the homes which it has despoiled, and in the name of religion upon which it has placed the stigma of hypocrisy.

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IS IT WORTH WHILE FOR A DEMOCRATIC DEMOCRAT TO RUN FOR CONGRESS?

A Letter to the Honorable Robert Baker.

Dear Mr. Baker:

Your generous letter of April 16th reached me in due course, and I am not finding it quite an easy matter to fashion a reply.

In the name of honest Democracy you call upon me to enter its more active service, by taking steps to secure nomination as a Congressional candidate in this district; and you put me to the supreme test by your kind assumption that I would be willing to fail, if need be, to advance the cause. I really believe I could qualify, under even that test, for about all my life I have trained with those who always fell short of obtaining political power.

But the issue arising here is: Would nomination and defeat in this district advance the cause? I must believe it would not! The showing would be so inconsiderable as to be cited by the unopposed Republican press of the district, as final evidence that the Democratic party is as a sinking ship, from which the voter, wise for the future, would swim ashore.

You are relying on the unmistakable signs of approaching changes in party alignment of the voting rank and file; and I have no doubt your expectations will be realized, in many sections,—especially in your own State and district; but in this district there are two strongholds of uninquiring conservatism which nothing short of famine, under Republican rule, can awaken, namely, the farmers and the Scandinavian operatives in the great factories. It is the old issue between metropolis and province. The Ohio situation was recently changed; but by the voters of her goodly list of medium sized manufacturing cities, and not by the rural vote, as I understand.

You know what New York State does as a counterbalance to the democratic vote of New York City. We all know the reactionary power of the provincial vote in France, as against the progressive spirit of Paris. But if all the constituencies should send Democratic representatives to Congress, at the approaching election, would the cause of true democracy be advanced? I fear it would not! It would still be the modern political curse which a real Democrat—Gov. Altgeld—called: "Government by political party." In a thousand pages I could not hope to show you any phase of party-machine betrayal of the people which you have not perceived and denounced most earnestly.

We all know that the legislative, the judicial and the executive departments of our government are in

the hands of those who have been chosen to administer them in favor of special privilege and studiously against equality of right. The majority of the Congressmen and Senators, even of the South, as well as the Southern federal judges, are skulking agents of railroad and sugar interests. The Democratic party machine is but little less devoted to plutocratic treason than that of the Republican party.

With the government seized by such enemies of popular rights, what can the people expect in their own behalf? Nothing!

These apostates can deceive us by granting our demands in one department and nullifying that grant in another. Is it not childish for us to appeal to them? If it were in my power, to-night, to place on our statute books, state and national, laws embodying the waiting, practical, saving reforms, I would not lift my hand to attain such an end. It would be but the entrusting of the things sacred to equality of right, to the chosen agents of obstruction. These agents would compass the pitiful failure of any such reform measure (as was done in Italy, in the case of the enacted law establishing proportional representation) and secure the acceptance of the verdict: that the measure was not practical, "not safe and sane;" and a reform thus betrayed is killed for at least one generation, and all the earnest toil and sacrifice brought to nothing.

I cannot expect any orderly permanent progress in the restoration of popular government while all legislation, interpretation and administration are in the hands of those who have systematically destroyed it, and who are, as systematically, blocking its restoration. We must place the friends of equality in the seats of power; and this can never be done through political party. That boat is going in the opposite direction.

Being now advised that I harbor these heresies, you will understand my conviction that the effective field of patriotism and statesmanship lies in non-partisan participation in those simple plans for reforming representation, namely, questioning of candidates (especially in favor of initiative and referendum), and (above all) the fundamental reform in representative government—proportional representation.

How can special privilege be abated while we have representative government based on district representation and administered by political party? This situation is the "devil's dream" in the field of statesmanship; and no visions of popular justice and happiness are realizable while we weakly permit such an evil system to endure.

I need hardly assure you that I have named the above movements only as means to an end; and that that end is the final application, in government, of the living, saving principles of the so-called single tax—the cause which commands your fealty and mine, and to which a Christian civilization must turn if it is not to perish from the earth.

I am aware of your courageous and spirited services in Congress, and respect and admire you for your record made there; but after all, was it not too much like writing an honorable name on the ooze of a polluted stream, to be instantly washed into ineffectiveness by the unclean and troubled waters?

You must not feel that I am inclined to lecture you, for that is farthest from my thoughts. You have taken a friendly "pot-shot" at me for not being in party harness; and what I am saying here is not to oppose the general plans you outlined to us orally, but rather to show you candidly the elements in the situation which deter me from taking the action so kindly suggested. That is, in taking the contrary view, I earnestly desire to cite to you such reasons as shall satisfy you that I am not indifferent to the cause of true democracy; and as I well know, you are not. I wish you full success in your own candidacy, and should be much pleased to have your reply hereto at your convenience.

With pleasure at having made your acquaintance,
I remain, - Sincerely yours,

May 8, 1906.

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Mr. Baker's Reply.

My Dear Mr. _____:

Your letter was received only a few days ago. I am glad to have your views of the matter so fully. I shall not attempt to answer all the objections you raise, but will content myself with commenting on the more salient.

First, as to your possible defeat. I do not deny that it is probable, but even should it so result, it would have no such disastrous effect as you appear to imagine. For myself I am convinced that party names are less easy to conjure with than of old. Innumerable instances might be cited to show the readiness with which party managers have turned to those who have heretofore bitterly assailed them when they needed a strong candidate. In 1895 Edward M. Shepard was an independent candidate for mayor of Brooklyn, he being the head of a movement to overthrow the local machine. He polled some 9,500 votes, as against about 78,000 for the Republican, and some 76,000 for the regular Democratic candidate. Six years later, without having openly joined the regular organization, he was the Tammany candidate for the mayor of the whole city.

Even in my own case this was also true. I had organized the movement in Brooklyn which overthrew both Tammany and the Brooklyn organization in 1901, and yet was their candidate for Congress the following year. Though Hearst was the independent candidate for mayor of New York last year, yet nothing can prevent his being the Democratic nominee for Governor this fall, but the expenditure of immense sums by the traction magnates for the purpose of suppressing the desire of the rank and file of the party machinery for his nomination as the regular candidate for Governor.

As to Ohio, I am not advised as to how much of the overthrow of Herrick was due to the distinctly rural vote, but certainly it was not due entirely to the vote of the big cities. If every man who voted for Roosevelt in Cleveland, Cincinnati, Toledo and Columbus had voted for Pattison, that would not have been change enough to account for Pattison's election. I am confident that you underestimate the spirit of revolt among the farmers. While I do not accept the view of the more enthusiastic people here, that Hearst can carry this State as a third candidate, yet I do feel that he would get scores of thou-

sands of votes outside of the small cities—that is, among the distinctly rural voters.

You ask: "If all the constituencies should send Democrats to Congress, would the cause of true democracy be advanced?"

Unhesitatingly I say, Yes. But more, it would be won! Won, because such a result could only follow the nomination of men as to whom the people had not a shadow of doubt of their undoubted devotion to democratic principles. The Senate would instantly capitulate, as they would realize that with such an unanimous expression of the popular will it would be physically dangerous for them to refuse to yield.

It is largely true, as you say, that most of the congressmen from the South are "skulking agents of railroad and sugar interests." But, if you will recall, it was because of this that I emphasized the need of our people's getting nominations wherever possible, so as to prevent betrayal of the people by these very men. A party is as good, or bad, as it needs to be. When it is in complete control and it does not fear the people's vengeance, it is as bad as its corrupt element desires—or has the opportunity to be. But when its tenure of office depends upon the assent of its truly better element, then it comes pretty near realizing their ideals.

More particularly, as it seems to me, do you minimize the power of public opinion. Look at the present situation. A Senate overwhelmingly Republican, and even more unanimously plutocratic; an enormous majority of Republicans in the Lower House; the great majority in both houses unquestionably under railroad influence; yet they have felt compelled to pass a rate bill that, however ineffective to cure the ills complained of, yet is contrary to the desires of those who own Congress. If this is the outcome with a man like Roosevelt, who is devoid of positive convictions, what would happen if we had a man in the White House who had a thorough comprehension of how monopoly exists and of the means to eradicate it? Personally I am unalterably opposed to the Executive dictating what the legislative branch of the government shall or shall not do, but I am now considering effects that would follow probable acts, however distasteful those acts to me might be.

But there is another feature of the work that you could do as a congressman which you entirely underestimate. At a time when the people are looking around for the solution of our economic ills it is of supreme importance that men who know what is wrong and the orderly remedy therefor, should be in positions of power and influence, in order that they can get the ear of the people for their views. Your influence as congressman would be at least a hundred times what it is to-day. There is one more aspect that I wish you to consider. With the desire for change which is apparent on every hand, the danger is that many men will be elected who have no conception of fundamental principles; they are therefore more likely to mislead than to lead the people. We can largely avert that danger by having such men as yourself in Congress, for the people will listen to the truth if it is but presented to them.

As to the question of pollution, there is no danger. Such a man as yourself would not be injuriously affected if every other man in that assembly was

corrupt. I believe, though, that honesty will be quite a common attribute in the succeeding Congresses.

It is because there are grave doubts of my own election that I am keenly interested in seeing that everything is done that can be done to insure a large leaven of fundamental Democrats, like yourself, to leaven the whole lump of the 60th Congress. While I have no right to urge others to any particular duty, I do hope you can yet see it as I see it. Again, since my visit much has happened to increase the popular unrest. The beef trust revelations alone ought to be enough to insure your election, standing as you would as the exponent of a better economic order—for those changes which would obviate the possibility of such things existing; for they could not exist if men were free and could secure the full reward for their labor.

Yours sincerely,

ROBT. BAKER.

544 Carlton ave., Brooklyn, N. Y., June 14, 1906.

THE CONFESSIONS OF A MONOPOLIST

By FREDERIC C. HOWE, Ph.D.

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SYNOPSIS OF PRECEDING CHAPTERS.

In previous chapters the hero has related early experiences which tended to make him a monopolist, establishing it as a business principle with him to always tie a monopoly to any competitive business in which he engaged. He studies law, but finds the practice of it repugnant to his moral sense. He enters politics as a necessary step in the development of a land boom, a street railway and a gas company, in which he becomes successively interested. He learns first the value of a franchise, and second the value of control of political machinery as a business asset. He begins by "working" a City Council. Then by craftily appealing to the "business" element and to good citizenship, with the aid of a Sunday-closing crusade, he nearly wins out in an exciting mayoralty campaign. He discredits the Opposition Mayor, elected in spite of his efforts; gets hold of one Councilman after another by subtle influence, by bestowal of business graft, or by actual purchase; and procures his desired street railway franchise from a dumb Council, over the Mayor's veto. Then he goes into the coal business. By playing off one railroad company against another he obtains rebates from one, which in the end ruins the road, besides driving his competitors out of business.

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CHAPTER VII.

I Am Shorn with the Lambs in Wall Street.

Some years prior to this, as stated in an earlier chapter, I had organized the United Trust Company and become its President. In our State, trust companies enjoy all of the privileges of a bank, except the right to issue notes, and in addition may do many other things. Through these powers they rapidly became the financial reservoirs for the promotion of the great undertakings which were being organized. Without them, the tremendous industrial and railway consolidations would have been impossible. For they were able not only to use their own large capital, but also had at their disposal depos-

its of the people running into the millions. In addition to their banking powers, they rapidly absorbed the business of managing estates, serving as administrators, receivers, trustees and the like, through which large profits came. By means of this aggregation of capital and the financial ramifications of their directors and stockholders, they were in a position to underwrite and float the bonds and securities of these new industrial combinations.

In this way we had underwritten the securities of our own railway and mining consolidation, as well as several interurban street railway properties in which I was interested. Our deposits grew rapidly. They soon exceeded \$10,000,000, and our connections brought us many fine opportunities for investment. On a number of occasions we had been used by Wall Street promoters to handle allotments of big syndicate underwritings; and in the regular order of business a block of Amalgamated Copper had been assigned to us.

I had always confined myself to local interests which were bottomed in franchises or mining rights. I had never paid any attention to the syndicate opportunities which were offered us from New York. However, the parties back of Amalgamated Copper were the most conservative and successful men in America. The reports which were received indicated that the copper market was practically within their control, and people freely predicted that the stock would soon be worth from \$200 to \$300 a share. It was even hinted that as soon as a corner was secured, Amalgamated Copper would go up alongside of Standard Oil.

I paid no attention to these prophecies, and had made it a rule never to speculate in stocks. I confined my attention to the companies that I controlled, and refused to join in any ventures with which I was not thoroughly familiar.

Consequently Copper did not interest me. However, about this time I had a large sum of money lying idle on my hands for which I was seeking a safe investment. For several days this subject had been uppermost in my mind. One morning I had occasion to transact some business in a broker's office. I said to him casually and merely because I wanted to think out loud: "I have a block of money on hand, and possibly you can suggest a good investment." "Copper is the thing," he answered. "It will be another Standard Oil; everybody says so. It is the best thing on the market. The papers are full of it." Later in the day I met another broker, and, putting the same question, received the same reply. I read the financial columns in the papers. Everybody seemed to be both buying Copper and talking Copper. Copper seemed to be a great buy; it could not be denied. Nevertheless, I was far from convinced and only casually interested.

A day or so later, while lunching at the club with an influential banker and old business associate, he said at parting: "Have you any spare cash? If so, invest it in Copper. I believe in it so thoroughly that I have bought one thousand shares." Later in the day I met an old friend, the wife of a man who was largely interested in Standard Oil, and she said that her husband had been buying heavily in Copper.

The next morning on my way to the office I dropped in at my broker's to see what was going on.