

THE INFLUENCE OF CORPORATIONS ON POLITICAL LIFE.

Annual Address by Hon. WILLIAM LINDSAY, United States Senator
from Kentucky.

There was a time within the memory of the living, when the serious consideration of the subject assigned me for discussion this evening, would probably have excited, with practical men, emotions of surprise. In the earlier—I was about to say, the better days of the republic—few, if any, supposed that it would ever be possible for corporate influences to affect political life, and no one contemplated that before the end of the nineteenth century an “artificial being, invisible, intangible, and existing only in the estimation of law,” with no properties, capacities or powers other than those conferred for special business purposes by the sovereign authority, would come to be regarded, and rightfully regarded, as a potent factor in political life. Yet to-day it is a fact, and a momentous fact, that combinations of capital, organized as corporations, and primarily devoted to business purposes, have acquired the control of production, wages and prices, to such an extent that many of our most intelligent and far-seeing citizens are demanding at the hands of state legislatures and of the federal congress, legislation looking to the restraint of such combinations to the strictly legitimate exercise of their delegated powers. These citizens complain, too, that corporations, not content with the extraordinary and dangerous control they exercise in affairs of business, have become customary participants in political contests, and insist that the results of elections, especially municipal elections, are often brought about by the active intervention of corporate managers, and the illegitimate use of moneys supplied from corporate funds.

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These complaints may not be altogether just, but that corporations do participate in local and municipal elections and do contribute to the campaign funds of the great parties that periodically contest for the control of the state and federal governments, there are the best of reasons for believing. In municipal contests those contributions are not always intended for the promotion of party ends or purposes. In an investigation made by a committee of the United States Senate three or four years since, it was developed by one of the principal officers of a corporation then virtually controlling the production and fixing the price of an article of general consumption, that the contributions of his corporation depended, not on political principles or political convictions, but on corporate considerations. In Democratic cities the Democratic party received the benefit of the contributions devoted to *legitimate campaign purposes*, while in Republican cities the rule was reversed, and the managers of the Republican party were permitted to expend the corporate funds set apart for *the promotion of honest government*.

The general intervention of corporations in political affairs is of comparatively modern origin. In the five volumes of McMaster's "History of the American People," now in the hands of the reading public, in which the mingling of social and political history involved a discussion of American politics as thorough and exhaustive as it is entertaining and instructive, no reference is made to corporate influences on political life.

During the first administration of President Jackson the controversy between those who were friendly and those who were adverse to granting a new charter to the Bank of the United States began. It became a party question and was one of the leading issues in the campaign resulting in that President's re-election.

Among the causes assigned by him for the subsequent removal of the national deposits was the charge that the bank was faithless as a public agent "in the misapplication

of public funds, its interference in elections . . . and above all, its flagrant misconduct . . . in placing all the funds of the bank, including the moneys of the government, at the disposition of the president of the bank as a means of operating upon public opinion and procuring a new charter." In one of his later messages he denounced it as a permanent electioneering scheme.

We have nothing to do this evening with the merits of that controversy. It is important only in the fact that it indicates, with reasonable accuracy, the date at which corporate influences on political life began to attract public attention and to provoke official condemnation. That such influence has continued (in a greater or lesser degree) to make itself felt in current politics, is an undisputed fact with every one acquainted with the political history of the past three-quarters of a century.

It has assumed very grave importance in recent years. The facility with which charters may be obtained and valuable franchises secured has encouraged the formation of corporations for the transaction of every character of business, and we have reached the point at which the individual feels he can no longer compete with his incorporated rival, and where members of old-time partnerships are no longer willing to pledge their personal credit in competition with members of incorporated companies, whose liabilities being limited, do not hesitate to assume risks in business adventures from which prudent business men, unprotected by corporate exemptions, unhesitatingly shrink.

The inequality in the advantages enjoyed by corporations and individuals has aroused feelings of impatience and discontent, and those feelings have culminated in the demand for corporate regulations, which, in some instances, are as unreasonable as they are needlessly comprehensive. Those interested in corporate property and corporate business, of course, resist such demands, and out of the demands on one side, and resistance on the other, the great question of trusts,

and what is to be done with and about trusts, has developed into an issue of transcendent national importance. The difficulty of deciding as to the character of restraints that may be safely and prudently imposed, is rendered all the greater by the difficulty of determining the extent of congressional authority, and of locating the boundary line that separates the inherent jurisdiction of the states, from the delegated authority of the general government.

It is to be regretted that the consideration of this far-reaching question is approached with passion and prejudice by many of those who complain of existing conditions, and with cold-blooded and almost brutal indifference by many of those who enjoy the advantages and reap the benefits of corporate organization. How far combinations of capital diminish the cost of production and transportation; to what extent, and in what direction, they affect the wages or diminish or increase the demands for labor; whether their benefits to the farmer and planter are equal to the injuries they inflict, are economic questions that ought to be honestly, dispassionately and patiently investigated. They cannot be intelligently discussed, or fairly or justly solved, until their true relations shall be understood. Radical reforms, attempted to be introduced while ignorance and passion are in the ascendency, will breed other mischiefs and probably relieve none of the evils of the situation.

As we advance in civilization new and difficult social problems arise. As we improve material conveniences, and change the methods of production and transportation, new and difficult economic problems present themselves. Steam and electricity have converted the old into a new world. In what manner, and to what extent, the methods and customs, the business theories and practices, of the olden times are to be modified or changed to meet the exigencies of the present, we are not yet ready to determine, but faith in the sense of justice and fair play, and confidence in the judgment of the conservative majority, which in the end always

asserts itself, encourage the hope and inspire the belief that we shall not fail ultimately to reach wise conclusions, and to shape and keep the new conditions in harmony with the principles of patriotism, justice and common sense.

Since the adoption of the Federal Constitution each generation has had to meet and deal with issues which, in the opinion of the faint-hearted, threatened not only the perpetuity of the Federal Union, but the continuance of free institutions. The alien and sedition laws of the elder Adams led to the adoption of the Kentucky and Virginia resolutions of 1798-99, and opened the eyes of the American people to the fact that the opinion was then entertained by some of the greatest statesmen that the union of the states was in the nature of a compact, and that the violation of any of the terms of that compact by the general government absolved each state from its obligations, and that each state was the final judge of the supposed infraction and possessed the right to determine whether it should withdraw from or continue a member of a union which the framers of the constitution had fondly hoped was to prove perpetual.

It was claimed by those who opposed the acquisition of Louisiana that the erection of new states out of that territory, and their admission into the Union without the express consent of every state, would be in contravention of the federal compact, would reduce the relative importance and impair the dignity of the original states, and be equivalent in law and in morals to the dissolution of the Union.

The enactment of the protective tariff laws of 1828 was denounced as a gross violation of the Constitution and was followed by the nullifying statutes of South Carolina, which would have led to civil war but for the firmness of President Jackson, and the adoption by Congress of compromise statutes gradually relieving the hardships against which the agricultural states most bitterly complained.

The acquisition of the territories ceded by Mexico in 1848 led to questions touching the institution of slavery that for

a time seemed beyond the possibility of peaceful settlement. That discussion accustomed the minds of the people to the contemplation of the irrepressible conflict that culminated in the civil war, and was only settled at last by the destruction of an institution for the existence of which the people of all the states were alike responsible, but the evils of which fell with peculiar weight on those states where the profitable character of African slavery prevented its eradication during the earlier years of the republic.

The Union has not only survived all these disturbing issues, but rests on a firmer basis to-day than ever before. No one now asks what we shall do with the territorial issues of the past, but how we shall meet and dispose of the questions arising out of the duty we have assumed of deciding the destiny of the people who came to us with the territories acquired by the treaty restoring peace between the kingdom of Spain and the Government of the United States.

Are the people of the United States to be henceforth divided into citizens and subjects? Does the Constitution follow the flag, or are its beneficent provisions confined in their operation to the American States, between whom it constitutes the bond of union, until the representatives of those states shall extend its provisions to the stranger, brought under our jurisdiction by the fate of war or by treaty, leaving those representatives free to decide as American interests, American honor and American magnanimity may require?

These are the questions that are now being asked on every hand. The recent legislation concerning the Island of Porto Rico has given them exceptional prominence. The interest aroused by that legislation in every section of the country and with the people of every class, condition, vocation and pursuit, encourages the hope, as it gives reason for the belief, that the ultimate settlement of these absorbing issues will not be inconsistent with our theory of government or in conflict with the practical application of the great principle

that the just powers of government rest on the intelligent consent of the governed.

The danger to the perpetuity of free institutions, if such danger there be, does not grow out of expansion, and is not the more alarming because of the difficulties to be overcome in the administration of the affairs of our new possessions. If imperialism is to supersede the principles of free government, if empire is to take the place of the republic, the revolution, when it comes, will be traceable to internal and not to external causes.

It will not be provoked by our relations with the outside world, but will result from our failure to preserve at home, unsullied and uncontaminated, that highest and most sacred attribute of American citizenship, without which all talk of the consent of the governed is but a mockery.

When the civil war was raging with almost unabated fury, Mr. Lincoln, in his Gettysburg address, expressed the opinion, that the contest of arms was to decide, whether the government of the people, for the people and by the people, should perish from the earth. The triumph of the federal armies did not solve that problem; the reconstruction of the South did not solve it, and the extension of the suffrage to all the people of the United States without regard to race, color or previous condition of servitude, not only did not solve, but left it yet more difficult of solution. Manhood suffrage remains to-day an experiment, with the serious phase, that it is an experiment which can not be permitted to fail, if free institutions are to be preserved. Those who look on the manner in which the experiment is being worked out, with complacency and confidence, are unaware of the fact that we are over a slumbering volcano, from which some day an eruption may rain on our devoted heads the ashes of political destruction, as the ashes of death were rained from Vesuvius on the people of Pompeii and Herculaneum.

Under our system of government we gather the consent of the governed from the ballot box. There is, therefore, no

question of greater moment than whether the ballot box does in fact reflect the genuine and unpurchased consent of the governed, and does represent their real will touching the administration of public affairs, by those who from time to time appear to be chosen to places of responsibility, trust and power.

The people of the revolutionary times, whose representatives joined in the declaration that "governments are instituted among men, deriving their just powers from the consent of the governed," did not contemplate the literal application of that principle, and permitted it to enter into practical government under restraints, which at the present time would be regarded not only as intolerable, but as utterly inconsistent with the theory of man's capacity for self-government.

Each of the thirteen original states began by attaching property qualifications to the right of suffrage. Some of them were more liberal than others, but all denied to those who possessed nothing in the way of taxable estate, the right to participate in the affairs of government, at the polls or elsewhere. If manhood suffrage be an indispensable prerequisite to the republicanism, or to the democracy of modern times, our forefathers carried on the governments they instituted through an aristocracy of property, giving no concern to the intelligence or the education or the personal worth of the individual, who was the unfortunate possessor of no estate.

Vermont and Kentucky, the first two additions to the Union after the adoption of the Constitution, set literal examples of governments of the people by the people. More than sixty years elapsed, however, before the last of the original thirteen gave in its adhesion to manhood suffrage, and up to the beginning of the civil war many of the states of the Union denied to men of African descent the right to vote, however wealthy or worthy they may have been.

As late as the end of the first quarter of this century it

was contended by enlightened statesmen, that universal suffrage endangered property and put it in the power of the worthless and impecunious to control wealth and intelligence, and was not to be contemplated except with abhorrence and fear. They called attention to its career in Europe and insisted that it was folly to expect exemption in America from the conditions that at first inflamed, and then destroyed other nations; and they warned those in power that, if they closed their eyes to the evils invariably following manhood suffrage in the countries in which it had prevailed, the delusions of that day would be lamented by posterity in sack cloth and ashes. Those warnings did not prevail, and state after state removed the disqualification of poverty, until color became the only exception to the completeness of universal suffrage, and that exception was removed by the adoption of the Fifteenth Amendment. It will profit us nothing to discuss the efficacy of the reforms that have taken from property its power to control in matters of government. Political rights once conferred can seldom, if ever, be recalled, and are never voluntarily relinquished. It may be possible in a few states, under exceptional conditions, to re-establish property or educational qualifications, but it is far more likely in the future, that suffrage will be extended rather than circumscribed.

We are now face to face with the question, whether suffrage is or is not a failure, and we are to work out that problem in the light of past experience with fear and trembling. Discussing this absorbing question in his querulous, but philosophic way, Thomas Carlyle, fifty years ago, used this language:

"America, too, will have to strain its energies . . . to crack its sinews, and all but break its heart, as the rest of us have had to do, in thousandfold wrestle with the Pythons and mud-demons, before it can become a habitation for the gods. America's battle is yet to fight; and we, sorrowful, though nothing doubting, will wish her strength for it.

New Spiritual Pythons, plenty of them; enormous Megatherions, as ugly as were ever born of mud, loom huge and hideous out of the twilight future on America; and she will have her own agony, and her own victory, but on other terms than she is yet quite aware of."

Since those words were written some portion of America's agony has been suffered and some of her battles have been fought. But the great question of the efficacy of the ballot-box has not yet been settled, and the increase of population, and extension of the suffrage, have added difficulties to that most complex of all our social or political problems, and left the future to determine, whether manhood suffrage is to lead first to anarchy, and then to despotism, or, on the contrary, to demonstrate the falsity of the numberless predictions, that time will prove the incapacity of man for self-government.

This same Carlyle was one of the prophets of evil concerning the American theory of self-government. He had little faith in the ballot-box, and less in the possibility of the ballot being intelligently, patriotically, and honestly used. His belief was, that "it is the everlasting privilege of the foolish to be governed by the wise; to be guided in the right path by those who know it better than they. This (said he) is the first 'right of man'; compared with which all other rights are as nothing—mere superfluities, corollaries which will follow of their own accord out of this; if they be not contradictions to this, and less than nothing! To the wise it is not a privilege; far other use indeed. Doubtless, as bringing preservation to their country, it implies preservation to themselves withal; but intrinsically it is the hardest duty a wise man, if he be indeed wise, has laid to his hand. A duty which he would fain enough shirk; which accordingly, in these sad times of doubt and cowardly sloth, he has long everywhere been endeavoring to reduce to its minimum, and has in fact in most cases nearly escaped altogether."

If, as the philosopher says, it is the everlasting privilege of the foolish to be guided in the right path by those who know it better than they, and the everlasting duty of the wise to assist the foolish to walk in the right path, we have but to secure the honest exercise of the high privilege by the one, and the faithful discharge of the responsible duty by the other class, to render universal suffrage an element of hope and strength, rather than an element of danger or destruction.

Manhood suffrage must unquestionably fail, if the foolish shall persistently refuse to follow the counsels of the wise, and will become a curse instead of a blessing if the wise shall persist in shirking the performance of the responsible duty with which they are charged. It has never been supposed that the mass of mankind—that great body of the people, whose necessities forbid them the leisure to acquire more than a passing acquaintance with current events—can, unaided by men of superior opportunities, satisfactorily discharge their duties as electors, but it is hoped and believed that, by keeping in touch, all in whom the powers of government are reposed, the rich and the poor, the ignorant and the cultured, those lacking and those endowed with wisdom, the body of the electors may prove competent to perform the share assigned them in the administration of government, and to perform it with less of selfishness and with greater regard for the equal protection of the lives, liberty and property of all, than can be hoped for at the hands of an aristocracy of property, however patriotic, intelligent or cultured it may be.

Yes, if these elements could be kept in touch, if the foolish could be induced to respect the rights, to consider the opinions, and to respond to the better influences of those wise enough and patriotic enough to lead, manhood suffrage would not fail of success. But with obstinacy, selfishness and venality successfully combining to keep the different elements of society apart, universal suffrage must of necessity result in

ignominious and discreditable failure, and after such failure law and order must be enforced and the rights of property protected by force, or by fraud, or by the combination of both force and fraud, and free institutions thus rendered a thing of the dead past.

We all recognize as a fundamental principle the truth of the declaration so often made, that in a free government majorities, within certain prescribed limitations, must rule. But if apparent majorities can be, and shall be systematically secured by fraud or force or corruption, then majorities not only will not rule, but, on the contrary, will submit themselves to the customary rule of the minority.

It was said by the elder Adams in his inaugural address that "If an election is to be determined by a majority of a single vote, and that (vote) can be procured by a party through artifice or corruption, the government may be the choice of a party for its own ends (but) not of the nation's for the national good." If a party organization can and customarily does procure majorities through artifice or corruption, and thus continues itself in power, it converts the government into a government of party, it overthrows the government of the people, and, for the time being, establishes an imperialism in the room and stead of a free republic.

Ignorance, selfishness, indifference, venality, passion, prejudice, and party spirit, were all considered and discounted when universal suffrage was conceded; but the inducements to corruption, and the gigantic proportions of the funds it is now possible to raise for election purposes, were then so far underestimated, that in the light of recent events it may be said, they were not considered at all.

Through their contributions to those funds, corporations may, and in some instances do, influence political life to a degree that can not be measured, and that too in the most demoralizing, degrading and dangerous direction.

In this connection, it is but fair to say, that corporations

as a rule do not voluntarily or willingly contribute to campaign funds. Subject, as they are, to legislative and municipal regulation, they can not well resist the "stand and deliver" argument, that certain classes of party managers do not hesitate to use. Many of them find it cheaper to purchase their peace than to defend their rights. Others are compelled to ally themselves with one political party or the other, to secure protection against destructive legislation proposed by politicians, who seek places by urging an indiscriminate war against all kinds of corporate institutions, and by appealing to the passions and prejudices of unthinking electors, who either are not willing, or are not able to distinguish between pernicious combinations, and legitimate enterprise. In defending themselves against these unprovoked and injurious assaults, corporations not unnaturally claim the right to make use of all the customary means of resistance, and insist that they can not be censured for aligning themselves with political organizations equipped to contend with their assailants and ready to protect their allies.

The well grounded criticism of corporations for the abuse of their privileges in their unwarranted interference in public affairs; the prevailing prejudice against and hostility to combinations that have, or are supposed to have, monopolistic tendencies; the proneness of the thriftless and unfortunate to look on success as criminal and to regard wealth as the increment of fraud, extortion or crime, combine to supply a rich field for the labors of the place-hunting demagogue. As the professed friend of the people, he is always ready, in eloquent and soul-stirring language, to proclaim that he speaks for them and not for himself, and that he sacrifices business employments that would yield him a generous competence, in order that he may sound in their ears the note of warning against the soulless combinations created by law to eat up their substance and to fatten on the proceeds of their toil.

Of this class of politicians an eminent citizen of Philadelphia, long since dead, was moved to say: "Their knowledge of themselves inspires a low estimate of others. They distrust the judgment and intelligence of the community on whose passions alone they rely for advancement and their only study is to watch the shifting currents of popular prejudice and be ready at a moment's notice to follow it." They believe "that public life is a game in which success depends on dexterity, and that all government is a mere struggle for place. . . . Our sovereignty, our virtues, our talents are the daily theme of eulogy. They assure us that we are the best and wisest of the human race, and that their highest glory is to be the instrument of our pleasures, and that they will never act, nor think, nor speak but as we direct them."

Give to such a place-hunter a responsive audience, with the soulless corporation, the hungry cormorant, the bloated monopolist, for his theme, and he will "Pour the full tide of eloquence along," till conservatism, fair dealing and common sense hide their heads in shame and, like convicted criminals, seek safety in ignominious flight. To men like these, and to their methods, possibly as much as to any other cause, is to be traced the efforts of corporations to influence public opinion. Compelled to defend just and indisputable rights, not occasionally and at periodic intervals, but at all times and under all circumstances, in sheer desperation, legitimate enterprise identifies itself, and keeps itself identified, with the managers and directors of current politics.

Forced into indefensible alliances, they would gladly escape; compelled to subordinate their private interests to their unnatural participation in public affairs; put upon explanations that can not be satisfactorily made to the better sentiment of the country, corporations find themselves equally unable to command public approval, or to resist the overtures of the hungry politicians they can not afford to defy.

These evils the moral sentiment of the country would correct if that sentiment could make itself felt. Unfortunately, we are fast becoming, if we have not already become, a government of party rather than a government of the people. We no longer discuss the claim of public men in the light of their ability and character as statesmen. The question of preference now turns on capacity for party leadership, and not on ability to point the way to patriotic ends. Unhesitating devotion to the common weal no longer commands the support of those who control party policies and name our public officials.

Party organization is not necessarily or even naturally antagonistic to the public good. The success of a particular party is sometimes essential to the highest interests of the country, sometimes indispensable to the happiness and prosperity of the people, and to the preservation of the fundamental and underlying principles of government. In these cases obedience to party discipline is as patriotic as it is commendable, but when our institutions are free from present or anticipated danger, when the public peace is secure, when a political victory involves no higher or more important end than the distribution of the offices not embraced by the classified service, or the regulation of commerce among the states and with foreign countries, or the promotion of the general welfare through constitutional and customary means, party fealty may become and sometimes does become immoral in its tendencies and demoralizing in its consequences.

When in the heat of a national or state campaign we read of campaign funds running up into the millions; when we see in the daily press lists of subscribers to those funds who are well known to represent and stand for corporate interests; when we contemplate the munificent sums set opposite their names, we can not escape the inquiry, why the moral sentiment of the country remains silent, and why those who believe in clean politics and honest government do not join

in general denunciation of methods, which like those, can but lead to the corruption of the franchise, and end in the debauchery of the public service.

The failure of the great liberty-loving, law-abiding, uncorrupted and incorruptible majority to respond to the dictates of the public conscience, and to act in obedience to their higher instincts, can be accounted for only on the hypothesis of their habitual subservience to the behests of party discipline, or of their inability to rise above the superstitious belief inculcated by party spirit, that those of their fellow-citizens who do not agree with them in politics, can not be safely trusted with the administration of public affairs.

In the language of Phillips Brooks, "The great vice of our people in relation to the politics of the land is cowardice. It is no lack of intelligence; our people know the meaning of the political conditions with wonderful sagacity. It is not low morality; the great mass of our people apply high standards to the acts of public men. But it is cowardice. It is the disposition of one part of our people to fall in with current ways of walking, to run with the mass, and of another part, to rush headlong into this or that new scheme or policy of opposition merely to escape the stigma of conservatism."

The first of these classes is made up of the victims of party spirit, those who at heart loathe and condemn political bosses and their methods, but lack the moral courage to assert their love of country through their personal independence. The second, of those who revel in the excitement and passion which the eloquent and wordy demagogue never fails to arouse. Either class is honest. Either prefers good government to bad, but neither can shake off the burden imposed by the national vice of political cowardice.

"If parties in a republic are necessary to secure a degree of vigilance sufficient to keep the public functionaries within the bounds of law and duty, at that point their usefulness ends. Beyond that they become destructive of public virtue,

the parent of a spirit antagonistic to that of public liberty, and eventually its inevitable conqueror. We have samples of republics where the love of country and of liberty at one time were the dominant passions of the whole mass of citizens. Yet with the continuance of the name and form of free government, but a vestige of those qualities remains in the bosom of any of those citizens. It was the beautiful remark of a distinguished English writer that 'In the Roman Senate Octavius had a party, and Antony a party, but the Commonwealth had none.' Yet the senate continued to meet in the temple of liberty and talk of the sacredness and beauty of the commonwealth, and gaze on the statues of the elder Brutus and of the Curtii and Decii, and the people assembled in the forum not as in the days of Camilus and the Scipios, to cast their free votes for annual magistrates, or to pass upon the acts of the senate, but to receive from the hands of the leaders of the respective parties their share of the spoils, and to shout for one or the other, as those collected in Gaul or Egypt and the Lesser Asia would furnish the larger dividend."

An American soldier and statesman, who had faithfully served his country during a long and eventful life, was constrained to speak these words and to utter this warning to his countrymen sixty years ago, as he was entering on the duties of the highest office of the republic, which duties destiny permitted him to discharge but for the brief period of a single month. His words were intended to emphasize what to him then appeared perfectly clear, that the violence of the spirit by which parties were governed must be greatly mitigated or appalling consequences would follow as the inevitable result.

I may say with reasonable confidence that nine-tenths of the corporations now engaged in shaping public opinion would welcome the opportunity to abandon that policy and gladly confine their attention and devote their moneys to none other than the purposes of their creation. If they could be

relieved from the annoyances and dangers attending the attacks of the place-hunter and the professional agitator, and be protected against the demands of the greedy bosses in charge of party organizations, they would submit without remonstrance to all proper restraints and forget their past political affiliations in the more energetic prosecution of their corporate business.

It is within the power of the right thinking people, who constitute the overwhelming majority of the American voters, to discredit the demagogue as a mischief-making agitator; and to overawe the greedy and conscienceless party managers into decent respect for the statutes intended to suppress law breaking, and to protect the public, including corporations, against being dragooned into contributing funds for the promotion of party success through the corruption of the franchise, but this most desirable consummation cannot be reached without unity of action, nor without concerted, persistent and continuous effort. If but the whole body of respectable citizens would move together, their triumph would be certain.

It is at this point that party spirit exercises its unfortunate influence. It fans the flames of past political antipathies. It appeals to the sentiments of party fealty, denounces party treason and insists that reforms can be had within better than without the party, and that nothing can be more disastrous than the success of the political adversary, which only professes virtuous intentions with the hope of securing the power it is certain to abuse in the future as it has done in the past. Such tactics scarcely ever fail to succeed and with their success the zeal of the reformer abates. Disheartened by defeat, he concludes that the struggle for good government is hopeless and then shapes his future course on the assumption that there is nothing left for him except to make the best of conditions that apparently cannot be controlled. Reformers forget that ultimate success depends on unflagging effort; that constancy and earnestness always tell with the

voters, even when they do not at the moment succeed, and that the potency of enlightened and disinterested public spirit becomes irresistible under the leadership of those who never despair and never forget "that the hour hand must make progress if only the minute hand keeps moving."

To prepare the people for this important, if not indispensable, work a new declaration of independence must be made and a new emancipation proclamation enforced. The absolute right of party managers to direct and control political action, without regard to its effect on public morals or the purity of the public service, must be repudiated, and those who have heretofore subordinated their personal convictions and moral instincts to the dominance of party spirit and party allegiance must cast off their shackles and assume the true position of American freemen:

**"He is the free man whom the truth makes free
And all are slaves besides."**

A party may profess the greatest reverence for free institutions, and observe with rigorous fidelity the forms of the Constitution, while in fact it is engaged in establishing the control of a class representing interests not only inconsistent with but antagonistic to the common good. Herbert Spencer taught us that:

"This worship of the appliances to liberty in the place of liberty itself needs continual exposing. There is no intrinsic virtue in votes. The possession of representatives is not itself a benefit. These are but means to an end, and the end is the maintenance of those conditions under which each citizen may carry on his life without further hindrances from other citizens than are involved in their equal claims—is the securing to each citizen all such beneficial results of his activities as his activities naturally bring. The worth of the means must be measured by the degree in which the end is achieved. A citizen nominally having complete means, and

but partially securing the end, is less free than another who uses incomplete means to more purpose."

He is not a good party man who follows his party leadership into paths that lead to unwholesome government, or who approves or condones party methods that contravene public morals or public decency. The true party man is he who insists that the rules prevailing with men of honesty and probity in business transactions, shall also prevail in the conduct of party affairs; who reserves the right, when overruled by his party associates in matters involving honor and fair dealing on the one hand, and political dishonesty, chicanery or corruption on the other, to obey the dictates of his conscience and to walk the path marked out by good citizenship, even though to do so leads to party defeat.

There are times when a party cannot be reformed except by discrediting the managers charged with its leadership, and there is no more effectual way of discrediting party leaders than to demonstrate that their policies and methods lead to inevitable and continuing disaster.

There is a class of corporations to which the line of reasoning heretofore indulged in extenuation of corporate interference in public affairs does not apply. They first make themselves parties to combinations, having in view the control of particular lines of business, or the creation of monopoly, and then seek through political manipulations to protect themselves against the action of the legislatures and the judgments of the courts. Such combinations are opposed to the principles of the common law, are prohibited by the statutes of many of the states, and condemned by congressional enactment; but they continue to exist, and their illegal operations progress without apparent let or hindrance. Every week we read of the formation of another trust of gigantic proportions for the avowed purpose of controlling some line of business in which the general public are vitally interested. Statutes do not intimidate, nor the judgment of the courts deter their promoters. They face public indignation with perfect equa-

nimity. The president and directors of these combinations sit in political conventions and take part in the formulation of party platforms denouncing trusts in the most unqualified terms. These presidents and directors understand that it is one thing to condemn by statute, to occasionally prosecute some insignificant combination in the courts, and indignantly denounce the trusts in party platforms; but quite another, to supplement the work of the legislatures and the courts by organized and aggressive public opinion, against which no prohibited organization detrimental to the public good can long maintain itself.

So long as the active opponents of trusts continue to treat all corporations as equally bad and all combinations of capital as equally pernicious, just that long they will continue to reinforce the monopolists with allies, who have no sympathy for, but are compelled to make common cause with them, in order to protect themselves in the war they are being foolishly and unjustly required to defend.

Corporations owning and controlling the railways of the country represent the greatest combinations of capital. They are peculiarly subject to governmental control and regulation. Almost without exception they are engaged in commerce between the states. That fact warrants intervention by the general government to prevent non-competitive combinations and to protect the public against unreasonable and unjust discriminations. If complete success has not followed congressional legislation in this regard, the enforcement of the present statutes in their spirit and according to their manifest intent may and probably will remove all just grounds for complaint; if not, experience will eventually point out such remedies as may be necessary for the accomplishment of this most desirable end.

Local public utilities, such as gas, electric light, and water works, as also street railways, are from their very nature under the direct supervision of local municipal authorities, and nothing short of the wilful failure of such

authorities to exercise their undisputed powers for the public good, will permit the abuse of corporate privileges by the corporations operating and controlling such utilities.

It is with the industrial combinations that the greatest difficulties connect themselves. These combinations organize under state authority. In the broader sense, they are local and domestic. They are not subject to federal control, except when they can be reached through the commerce clause of the Constitution, and the general inapplicability to such domestic concerns of the powers conferred by that clause is recognized by all who have investigated the question. Creatures of the states, their business operations must in the main be controlled and regulated by the states. Those who demand remedy at the hands, and insist on action by the Federal Congress, content themselves with dealing in general propositions, and have thus far failed to suggest the framework of a statute that will reach the evil, respect the reserved rights of the states, and at the same time stand the test of constitutional validity.

Many of the industrial combinations are directly benefited in their business by the tariff duties imposed on goods imported from foreign countries. Those benefits may or may not be reasonable or legitimate, but they are none the less desirable. Hence, whenever tariff legislation may be pending, or is proposed, the influence of corporate enterprise makes itself felt, and as its representatives profess to speak for American labor, and are always unselfishly devoted to the protection of the American workingmen against the competition of the pauper labor of Europe and Asia, their arguments carry with them almost irresistible force. It is not to be objected that lawful business associations seek opportunity to present their just claims for or against proposed legislation first to the electors, and after the elections to the representatives of the people; but the methods of such presentation may be the proper subject for the severest animadversion. Argument addressed to the reason of those sought

to be effected, is always legitimate, but there are influences more potent than argument, and not necessarily or even usually such as outrage public decency or tend to shock the moral sentiment of the country.

Social considerations, good fellowship, the desire to cultivate intimate relations with those whose names are everywhere associated with wealth and power, with industry, enterprise and progress, control the actions of many who would repel with indignation and scorn a suggestion even remotely involving venality or personal advantage.

Corporate influence exercised through these channels is always for the advancement of corporate business interests and never for the general good alone. It is necessarily unhealthy and demoralizing, and ought to provoke universal condemnation. The danger is all the greater in the fact, that it moves on the lines of propriety and operates through men who always observe the amenities and decencies of life, and whose high position in society, gives the color of respectability to all they may do or say in reference to any matter of either private or of public interest.

Whatever reduces or minimizes the importance of the individual diminishes the sense of responsibility and weakens the force of the obligations of duty that would otherwise impel every conscientious man to their due observance. So long as we unhesitatingly submit ourselves to the necessary tendency of this diminution of personal responsibility, we surrender our convictions of duty in politics to the policies and necessities of our party, and in organized business adventures, we surrender them to corporate interests and advantages. We look to dividends rather than to the approval of a good conscience, and hear with complacency, instead of resenting with indignation, the common witticism, that a corporation is a body without a soul.

The proprieties of the present occasion do not admit of an exhaustive discussion of all the questions involved in the consideration of corporate influence. It is not expected,

and if it were, time would not allow us, to follow in detail all the ramifications, social, business and political, into which the conditions brought about by combination and organization necessarily divide themselves. As organization in politics tends to reduce the importance of the individual elector, so combination in business tends to minimize the consequence of each individual member of the adventure, except it be those entrusted with the active management and control of the organization.

In politics we shall continue to have parties. It is altogether likely we could not administer the government without them. In business, we shall continue to operate, in a very large measure, through the instrumentalities of corporations. We can neither abolish party nor dispense with business organization. Such being the case, it is the more important that public attention shall at all times be directed to the evils and abuses flowing from both organized politics and organized business. Possibly some of those evils are inherent and beyond the reach of remedy, but the effects of some may be mitigated, and the abuses, or at least those abuses fraught with the most destructive or dangerous tendencies, may be wholly eradicated. But these evils can not be mitigated nor the abuses eradicated, except by concerted, aggressive and persistent action on the part of those who set their hands to the work of reform.

Political parties cannot and need not be disbanded. They may be kept in the lines of usefulness and out of the paths of selfishness and wrong by the conviction on the part of those who lead them, that we have a body of independent citizens strong enough to insure victory to the deserving, and pledged to the inevitable defeat of the party that represents class interest as against the commonweal, or which, to insure success, resorts to methods that cannot stand the test of public scrutiny.

Corporate influence intended to affect political life, officiously thrust into party contests, or officiously brought to

bear on legislative action, is inconsistent with good government, a palpable abuse of the corporate privilege, and should be met with public reprobation, whenever and wherever it may make its appearance.

Serious and deplorable as are the evils growing out of corporate influence on political life, unfortunately for the public welfare it is not without potent and efficient allies and co-workers. Other well known and equally indefensible influences are utilized to defraud the ballot, to corrupt the franchise, and to defeat the real and genuine will of the liberty-loving and law-respecting majority. Against the entire brood of political jobbers and venal party bosses, and against every one of their corrupting and unholy methods, enlightened public opinion is under the highest obligations to uncompromisingly set its face.

I am not one of those who indulge in pessimistic fears as to the future. The American Republic will not fall as Rome fell. Our Anglo-Saxon civilization contains the seeds of its own rejuvenation. The body of the American citizens can not be corrupted, or permanently led astray, and when aroused to the necessity for the reassertion of their capacity and of their determination to preserve the free institutions transmitted to them by their fathers, they will not in the future, as they have not in the past, prove unequal to the emergency. It is, however, a pertinent inquiry, and one worthy of serious consideration, whether the present is not the time when lethargy should be shaken off, and a more active interest manifested in the upbuilding of public purity and of political integrity.

In this connection, and by way of concluding the remarks, I have had the honor this evening to submit, I assume the liberty of paraphrasing an extract from a recent editorial by one of the strongest writers and most eminent citizens of my own state.

There must be an awakening all over the country to a keener sense of responsibility, and a realization of the fact

that to retain the republic in its integrity we must be true to the ideals of life; we must be willing to consecrate to the public service at least a portion of our time and a portion of our means. It is not enough that we may live in a community and make money, protected by its laws; but that we should devote to the advancement of that community our thoughts, our goods and our energies. If this be not done; if we value peace above honor; if instead of agitation and resistance we prefer, in addition to the regular taxes, to submit to taxation by political rioters and partisan robbers, we may be certain that life in the republic will be intolerable to the next generation.

Doubting not the integrity of the masses, or their devotion to honest government, I have confidence that our difficulties, present and future, foreign and domestic, will be patriotically and intelligently met and overcome, and that this government of the people, for the people and by the people is not predestined to perish from the earth.