

with every branch of production, organization may increase efficiency, but when the organization becomes so large that the man at the head has to give directions to a handful of superintendents, and they instruct a still larger number, and these oversee a still greater group, and these direct the workmen, there is a waste of energy which at last overcomes the gain. Second, when a monopoly is really secured, inventive genius is retarded instead of encouraged, and deterioration in the quality of goods is almost sure to accompany an increase in the price. The selfishness that inspires one to desire a monopoly is not cured when the monopoly is secured. On the contrary, the possession of the power which the monopoly gives is more likely to increase the selfishness, and this selfishness manifests itself in the tendency to put forth an inferior product and charge more for it. Senator Beveridge has eulogized the meat trust, and expresses regret that my "state's rights doctrines" prevented my suggesting the pure food law, to the passage of which the senator gave so much valuable assistance. My attention had not been called to the packing-house abuses until the bill was introduced, but I have been glad to commend the bill and the principle upon which it is based. The senator is so fearful of the doctrine of state's rights that he reads it into the speech of every opponent, and goes beyond the friends of that doctrine in extending its application. The trouble about the attempt to regulate the packing houses is that we are treating the symptom rather than the disease. It will be difficult to prevent deterioration in the product as long as we permit a monopoly; for when effective competition is stifled regulation becomes not only more necessary but more difficult. While the pure food law is good as far as it goes, the people will find a hundred times more protection in the elimination of the monopoly principle than they can find in any system which first permits a monopoly to exist and then attempts to regulate it. The third fallacy in the assumption that a monopoly is an economic development is found in the fact that individual initiative is discouraged. There is a wide difference between a manufacturing establishment which a man has built up by his own exertions and which he regards and guards as his own creation—a great deal of difference between this and a great corporation presided over by some man whose interest is measured by his salary and who recognizes that he may be at any time replaced by the son or the son-in-law of the controlling stockholder. Competition compels the employment of the best men, while monopoly permits the employment of favorites, though inferior; for when a corporation has control of the market, it can wait for trade to come to it. No one can estimate the widespread demoralization which monopolies would bring if permitted to exist, for in depriving the ambitious worker of the hope of an independent position in the industrial world, they would paralyze effort and largely reduce the productive power of the American workmen.

It is not necessary that one corporation, or a group of corporations, should pack all the meat in order to have good meat furnished to the country; neither is a monopoly necessary in order to invade foreign markets. In a country with eighty millions of people, it is not necessary that one corporation should manufacture for the entire population in order to reduce the cost of production to a minimum. The market is large enough to support a number of packing plants, each large enough to introduce every possible economy in production and yet controlled and regulated by competition among themselves. It is a common practice of trust defenders to attribute every reduction in price and every improvement in method to the trust, and yet examination will show that reduction in price and improvement in method have been greater in competing industries than in monopolies.

As I shall deal with the railroad question in a later article, I need not now refer to what he says on that subject.

There is a suggestion in the senator's article that natural laws will, in the end, protect the consumer, and he suggests the case of a wire nail pool which raised the price of nails from \$1.45 to \$2.85, and then to \$3.15 per hundred-weight. He assures us, however, that "in eighteen months this foolish business management compelled the formation of immense rival companies," and that "in robbing the people it destroyed itself." It is probably true that the trust may, in the long run, break down of its own weight, but there is little consolation in this fact to the short-winded man who can not stand a long run. The small competitor who has been bankrupted by a trust will find no comfort in the confident expectation that some years after he has gone out of business

natural laws will break up the trust. The farmer and builder who have to pay a double price for nails for eighteen months may be glad to believe that the trust will after a while die; but ought we to permit such practices and leave the purchasers unprotected? There are a great many trusts today, and while a trust dies occasionally, the birth rate is greater than the death rate, and it is criminal folly to postpone effective legislation in the hope that the trust will at last find that it is unwise to charge more than a fair profit.

One of the trusts which seems to have impressed the senator favorably is the steel trust. He has much to say of its usefulness and nothing to say of its abuse of power. The steel trust is selling abroad cheaper than at home, and we have seen its stock so manipulated by a coterie of insiders that the small stockholders lost many millions in the fluctuations of the stock. The recent annual statement of the steel company shows that its gross sales amounted to nearly seven hundred million dollars, that its net earnings amounted to one hundred and fifty-six million dollars, and that the wages paid amounted to one hundred and forty-seven million dollars. The net earnings were about twenty-three per cent of the gross sales—nearly five times the percentage that the boot and shoe industry of Massachusetts realizes. There being competition among the manufacturers of boots and shoes it is impossible for them to convert into net earnings twenty-three per cent of their gross sales. It will be noticed that the net earnings of the steel company exceed the entire amount paid in wages—that is, each employe earns, on an average, not only his own wages, but more than one hundred per cent profit on his wages for his employer. This is an extraordinary profit, and only possible under a monopoly. In most of our large industries the amount paid in wages is several times as great as the net earnings. In the remedies suggested, Senator Beveridge does not mention a reduction of the tariff, although he tells of one of the beneficiaries of the tariff who turned his property into a trust "at a figure so much above its value as to stagger belief," and yet this steel trust, which receives from him only words of praise, has a protection of something like twice the per cent paid to employes as wages, or more than forty per cent, while the employes received only twenty-one per cent of the gross sales.

The steel trust has such a complete control of several branches of the iron business that it can fix the terms and conditions of sale—its smaller competitors being compelled to acquiesce in any terms that it fixes. The senator has given President Roosevelt credit for having prosecuted a number of trusts, and I am glad to commend him where he has enforced the law, but it is not sufficient to enforce the law against a few trusts. Other criminal laws are enforced against all offenders who can be found. Why should we draw a distinction between the horse-thief who violates the law against horse stealing and the trust magnate who violates the law against the trust? The senator complains because I have said that the principle of private monopoly must be eliminated—that the trust must be destroyed, root and branch. That is my position, and that position set forth in the democratic national platform of 1900 was indorsed by more than six million voters. There is no question that the people understand the trust better today than they did six years ago last fall, and there can be no doubt that they are prepared to enforce more radical remedies than the senator's party then proposed. Are they not ready to lay the ax at the root of the tree and say that no man, or group of men, shall be permitted to monopolize any branch of business or the production of any article of merchandise?

"GREEK'S BEARING GIFTS"

Before the democrats shower their praises upon Senator Knox as defender of the rights of the states, let them carefully re-read the story of the Trojan Horse, which gave rise to the proverb, "Beware of the Greeks bearing gifts." The Trojan Horse, it will be remembered, was presented as a gift but it was full of soldiers and the soldiers came forth at night and wrought the ruin of the besieged city.

Senator Knox is supported by representatives of predatory wealth and predatory wealth opposes all government regulation. The local representatives of the great corporations spend their time showing that all state regulation is an interference with inter-state commerce, while the national representatives of these same corporations are employed to denounce national regulation as an infringement upon the reserved rights of the states. The object of predatory

wealth is to assail every sort of restraint. At present it looks as if Senator Knox is the man selected by the railroads and trusts to protect them from federal prosecution and he is likely to become quite popular with those papers which get their inspiration from Wall Street. He will use the president's gushing endorsement of his cabinet work to win the support of those republicans who shout for "some one in harmony with President Roosevelt"—but DO NOT NAME HIM, while he can count on the support of every corporation that has its hands in the pockets of the people and, therefore, wants to "let well enough alone."

The democrats believe in protecting the rights of the states, but they will not be deceived by the effort now being made to use the state's right doctrine as a breast work for the trusts when these trusts are attacked by congress. Democrats believe that the powers of both the state and the federal governments should be used for the protection of the people; men who engineer the Knox boom are opposed to governmental restraint whether that restraint is exercised by the state or by the nation.

ANOTHER ORATOR

Another orator, Marcelline Albert, has arisen. This time it is France that produces the man with persuasive tongue. Like all other orators he is the product of his environment; he is the voice of his people and simply gives expression to their sense of justice. Seeing what he regarded as a great wrong he went from village to village awakening the people to the dangers which confronted them. Seven years ago he began his agitation and, gradually growing in influence, as the vine growers recognized the truth embodied in his arguments he became the leader of those whose cause he was pleading. He was eloquent because he knew his subject and felt that he had a message that must be delivered.

Those who are ambitious to win distinction in public speaking can find a lesson in Albert's career—and it is a more valuable lesson than can be obtained in the schools of oratory. The man who attaches himself to a just cause and studies it until his mind is filled with argument and his heart is aflame with earnestness—such a man will not lack for hearers. And, it may be added, our own country and our own generation present causes enough to grow a large army of orators if our young men will forget themselves in their devotion to the common weal.

O, for a crop of American Alberts who, seeing the menace of plutocracy, will become the champions of a democracy which will restore the government to its old foundations, and administer it according to the Jeffersonian maxim, "Equal rights to all and special privileges to none!"

THE DEMOCRATIC OUTLOOK

A number of large dailies which oscillate between the two parties and attempt to dictate the policy of both, are just now taking a gloomy view of democratic prospects. The dismal hue is due to the fact that the democratic party does not seem disposed to allow these papers to write the platform and select the ticket, and very naturally the papers are hopeless. These are the same papers which three years ago conducted a conservative campaign, rejoiced over a conservative victory at St. Louis, gave advice to the party during the campaign, and prophesied certain victory just before the overwhelming defeat. They are now laying the foundation for a bolt in case they are not allowed to dominate the party's counsels, but the memory of their leadership is so fresh in the minds of the people that their ability to deceive is reduced to a minimum.

The fact is that democratic prospects, instead of being gloomy are bright, and growing brighter. The democratic position has been vindicated as shown by events, and second, by the admission of republicans. Every proposition for which the democratic party stood in 1896 has been proved sound, and not a republican policy, but is weaker today than it was then. In 1896 the democrats contended that the country needed more money; this was denounced as a wild and unexcusable theory by sage financiers, and yet, with an increase in money of more than fifty per cent per capita we have none too much money now, and the larger volume of money has increased prices and brought prosperity. What would be our industrial condition today if we had no more money today than in 1896, when the republicans said we had enough?

The party's position on the trust question