

# THE JEFFERSON CLUB BANQUET

The Jefferson club of Chicago gave a farewell banquet to Mr. Bryan on the evening of September 12. Hon. William Prentiss acted as toastmaster. Mayor Dunne, Congressman Ollie M. James of Kentucky, Congressman Henry T. Rainey of Illinois, and Judge James B. Tarvin of Kentucky, responded to toasts. Mr. Bryan's subject was "Democracy vs. Centralization." Extracts from his speech follow:

"The partial adoption by some of the republican leaders of remedies proposed by the democratic party makes it opportune to draw a distinction between the fundamental principles of democracy and the principles of those who view subjects of government from a different standpoint. There are two forces constantly at work in every nation, one force tending to bring the government nearer to the people and the other tending to carry the government away from the people. To go a little farther back we may start with the proposition that there are but two theories of government—one that a government is a thing created by the people for themselves—this is the theory which is embodied in our declaration of independence, which declares that governments derive their just powers from the consent of the governed. The opposite theory is that governments are imposed by the few upon the many—such governments resting on force. Few if any, governments now known entirely exemplify either theory—nearly all, if not all, of them representing a compromise between the two theories, but in every government there is a tendency either in one direction or the other. If we may represent self government as the day and arbitrary and irresponsible government as the night, then most governments would represent the twilight. The twilight that precedes the dawn gradually brightens into day. The twilight that precedes the night ends in darkness. It is very important, therefore, that the tendency of a government shall be towards the light. In using the twilight I recognize that it is not a perfect illustration because the dawn always grows brighter while the shades of night always grow darker. Possibly it would be more accurate to describe the contest between democracy and centralization, as like a game of football, in which the government may be carried this way or that way according as it is in the hands of one side or the other, the ultimate goals being at opposite ends of the field. In monarchies the fight for self government is often made for some particular reform, without avowing the final purpose and without discussing fundamental principles, and so in republics those who attempt to restrict the power of the people, often, if not always, make their fight under some mask. In this country opposition to the rule of the people usually takes the form of the advocacy of legislation which removes authority from a point near to the people to some point more remote from them. This tendency to remove authority from the locality to a center farther away may be described as centralization. If the principles upon which self government rests are sound then, the people can best govern where they are best acquainted with the machinery of the government and with the propositions upon which they are to act. Every attempt to take authority away from the community and vest it in some power outside of the community contains a certain amount of infidelity to the democratic theory of government. Usually there is some partisan reason which furnishes the justification, but no partisan reason can remove a fundamental objection. In some states the police control of the larger cities is taken out of the hands of the people living in those cities and deposited with the governor of the state. No matter on what theory this is done it is not consistent with confidence in the capacity of the people for self government, and it is certain to be used as a precedent for a further weakening of the power of the people to control their own affairs.

"Just now public attention is being directed to the encroachments of great corporations upon the rights of the people and the discussion of remedies reveals the fact that among those who really desire to effectively restrain corporations, there are two distinct classes—those who desire to enlarge the scope of the federal government and those who desire to preserve the integrity and authority of the several states. I invite your attention to this subject because it is likely to be the rock upon which honest reformers will split unless there is a clear understanding of the situation. The Jeffersonian dem-

ocrat would not take from the federal government any power necessary to the performance of its legitimate duties, but he recognizes that the consolidation of all the government at Washington would be a menace to the safety of the nation and would endanger the perpetuity of the republic. He believes in the preservation of the power of both state and federal governments, recognizing in the constitutional division of those powers the strength of free government. The advocate of centralization is always optimistic when the dangers of centralization are pointed out. He is not afraid that any harm can come to the American people, and yet no enthusiastic advocate of centralization can talk long without betraying his distrust of the people. Instead of accepting the theory that the people should think for themselves and then select representatives to carry out those thoughts, he believes that representatives are selected to think for the people and he does not hesitate to build barriers between the government and the voters. While the advocate of centralization is urging legislation which obliterates state lines and removes the government from the control of the voters, the monopolist may on the other hand hide behind the democratic theory of self government and use this theory to prevent national legislation which may be necessary. The democrat who believes in democratic principles and who wants to preserve the dual character of our government must be on his guard against both.

"There are certain things which the locality can do for itself, and there are certain things which only the federal government can do—neither the federal government nor the local government should be sacrificed to the other.

"The investigation of the large life insurance companies has led to the discussion of national remedies and the advocates of centralization are likely to seize upon this agitation as an excuse for legislation which will take the business of life insurance out of the hands of the various states. The democrats should draw a distinction between federal legislation which is supplemental to state legislation and that form of federal legislation which would substitute a national for a state remedy. No national charter should be granted to an insurance company and no federal supervision should interfere with the exercise of the power now vested in the states to supervise companies doing business in such states.

"So in devising a remedy for the trusts, the democratic party should resolutely oppose any and every attempt to authorize a national incorporation or chartering trading or manufacturing enterprises. Congress has control over interstate commerce and it is the only body that can deal effectively and efficiently with interstate commerce, but to control interstate commerce it is not necessary that it should create corporations or over-ride state laws. The democratic national platform of 1900 proposed a national remedy for the trusts entirely consistent with the preservation of state remedies. It suggested a license system—the license to permit a corporation to do business outside of the state of its origin upon compliance with the conditions of the license, but the license would not permit it to do business in any other state except upon compliance with the conditions provided by the state. In other words, it would be such a license as is now granted for the sale of liquor. When a federal license is issued for the sale of liquor, it does not carry with it any immunity from the laws of the state in which the licensee lives. The same reasoning should be applied to the insurance question and to all other questions which involve remedial legislation.

"No advocate of centralization should be permitted to impair the power of the various states over business done within their borders under the pretense that it is necessary to transfer the power to the national capitol, and no democrat should oppose necessary federal legislation when the powers of the several states are properly safe-guarded. It is possible to preserve in full force the power of both the federal government and the state government. It is only necessary that the legitimate functions of the two governments shall be clearly recognized and their spheres duly respected. I have mentioned only the question of insurance and the trust question, but there are many subjects which involve the issue between democracy and centralization.

"It is natural that the democratic party should advocate the election of senators by a direct vote of the people for this reform would remove a barrier erected between the people and their representatives in the senate. This provision of the

constitution was a compromise between those who trusted the people and those who still doubted the capacity of the people for self government. There is no longer reason for doubt, and experiences show that the United States senate has become the bulwark of corporate interests. It can not be brought into sympathetic touch with the people until the method of election is so changed as to make the members of the senate responsible directly to the people.

"The initiative and the referendum are growing in popular favor because they increase the control of the people over their own affairs and make the government more responsive to the popular will.

"It should be the purpose and constant effort of the democratic party to bring the government into harmony with those who live under it and to make it reflect more and more their intelligence, virtue and patriotism. In proportion as the democratic party trusts the people and protects them it will win the confidence and support of the people and no one can doubt the final triumph of such a party without doubting the correctness and growth of the principles of free government."

## A LOW MORAL STANDARD

The Outlook editor is either setting up a very low standard of morals, or he is loaning his editorial columns to some one who lacks moral perception. In the issue of August 19 there is an editorial excusing rebates. A reader of the Outlook asks whether Mr. Morton and men in his position are justified in giving rebates. The editor (or the user of the editorial page) says:

The object of a railroad president ought not to be to make money for either himself or his stockholders; it ought to be to serve the community. To do this he must make the railroad pay, but paying is the means, the service of the public is the end. If he can not carry on the railroad, can not continue to administer it as a highway, can not get the money necessary to carry freight and passengers, without meeting the rebates of his competitors by giving rebates himself, it may be legitimate to do so. Whether it is legitimate or not depends upon circumstances; and one of those circumstances, and perhaps the most important, is the true answer to this question: Is the granting of rebates necessary to the continued successful administration of the road?

This is not saying that "the end justifies the means." It is not saying that we may employ any means to accomplish a righteous end. It is saying that the question, "what means may rightfully be employed to accomplish a rightful end?" is one on which compromise is often necessary and legitimate, while on the question, "what is a rightful end?" compromise is generally, if not always, illegitimate.

One would hardly expect to find such a defense of lawlessness in the Outlook.

What a pitiful apology for a religious paper to present! Suppose a man in business finds it necessary to cheat in order to keep up with his competitors, may it therefore be legitimate to cheat? Suppose a man finds it necessary to steal or to kill in order to meet his competitors, may it be legitimate for him to steal and kill? Expediency is entirely destructive of moral law and the Outlook will find it impossible to lay down any code of ethics if it begins by excusing rebates when they are necessary to meet competition. The rebate is unlawful. How will the Outlook discriminate between different criminal laws? But, if there were no statute against rebates, they are contrary to morals. A railroad can bankrupt individuals and communities by the use of the rebate, can the necessities of competition purge the act of its wrongfulness? If a railroad finds that its competitor is doing wrong instead of imitating the competitor it ought to help to punish the competitor. A corporation that believes it legitimate to follow a bad example will soon think it proper to set the bad example and leave the competitor to follow.

If the editor of the Outlook will read his Bible again he will find that it furnishes no authority that can be used to justify rebates. Nothing more clearly shows the demoralizing influence of predatory wealth than the fact that a high class paper like the Outlook can be led into such a justification of rebates as it presents. No secular paper could wander farther from the Christian ideal.