

# ONE THING WHICH IS WORSE THAN CORRUPTION

Describing what he conceived to be the faults of the people of the United States, Bryce, the historian, charged us with "a want of dignity and elevation in and about conduct of public affairs, an insensibility to the nobler aspects and finer responsibilities of national life." And Lecky, another very frank critic, said: "There is, however, one thing which is worse than corruption. It is acquiescence in corruption. No feature of American life strikes a stranger so powerfully as the extraordinary indifference, partly cynicism and partly good-nature, with which notorious frauds and notorious corruption in the sphere of politics are viewed by American public opinion."

However disinclined we may be to acknowledge these criticisms as entirely deserved, we cannot deny that we are at times prone to indifference as to the character of our public servants and the methods they employ in the administration of public affairs.

In most instances the charges against the several senators and congressmen who have been indicted have been sufficient to compel their retirement from the commercial concerns with which they were connected; yet it does not seem to have occurred to them that they should return their official commissions to the people. Nor has any considerable demand for their resignations been made. Some will undertake to explain this on the theory that the people have

become quite accustomed to short-comings on the part of public officials, and others may explain it on the theory that, however guilty of the things charged against them the Burtons, the Depews and the Mitchells may have been, their offenses were small compared with the offenses of many other men who yet hold their heads high in society and wield undisputed sway in the councils of government. For instance, the Burtons and Mitchells were charged with having appeared before departments of government as the representatives of private interests. But do we not remember that several of the most powerful United States senators have been publicly and repeatedly charged with representing, on the floor of the senate, great corporations? Men who appear to be shocked at the disclosures concerning Chauncey M. Depew seemed not at all disturbed when the Vanderbilt railroad interests bought for Depew a senatorship. Nor have men seemed seriously to be disturbed when in other states great corporations have invaded the legislature and controlled the action of that body in the selection of United States senators or in the enactment of laws.

It is true that in every instance where exposures of actual bribery have been made the people have become aroused and have given encouragement to those public officials who undertook to punish the wrong-doers, but is it not strange that the people in every state do not more carefully investigate the conditions in their own community, and before it is too late hold

their public servants strictly to account, and keep in check the special interests whose representatives would corrupt officials and plunder the public. Men are all too apt to insist upon the strict enforcement of the law against petty criminals such as Burton and Mitchell have shown themselves to be, while ignoring the conduct of men who do wrong on a much larger scale. It is quite a habit of some men, at a time when public interest has been greatly stirred, to make a great to-do over comparatively insignificant wrongs in order to win a reputation and to enable them to conceal the greater wrongs in which they have a deep and perhaps a personal interest. And while we hear a great deal concerning the short-comings of some individual officeholders, no considerable attention is being paid to the greater wrongs committed in the name of the republican party—policies that threaten the fact of popular government as they, in truth, deny the correctness of that form of government.

It is noticeable, also, that although insurance company chiefs have confessed to many instances of wrongdoing there is not that determined, persistent demand for the punishment of these wrongdoers which one would have the right to expect under the circumstances.

Do not the American people owe it to themselves to so insist upon the enforcement of law and the maintenance of morals that they will avoid even the suspicion of that acquiescence which Lecky said is the one thing worse than corruption.

## TURN ON THE SEARCHLIGHT

George J. Gould, wielding the power bequeathed to him by his father in connection with the Wabash railroad, caused to be removed from the office of president, Joseph Ramsey, Jr. This action by the Gould interests has caused great bitterness and an interesting fight is on. Mr. Ramsey has made a public statement in which he says:

I had been railroading twenty-five years before I met Mr. Gould. In 1901 I was elected president of the Wabash. For eight years I seemed to have Mr. Gould's full support and friendship.

As to the differences between Mr. Gould and myself, they are exactly the same as are now agitating the whole corporation world and are being investigated in the great insurance companies, namely:

Are corporations private institutions to be controlled as private property by a large or controlling interest, or are they corporate properties, to be managed and controlled in the interest of all stockholders? I will state the whole proposition in a nutshell, and use Mr. Gould's words in doing so:

"Ramsey, can't I spend my money and manage my property as I please?" And my reply, "Yes, Mr. Gould, you can spend your money and manage your property as you please, but this is the money and property of a corporation, in which millions of other people's money is invested, and as its legal head I must know something about and be consulted with before such large contracts are made by outsiders."

Doubtless there are many matters now faithfully kept secret in corporation circles with which the public have the right to become acquainted. If the differences between Gould and Ramsey are, as Mr. Ramsey says, "exactly the same as are now agitating the whole corporation world and are being investigated in the great insurance companies," then the public may be benefited by the Gould-Ramsey fight, just as it was benefited by the quarrel between Hyde and the opposition in the Equitable management.

## AVENUES OF USEFULNESS—RAILROADING

With the extension of railroads there is an increasing demand for honest, intelligent, steady and energetic young men for the train service. It is a skilled labor that requires men of strength, quickness and judgment. The lives of millions are daily in the hands of the engineer, conductor and switchmen, and the higher the grade of men in charge the safer the traveling public. It is a service in which good habits and good character count. A dissipated man can ride on a train but he can not run a train.

The various organizations of train men have done much to improve the service and to raise

the standing of the crews. With the growth of interurban lines a new field has opened up before those seeking honorable and remunerative employment and the city traction lines still further enlarge the demand for reliable and competent young men.

With the extension of public ownership to these natural monopolies the terms and conditions of the service will be improved and the work made more inviting. The great army of men now employed in steam and electric transportation contains some of the very best and bravest of our citizens, and any parent may well prefer his son engaged in such work rather than an idle consumer of what worthier men produce.

## THE CHEW RESOLUTION

When Rev. John M. Chew introduced to the New York diocesan convention a resolution condemning the insurance frauds, Bishop Potter plainly showed his disapproval. Later, in explaining his position Bishop Potter said:

"I believe in waiting for results, not in jumping to conclusions before the evidence is all in. What would you think of a judge who would render a decision in a case before the case had been submitted to a jury or sentence a man before the jury had rendered a verdict? People are so prone to be carried away by what comes out in print when an investigation such as this is being conducted. They say things and think things and finally arrive at a conclusion oftentimes far from being the right one."

But what would Bishop Potter think of a jury that would fail to return a verdict of guilty on the testimony already presented? Upon the statements made by the insurance magnates themselves a verdict of guilty from a jury would be justified and those statements, entirely apart from other testimony in abundance warrant condemnation by public opinion. Take, for instance, the case of John A. McCall. McCall's confession is summed up by the New York World in this way:

"He has testified that the public statements of the New York Life are false. It is a crime for a life insurance company to issue false statements. He has testified that money was paid to prevent the passage of undesired legislation. It is a crime to bribe public officials. He has testified that the old policyholders' money was taken to pay the cost of obtaining new policies. That is larceny. He has testified that the books of account were cooked. That is forgery."

The World might have added that in reply to Governor Culberson's communication President McCall caused several of his subordinates to make affidavit that the New York Life had not contributed money to the republican cam-

paign fund in 1896, and then as a witness before the insurance committee President McCall confessed that his company had contributed \$50,000 to that campaign fund.

Mr. Chew's resolution declared: "That no talent for high finance, no useful service to the community, no beneficence to the church or to objects of philanthropy, can excuse or atone for dereliction in trust, contempt for the rights of others or disregard of the rules of common honesty."

That resolution did not even receive a second, while Bishop Potter, presiding, showed that he was hostile to it. "The Churchman" commenting upon the action, or non-action, of the convention says: "We cannot believe that either the convention or the bishop was conscious of the attitude in which the church in New York would be placed by such action."

## CUSTODIAN PERKINS

George W. Perkins, vice president of the New York Life Insurance company and also a member of the firm of J. P. Morgan & Co., gave some interesting testimony before the New York legislative committee. This testimony may convince the "doubting Thomas" why Mr. Perkins was so anxious to preserve "the national honor" and protect "the business interests" in the campaign of 1896.

Evidently Mr. Perkins has some very peculiar ideas as to morality, and it may be that those who questioned his right to pose as the custodian of the national conscience were not able to rise to the eminence of his moral creed.

On December 31, 1903, the insurance examiner was about to investigate the affairs of the New York Life. It was said that the New York Life held altogether too large an amount of the Mercantile Marine Securities, and so on December 31, 1903, Mr. Perkins, as vice president of the New York Life, sold to Mr. Perkins, a member of the firm of J. P. Morgan & Co., \$300,000 of these securities. Two days later, after the insurance examiner departed, Mr. Perkins, of J. P. Morgan & Co., resold these securities to Mr. Perkins, vice president of the New York Life Insurance company. Can any one doubt that the "national honor" is entirely safe in the hands of a man capable of such a transaction?

At one time the New York Life Insurance company—represented in the transaction by George W. Perkins—sold securities to George W. Perkins, and then repurchased the same securities at a loss to the insurance company of \$80,000. Who will doubt that a man capable of such a transaction is the proper custodian of the national conscience?

The government's "conscience fund" is slowly growing. A well patronized "conscience fund" in insurance circles would soon look like a mountain of money.