

# The Commoner.

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## The Steel Trust

Ex-Senator William E. Chandler in making a speech before the New Hampshire constitutional convention in 1902 called attention to the stock watering that went on at the time of and just before the organization of the steel trust. He said:

"The water in the stock is supposed to be from one-half to four-sevenths, and the total capitalization is said to be \$2,108,900,000.

"The Carnegie properties had been consolidated by issuing on about 150 millions of property securities as follows: Bonds 160 millions, stocks 160 millions, making 320 millions.

"For these securities the United States Steel corporation issued to the Carnegie company their preferred stock, 163 millions; common stock, 155 millions; bonds, 300 millions; or securities at par worth four times the property acquired.

"Is it any wonder that Mr. Carnegie can give forty or fifty millions of dollars from his 200 millions of bonds to libraries and ten millions to the president and other United States officials and eminent citizens for a Carnegie Institution at Washington. But from whom does the money really come—from underpaid laborers or overcharged customers, or from both?"

"The steel company's size in various ways and compared with other things, is as follows: It has mines, 41; ore in the ground, tons, 1,000,000,000; coal lands and other acres, 800,000; oil wells, 100,000; plants in eighteen states, 213; including, blast furnaces 78, steel works 150, finishing plants 6, rod mills 25, sheet mills 160, tin plate mills 300, coke ovens 20,000; transportation: Railroads, miles, 983; pipe lines, miles, 3,000; 112 ships, tonnage, 13,000,000; number of employes estimated from 250,000 down to 200,000.

"The variety of industries controlled by it embrace: Iron ore, pig iron, steel in all forms, anthracite coal fields, coke, wire rods, nails and staples, barbed wire, tin plate, bridge work, the railroads leading to the coal fields.

"The steel company in 1901 produced: Iron ore, 44 per cent of the whole product of the United States in tons—29 millions. Pig iron, 44 per cent of the whole product of the United States in tons—15 millions. Steel ingots, or castings, 66 per cent of the whole product of the United States in tons—13 millions. Steel rails, 60 per cent. Structural shapes, 62 per cent. Wire rods, 77 per cent. All rolled products, 50 per cent. Total production of iron and steel, about 65 per cent.

"The net earnings of the company for 1901 were 111 millions, or more than those of five great railroads, the Pennsylvania, the New York Central, the New York, New Haven & Hart-

ford, the Louisville & Nashville and the Central Railroad of New Jersey, and it had a surplus of 24 millions after paying a dividend of seven per cent on its preferred and four per cent on its common stock.

"Make a comparison of the steel company with other things: It has one sixty-seventh of the total wealth of the United States. One-tenth of the manufacturers of the United States, five-eighths of the value of all farm animals; total value of all the farm products.

"Compare it with New Hampshire's wealth: New Hampshire, valuation on inventories is \$214,000,000; savings banks and other companies, \$60,000,000; railroads, \$23,000,000; telegraph and telephone, \$500,000; total \$297,500,000; or say, \$300,000,000.

"Allow for undervaluation 200 millions and New Hampshire's property is 500 millions or one-third or one-fourth of the steel company's property.

"Our voters are about 100,000, representing a population of about 400,000.

"The steel company employs about 200,000 men, who represent a population of about 800,000 and the steel company is equal in control of population and wealth to New Hampshire and Vermont combined. Is there no danger when the control of such a company exists in one or two men, Charles M. Schwab or J. Pierpont Morgan?"

"This iron and steel monopoly is what we are to meet; and other consolidations which are still coming, beef, coal and lead companies."

"The steel trust is the most dangerous power that there is in the country today. While it has not been prosecuted like the standard oil trust, it is probably guilty of more extortion and is working injury in a larger number of ways. Controlling the raw material, it is able to crush out its competitors and collect such profit as it pleases. It has already coerced the president into consenting to the swallowing up of a rival, and its influence upon the market is so great that it could bring a panic if it was necessary to have a panic to furnish an excuse for still further consolidation. It is strange that the operations of the steel trust have not invited greater criticism; it is only a question of time when it will be brought to the bar of justice. As the incoming administration had the hearty support of the steel trust, we can hardly expect any curtailment of its power in the near future, but those who go into partnership with it, or defend it, are simply laying up wrath against the day of wrath.

### REINCARNATION

A Hindu theosophist who is now lecturing in Chicago says that "instinctively some men and women repel us." He explains it by saying: "We are at a loss to understand this until we realize that we have known them in other lives and that this antipathy is the result of indirect memory." This explains the strong antipathy which we at once felt toward the Payne bill as soon as it came into our presence. It is doubtless due to the fact that it is a reincarnation of the McKinley bill and the Dingley bill. But this does not reconcile us to the doctrine of reincarnation.

### THREATS

And so Tammany is threatening to discipline Congressman Sulzer because he voted with the democratic congressmen against Cannonism! Well, Tammany will have enough to do apologizing for the congressmen it did control without attempting to punish Sulzer for being loyal to democratic principles.

### HOW LONG?

The Commoner recently propounded a question to the class in arithmetic and has received a number of answers. It now asks the class in spelling to rise up and answer: How long will it take the republican voters to learn that r-e-v-i-s-e does not spell r-e-d-u-c-e?

## "Feeble Folk"

Tolstoy has incurred the wrath of Ex-President Roosevelt by saying that "Bryan represented the party of peace" in the last campaign, and the "mighty hunter" pauses long enough to administer a rebuke to the Russian philosopher. He says that Tolstoy has swayed "only the feeble folk and the fanatic folk." There now, let Tolstoy wipe the blood off of his face and take a back seat.

No wonder Mr. Roosevelt does not like Tolstoy—they represent opposite schools of thought. Mr. Roosevelt is the exponent of the brute force idea—with him man is an animal and must be ready to kill any other animal that opposes his plans. With Tolstoy man is the spiritual agent of God and is bound to observe spiritual laws.

Mr. Roosevelt thinks that man would degenerate without an occasional opportunity for blood letting; Tolstoy believes that love is greater than force and that man is ennobled by accepting love as the controlling principle of life. Naturally Mr. Roosevelt thinks that the world can be scared into peace when armaments become great enough to make each nation afraid of every other nation. Tolstoy believes that the spirit that leads nations to desire big navies will lead them to use them without excuse, and he insists that a good example will do more than a threat to prevent war.

This fundamental difference between Roosevelt and Tolstoy is not, however, new. When Jesus visited a village of Samaria and the people refused to receive him some of the disciples suggested that fire should be called down from heaven to avenge the insult; but the Master rebuked them and said: "Ye know not what manner of spirit ye are of; for the Son of Man is not come to destroy men's lives, but to save them." Suppose he had said: "We will thrash them until they understand who we are," how different would have been the history of Christianity! Compare, if you will, the swaggering, bullying, brutal doctrine of Roosevelt with the golden rule of Tolstoy and the commandment, "Thou shalt love thy neighbor as thyself."

Again, Christ answered one who would use force to defend him by saying: "They that draw the sword shall perish by the sword."

Tolstoy has good authority for his position—better than Mr. Roosevelt can offer for his bullying and swaggering policy. Mr. Roosevelt will hardly charge all the followers of The Prince of Peace with being "feeble folk and fanatic folk."

### ANOTHER RETREAT

While Attorney General Wickersham is withdrawing suits against the big law breakers, Secretary Ballinger of the interior department is releasing timber reservations which the water power trust want. We are assured that President Taft approves of these things but that assurance is hardly necessary—it was understood by those who knew what was going on that the republican party sounded a retreat when it wrote its platform and nominated its ticket.

### A MISTAKE

It is to be regretted that any democrat voted for the tax on iron ore. The revenue to be derived from it is small and as the steel trust controls two-thirds of the domestic ore it will profit more than it will lose by the tax. A tax on iron ore is made an excuse for higher duties on manufactured iron and the consumer must pay these. It is unfortunate that the democratic party can not present an unbroken front on the tariff question and fight for a reduction of the rates all along the line.

The benefits the consumer will get out of a tariff revised by a Payne under the direction of a Cannon could be thrust into a gnat's eye without making the insect wink.

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