

## Republican Party in Full Retreat

The following editorial appeared in The Commoner immediately after the republican national convention of 1908:

The republicans who attended the national convention as spectators and joined in the demonstration in favor of President Roosevelt and Senator LaFollette must have felt indignant as they watched the panic stricken delegates running over each other in their effort to get away from the LaFollette reforms, some of which had been endorsed by the president himself. Congressman Cooper, of Wisconsin, representing the LaFollette men, brought in a minority report signed by himself alone. Fifty-two members of the committee signed the majority report, and one signed the minority report. The republican party will find the ratio of fifty-two to one a very embarrassing one to deal with in the coming campaign. Mr. Cooper's report contained a declaration in favor of publicity as to campaign funds. It was lost by a vote of 880 to 94, more than nine to one, and yet the president has been advocating legislation in favor of publicity as to campaign contributions, and Secretary Taft wrote a letter to Mr. Burrows advocating the passage of a publicity bill. How fortunate it was that Secretary Taft's letter was finally discovered and published! Senator Burrows, the man to whom the Taft letter was addressed, was the temporary chairman of the convention, and the convention over which he presided turned down the publicity plank by a vote of nine to one! Who will deny that, on this subject, the republican party is retreating?

Another plank of the LaFollette platform authorized the ascertaining of the value of the railroads. This plank was lost by a vote of 917 to 63—nearly fifteen to one—and yet President Roosevelt has advocated this very proposition. Here is a retreat on the railroad question.

The injunction plank adopted by the republican convention is a retreat from the position taken by the president and from the position taken by Secretary Taft in his speeches, although neither of them went as far as they ought to have gone in their effort to prevent what is known as government by injunction. Here is the third retreat.

The president has advocated the income tax as a means of preventing swollen fortunes and of equalizing the burdens of government. The republican platform is silent on the subject. Was the president right in the position he took? If so, then the convention was wrong in not endorsing him. Will the republican voters follow the president in this just demand, or will they follow the republican organization in retreating from it?

The president advocated an inheritance tax, but the republican convention is silent on that subject. Was the president ahead of the republican party in advocating this reform, or has the republican party receded from the president's position? Did the president give a false alarm on this question, or has the party sounded a retreat?

In the president's message to congress last spring he presented an indictment against the conspiracy formed among the great lawbreakers to prevent the enforcement of the law and to evade the punishments provided by law. The platform adopted by the republican convention contains no intimation of danger. If there are any conspiracies, the convention did not see them. If there are any combinations, it had not heard of them. If there are any dangers ahead, it was unconscious of them. Was the president mistaken when he issued his defiance, or are the republican managers deceived when they think that an aroused public will calmly contemplate the encroachments of predatory wealth? This is retreat number six.

The convention, by vote of 866 to 114—more than seven to one—voted down the plank in favor of the popular election of United States senators. It is true that the president and Secretary Taft have never advocated the popular election of senators. They seem to take the Hamiltonian rather than the Jeffersonian view, but the most popular reform in the United States today is the reform that has for its object the election of United States senators by direct vote. It has five times been endorsed by the national house of representatives—three times when the house of representatives was republican. It has been endorsed by nearly two-thirds of the states of the union, and there is probably not a state in the union in which it would not be endorsed at a popular election,

and yet in spite of the record made in the house of representatives and by the various states, this reform is rejected by a seven to one vote in a republican national convention.

Here are seven propositions upon which the republican party, in national convention assembled, has retreated from the position taken by that party in congress or from the position taken by the president. What have Roosevelt republicans to say? The president has awakened a spirit of reform within his party. He has at least revealed to the world that there are reformers in the republican party. Can that spirit now be quelled by a standpat convention? Millions of republicans have enlisted at the president's call to arms and are ready to march forward. Will they furl their banners and turn back merely because the president acquiesces in the sounding of a retreat?

### ARE THE RETAILERS THE EXTORTIONISTS?

Republican senators in discussing the tariff insinuated that the abnormal increase in prices was due to the retailers. Senator Hale of Maine seemed to dwell particularly on this point.

Senator Gore of Oklahoma, defended the retailer, saying:

"Mr. President, this body, it seems, has converted itself into a grand jury and has returned an indictment against the retailers and the middlemen of the country. The manufacturers, the trusts, and the monopolies are undertaking to hold up the middlemen and the retailers as a shield to protect themselves against the wrath of outraged consumers. I am not the chosen defender of the retailers of this country, but in their behalf I desire here and now to enter a plea of 'not guilty.'

"It seems that the senior senator from Maine (Mr. Hale) has constituted himself the foreman of this grand jury which has returned this wholesale indictment against millions of honest and deserving American citizens. Now, let us examine whether that indictment be true or be false. Take the consumer, take the ordinary citizen. How stands the count with him? Begin, sir, with the hat upon his head. Take the Stetson or Knox hats, and, for aught I know, other varieties, and the retailer has to sell those hats to the consumer at a fixed price, which is dictated by the manufacturer. The retailer has no choice and has no discretion. Take the shoes upon his feet, and every standard pair of shoes in the United States is sold to the retailer upon the express condition that he will sell it to the consumer at a fixed price. Is the retailer responsible in that case? Nay, sir. Take the clothing upon his back. The same thing holds true. Suppose he wears a suit made by a certain New York firm. The retailer purchases that suit upon the express condition that he must sell it to the consumer at a fixed price; and if he varies from that price but by the breadth of a farthing, he does so at his peril and runs the risk of forfeiting other business from the same concern.

"These conditions do not only apply to clothing, but to many other articles, even to articles of food which are sold to the retailer on the express condition that he shall sell them to the consumer at a fixed price, and he dare not vary from the price which is prescribed to him. So some brands of soap and other groceries are sold to retailers. Yet the responsibility for the high prices is charged to the retailer, who is bound hand and foot. It has applied to farming implements, and the effort was made to extend it to various kinds of hardware, but with the weight of hardware the scheme broke down.

"You may say the retailer averages a profit of from 33 to 35 per cent. Admit that he does. What, sir, does that cover? That is gross profit and not net profit. What does it include? It includes the rent. The building is often worth from one-fourth to three-fourths the entire valuation of his stock. Not only that, but it includes the cost of transportation of the goods. It includes insurance upon the building and stock. It includes taxes upon both. It includes losses from breakage, remnants, and bad accounts. It includes the wages paid to all his clerks. It includes compensation to the merchant for his time, and after that it includes compensation upon the capital invested.

"The cotton and woolen manufacturers of the

state of Massachusetts have declared dividends of 66 per cent on their entire investment. How will the senator from Maine explain and justify these enormous, these exorbitant, and these extortionate dividends?"

At this point Senator Gore was interrupted by Senator Smoot of Utah. "Will the senator give the names," queried Senator Smoot, "of a number of woolen manufacturers who have declared a dividend of 66 per cent?"

Senator Gore: "The Troy Cotton & Woolen Manufactory in 1907 declared a dividend of 67 per cent. The Acushnet Cotton Manufacturing company of New Bedford, Mass., the same year declared a dividend of 66 per cent, and the Dartmouth Cotton Manufactory, of New Bedford, the same year also declared a dividend of 66 per cent."

Senator Smoot: "I should like to ask the senator if that dividend was payable in cash or was it a stock dividend?"

Senator Gore: "It was in cash; and in order to shield such enormous dividends in the future they have resolved to double their capital stock. If there be any other inquiry, I shall yield."

Senator Smoot did not arise.

Senator Gore, continuing: "Sir, this is a miserable sham invented by the manufacturers, the inference that the retailer is robbing the consumer. Driven to desperation, in order to defend themselves against their outrages and in order to shield themselves, they indict and they malign the retail dealers of the United States. Sir, I say I can not sit here in silence and see the millions of retailers in this country made scapegoats to bear away the sins of the greedy trusts and monopolies in this country."

Later Mr. Gore asked consideration of a resolution instructing the committee on finance to obtain by investigation the import prices of various articles of general and ordinary consumption and also the wholesale and retail prices of such articles when used in this country. The object of the resolution is to determine whether the retailers of the country are practicing extortion. In moving the resolution he referred to the committee on finance, Mr. Hale said it conferred no new authority upon that committee and could only embarrass it. Senator Gore declared that the retail dealers had been held up before the country as practicing extortion, and he wanted to have the facts to determine whether that was true. "If the retail men are robbers," he said, "they should be held up to the wrath and execration of their countrymen." Mr. Gore said he had investigated and found that the pitchers referred to by Senator Scott as selling at wholesale at ninety cents a dozen, retailed at fifteen and sometimes ten cents each, instead of twenty-five cents, as stated. Consideration of the resolution was postponed until Monday.

On Monday Mr. Gore's resolution was considered. The Associated Press says:

Seeking to have the resolution adopted Mr. Gore said he wished to have statements concerning the extortionate prices of retail dealers fully probed so that the country might know just where the responsibility for the high prices rests.

Senator Carter pointed out that in doing this work the finance committee would necessarily cover the same ground which the proposed tariff commission would cover. Mr. Carter made an impassioned appeal for a business-like proceeding. "Every morning," he said, "some senator arises in his place here to defend the country merchant from a charge that has never been made." No charge of extortion, he said, had ever been lodged against the retailer.

Suggesting a select committee to obtain information desired by the senator from Oklahoma, Mr. Bailey said he did not wish to make any charge against the republican members of the committee on finance as the committee adopted a rule that the democratic members might employ all the experts they wanted. "They," said Mr. Bailey, "are bad enough at best, and I am not willing to charge them with being worse than they are."

At times provoking much merriment by his ready retort and denouncing the protective tariff policy, Mr. Gore spoke at length. Finally, in response to an appeal from Mr. Bailey the senate agreed to vote on Mr. Gore's resolution, amended as suggested by Mr. Bailey so as to require the appointment of a select committee of four republican and three democratic senators to conduct the investigation asked for, and by a vote of 50 to 29 it was referred to the committee on finance, Senators Bristow, Crawford and LaFollette voting no with the democrats.

Reference to that particular committee practically killed the resolution.