

the speaker should be taken off the committee. That was all right, but not the most important part. They insisted that each party should select in caucus its membership on that committee on rules, and that was the only way in which both parties could have faithful representation.

The temptation on the part of the majority to pack the committee with men who represent not both sides fairly, but represent the dominant side—that temptation is so great that we have found speakers selecting as leaders of the minority and given them their prestige by positions on committees, men not the choice of their own party, but selected because the majority could rely upon them in a crisis. And I regard this great reform, that has already been achieved, when the appointments of the committees were taken out of the hands of the speaker and placed in the hands of congress, each party to select its representatives, I regard that as one of the most revolutionary reforms we have had in recent days, and it is a reform in the direction of popular government.

#### QUESTION OF TAXATION

And so, if time permitted, I might cite the growth in the understanding of questions of taxation, but if I started out on the tariff question I do not know just how many I would please and how many I would offend, for the tariff question is the one question we have always had upon which our parties have largely divided, and if I were to say anything and said what I thought, as I would if I said anything (Applause) I am afraid that some of you might think that I was discussing a partisan theme.

But I am sure you will forgive me if I tell you I am very glad that almost all of the democratic members of congress were able to support the reciprocity agreement of a republican president, even though his own party could not be brought to so unanimous a support of his measure. I am glad that it indicates a beginning in the reconstruction of a tariff wall in the interest of the consumer rather than entirely in the interest of the producer.

But, my friends, I have spoken of these things only that I might show you the progress that has been made. I now want to speak of some things that have not progressed quite so far, some things, I think, will make more rapid progress in the next few years than they have in the past few years. And the first thing that I desire to speak of is what is known as the initiative and referendum. It is now fourteen years since I began to advocate this reform and when I began it in Nebraska some of our people did not have a clear understanding of what it was.

I remember in 1896, when the platform, for the first time contained this demand, an opposition paper said that when Mr. Bryan read that plank about the initiative and referendum delegates looked at each other in surprise, and one delegate said to another, "What is that?" and, according to this paper, the other delegate replied: "Oh, that is a new kind of a democratic drink," and the paper said it went through unanimously then.

#### INITIATIVE AND REFERENDUM

But the people now know what the initiative and referendum means. The people now understand that by initiative we mean the people must be permitted to initiate legislation, to start it, to bring the proposition before the voters. Under the initiative a petition can be filed and when the percentage of voters required by law have signed the petition asking for the submission of a definite proposition then that proposition must be submitted and the people vote upon it, and if the majority vote for it, it becomes a law the same as if the legislature had passed it as a statute.

The referendum means that when the legislature passes a law, a certain percentage of voters can, by petition, ask for the privilege of voting on that law, and if that percentage signs the petition, then the question comes before the people, shall this law be a law, or shall the people veto it; and, if, when the question is submitted, the majority of the people favor the law, it stands, if a majority oppose it, it falls. That is a very brief statement of the proposition known as the initiative and referendum, and upon what does it rest?

That the government is a thing made by the people for themselves; that they have a right to make it what they want; that they have a right to suggest laws as they please; and, that when they appoint a man to represent them and that man refuses to pass laws they want passed, they have the right to pass them themselves and when they elect men and they pass laws the

people don't want passed, the people have the right to veto those laws.

#### NO ADVERSE ARGUMENT

There is but one argument against the initiative and referendum, that the people lack either the intelligence or the capacity for self-government. There is no other objection, and I congratulate your governor on having presented this as a reform to which he attached his name. I believe in the initiative and referendum, I believe in them because they will not only protect the rights of the people, but they will strengthen the representatives of the people.

The temptations that throng about a capitol are great temptations, greater even than the representative thinks when he comes, greater than his constituents understand when they send him, and many a young man has gone to his state capitol with a high purpose and a firm desire to be a faithful representative, but has yielded to these temptations that are greater than his strength will withstand, and he then goes back disgraced in his own opinion if not in the opinion of his people.

Over in Illinois they had an election for senator and five men have admitted that their votes were bought and the proof of these five and others connected with the five leaves no doubt that a large number were bought. I do not see how any one could read that testimony without being sure, beyond the possibility of a doubt, that a large number of those representatives were corrupted. I know one of these men who plead guilty.

He represented the county in which I was born. I knew him and his people. I knew his wife's people. They came from the best families in that section of the state, and he was a banker and a merchant, and yet, in the hour of temptation, he fell. When his sin was proclaimed to the world he sold his bank and sold his interest in his store and the rest of his life will be lead under the cloud that this disgrace has brought upon him. I know of nothing more pathetic than the fallen legislator. I know of nothing more pathetic than the surrender of ideals and submission to the command of those who would control secretly rather than by the command of public opinion.

We need to strengthen these men. I was in a sleeping car one evening and I overheard two men talking. One was a physician and he was explaining that it had been demonstrated that you could change a man's disposition by diet. He said it had been demonstrated that by the kind of food you gave a man you could change his disposition. The other man listened to the argument and I finally asked the physician if he would like to have confirmation of his theory, and he said he would, and I told him that I was satisfied that the theory was absolutely sound, that I had seen illustrations of it, and I had been in Washington and I had seen men come to congress with an honest disposition to represent their constituents, but that under a diet of champagne and terrapin their dispositions had been so entirely changed that they sold their constituents to the highest bidder.

There is no doubt about the effect of the diet on disposition. It is no new theory. The women have known this for ages, and they have been testing it with great success upon their husbands. What husband cannot testify to the effect of diet?

#### STRENGTHENS AND PROTECTS

The initiative and referendum strengthens the representative while it protects his constituents. They strip the lobbyist largely of his power, for when a lobbyist comes to a representative and says, now I want you to pass this bill, we are greatly interested in it; if it is a bill that ought not to pass, and the representative knows it, he says, it is no use, we have the referendum in this state, and if that bill is passed it will never go into effect, for the people will stop it with the referendum, and then I will be disgraced.

And if the lobbyist says, Don't pass that bill, we are opposed to it, he says the people want this bill and if you don't give it to them they will get it by petition, they will get it anyhow, it won't help you for me to vote against it, but it will kill me. It is worth while to strengthen these men, and because this reform does strengthen them I am in favor of the initiative and referendum. It took a long time to get it started, but it is growing now. Arkansas adopted it last September, Arizona adopted it the 9th day of February, and some eight or ten states of this union now have it before their legislative bodies, and in, I think, five states, the legis-

lature is committed to it by platforms of both the republican and democratic parties.

And I believe in the recall also. It is possible that the recall has not yet been considered as much as the initiative and referendum. But the same purpose underlies it, and back of it is this doctrine, that the people have a right to have a man who will represent them and is faithful to them, and if he is not faithful to them it is more important that the people should have a right to recall him and put a faithful man in his place than that he should have a chance to serve out his term and be paid a salary for it.

If there is any injustice in denying him his salary for the full term, if you think that when a man is recalled he should have his salary for the full term, I believe we had better pay a man who is unfaithful and have him out of power than to pay him and have him in power.

#### BANKING REGULATIONS

There is another question. I am not sure it has been considered here as much as it has been in some other states, but I feel bolder to speak of it now since the supreme court's decision has shown that I am not necessarily an ignoramus when I advocate it. I had rather a hard time at first. I was accused of not being a financier. That did not hurt so much as the accusation that I did not understand what a financier was or how he ought to do. I felt that the fact that I looked at the bank from the standpoint of the depositor rather than the standpoint of the stockholder did not necessarily make me an ignoramus.

I speak of the guarantee of deposits. I don't know that you have yet reached a point where it has been discussed before your people or whether your people are in favor of such a measure, but, when we had the panic of 1897, when that paralysis spread over this country, and the banks by common concert took the responsibility of telling the depositor how much money he could draw out of his own account, then the people found out that putting their money in a bank was one process and getting it out was an entirely disconnected process. And then they found that the promise of security that is held by the banks was not a promise that was founded on real assurance.

Four states have already passed banking laws that protect depositors. Oklahoma led off and then after the election two years ago, Nebraska, Kansas and Texas followed, four states extending from the borders of South Dakota to the Gulf of Mexico have provided a means by which a depositor in the state bank is protected from loss. There is no excuse for opening a bank for deposits unless back of it is the assurance that a man can get his money out whenever he wants it.

If a man is going to loan money to a bank like he loans it to a neighbor and takes chances on security, then our banks have not lived up to their responsibility. The fact that banks are not secured is a fact patent to every one. We send millions of dollars a year to Europe to be deposited in government savings banks because people are not willing to trust their money to the banks in this country and whenever a panic starts there is a sudden effort by the people to take their money out and hide it away. Sometimes they conceal it in stoves.

If I was a banker I would be ashamed to have an old carpet run rival with me as a safety deposit vault in times of danger. The banks promise security to the government. Why do they give security to the federal government to get money? Not a national bank can get one dollar of federal government's money until it has put up security in the form of bonds. Why does not the state loan money to the banks without security. When the state deposits money in a bank it demands security. When school districts and other organizations representing the people deposit money in a bank they demand security. When people put money in banks they demand security. Why should a poor man and a poor woman alone be left to take their chances with the rascality of a bank? The depositor has no voice in the appointment of officers. The cashier can be selected or discharged at pleasure, and why should these people out of whose money the banks make their profit, why should they be left to take chances as to whether they will ever get their money back or not? You tell me in most cases the bank is good. I will make it stronger, I will say in nearly every case the bank is good. The only trouble is we can't tell just which bank is not going to be good until after it fails and then it is too late. If there is but little chance, why doesn't the bank remove that little possibility? It would cost less than one-tenth