

American Bar Association "Goes Democratic"

Edgar H. Farrar, President, Delivers a Speech Which Sounds Very Much Like the Democratic Speeches of 1896—Read the Following United Press Dispatch

HOW EDGAR H. FARRAR, PRESIDENT OF THE AMERICAN BAR ASSOCIATION VIEWS THE TRUST PROBLEM
The people themselves have created the Frankensteins now spreading terror and threatening destruction. Greed for revenue resulted in unrestricted corporation laws. Most large corporations are public enemies. The great American national disgrace is the issuance of fictitious and watered stock. It is of no avail to break up the Standard Oil and American Tobacco companies, when the same interests control. The house of governors should frame a state agreement to abolish the criminal trusts. Congress and the states have the supreme power to define criminal trusts and force them to dissolve. Government can not fix prices for merchandise, nor of the product of human labor. Establishment of a money trust among the national banks can only be prevented by federal power. The National City company is a subterfuge designed to circumvent the law. A money trust controlling capital of the nation is the dream of the dominant financial magnates. Scope of federal business corporations, suggested by the new nationalism, would be extremely narrow. The remedy for the corporation debauch lies in the hands of the whole people of the country.

Boston, Aug. 29.—In the most sensational address in the history of the conservative American bar association, its president, Hon. Edgar Farrar, today flayed the trusts and the laws under which they are organized.

The big financial interests of the country, especially the money kings of New York, were denounced in bitter terms as breakers and law evaders, who plan to control the liquid finances of the nations in a gigantic money trust. The coming conference of the state governors in New Jersey was urged to devise a plan to save the country from the interests.

Attorney General Wickersham was assailed for the suggestion that the government should fix prices of commodities, which was characterized as "monopolist and socialist reaching a common ground" and such a plan, Farrar said, would "shatter America's free democracy."

That the so-called money trust is an immediate menace was also insisted on by Farrar, who said:

"A money trust controlling the liquid capital—the life blood of the commerce of the nation, is doubtless the dream of dominant financial magnates. If such a calamity does befall us, there will surely rise up another Andrew Jackson, with the power and good will of the people behind him, who will throttle this perversion of the financial laws."

As a remedy and deterrent, Farrar suggested that congress limit the capital of national banks, prohibit consolidation and prohibit coupling of stock or directors.

Seated on the platform with President Farrar was a notable array of the most prominent lawyers of the country, including seven ex-presidents of the association, who were ex-Secretary of War Jacob M. Dickinson, Alton B. Parker, Henry St. George Tucker, president of Washington and Lee university; Henry D. Browne, United States supreme court, retired; Francis Lord, Virginia; Alfred Hemenway, Boston, and Charles C. Libbey, Portland, Me. Frank B. Kellogg, Standard Oil trust buster, also was on the platform. He joined the others in prolonged applause when President Farrar concluded.

CONTROL OF CORPORATIONS

Boston, Aug. 29.—"The burning question that now agitates the minds of the American people is how to control the corporations; how to break up these great aggregations which seem to be almost as powerful as the government itself, and how to prevent their formation in the future," declared Edgar H. Farrar of Louisiana, president of the American Bar association, in his address at the annual meeting of the organization here today. He declared that the agitation for the recall of the judges, as shown in the Arizona constitution, vetoed by the president, was only "one of the symptoms of the political, social and economic unrest that now pervades the whole nation."

"The radicals," he continued, "propose to destroy things generally, while the conservatives, reading the signs of the times, realize the danger of the growing excitement among the

masses of the people, and are seeking an exit from the situation that will conserve political liberty and industrial prosperity."

Farrar then defended the corporation as a general principle, saying it had come to stay and was necessary for our industrial development. There has always been a strong bias against corporations, he says, and now it has passed into politics, the "favorite ground of attack by the demagog on anyone desiring to enter public life being that he represents corporate interests or is a corporation lawyer."

"If there are Frankensteins in corporate form stalking over the land," declared Farrar, "spreading terror and threatening destruction, the people themselves have created them by their legislatures. In forty-one states there is no limit on capital stock and in twenty-four perpetual charters are permitted. Mergers or consolidations are only specifically prohibited in two states. In none of the states is the same person prohibited from acting as director of corporations of the same character engaged in the same business."

"During the last ten years there has been competition between the states to invent and adopt the most unrestricted corporation laws. The spur has been greed for revenue; the encouragement, the success of New Jersey. Out of the latter's bosom have come the great trusts, the holding companies, and the gigantic monopolies, all with their water-logged capital stocks."

"And the corporation laws of the United States and the national banking laws contain many of the objectional features of the state incorporational laws."

"How will it stand with the republic in a generation from now if the estates of all the millionaires and multimillionaires are perpetually incorporated as is being done in New York and copied elsewhere. In the agricultural states great corporations are absorbing and combining the farms. How can that firm foundation of free government and land-owning yeomanry exist under such conditions?"

"Under the lax state and national laws great aggregations of capital have seized upon specific industries and driven everybody out of them. They stand like armed colossuses astride the gateways of commerce and destroy every entrant who presumes to compete with them. They have no legal grant of monopoly, but monopoly comes to them by virtue of their size, organization and strength. 'They are a nest of wasps—a swarm of vermin which have overcrept the land.'"

"The economic advantages, if any, that flow from these vast aggregations of capital are drowned in the firm belief that they exercise too much political power, selfishly and unscrupulously bar the door to private enterprise, cramp the industrial freedom of individuals, destroy equality of opportunity and extinguish all hope and hence all ambition for industrial independence and autonomy."

"The great American national disgrace is found in the issuance of fictitious and watered

stock, made possible under the laws. From it other damnable abuses spring. Corporations own and vote stock in one another and this provision is the mother of the holding company and the trust. In Utah, railroad companies have the widest powers whereby a Utah company can acquire and control the stock of all transportation corporations by land, river, lake or sea in the United States, down to the smallest tramway in the smallest country village. When one remembers that Utah is the domicile of the Union Pacific railway company, and this statute was passed after that great company had acquired large blocks of stock in eight of our great railroad companies one discerns the lion's paw—the master hand of the now deceased president of that company.

"Of what avail will it be to break up the Standard Oil company and the American Tobacco company into their constituent elements, if all these elements have identical stockholders, a community of interests and the legal power to establish substantial identity of directors among them?"

"The remedy is concerted action among the states. If every state will compel the big corporations to defer more to new laws enacted in behalf of the people and to dissolve and liquidate, then the existing crop will be destroyed without hope of successors. That is the work for the house of governors which assembles in New Jersey next week."

"An agreement or compact among the states on the subject of their respective corporations, with the consent of congress would be enforceable by the supreme court of the United States. If jealousy or greed of individual state prevent such a compact, the remaining states must prohibit participation of dangerous corporations in intrastate commerce. And congress can drive out of interstate and foreign commerce all such dangerous corporations in intrastate commerce. And congress can drive out of interstate and foreign commerce all such corporations, absolutely eliminating them."

The speaker also attacked Attorney General Wickersham's suggestion that the government fix prices as unconstitutional and characterized the National City company recently formed in New Jersey as an "ingenious subterfuge intended to circumvent the law."

After discussing at great length the formation of the National City company and his reasons for considering it illegal, President Farrar said:

"Between the law breaker and the expounder of the law, there has always been perpetual conflict, the one inventing plans to do indirectly what he is prohibited from doing directly, and the other extending and developing the elementary principles of justice so as to circumvent all evasions, no matter how ingeniously devised. It is not probable in this matter that either the attorney general of the United States or the courts will conclude that the ingenuity of the law breaker is greater than the law."

Asked his opinion of Farrar's speech, Frank B. Kellogg, Standard Oil "trust buster" and counsel for the United States steel company in Minnesota, said:

"It was a very able address. Was Mr. Farrar's arraignment too severe? I do not care to be quoted in that regard?"

Alton B. Parker, once democratic candidate for the presidency, said:

"Mr. Farrar told the truth about trusts and corporations. Uniform state laws are all that will control the trusts. I intend to introduce a resolution before the commission tomorrow calling on the association to put itself on record as believing that the situation is critical and that the states must pass uniform laws against aggregations of wealth."

THE LITTLE WHITE DOG

Little white dog with the meek brown eyes, Tell me the boon that most you prize. Would a juicy bone meet your heart's desire? Or a cozy rug by a blazing fire? Or a sudden race with a truant cat? Or a gentle word? or a friendly pat? Is the worn-out ball you have always near The dearest of all the things held dear? Or is the home you left behind The dream of bliss to your doggish mind? But the little white dog just shook his head As if "None of these are best," he said. A boy's clear whistle came from the street; There's a wag of the tail and a twinkle of feet, And the little white dog did not even say, "Excuse me, ma'am," as he scampered away; But I'm sure as can be his greatest joy Is just to trot behind that boy.

—May Ellis Nichols in Observer.