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CARRYING OUT THE PLATFORM PLEDGES

Opportunities and Dangers Confronting Democrats in Congress

The democratic congress has two dangers to avoid: First, federal incorporation of "big business," and, second, the central bank contemplated by the Aldrich currency scheme. The democratic party ought to stand as a unit against both of these. The first is intended to relieve the trusts of the annoyance of state regulation; the second is intended to enable Wall street to strengthen its strangle-hold on the country's business.

BEWARE!

THE TRUST QUESTION

The trust question is one of the most important questions that will confront the democratic congress and it should be taken up at once. The house made a mistake in not acting immediately upon the announcement of the supreme court decisions in the Standard Oil and Tobacco cases. The insertion of the word "unreasonable" in the anti-trust law was not an act of judicial construction, it was an act of legislation. It was an assumption of legislative power by the court.

Thirteen years ago the supreme court not only refused to insert the word "unreasonable" but declared that to do so would be a violation of the constitution. The democratic congress ought to have acted at once; it ought to have declared by statute that every combination in restraint of trade should be regarded as unreasonable—specifically denying the idea written into the law by the court. And this ought to be done now. There ought not to be a moment's delay. Congress—in defense of its own self-respect, and in protection of its own rights as well as out of deference to the wishes of the people—ought to declare that the law was intended to stand as written twenty-one years ago and not as the supreme court has recently construed it. If we have any democrats in congress who are afraid to take the people's side of the trust question they ought to be given an opportunity to separate themselves from the real democrats so that their constituents can replace them at the next election. We can not afford to have men call themselves democrats and yet stand with the trusts as against the general public.

But legislation restoring the anti-trust law—repairing the breaches made in it by the supreme court—is not sufficient. The democratic platform has in three campaigns announced a remedy—the only real remedy proposed on the

trust question. The democratic plan contemplates the addition of federal supervision to state legislation. It proposes a license system, to be invoked whenever a corporation reaches a point where it controls twenty-five per cent of the total product. This would leave undisturbed all but a few of the corporations. Probably not more than two or three hundred out of the tens of thousands of corporations control anything like twenty-five per cent of the total product, but those which are compelled to take out a license are the ones which need watching. Licensed corporations would not be permitted to override state laws. They would simply be permitted to enter into interstate commerce subject to such regulations as congress might provide and subject in each state to the laws of that state. Congress could prescribe for licensed corporations such conditions as might seem necessary from time to time. The two most important being, first, that there should be no water in the stock; and, second, that the corporation should sell to all customers upon the same terms. Other conditions could be added but these are most essential.

The democratic plan contemplates also a fifty per cent limit as a maximum; that is, no corporation should be permitted to control more than fifty per cent of the total product. This would leave the remaining fifty per cent to be controlled by one or more competitors, thus insuring competition. The percentages suggested—twenty-five and fifty—are simply tentative. The twenty-five per cent could be made higher or lower according to the opinion of members of congress and maximums of fifty per cent might be changed to a higher or lower percentage now, or when experience has thrown more light upon the subject. The important thing is that there shall be a maximum limit—a limit at which the corporation comes under federal supervision and a limit beyond which it shall not go. Monopoly depends on the percentage of control, and until the law recognizes and fixes the percentage the smaller corporations will be without protection and the stock holders of the larger ones will be uncertain as to whether they are violating the law or not. The insertion of the word "unreasonable" in the anti-trust law has destroyed whatever certainty it may have had before and has left honest business men in the dark as to what is lawful and what unlawful. The democratic plan is the only plan which has been proposed that

supplies protection to those engaged in legitimate business and so defines monopoly that men engaged in large business may know what limits they must respect.

The democratic party in congress has a great opportunity to protect the people and, at the same time, protect those business men who, though anxious to enter upon ambitious plans, are also desirous of obeying the law of the land.

THE TARIFF QUESTION

The democratic party must deal with the tariff question again, and in so doing it should begin at the beginning. At the special session the democrats were persuaded to pass a bill which was confessedly unsatisfactory to democrats but which was supported on the theory that the democrats were justified in framing a bill which would be acceptable to a republican senate. While the reasons advanced in behalf of this plan were plausible they were not sound. The democrats should have known that a republican senate would not pass the bill as it came from the house. The progressive republicans, claiming all the time to be protectionists, could not afford to accept a bill passed by a democratic house where the majority repudiate the idea of protection. If the democrats had made the house bill to conform to democratic ideas and left the republican senate to make such increases as the senate desired a better compromise could have been secured. But, be that as it may, the experiment was tried and failed. The house would not think of adopting now the tariff bill as it finally went to the president and, as it must make the bill over again, it should profit by experience and make the bill to conform to the democratic theory on the tariff question.

In other words, it should begin with free wool and frame the schedule accordingly. This will give a greater reduction on the manufactured products than the bill passed by the house at the special session. Of course, a free wool bill will not pass the senate but the democrats are not to blame for that. They are to blame, however, if they allow the wool growers to force the democratic house into an indorsement of the principle of protection. If the principle of protection is indorsed in regard to wool it can not be rejected as to other things—democrats can not believe in the protection of wool without surrendering the tariff for revenue only doctrine—they can not be protectionists in spots. The protective theory is either right or wrong. If it is right, then the republican party is right in insisting that it should be applied wherever it is needed—that is all the republicans ask, but the word "needed" is usually construed to mean "desired," for they have never been able to draw any distinction between the desire of protected interests and their needs. It is worse than useless to assert that a tariff on wool is necessary for revenue. The revenue derived from wool could be derived much more easily from a tariff on raw silk and on raw rubber,