

am I one of those who believe that business done upon a great scale by a single organization—call it corporation or what you will—is necessarily dangerous to the liberties, even the economic liberties, of a great people like our own, full of intelligence and of indomitable energy. I am not afraid of anything that is normal. I dare say we shall never return to the old order of individual competition, and that the organization of business upon a great scale of co-operation is, up to a certain point, itself normal and inevitable.

MONOPOLY MUST BE SHACKLED

"Power in the hands of great business men does not make me apprehensive, unless it springs out of advantages which they have not created for themselves. Big business is not dangerous because it is big, but because its bigness is an unwholesome inflation created by privilege and exemptions which it ought not to enjoy. While competition can not be created by statutory enactment, it can in large measure be revived by changing the laws and forbidding the practices that killed it, and by enacting laws that will give it heart and occasion again. We can arrest and prevent monopoly. It has assumed new shapes and adopted new processes in our time, but these are now being disclosed and can be dealt with.

"The general terms of the present federal anti-trust law, forbidding 'combinations in restraint of trade' have apparently proved ineffectual. Trusts have grown up under its ban very luxuriantly, and have pursued the methods by which so many of them have established virtual monopolies without serious let or hindrance. It has roared against them like any sucking dove. I am not assessing the responsibility, I am merely stating the fact. But the means and methods by which trusts have established monopolies have now become known. It will be necessary to supplement the present law with such laws, both civil and criminal, as will effectually punish and prevent those methods, adding such other laws as may be necessary to provide suitable and adequate judicial processes, whether civil or criminal, to disclose them and follow them to final verdict and judgment. They must be specifically and directly met by laws as they develop.

THRUST AT MONEY POWER

But the problem and the difficulty are much greater than that. There are not merely great trusts and combinations which are to be controlled and deprived of their power to create monopolies and destroy rivals; there is something bigger still than they are and more subtle, more evasive, more difficult to deal with. There are vast confederacies (as I may perhaps call them for the sake of convenience) of banks, railways, express companies, insurance companies, manufacturing corporations, mining corporations, power and development companies and all the rest of the circle, bound together by the fact that the ownership of their stock and the members of the boards of directors are controlled and determined by comparatively small and closely interrelated groups of persons who, by their informal confederacy, may control, if they please and when they will, both credit and enterprise. There is nothing illegal about these confederacies, so far as I can perceive. They have come about very naturally, generally without plan or deliberation, rather because there was so much money to be invested and it was in the hands, at great financial centers, of men acquainted with one another and intimately associated in business, than because anyone had conceived and was carrying out a plan of general control; but they are none the less potent a force in our economic and financial system on that account. They are part of our problem. Their very existence gives rise to the suspicion of a 'money trust,' a concentration of the control of credit which may at any time become infinitely dangerous to free enterprise. If such a concentration and control does not actually exist, it is evident that it can easily be set up and used at will. Laws must be devised which will prevent this, if laws can be worked out by fair and free counsel that will accomplish that result without destroying or seriously embarrassing any sound or legitimate business undertaking or necessary and wholesome arrangement.

DECLARES FOR RULE OF RIGHT

"Let me say again, that what we are seeking is not destruction of any kind, nor the disruption of any sound or honest thing, but merely the rule of right and of the common advantage. I am happy to say that a new spirit has begun to show itself in the last year or two among influential men of business, and, what is perhaps even more significant, among the lawyers

who are their expert advisers; and that this spirit has displayed itself very notably in the last few months in an effort to return, in some degree at any rate, to the practices of genuine competition. Only a very little while ago our men of business were united in resisting every proposal of change and reform as an attack on business, an embarrassment to all large enterprise, an intimation that settled ideas of property were to be set aside and a new and strange order of things created out of hand. While they thought in that way progress seemed impossible without hot contests and a bitter clash between interests, almost a war of classes. Common counsel seemed all but hopeless, because some of the chief parties in interest would not take part—seemed even to resent discussion as a manifestation of hostility towards themselves. They talked constantly about vested interests and were very hot.

"It is a happy omen that their attitude has changed. They see that what is right can hurt no man; that a new adjustment of interests is inevitable and desirable, is in the interest of everybody; that their own honor, their own intelligence, their own practical comprehension of affairs is involved. They are beginning to adjust their business to the new standards. Their hand is no longer against the nation; they are part of it, their interests are bound up with its interests. This is not true of all of them, but it is true of enough of them to show what the new age is to be, and how the anxieties of statesmen are to be eased, if the light that is dawning broadens into day.

LABOR IS LIFE OF NATION

"If I am right about this, it is going to be easier to act in accordance with the rule of right and justice in dealing with the labor question. The so-called labor question is a question only because we have not yet found the rule of right in adjusting the interests of labor and capital. The welfare, the happiness, the energy and spirit of the men and women who do the daily work in our mines and factories, on our railroads, in our offices and marts of trade, on our farms and on the sea, is of the essence of our national life. There can be nothing wholesome unless their life is wholesome; there can be no contentment unless they are contented. Their physical welfare affects the soundness of the whole nation. We shall never get very far in the settlement of these vital matters so long as we regard everything done for the working man, by law or by private agreement, as a concession yielded to keep him from agitation and a disturbance of our peace. Here, again, the sense of universal partnership must come into play if we are to act like statesmen, as those who serve, not a class, but a nation.

"The working people of America—if they must be distinguished from the minority that constitutes the rest of it—are, of course, the backbone of the nation. No law that safeguards their life, that improves the physical and moral conditions under which they live, that makes their hours of labor rational and tolerable, that gives them freedom to act in their own interest, and that protects them where they can not protect themselves, can properly be regarded as class legislation or as anything but as a measure taken in the interests of the whole people, whose partnership in right action we are trying to establish and make real and practical. It is in this spirit that we shall act if we are genuine spokesmen of the whole country.

"As our program is disclosed—for no man can forecast it ready-made and before counsel is taken of every one concerned—this must be its measure and standard, the interest of all concerned. For example, in dealing with the complicated and difficult question of the reform of our banking and currency laws, it is plain that we ought to consult very many persons besides the bankers, not because we distrust the bankers, but because they do not necessarily comprehend the business of the country, notwithstanding they are indispensable servants of it and may do a vast deal to make it hard or easy. No mere bankers' plan will meet the requirements, no matter how honestly conceived. It should be a merchants' and farmers' plan as well, elastic in the hands of those who use it as an indispensable part of their daily business. I do not know enough about this subject to be dogmatic about it. I know only enough to be sure what the partnerships in it should be, and that the control exercised over any system we may set up should be, so far as possible, a control emanating, not from a single special class, but from the general body and authority of the nation itself.

NOT OWNERS OF PHILIPPINES

"In dealing with the Philippines, we should

not allow ourselves to stand upon any mere point of pride, as if, in order to keep our countenance in the families of nations, it were necessary for us to make the same blunders of selfishness that other nations have made. We are not the owners of the Philippine islands. We hold them in trust for the people who live in them. They are theirs, for the uses of their life. We are not even their partners. It is our duty, as trustees, to make whatever arrangement of government will be most serviceable to their freedom and development. Here, again, we are to set up the rule of justice and of right.

"The rule of the people is no idle phrase, those who believe in it, as who does not that has caught the real spirit of America, believe that there can be no rule of right without it; that right in politics is made up of the interests of everybody, and everybody should take part in the action that is to determine it. We have been keen for presidential primaries and the direct election of United States senators, because we wanted the action of the government to be determined by persons whom the people had actually designated as men whom they were ready to trust and follow. We have been anxious that all campaign contributions and expenditures should be disclosed to the public in fullest detail, because we regarded the influences which govern campaigns to be as much a part of the people's business as anything else connected with their government. We are working toward a very definite object, the universal partnership in public affairs upon which the purity of politics and its aim and spirit depend.

"For there is much for the partners to undertake. In the affairs of a great nation we plan and labor, not for the present only, but for the long future as well. There are great tasks of protection and conservation and development to which we have to address ourselves. Government has much more to do than merely to right wrongs and set the house in order.

RESOURCES MUST BE SAVED

"I do not know any greater question than that of conservation. We have been a spendthrift nation and must now husband what we have left. We must do more than that. We must develop, as well as preserve, our water powers and must add great waterways to the transportation facilities of the nation, to supplement the railways within our borders as well as upon the isthmus. We must revive our merchant marine, too, and fill the seas again with our own fleets. We must add to our present post-office service a parcels post as complete as that of any other nation. We must look to the health of our people upon every hand, as well as hearten them with justice and opportunity. This is the constructive work of the government. This is the policy that has a vision and a hope and that looks to serve mankind.

"There are many sides to these great matters. Conservation is easy to generalize about, but hard to particularize about wisely. Reservation is not the whole of conservation. The development of great states must not be stayed indefinitely to await a policy by which our forests and water powers can prudently be made use of. Use and development must go hand in hand. The policy we adopt must be progressive, not negative, merely, as if we did not know what to do.

"With regard to the development of greater and more numerous waterways and the building up of a merchant marine, we must follow great constructive lines and not fall back upon the cheap device of bounties and subsidies. In the case of the Mississippi river, that great central artery of our trade, it is plain that the federal government must build and maintain the levees and keep the great waters in harness for the general use. It is plain, too, that vast sums of money must be spent to develop new waterways where trade will be most served and transportation most readily cheapened by them. Such expenditures are no largess on the part of the government; they are national investments.

TARIFF DAMS FOREIGN TRADE

"The question of a merchant marine turns back to the tariff again, to which all roads seem to lead, and to our registry laws, which, if coupled with the tariff, might almost be supposed to have been intended to take the American flag off the seas. Bounties are not necessary if you will but undo some of the things that have been done. Without a great merchant marine we can not take our rightful place in the commerce of the world. Merchants who must depend upon the carriers of rival mercantile nations to carry their goods to market are at a disadvantage in international trade too manifest to need to be pointed out; and our