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## BENEVOLENT FEUDALISM

Mr. Ghent Writes an Interesting Book on the Signs of the Times as He Views Them

Not in recent years has The Independent reviewed a book which caused so many contradictory feelings as "Our Benevolent Feudalism," by W. J. Ghent (The Macmillan Company, N. Y., October, 1902). What effect it will have is difficult to determine, because the reader cannot decide whether the delicate sarcasm which manifests itself on every page is intended to spur him on to greater efforts, or whether the author really feels as hopeless as a cursory reading of his book would indicate. It is hardly fair to call Mr. Ghent a pessimist, but he is rather to be classed with men like H. Gaylord Wilshire who believe in the inevitability of certain things. Of course these two see the future through different spectacles. Wilshire is sure of the inevitability of socialism. "Let the nation own the trusts," is his slogan. Mr. Ghent is equally certain, or professes to be, of the inevitability of feudalism. The trusts will own the nation, no matter how much we rebel against it.

No man ever made a clearer presentation of existing conditions than has Mr. Ghent in this book, or made it with less of what might be termed mere ranting. Mr. Ghent does not want the trusts to own the nation—far from it—but he sees no way of escape. And The Independent is inclined to agree with him—unless such books as his will, by their very dependency, act as an irritant on the apathetic victims of trust domination and spur them on to a successful resistance. If Mr. Ghent's book will have this effect, it will be to the overthrow of baronial power what "Uncle Tom's Cabin" was to the overthrow of the slave power. God grant that it may have this effect.

In arrangement "Our Benevolent Feudalism" is admirable, and is so perfectly brought down to date as to include comment on President Roosevelt's action in relation to the coal strike. It consists of nine chapters, 202 pages, including a comprehensive index. In the preface Mr. Ghent says: "The germ of this book was contained in an article in the (N. Y.) Independent, April 3, 1902. The wide interest which that article awakened prompted the elaboration and arrangement of its briefly considered and somewhat disjointed parts into the present form."

Briefly Mr. Ghent's idea is that we are rapidly going back to the ancient feudalism, except that the barons will now be wiser than in the days of old and by skillfully avoiding the mistakes of their predecessors will be able to keep the villeins in a state of subjection with little show of force, but rather by keeping them in a state of comparative contentment. The slogans, "Let well enough alone," and "Keep on letting well enough alone," are certainly in harmony with such a tendency.

Chapter I, "Utopias and Other Forecasts," comments on the great diversity of social ideals and consequently of social forecasts. "Whoever, blessed with hope," says Mr. Ghent, "speculates upon the future of society, tends to imagine it in the form of his social ideals. It matters little what the current probabilities may be—the strong influence of the ideal warps the judgment." Hence, Mr. Ghent must be unblest with hope, because it is evident that his forecast is little to his liking. He pays some attention to "Anticipations," by H. G. Wells, Benjamin Kidd's "Principles of Western Civilization," Professor John B. Clark's "Society of the Future," "A Modified Individualism," by Henry D. Lloyd, and other works in which some attempt has been made to forecast the future—in all of which Mr. Ghent believes "the ideal warps the judgment" to a great extent.

"The dominant tendencies will be clearly seen," says Mr. Ghent, "only by those who for the time detach themselves from their social ideals. What, then, in this republic of the United States, may socialist, individualist, and conservative alike see, if only they will look with unclouded vision? In brief, an irresistible movement—now almost at its culmination—toward great combinations in specific trades; next toward coalescence of kindred industries, and thus toward the complete integration of capital.

Consequent upon these changes, the group of captains and lieutenants of industry attains a daily increasing power, social, industrial and political, and becomes the ranking order in a vast series of gradations. The state becomes stronger in its relations to the propertyless citizen, weaker in its relations to the man of capital. . . . The result is a renaissance feudalism, which, though it differs in many forms from that of the time of Edward I., is yet based upon the same status of lord, agent, and underling. It is a feudalism somewhat graced by a sense of ethics and somewhat restrained by a fear of democracy."

Chapter II, "Combination and Coalescence," treats of the enormous growth of industrial, commercial, and financial combinations. A thorough analysis is made of Census Bulletin No. 122 (trusts), and some startling facts stated. For example, the yearly net profits of the steel trust are double the amount of the total net revenue of the United States government in the year Lincoln was elected. "Its wage-roll carries on an average of the round year over 158,000 names—an army of employes larger by 45,000 than serves the national government in every branch of its civil service, classified and unclassified, except only fourth class postmasters." Its wage-payments (\$113,000,000) are thirteen millions greater than the annual city budget of Greater New York. It produces 67 per cent of the total steel production of the country, and pays 54 millions a year in freight alone. Mr. Ghent quotes from Moody's Manual of Corporation Securities for 1902 to the effect that there are about 850 different-going combinations with a capitalization of nine billions, and, including railroad consolidations, an aggregate of over \$15,000,000,000. Interstate Commerce Commissioner J. A. Prouty believes that five men control all the railroads of the country; John W. Gates believes that two men are really in control. And Professor Francis L. Patton, formerly at the head of Princeton university, believes the time is not far distant "when there will not be a thing that we eat, drink, or wear that will not be made by a trust."

"In Pennsylvania," says Mr. Ghent, "coal is mined and railroads operated by practically the same companies, and in Colorado and West Virginia nearly as complete an identity is discovered. The steel corporation owns coal lands, limestone quarries, railroads, and docks; it is allied with the great Atlantic shipping trust; it is related not distantly to the Standard Oil company; and the beginnings of a public opinion trust are indicated, for already its chief magnate has acquired several newspapers and a prominent magazine."

Granting that there is a counter tendency toward the persistence of small-unit farming and of small-shop production, Mr. Ghent points out the growth of farm tenancy and of salaried management of large estates as proof that farming is not an exception to the general trend toward combination, but simply differs in degree. Owners operated 74.5 per cent of all farms in 1880; 71.6 per cent in 1890; but only 64.7 per cent in 1900. Since 1880 tenantry has increased relatively in every state and territory except Arizona, Florida and New Hampshire, and in these the relative decrease is only a fraction of 1 per cent.

Chapter III, deals with "Our Magnates," and here the author's powers of sarcastic utterance are given full play. "Frequently his (the magnate's) benefactions increase," says Mr. Ghent, "and always he takes on a more Jovian air, and views with a more providential outlook the phenomena passing before and about him. He is a part not only, as Tennyson makes Ulysses say, of all that he has met, but of the primary causes of things. He is at once the loaf-giver to the needy, the regulator of temporal affairs, the lord protector of church and society; and he holds his title directly from the Creator. . . . A flattering unctious that all lay to their souls is the dictum that success in business is a matter of honesty, intelligence and energy"—quoting Carnegie, Sage, Dodd, and Rockefeller.

Chapter IV, "Our Farmers and Wage-Earners," is equally instructive and interesting. "In most ages," says the author, "the working farmer has been the dupe and prey of the rest of mankind. Now by force and now by

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## ELECTION LESSONS

Mr. De Hart Reviews the Result in Several States—Believes the Trust Question is Out of Politics

Editor Independent: On the day before election (November 3) the New York World said:

"The campaign has put tariff reform and trust regulation to the front as the two correlated questions, which, from now on, are to be the battle ground of the two parties."

If the World really thinks that trust regulation "is to be an issue in our future politics," it is very much mistaken. That issue, like the Philippine question, will soon be an issue of the past. The people, here, have recently become so much aroused, that the republican party will be compelled, in the next congress, to take up the question of monopolist trusts and dispose of them in such a way as to be satisfactory to the people, and to take the matter out of our politics. The beef combine demonstrated to the people what a trust is, and showed that the democrats here are incompetent to "smash the trusts." For instance, our member of congress came home here last spring and tried to prove at a "mass meeting," that the beef combine could be smashed by taking off the tariff duty of two cents a pound on foreign meat, while we had plenty of meat in this country and did not have to go abroad and buy meat and pay the duty. Our democratic member of congress did not have intelligence enough to know that the high price of meat was due to a monopoly of meat, in the west. If they had brought Grover Cleveland here, he would have exhibited no more intelligence than Allan L. McDermott, our representative in congress. The democrats here don't seem to know how to break up a monopoly, except by adopting free trade internationally.

Of all the foolish things in this world the most foolish is to think that monopolies can be destroyed by free trade in trust-made articles. It is really free trade in almost everything, because almost everything is made by a trust and sold here at a higher price than abroad. Admitting, for the sake of the argument, that free trade would destroy the trusts, and admitting that it would not destroy our industries, close our mills and factories and reduce our working people to starvation, it would at least destroy the government, because there would be no revenue or income, with which to support the machinery of government, not even to pay the wages and salaries of those who are working for the public. This would leave us without a government and throw us into anarchy, unless we could borrow money as we did in the second administration of Grover Cleveland. We have not forgotten how he borrowed two hundred and sixty-two millions and issued U. S. bonds to that amount, which are not paid yet.

Before we can have free trade, we must inaugurate some kind of an internal tax with which to support the government. Tariff duties are an external tax, a tax upon foreign commerce. We are now collecting two hundred millions annually in this way. If we are to have free trade and abolish this system of taxation, we must first inaugurate a system of internal taxation, falling upon wealth instead of business and consumption, by which we can raise at least two hundred millions annually. It is folly to talk about free trade until we have first inaugurated an income tax or some kind of an internal tax falling upon wealth, by which we can raise at least two hundred millions annually and be certain of having the money when the time comes for paying it out to the employes of the government. Of all the most impotent things in this world is a government that cannot pay its own laborers. Therefore before we begin to talk about free trade, as to trust-made articles, we must first get a law upon the statute book, by which the government can be supported.

If the trusts (or monopolies) are making goods and selling them cheaper abroad than here, we had better be doing business in this way, than by undertaking to do it in such a way, that the government will have nothing with which to pay its own expenses—to say nothing about the expenses or revenues of private citizens. I be-

lieve that if we should put all trust-made articles on the free list, without first providing some other mode of taxation, we would not only destroy the trusts but everything else.

The true remedy for the trust evil is strict enforcement of the Sherman anti-trust law. This the people are beginning to see. If President Roosevelt had used this law against the coal combine, as he did against the meat combine, we would soon have had plenty of coal. The insolence of the coal barons taught the president a lesson he will remember; and if he fails to remember, the people in 1904 will elect a president who can read the Sherman law. I have no doubt now, (after our bitter experience here in the east), that the law will be strictly enforced. I think the judges of the supreme court will see more power in this law than they have been able to see heretofore. The strike and coal question will open their eyes.

The recent strike did more to open the eyes of the people here than the meat trust. We could do without meat, but we couldn't do without coal. No coal meant famine. Until the strike was over, we didn't know who to blame, whether to blame the strikers or the coal monopoly. But after the strike was over, we found that the coal barons were in fault—that they were wrong, because they wouldn't arbitrate. We saw, at the conclusion, that they wanted a strike; and that they wanted it for an excuse of putting up the price of coal. It is now quite certain that the people in this part of the country will not stop, until the president orders a suit to be commenced against the coal trust, which will go to the very bottom of the whole matter, and show that there has been an illegal combination, which may send some of the offenders to prison. As soon as this is done—and I have no doubt that it will be done before 1904—and if it is done, the trust evil will be taken out of politics, and we will hear no more of trusts in connection with the tariff, or of the tariff in connection with trusts.

The recent election has its lessons. For instance, the republicans in New York can see that they must break up the monopolies, without fear or favor, or there will be no more republican governors elected in New York, and no more United States senators from New York. It must also be evident to them that Mr. Roosevelt cannot carry New York in 1904, unless he enforces the Sherman law against the trusts in real earnest.

David B. Hill has learned that "tariff reform," with the Pennsylvania coal mines thrown in, will not carry New York. Bird S. Coler was a good nomination, but he was heavily loaded with Hill and "tariff reform." He nevertheless comes out of the contest with honor and will be heard from hereafter. The only difficulty with Coler is that he believes in "tariff reform," which means not free trade, but tariff-for-revenue-only—a worse doctrine than free trade, because, if we undertake to have free trade, we will very soon learn that we must have an income tax or some kind of an equitable tax that will fall upon wealth instead of consumption. Bird S. Coler will make a good candidate for mayor of New York city next year, but he will not do to spread all over New York state, because the state will not support tariff for revenue only. Mr. Coler, if he wants to get further than the mayoralty of New York city, must believe in either free trade or protection. He received a larger plurality in New York city than any candidate has ever received, but the large pluralities outside overcame his plurality in the city. The farmers of New York didn't want any of David B. Hill's "tariff reform." Besides, the farmers of the state didn't know Coler as well as the people of New York city knew him, and therefore he couldn't run as well in the state as in the city.

Fowler, in the Fifth New Jersey congressional district, was elected, but this was no indorsement of his bill. He was elected because he advocated protection as against Grover Cleveland's "tariff reform," which meant tariff for revenue only. It was not necessary for Fowler to say one word in favor of his bill in order to be elected; and if he had spoken in favor of it, not one voter in a thousand would have known what he was talking about. He might as well have