

## Current Comment on Leading Topics

### TRUST FUNDS FOR "SLUSH FUNDS"

The confessions of President McCall and Vice-president Perkins of the New York Life that they contributed on their own responsibility \$150,000 of the company's funds to the republican campaign funds of 1896, 1900 and 1904 arouses the indignation of democrats and independents. Here and there a republican paper utters a mild criticism. President Roosevelt is represented as being in a quandary as to whether he should return the money to the insurance companies and as to whether he should appoint Secretary Cortelyou secretary of the treasury when Shaw retires:

But neither life insurance companies nor their policyholders belong to one political party, and trustees and officers have no right to use their funds to contribute to the expenses of political campaigns. Carry this excuse to its logical consequences and our national election would become a contest between the money power and the people for the control of the government, and the presidency would be bought and sold like the imperial crown of decadent Rome. These contributions out of the trust funds of thousands of voters of both parties were an infamy the turpitude of which seems not to touch the sensibilities of these hardened officers, who were spending other people's money in support of their own political judgment.—New York Journal of Commerce.

"I thank God that Bryan and free silver were beaten, and that I had a share in their defeat." This was the dramatic climax of the sensational testimony given by President McCall of the New York Life at the insurance investigation. What was McCall's "share" for which "I thank God?" Mr. McCall's "share" consisted in authorizing a check for a large sum of money belonging to other people, namely, the policyholders of his company, which check was to be paid into the Roosevelt campaign fund. If one has control of other people's money this is a very inexpensive way of having a "share" in an expensive achievement. If some of those to whom the money belongs are opposed to the purpose to be achieved, it makes the method all the more inexpensive; for it is a forced levy on the bank accounts of the enemy.—Waterbury American.

But what would John A. McCall think about it should the democrats of the south, for instance—a place where there are few policyholders in his company who are not democrats—say that if he has put his company in politics they will keep it there; that if he is going to take their money to defeat their principles they will not give it into his keeping; that if the New York Life is a republican institution it is no proper custodian for democratic money; that they have been betrayed and that they refuse again to give John A. McCall this stick with which to kill them on election day? Could John A. McCall complain if in the south, where there are nothing but democrats, and where democratic principles are dearer to many of his policyholders than mere money, the people should say they wanted no more of him and his company? He has deliberately appealed to the sword, what if the New York Life should be put on the political sword in the south?—Charleston News and Courier.

It will be a good thing for the country if the New York Life exposures check the growth of the giant insurance companies and help those of moderate size. The giant companies are so big as to be dangerous. The control of \$400,000,000 or \$500,000,000 is too much to be vested in one board whose members have only a small personal interest. The temptation to use the enormous money power is too great. Whether the company is mutual or controlled by stock makes little difference—in the end a few great financiers will dominate it and use its assets in their schemes. The concentration of wealth and money power in this country has evidently

been achieved largely through these insurance giants who have been made to do the bidding of the Morgans, Goulds, Harrimans and Hills. To check the growth of these big ones and promote the smaller ones will be to check the growth of concentration. A moderate sized company is just as safe as a giant and more apt to have careful management. It does not afford the temptation to the financial plunderers. It will not breed so many trusts.—Omaha World-Herald.

Think of the moral obliquity of these tainted contributions. Mr. Roosevelt's indignant letter last fall showed that he knew that corporations were contributing. Doubtless Cortelyou—of whose transactions Mr. Roosevelt claimed knowledge enough to certify publicly to their purity—doubtless he at least knew of these very New York Life contributions. And pray, where did either of them suppose the officers of the company got authority, legal or moral, to contribute policyholders' money to the purposes for which that money was contributed?—Chicago Public.

It will be recalled that President Roosevelt, in his annual message of December 6, 1904, after the presidential election was over, recommended legislation providing for the publication of all contributions received and expenditures made by political committees. Some of the contributions of the last campaign are being made public earlier than perhaps he expected, but friends of reform in this line may reasonably expect his help in the enactment of comprehensive legislation this winter.—Washington Star.

Newspaper dispatches from Oyster Bay say that President Roosevelt, after consultation with George B. Cortelyou, his postmaster general and national chairman, has decided to demand that the life insurance trust funds which the republican national committee accepted be returned to the companies that gave them. In that event what will the president do with Mr. Cortelyou? Will he denounce the wrong while continuing to honor the wrongdoer? Mr. Cortelyou, as chairman of the national committee, is responsible for the acceptance of the trust funds. Mr. Roosevelt made him chairman, and is therefore responsible for Mr. Cortelyou. Can he dodge that responsibility by directing a return of the money while at the same time retaining in his cabinet and perhaps promoting him to be secretary of the treasury.—Omaha World-Herald.

The great majority of them may have been democrats and may have desired the election of the democratic nominee for the presidency, but Mr. Perkins decided that it was in the interest of their company that the democrat be defeated and that the republican be elected, and so he took nearly \$50,000 of the company's money and turned it over to the National Republican committee to be used in behalf of the republican nominee. But it was all business, you know, and that's where the danger comes in. If the "money power" can control elections and can control legislation, what is to become of the poor folks?—Richmond Times-Dispatch.

The news will go echoing over the country. The farmers of Nebraska, the fruit-growers of California, the lumberman, the rancher, the storekeeper—the plain man everywhere—will read of the disgraceful transactions, and will say: "There, what we told you all the time, you now see to be true. There is a malignant money power. Between the men in charge of these vast accumulations of treasure—the railroads, the banks, the life insurance companies—there is a perfect understanding. They play into each other's hands. They combine to cheat the humble consumer and producer out of his rights; and as is now plain, they give trust funds to one political party when they fear that the people may make use of the other to thwart some of their schemes." This is what millions of indignant Americans will be saying for weeks to come. They do not need

yellow journalism to inflame them. The facts are inflammatory enough by themselves. Yellow journalism is bad, but yellow life insurance is worse.—New York Evening Post.

### HIS HEART FAILS HIM

The sincerity and value of reform in republican ranks may well be questioned in view of the attitude on the pass question taken by some who were delegates to the republican state convention but who refuse to uphold the anti-pass plank of the platform. One of the delegates to that convention was Roy R. Barnard, editor of the Loup Valley Queen, who takes occasion in his paper to speak out boldly in defense of the free pass system. Mr. Barnard in the Loup Valley Queen of September 21, writes:

While we may not be deep enough to see the evil of the pass, yet we will have to be shown that the use of the pass is such a very bad sin, or such a dreadful drawback to the welfare of the people. From a business point of view it appears to us that a law abolishing the use of the pass by the state officials is going to be a dear law to the people of the state, inasmuch as an appropriation will have to be made to pay the railroad fare of the various state officials, and the citizens of the state pay this appropriation by an increased taxation. As far as a pass being a bribe is concerned, we can hardly believe that the man who has the brains to hold a state office of any kind can be influenced to work against the interests of the people he represents by the gift of a small bit of pasteboard. If he can, he is a safe man to leave at home. We candidly believe that by the issuance of the pass, and the saving of this expense, the railroads are doing the taxpayers of the state a much greater favor than detriment. We may be wrong, but we will have to be shown.

### WAGE-EARNERS AND PROSPERITY

The Springfield Republican is not certain that the present prosperity has brought to the wage-earner that amount of good which is claimed in many republican journals. After comparing average prices and average earnings for a period fourteen years the Republican says:

It would appear from this table that so far as actual earnings per hour or weekly earnings per employe are concerned, the position of the wage-earner is no better than it was in 1896, for example, before the advent of prosperity. Hourly wages, for illustration, are much higher, over 17 per cent higher, in 1904 than in 1896, but the cost of food has risen about to an equal extent, and the present higher earnings per hour go no further than the lower earnings of the "hard times." The purchasing power in the one case is 104.7 and in the other 104.4. If we take the weekly earnings per employe, the purchasing power of the workingman has been reduced, being now 100.4 per cent, against 100.6 per cent in 1896. He does not work quite as long per week as he did then, but his earnings are much improved; still the rise of prices has more than overcome that advantage. Comparisons with years prior to 1896 are better for him, but it is to be noted that they include years of "republican prosperity" (1890-2) as well as years of "democratic hard times" (1893-6). In one particular only or chiefly has there been distinct absolute improvement. Employment is much more general, and thousands who could not get work back in 1894-6 now find it in abundance. "Prosperity" has thus been a great thing for surplus labor; but for those who had work in the hard times, and they include the great mass of the people, there has been no material improvement in the power to acquire wealth. The advance in wages has been offset by the advance in what the working man must buy to sustain himself. It is to be noticed that the occupations chosen for the above comparisons are those in which labor unionism is strongest; and hence those in which, we must conclude, the wage increase