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THE NICARAGUA CANAL AND OTHER ESSAYS

BY

RICHARD H. McDONALD, Jr.



THE CALIFORNIAN PUBLISHING COMPANY
SAN FRANCISCO CAL.

1893





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AND

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ON

POLITICAL AND ECONOMIC TOPICS

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PREFACE



The following papers written for the CALIFORNIAN ILLUSTRATED MAGAZINE are reprinted at the request of many interested in the great questions of the day, who believe that the principles they represent should be circulated broadcast over the land. If they aid in establishing better standards in political, commercial and social usage, in influencing any citizen to take a firmer stand for all that is good and right in public life, then the purpose of the writer will have been served.

R. H. McD., Jr

San Francisco, Cal.

April, 1893.

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THE NICARAGUA CANAL

AND OTHER ESSAYS



CHAPTER I.

THE NICARAGUA CANAL.



It is not my purpose to discuss the engineering problem involved in the construction of the Nicaragua Canal. The route has been investigated for quite a half century by the ablest and most experienced of the engineers' profession, and not alone by those whose work has been under private employment, but by engineers detailed at different times by the government. Several routes have been examined, and the Nicaragua has been pronounced the best of all. The route is feasible, and in every point of view the enterprise appears to be practicable. It seems to me that this point has passed out of the arena of debate.

The cost of the work has been variously estimated; the latest I have seen, and I believe it to be the highest, is \$87,000,000. The company engaged in its construction proposes to raise in some way \$100,000,000—an excess of \$13,000,000 above the

estimated cost—to pay interest till the canal is in operation, and to provide for contingencies that may arise. The sum is not large if the patronage the canal shall receive proves to be anything like what is predicted and seems probable. There are differences of views as to how the canal shall be constructed and controlled when in operation. As it will prove most advantageous to our own commerce, and as under public control excessive profits will not be made on the money invested, there is a prevailing sentiment that the Government should build it, and manage it after it is built; that it should be free to American shipping, and a tax imposed on foreign patrons only to an extent that is necessary to pay the expense of management and repair and a reasonable income on the cost of construction. The Government has built the Des Moines Canal, improved the channels connecting the great lakes, blasted the rocks at Hell Gate in the harbor of New York in order to facilitate navigation through Long Island Sound, jettied the mouth of the Miss-

issippi River, narrowed the channel and revetted the banks of that river at many points from Cairo to the mouth, and has expended immense sums during the last seventy years in improvement of rivers and harbors in every part of the nation. To build the Nicaragua Canal out of the public moneys would be in accord with the policy that has so long prevailed, and is clearly within conceded constitutional authority. In some quarters, however, it is held that this cannot be done on account of existing treaties with other powers; or that consent to this cannot now be obtained from the State of Nicaragua, as the Government of that State has granted the necessary privilege to build the canal to a corporation chartered by Congress. The proposition pending is for the general Government to indorse its bonds to the extent of \$100,000,000, on such terms and restrictions as will give the Government control of the management of the canal, and secure it against loss. If this is the best that can now be done, the aid of the Government in the way and to the extent proposed had better be granted, as control of such a channel across the Continent cannot be permitted to a foreign nation or a foreign corporation. Such a channel in time of war—a possibility that should not be lost sight of even in these “piping times of peace”—will be of the greatest importance to this country. Hence, assistance by the Government seems to be defensible on the grounds of good policy, if not of absolute necessity. The people of this country will insist, however, that government control shall go to the extent of preventing unreasonable tolls being levied upon the commerce that shall pass through the canal. The value of such a channel of commerce to the people of the United States will become greater as time advances.

Our country is very large territorially; productions are varied, and the wants created by civilization are so extensive that an interchange of com-

modities has become enlarged, and a necessity to the highest human happiness. There are comparatively few necessities or luxuries that this country does not produce, and our people are so accustomed to their consumption, that not to be able to obtain them in the widest range would be a great deprivation. General wealth is so much greater in this than in any other nation that what would be regarded as luxuries elsewhere, are here deemed necessities of life. Our people consume more per capita than any other, and our rapidly increasing numbers and wealth render essential certain requirements which in former times would have been regarded as artificial. Demand for consumption stimulates production, and where production is most abundant consumption is greatest. We are the greatest producing nation in the world. Our domestic commerce has reached such gigantic proportions that it is now more than six times greater than the foreign commerce of Great Britain—its most important channels being from east to west, between the sections adjacent to the Atlantic and Pacific Coasts. No section of the nation is so rapidly increasing in population and wealth development as that which comprises the Pacific States. The trade between the people of the East and West has already grown to immense proportions, and the increase in future will be in arithmetical progression. The products of California are of such character that they will be in the future, as they are now, demanded largely in the East, and if they cannot be obtained here in sufficient quantities to supply that demand they will be sought for in foreign countries.

It is most essential to the general welfare that cost of transportation should be reduced to the utmost practicable extent, otherwise interchange of commodities between the various sections of our country will be restricted and production discouraged. Cost of transportation is the crying

evil in California; the people feel embarrassed and cramped in their energies, and are struggling for relief. The railroads across the continent were constructed at great cost, and their maintenance and operation are and always will be expensive. Complaints of the excessive rates of transportation are universal; our grain, and especially our fruits and wines are cut off from the markets of our own country by competition of foreigners, who can produce more cheaply and are subject to less cost for transportation. The transportation problem is among the greatest which now confronts the American people. That by water should be and is cheaper than that by rail, and for the very good reason that the railway track is built with money, and its maintenance is expensive. The track of the ship at sea is provided and maintained by nature. It is true the Nicaragua Canal will be built with money, and its care and management will be attended with some expense, but it is an inconsiderable part in point of distance of the route over which ships must travel from one side of the continent to the other. Its construction, therefore, ought to materially lessen the charges for trans-continental transportation. It will inevitably produce that result unless there is a combination between rail and water lines to maintain high rates. This, however, will not likely take place, as such an arrangement would have the effect to divert traffic from the ships, and would not add to the profits of ship owners. Land and water lines are usually persistent in their rivalries, and there is such a feeling in the country against railroads on account of their excessive charges, as they are believed to be, that it might be perilous for the roads to combine with and subsidize steamship lines in order to perpetuate exorbitant charges. Such combination is a remote possibility.

That not very high tolls would pay expenses of repairs and management of the canal, and a sum sufficient to

pay interest and principal of the bonds, can hardly be doubted, for traffic from the Atlantic and Gulf Coasts and from Europe—destined northward as far as there is any appreciable trade, and southward as far as Chili on the Pacific Coast—would find it advantageous to patronize the canal on account of the great distance that would be saved; and the same would be true as to return traffic. It would seem that the patronage must become so great that with extremely moderate tolls, the revenues would speedily become large. Inter-continental commerce would also be diverted to that route, and from the trans-continental railroads. It would not only take from that which is now carried by way of the Horn and the Isthmus, but by the Canadian Pacific, which has become so serious a rival of our own trans-continental rail lines. Freights from China, Japan and other Asiatic countries destined to the eastern part of British America ought to be cheaper than by the Canadian Pacific.

To lessen the cost of transportation would enhance values of California productions and give stimulant to the development of the State's resources. Our products are already of large variety and immense in quantity, and are destined to reach almost incomprehensible proportions. We now need all the markets we can get in the East, and in future the need will be greater; but it will be impossible for us to command them in competition with foreign producers, if they have any substantial advantage in the cost of transportation. No part of the nation will be more benefited by the Nicaragua Canal than California. The canal will enhance the importance of San Francisco as a commercial center; as a distributing point its territory has been invaded on the north and on the south by rail lines leading from the East to the principal cities of Washington and Oregon, and to Los Angeles. It will be the terminus of all steamship lines to this coast.

Their ships may call at ports southward, but they will hardly extend their voyages northward, and their cargoes will largely be distributed from this city. So also will exports center here. Carrying upon the sea is now most largely done by regular steamship lines whose termini are the larger cities, from which merchandise is distributed to points of consumption. There has been a tendency to this for more than a third of a century, ever since iron ships have come into use, and it has been demonstrated that building those of large tonnage is economical and safer. Regularity in departure and arrival is a feature that has become regarded as essential to success. Concentration will be greater than it now is, for the great cities are better supplied with facilities for reaching trade districts than the smaller ones. In my humble judgment, the trade of San Francisco will be immeasurably increased by the construction of the canal; and since trade causes active demand for money, it gives impetus to industrial development.

The disclosure in Paris of the corruption in connection with the Panama Canal is unfortunate, and especially at this time. It may have the effect to deter Senators and Representatives from giving support to any measure of assistance for the Nicaragua enterprise. There are suspicious people the world over, and there are also men who shrink from doing what their better judgment commands through fear of assault or criticism. Because the support of deputies and other French

officials was purchased, it ought not to be presumed that American Congressmen were purchased, should they support a reasonable measure of aid to this great American project. The plan has been frankly laid before the public and has received the fullest consideration, both through the newspapers and in public meetings. Sentiment seems to be quite unanimous in favor of doing what may be necessary to secure the construction of this great national highway; it is a matter in which all parts of the country are interested to a greater or less extent. In my opinion, support of it by Senators and Representatives will not be criticised, but approved. The Panama Canal was a scheme of Louis Napoleon when he meditated conquests of the countries in the southern part of North America. Without this the Panama Canal would be of no more consequence to France than to other commercial nations of Europe, as it would not connect her possessions, or constitute a necessary channel of commerce between her and her dependencies. There are those who doubt the practicability of the Panama scheme, and it is certain, if the opinions of engineers are to control, that the Nicaragua enterprise is by far the most feasible. The canal under discussion affords facilities, especially to the American people, for intercourse between the extremes of the country. It is a scheme to promote our best interests, and to support any reasonable measure would not be regarded as proceeding from corrupt influences, but from the highest patriotic motives.



CHAPTER II.

IS LABOR IN DANGER?

IT could not be otherwise than that the immense fortunes acquired in the last thirty years by a few men in this country, should be the subject of serious reflection as to the future effect upon the mass of the people and upon the character of our institutions. There are those who express alarm at the immense chasm which separates the very opulent from the vast majority of the population, and a fear that as a nation we shall drift into a government, aristocratic in form and which will be controlled by the monetary power. In the old world, both monarchy and aristocracy are based upon wealth. A poor duke, lord or count in Europe may nominally have a social status corresponding to his rank, but among the wealthy the impecunious duke, lord or count is regarded by his class very much as the poor whites of the South were looked upon

by the slaves. There can be no doubt that the immense disparity which exists in this country in the possession of wealth is unfavorable to the future welfare and happiness of the mass of the people, and that under favorable conditions there might be danger that popular liberty would be overthrown. The pessimist is liable to take a lugubrious view of the subject, while the optimist discovers only the roseate side of the picture. Neither is likely to take a rational and just view of the situation. It is well to inquire how the disparity in the possession of wealth came about, and whether it is probable that it will continue to the extent that it now exists. It is well to inquire also whether there are not influences at work which will cause a redistribution and produce a more general equality of conditions.

The laws of this country assure the

greatest liberty in the exertion of the powers with which men are endowed by nature to acquire dominion over the things of earth, consistent with the common welfare. The opportunities for acquiring wealth have been without parallel, more especially within the last third of a century. The country possessed vast natural resources, and the freedom and energy of the people contributed to the development of wealth more rapidly than ever before known in the history of mankind. Increase of population naturally appreciates values. Before the passage of the homestead law, the public domain could be acquired at merely nominal cost, and large bodies were purchased by individuals who only had to hold on and wait to become wealthy. Through this method the basis of considerable fortunes was at first laid, the greatest of which were acquired by those who were fortunate enough to locate on what became city and town sites. Railways were invented, and their construction not only was profitable to the builders, but enhanced values immensely, especially at terminal points. The war of the Rebellion ensued, creating high prices for the products of the farm and factory, and the inevitable inflation of the circulating medium engendered the spirit of speculation; and though the war was immensely destructive of men and materials, it stimulated enterprise, and our tremendous development gave impetus to foreign immigration. The mania for railway building after the war became greater than ever before, because not only the needs of the country, but the liberality of the people superinduced it. Large fortunes were made in construction, and the vast quantities of securities of the nation, states, municipalities and corporations, which were on the market, afforded opportunity for the most gigantic speculation. In this speculation large numbers of people participated and lost through the manipulation of inside operators, who amassed immense wealth.

In various ways land monopoly, to an extent, became fastened upon the country. Large bodies were acquired before the homestead law was enacted, and are yet held to a considerable extent. The great plantations in the South have survived slavery. The public lands of Texas were sold off in considerable bodies under the laws of that State, and in the acquisition from Mexico under the treaty of Guadalupe Hidalgo, our Government stipulated to respect the rights of property in the territory acquired as they existed under Mexican law, and hence became bound to recognize the immense grants of land that had been made by the Spanish and Mexican governments. These are the chief ways in which ponderous fortunes have been acquired. Those of lesser magnitude have been achieved in manufacturing and traffic, and to some extent, by the exercise of the stronger powers with which some have been favored by nature, and the greater thrift and prudence with which earnings and acquisitions have been husbanded. The same or similar opportunities can never again present themselves. There are comparatively little new resources to be discovered or new regions to be developed. Railroad building in future will be trifling compared with what has been done in the past. Appreciation of land values will be gradual, and comparatively few more cities and towns are to be founded and built up. We are not likely to have another gigantic war, internecine or foreign, to inflate prices and promote speculation. The course of business in all probability will be natural, and results not excessively profitable.

Capital is comparatively so abundant that if competition is permitted to have sway it will not expect nor seek such inordinate remuneration in the future as it has exacted in the past. It is true that it has adopted the plan of forming trusts and combinations to control production and distribution, but congress and legislatures have taken action in many cases to thwart

such schemes, and the courts in many parts of the country have declared them *contra bonos mores* and unlawful. Popular sentiment is so aroused that capital finds it much more difficult to be exacting and oppressive than it has been. Capital will only disregard popular interests when the people are supine. It seems in the natural course of events that there will not be extraordinary opportunities for the few to amass fortunes in future. The serious question is, will those which now exist be continued or grow larger through mere accretion?

The perpetuation of the great estates in the old world has been through the instrumentality of law—the law of primogeniture. It has not been in force in this country for more than a century, and was superseded by a law governing the descent and distribution of property, which has had the effect to break estates into fragments on the decease of their possessors. When the life of each generation terminates, the property of the country passes into new and more numerous hands. None of the immense concessions made by the kings of England and Holland to the colonists within the limits of what constitute the United States, have been maintained; they have been subdivided into small parcels and are now owned and occupied by large numbers of people. In the same way the existing great landed estates will be subdivided on the decease of the present possessors. Very few of the estates of this country, whether consisting of realty or personalty, have passed unimpaired to the second generation from the acquirers. More than eighty per cent. of the wealthy men of the nation have acquired what they possess, and only ten per cent. have inherited it. The rule is general that the sons of rich men end life as poor as their fathers began it. Great achievements in science, art, the professions, war, statesmanship and business pursuits have generally been by the sons of men in indifferent or moderate cir-

cumstances. Results in this country are not to be judged by those in the old world. There are those who may regard the present situation as gloomy, but when we consider the freedom enjoyed under our institutions, and the causes at work which revolutionize conditions quickly, there is no reason for that forlorn feeling which fills the mind of the pessimist. Those who survive for a quarter of a century will, in all probability see the bulk of the present ponderous estates broken up—especially the landed estates—for time, popular sentiment, and the laws of descent and distribution will inevitably soon destroy land monopoly. Inequality in the possession of movable property, especially of money or securities, is not a serious danger, for they are like the stolen purse mentioned by Iago, as having been mine, yours and the slave of thousands. There is very little permanency in the possession of personalty.

It is argued that as no man has ever been, or ever will be strong enough to earn a million dollars above his living, however prolonged his life, every millionaire and multi-millionaire has taken largely from the earnings of others. To an extent this has been done, sometimes through fortuitous circumstances in which there has been no moral guilt, and sometimes through oppressive practices. It is probably true that labor has not received its proper share of produced wealth. High statistical authorities differ somewhat as to the percentage which labor in this country contributes to wealth production, the lowest estimate being seventy-two per cent. and the highest ninety. Upon either estimate it is certain that labor has not had its fair share. Capital has managed to possess the proportion which nature has created, which is estimated from ten to twenty-eight per cent. Capital is more organizable than labor, and, in fact, may be said to be always organized, and it is more exacting than labor has been. The modern practice being for capital

to organize through corporation, company or association, it seems more formidable than in reality it is, because the fact that stocks and bonds or shares are widely distributed and are held by numerous persons, is not duly considered.

The tendency has been and is strongly to combination in many branches of business. This is true in transportation, manufacturing, banking and in all lines of production and distribution of commodities. It is a recognized fact that competition has been very largely displaced by combination. Comprehending this and seeing that there is a vast disparity in the possession of wealth, the working people of the country have adopted the plan of meeting combination with combination, or in other words by forming labor organizations. As transportation by rail and manufacturing as now carried on, require the services of large numbers of men, organization is practicable. The same is true, only to a less extent, in the building and some other trades. The object of these organizations is to compel capital to concede to labor what it deserves. Such an object is proper and praiseworthy if the measures resorted to are defensible. To arouse labor so that it will assert its rights, demagogues and mountebanks are in the habit of so assailing capital as to create a feeling of intense hostility. Labor and capital are natural antagonisms because their interests collide. The relations of the employer and employe are like those of the seller and the buyer. Low wages are best for one and high wages are best for the other. To produce successfully requires both labor and capital, and each should be fairly rewarded. If capital is exacting and oppressive labor organizations some times make mistakes, some of which are of the most grievous character.

One of them is in supposing public sympathy is not strongly on the side of wage workers. Many ameliorations have been voluntarily granted.

Not very far in the past men were imprisoned for debt. That barbarous law has been displaced by one that exempts the homestead, certain household goods, and implements necessary to the earning of a livelihood from seizure and sale to satisfy a private debt. Schools are established supported by a public tax at which all children are educated free of charge. Infirmarys and hospitals are provided for the poor and the sick. A sentiment is growing which favors the exemption of homesteads of limited value, and some other property from taxation, and in favor of graduated income and inheritance taxes, which will lighten the burdens of those who live by toil, and impose them in accordance with ability to bear them.

Another and most grievous mistake has been made in the matter of strikes. They have often been attended with mob violence and incendiarism. Destruction of property and interruption of business do no one any good, and result in calamity to the public. Strikes are defensible only to the extent of a cessation of work when terms are unsatisfactory; but to interfere with others, who wish to work on the terms offered, by violence or intimidation is a crime, for there is no difference in principle in destroying a man's property than in preventing him from earning property. To ignore contracts as to term or other condition of service is both unlawful and dishonorable whether by employer or employe. Still another error is in making an unchangeable scale of wages, one that is non-reducible. Conditions are not always the same. This year the volume and character of the traffic or the prices of products may be such that the railroad or the manufacturer is able to make a fair profit, but next year conditions may be reversed, and at the same scale of wages there will be no profit, or perhaps a loss. Labor organizations should have men whose business is to gain a knowledge of all the facts and

circumstances as they arise, that wages may be so regulated that labor and capital will each receive its fair share of the results of the business. One fact especially, is not always duly considered, and this is that capital under the laws as they now are, takes all the hazards of loss, and the laborer takes none. The law gives him a first lien on the property of his employer.

It is unfortunate that in many enterprises classification of labor is a necessity, growing out of the employment of large numbers who have classified services to perform. Men are unequally endowed by nature, and it is presumable that it is the intention of the Creator that each should receive the full benefit of his legitimate efforts. The time was when the working man had a status, and received wages according to his merits. As it now is, in many kinds of work where classification is necessary the weakling, the dull and the shirk receive as much as the strong, bright and faithful. The employer is bound to take the lot at the same wages, which takes from the deserving for the benefit of the undeserving. Probably for this there is no remedy. It is one of the evils that result from associated labor. It would be well if there could be competition in labor and in everything else. To assure to all the full benefits of their efforts is a tremendous stimulant to exertion.

There should be no animosity between capital and labor, and there need be none if their relations and interests are intelligently and justly considered on both sides. Capital should not be exorbitant, and labor should exact only what is its due. The principle must be recognized that all are free to join labor organizations or not, as they choose. There should be no compulsion. The mass of the American people are in sympathy with the wage workers. Their sympathies

have sometimes been estranged by the excesses which have attended strikes, and the destructive teachings and conduct of some of the labor leaders. There is no country in the world where economic policies have been based so completely upon the idea of promoting the welfare of the laboring classes as in the United States, for the last thirty years, and no laboring population in the world receives wages so compensatory or are possessed of such advantages and comfortable surroundings.

This is a republic in which all men are free and protected in their rights, and are rewarded as their efforts deserve. The principles under which this country has existed for more than a century have secured the general prosperity and happiness of the people. It is but necessary to look at conditions as they have been and are, to see that no one is forlorn and desperate except through fault of his own. This free country promises commensurate rewards to natural endowments when properly exercised and when results are providently husbanded. It is a prevalent principle that merit is justly recognized, and though a republic, the people are not ungrateful except in the opinion of the demagogue and worthless. Organizations and associations are useful when they operate upon just and common-sense principles. It behooves the wage workers to take care not to establish an absolutism over themselves, for "it may become a contagion and end in founding a despotic government." Free institutions can only be maintained by preserving individual independence. It must not be forgotten that the first and highest duty of government is to preserve the public peace and protect life and property. And because this is done it should not be assumed that government is inimical to the working people.



CHAPTER III.

REGULATION OF RAILWAY CHARGES.

THE clamor for lower charges for transportations by rail is quite universal west of the Mississippi River, and in fact they are demanded in the south and east, only with less vehemence and persistency. It is not a question of politics, but of business; and the charges should be regulated on business principles, and not by political demagogism. The Democrats of this State, at their convention in Fresno last May, sought to coddle the anti-railroad sentiment and gain support through a proposition which they thought would catch the clamorous for a change. The whole people want lower rates and expect to secure them, but all reasonable men desire to accomplish the end by the adoption of common sense and just methods. That convention adopted the following resolution as one of the planks of its platform:

"Resolved, that it is the sense of this convention that the next Legislature of this State submit to the people for adoption, a constitutional amendment providing for a maximum tariff and classification, and abolishing the board of railroad commissioners, and the Democratic party demands

that all candidates for the assembly and Senate at the coming election be pledged to such action."

As the Democratic party is the strenuous advocate of strict adherence to platform, which, to its members, is as sacred as the edict of an oecumenical council or an encyclical letter, it is to be presumed that the Democratic members of the Legislature will do what they can to carry out the views expressed in that resolution. The proposition, if carried into effect, will have an important bearing upon the interests of every class of our people. The question of freights and fares, as has been said, is exciting public attention, and the best thought of the country is being given to its solution. A change touching so grave a matter should not be made without the most careful and the fullest consideration. The proposition that the Government in some way should regulate transportation rates is not combatted in any quarter. The question is, what is the best way? California has a mode provided and defined in the Constitution, and that it may clearly appear what the Democratic resolution contemplates supplanting, it is necessary to

quote the provisions of the Constitution bearing on the subject. They are as follows :

"SEC. 21. No discrimination in charges for transportation shall be made by any railroad or other transportation company between places or persons or in the facilities for the transportation of the same classes of freight or passengers within this State, or coming from or going to any other State. Persons and property transported over any railroad or by any other transportation company or individual, shall be delivered at any station, landing or port, at charges not exceeding the charges for the transportation of persons and property of the same class, in the same direction, to any more distant station, port or landing. Excursion and commutation tickets may be issued at reduced rates.

"SEC. 22. The State shall be divided into three districts as nearly equal in population as practicable, in each of which one railroad commissioner shall be elected by the qualified electors thereof at the regular gubernatorial elections, whose salary shall be fixed by law, and whose term of office shall be four years, commencing on the first Monday after the first day of January next succeeding their election. Said commissioners shall be qualified electors of this State and of the district from which they are elected, and shall not be interested in any railroad corporation, or other transportation company, as stockholder, creditor, agent, attorney, or employee, and the act of a majority of said commissioners shall be deemed the act of said commission. Said commissioners shall have the power, and it shall be their duty to establish rates of charges for the transportation of passengers and freight by railroad or other transportation companies, and publish the same from time to time with such changes as they may make, to examine the books, records and papers of all railroad and other transportation companies, and for this purpose they shall

have power to issue subpoenas and all other necessary process ; to hear and determine complaints against railroad and other transportation companies, to send for persons and to administer oaths, take testimony, and punish for contempt of their orders and processes, in the same manner and to the same extent as courts of record, and enforce their decisions and correct abuses through the medium of the courts. Said commissioners shall prescribe a uniform system of accounts to be kept by all such corporations and companies. Any railroad corporation or transportation company which shall fail or refuse to conform to such rates as shall be established by said commissioners, or shall charge rates in excess thereof, or shall fail to keep their accounts in accordance with the system prescribed by the commission, shall be fined not exceeding twenty thousand dollars for each offense, and every officer, agent or employee of any such corporation or company who shall demand or receive rates in excess thereof, or who shall in any manner violate the provisions of this section, shall be fined not exceeding five thousand dollars, or be imprisoned in the county jail not exceeding one year. In all controversies, civil or criminal, the rates of fares and freights established by said commissioners shall be deemed conclusively just and reasonable, and in any action against such corporation or company for damages sustained by charging excessive rates, the plaintiff, in addition to the actual damage, may, in the discretion of the judge or jury, recover exemplary damages. Said commissioners shall report to the Governor annually their proceedings and such other facts as may be deemed important. Nothing in this section shall prevent individuals from maintaining actions against any of such companies. The Legislature may, in addition to any penalties herein prescribed, enforce this article by forfeiture of charter or otherwise, and may confer such further powers on the commissioners as shall be nec-

essary to enable them to perform the duties enjoined on them in this and the foregoing sections. The Legislature shall have power by a two-thirds vote of all the members elected to each house to remove any one or more of said commissioners from office for dereliction of duty, or corruption or incompetency, and whenever, from any cause, a vacancy in office shall occur in such commission the Governor shall fill the vacancy by appointment of a competent person thereto, who shall hold office for the residue of the unexpired term, and until his successor shall have been elected and qualified."

It is the theory in all civilized countries that the common carrier, to a certain extent, is a servant of the public, and that the manner of conducting his business and the compensation he shall receive shall be regulated by law. The common law declares that the compensation shall be reasonable and just, and that a controversy over the amount shall be decided by the court and jury. Railways are constructed as a rule by corporations, in whose behalf governments exercise the right of eminent domain. These corporations are granted exclusive franchise to control and run over their own tracks. It is necessary that it should be so, for regularity and exactness are essential to the safety of life and property, and to dispatch and economy in conducting the business. In some ways the Government assumes larger control over corporate transportation than over those of private parties. The right, if not expressed, is impliedly reserved to change and modify charters, and to forfeit franchises, and especially to regulate freights and fares. At the beginning it was supposed that the compensation for transportation by rail, could be regulated by the courts the same as if it were performed by wagon, boat, or other simple modes in vogue before railways were invented.

Experience, however, soon demonstrated the impracticability of attempt-

ing to settle the question by suits in the courts. The reasonableness of the compensation to the railway carrier should be determined upon three considerations—the necessary cost of constructing and equipping the roads, the necessary expense of operating, and the volume and character of the traffic. From the latter its earnings are derived. It should not be overlooked that suits of this character would be with reference to the compensation for a single shipment, be it a large or a small one. To do exact justice, the jury should inquire into the cost of right of way, grading, bridging, track laying, station houses, offices, shops, section houses, telegraph lines and apparatus of cars, engines, and a thousand and one implements. The items to be considered in determining the necessary operating expenses, are still more voluminous, and include salaries of officers, principal and subordinate, attorneys, conductors, engineers, station agents, telegraph operators, brakemen, firemen, switchmen, trackmen and many others. Also, the damages, through inevitable wear and tear, and by accident, and the cost of material and labor in repairing. And further the freight and passengers carried, and the revenue received from all sources. All these matters must be gone into for the purpose of seeing whether the business is honestly and economically conducted, and whether the net earnings under existing rates afford more than a reasonable remuneration to the capital necessarily invested. If a jury were thoroughly competent to inquire into and properly adjudge all these facts, the investigation would be prolonged beyond the ordinary terms of courts. These suits, as has been said, necessarily involve the share that a particular shipment should contribute towards operating expenses and fair reward to capital. The ablest and most experienced traffic officer never attempts to determine that question: it is impossible to determine the amount even approximately. Rates

are based upon the general results of the business, and are designed to be made so, that after deducting operating expenses from earnings, there will be a balance sufficient to properly remunerate capital. The net balances fluctuate because business is not always the same, and the losses from accidents and providential causes vary from year to year. Efforts to settle the question of compensation by suit have wholly ceased, at least, such cases are among the rarest in the calendars of courts.

The proposition in the resolution which has been quoted, is for the Legislature to pass upon this complicated question, and to enact a general law prescribing a rate which the railways in no case shall exceed. It goes further and proposes that the Legislature shall classify freights by statute. Our legislators are not all men who are well informed upon these subjects; many of them are no more competent to pass upon them than the ordinary juror. The session lasts but sixty days and is crowded with a vast amount of other business, and then one branch and one-half of the other become practically defunct unless the Governor should call an extraordinary session. The Legislature would not have time to properly consider the grave question of rates. Classification is based upon bulk weight, value and quantity carried of each class. There would be a field for extended investigation which would exhaust no small part of the session. If the Legislature should do a wrong, it would be grievous, for it would continue for two years, or until the Governor should convene it in extra session. If the majority were controlled by an unjust public sentiment, the rates would be fixed so low as to destroy capital, and if under railroad influence, they would be made so high as to be oppressive to the people. A general law cannot be made so as to do justice to all roads or communities. California is a State of various physical characteristics; there are mountains and plains, ugly cañons

to cross, or to follow, in constructing and operating railroads. No two roads cost the same to build or operate. In some localities, population is dense, in others, sparse, and all are interested in having the means of transportation. Some sections are highly productive and supply a large volume of traffic, and others less productive furnish but little business, while it costs as much or more to build and operate roads through them as in the best sections. It is important to the whole commonwealth that all parts of the State should be accommodated.

The plan of enacting maximum rates was among the first, if not the very first, adopted after the impracticability of determining the reasonableness of railway compensation by the court and jury, became apparent. In many of the States it has fallen into disuse because its universality renders it inelastic, and its operation in many cases results in injustice. If it is right that capital invested in such enterprises is entitled to the same reward in all cases, some roads in the same State should be permitted to charge higher rates than others, from the fact that they cost more to construct and are more expensive to operate. The larger number of the States have created commissions to deal with the question of railroad transportation with different powers. In some States they are advisory and in others regulative. The powers of the commission in California are more extensive than in any of the States except Texas. The efforts of our commission need not be inadequate to guard the interests of the people for want of authority. The theory of a commission is that there may be officials whose term of office is sufficiently long to enable them to make a study and come to a complete understanding of the railroad question. They have time to investigate all the facts and features to the fullest extent, that they may regulate the business in such manner and prescribe rates as

will do substantial justice to all concerned. They act in the capacity of traffic officers for the public, and from their position should be governed by a purpose to protect the people without doing injustice to the railroads. Having plenary power and considerable official permanency, they can make changes, from time to time, intelligently and as exigencies demand. In theory, at least, a commission is the best agency of government thus far devised for managing railway transportation. It has not been abolished in any State where it has been adopted, except in Massachusetts, where the powers were merely advisory. Reports of the executives of all the States show that it has worked well everywhere, causing great savings to the people without embarrassing the legitimate operation of the railroads. The tendency is to enlarge rather than to further restrict the powers of commissions. Congress has adopted the idea as to inter-state traffic. It may be apprehended that the time will come when there will be uniformity among the States as to the powers conferred upon railway commissions. To change the commission for a general statute prescribing rates and classification would be damaging if not calamitous to the interests of California. It is not and should not be made a party question. To interfere with business for party purposes is always hurtful.

So far as philosophy and experience show, there can be no objection to the plan of a commission. It is urged that it may be corrupted, and is, therefore, objectionable. It has been alleged that the California Commission, since its creation, has been under the influence and control of the railroads. Such charges are easily made, and will be made whenever the complaint of any one is not granted. It has got to be a habit of mind of some people to think they see corruption whenever a ruling is in favor of a railroad. It requires more courage to decide for a railroad in a case where it

is plainly right, than adversely. There is official corruption, but not to the extent as seen by the pessimist. If a commissioner is incompetent, derelict or dishonest, he can be removed by a two-third vote of the members elected to each branch of the Legislature. If one is chosen who is incompetent or corrupt, it is the fault of the people.

If a commission cannot be trusted, how can a Legislature? The California commission is no worse in reputation than the ordinary run of California Legislatures. Nor are the people able to select better men for the one position than for the other. It may cost more to bribe a Legislature than a commission, because membership is more numerous, but the work of the Legislature is more valuable for it will endure longer. The greatest woes of this country do not proceed from the doings of courts, commissions, and executives, but from legislation.

If the people cannot correct abuses in one case they cannot in the other. Though courts are sometimes incompetent and dishonest, their abolition is not advocated by anybody. The wisdom of the plans proposed are to be passed upon as the main issue, and defects in their execution must be corrected by the people as experience discloses the necessity. All are interested in reducing the cost of transportation to the lowest possible figure, consistent with efficient service and the just rights of capital. To render it unremunerative is to destroy capital, and its destruction brings calamity to all. A better way to regulate rates may be discovered than by a commission, but it is the best that has yet been devised. If new commissioners from any cause fail in the discharge of their duties, the time is not distant when those can be chosen who will not fail. The railroad problem is difficult to solve, but evolution is taking place, and the wisest plan will, ere long, be discovered if that now in force in California is not that plan.

CHAPTER IV.

HOW TO SECURE GOOD MUNICIPAL GOVERNMENT.

THE country during the past few years has been aroused to the importance of honest elections, and of securing honest, efficient and economical government. The agitation embraces all elections and governments, but more especially those which are local and municipal. Cities have been denominated "blotches upon the body politic." It is more difficult to govern cities than the country. The bucolic population are generally peaceable, orderly and law-abiding, while in cities there are frequent disorders, and crimes are daily committed. In the country the people are more inclined to give attention to public questions, as those who resort to urban life for business or pleasure are more intent on their own affairs or are indisposed to give thought and work to matters of general concern. There is a larger percentage of idle and vicious men in cities, and they resort thither because there is greater seclusion and less danger of detection. Such are also active in politics for the reason that there is greater scope for action and less resistance from the responsible classes.

Municipal government is closer to the people than any other; it interferes more in the business and social relations, and for the reason that it has more to do, it is more expensive. Wealth is greater in cities, and the vicious find more ways to get money than in the country, and especially through the expenditures of government. Municipal government is the most extravagant and corrupt in the world, and experience in this country, where the tax-payers can control it if they will, shows that there are few exceptions to the general rule. This is well understood, and it

is a curious fact that a large class of the people are guilty of the grossest neglect of duty in regard to government so close to them, while they are more alert as to those more remote, and whose influence they scarcely feel. The business men groan under the burden of taxation, and suffer from abuses year after year, and beyond complaining, do little or nothing to obtain relief. In all countries municipal government is worse than any other, because through indifference and inaction the responsible classes have little or no control or influence.

The city is the home of the boss, because he finds there in greatest strength the very element which best subserves his purposes, and through it he easily achieves power. The boss is a boodler, and through the dispensation of boodle, he gains ascendancy over and controls the class, which has no conception or regard for good government. He is also a patronage broker, a cincher, and controls his minions by getting them offices, or by the direct payment of money, which he wrings from those whose interests he can promote or impair. The boss is a thrifty individual, for his own account, and as he must have money and it seems less heinous and more practicable than stealing, he imposes upon the public an extravagant if not a corrupt government. He easily succeeds, because those who pay taxes and suffer from other abuses place no formidable obstacle in his way. He cares nothing for clamor and curses, so long as the responsible citizens abstain from politics and absent themselves from the polls on election day. People who manifest no interest in governing themselves ought to have learned long ago that there are plenty of men standing

around, who like the business of governing, and that they will do for others what others should do for themselves. There would be no bad government in this country if, through inattention to public duty, it were not impliedly assented to by those who could make it good if they would. The demagogue and rascal have discovered that in cities at least they can impose bad laws and do wicked acts without much danger of receiving retribution at the hands of the people, yet in every city the responsible class largely outnumbers the irresponsible.

And why is this indifference? Too much business or pleasure is one excuse. Another is the disagreeable associations that must be encountered in combating those who make politics a profession. It is a mistake to think that in politics good men must "fight the devil with fire." The work to be done is to put out the fire which the devil has lighted; to substitute just and defensible practices for those which are evil. It is to do good instead of bad work. No man is required to lower his standard of morality in doing his political duty. Henry Ward Beecher said: "While we are on the ground, we must do ground work." The squeamish man is not the very best citizen. It is not enough that his personal conduct is unexceptionable; he must do something worthy of a man in promoting the public welfare. The business man will apply himself to his private pursuit, year in and year out, with unflagging industry, courageously encountering the disagreeable; but when he is called upon to give a day to the public, he will falter and retire at the mere shadow of what is not quite in accord with his taste. The highest aim of a free American citizen should be to secure the greatest possible excellence of government for the public good, and because in it his pecuniary interests are involved. It is a lamentable fact, so well stated by Macaulay, "that bad men will assail, with far more vigor and per-

sistency than good men will defend, good principles." The efforts of good men have sometimes been rendered unavailing through fraudulent voting and ballot-box stuffing, and because this has been done, those who have been thus robbed of their suffrages abandon the contest and surrender. If responsible citizens had always been as faithful and persistent in performing political duties as the irresponsible, there would have been no such outrages perpetrated. There is not a political crime that cannot be justly charged to the indifference and neglect of those who have most at stake, and who suffer most from bad government.

What class furnishes the greater number of office seekers? Not the business, patriotic, nor the most intelligent class. These having given up politics to the professionals, the latter naturally supply the officials. It is rare that the business man can be induced to accept an office, and still rarer that he will stand for renomination, and for the very good reason that his class will not take the trouble to sustain him, and he must run the gauntlet of being bled by those who follow politics for a livelihood. The time was when the office sought the man, and when defeat was almost certain, if a candidate solicited votes for himself. It was when the better element gave thought and work to public affairs and political management. There has been a change, and candidates are expected to exert themselves for their own election. It may be as well so, as it affords a better opportunity for the people to judge of the men they are called upon to support. That a man must exert himself in his own behalf constitutes no good reason why he should not accept or seek an office of which he is worthy. The present method simply involves a question of modesty, and the good and capable citizen will waive that for the public interest. The fact is, an office should be sought for the honor it confers, and not for the pay attached

to it. The emoluments are the same in all cases, but honor can only be derived through the excellence of the service rendered.

The country has been disgraced in many localities by a variety of election crimes, and the genius of legislators has been heavily drawn upon to provide means for their prevention. Penalties have been imposed by law for every act that tends to prevent honest political methods and honest elections, yet the evils have not been removed. We have the Australian law for conducting elections in many of the states. Our experience has not been sufficient to determine whether or not it is a universal panacea for election frauds and crimes. Other laws have been disregarded and offenses have continued. Ways may yet be devised to thwart the effect of that law. Legislators may deter the bad from committing crimes, but it will not make men honest. There is one infallible remedy, one assurance of honest elections and good government, and it is, that every man who has the best interests of the public at heart shall faithfully and determinedly perform his political duties at all times and under all circumstances. The law can aid by prescribing honest methods, but it should not be solely relied on. The good people must see that it is observed, and when violated, that its penalties are inflicted. It is not enough that an honest citizen shall cast his vote on election day; he should begin further back, and see to it that the proper men are put forward as candidates. To scratch the names of improper men may have some effect in the direction of reform, but only in case there are better men on the ticket of the other party. The ax must be laid at the root of the tree by beginning work at the primaries. Party organization is useful and necessary, and hence as a rule should be sustained.

Bad nominations often weaken but never destroy political parties. Men will not, and ought not to abandon a great principle because the best names

are not on the ticket of their party. It is here that in municipal and local elections, great national or state issues are not involved, but men are loath to vote the opposition ticket. Scratching has not produced such reformatory results as are desirable. It is not radical enough and has a beneficial effect but for a day. It is often the case that candidates on one ticket are no better than those on the other. Bosses on both sides are amiable toward each other, and as they rule through indifferent elements, it is easy for them to establish reciprocal relations. Well regulated primaries, if participated in by all the members of a party, and especially by the better element, are quite sure to result in the selection of a better class of candidates, otherwise the vicious will continue to control. The primaries should be so regulated that each citizen may vote directly for candidates for nomination. They are practicable and especially essential in making municipal and county tickets. There are localities where this plan prevails and results are excellent. Under this system, the duties of delegates to conventions are merely perfunctory. They simply register the will of the people, and trading and combination are avoided. The merits of candidates have been discussed in the incipient stage, misapprehension and mistake will seldom occur, and a good ticket is almost an inevitable result. It is not only the duty of good citizens to take part in politics at every stage, but to accept office when their fellow-citizens ask it. Every man owes that to the public, which he should not repudiate, even if he has to sacrifice personal feeling and interest.

In speaking of bosses, it is not intended to confound them with leaders. There is a broad distinction between them. The leader becomes such through his knowledge and high motive. He controls for the general welfare. The world has had leaders in all ages, and human progress is due to their efforts. The leader

influences, the boss dictates. The leader is a great character, the boss is a man with no motive higher than self-aggrandizement. The one is strong with the intelligent and good, and the other is a potentate among the ignorant and vicious. To be a leader is an honor, but to be a boss is a disgrace to the community over which he dominates. Let us dispense with bosses in politics and adhere to leaders. They are to be found not in chronic office-seekers, but in men who thrive by honest work, and who hold the public good higher than private gain.

City governments in this country are not only the most extravagant and corrupt, but they are the cause of criticism by people in foreign countries, and they do more than any other cause to bring our institutions and political methods into disrepute. Mr. James Bryce, in his "American Commonwealth," states that New Orleans in politics is the worst place in the United States, and that New York and San Francisco are next to it. The two cities should not be placed in the same class, for San Francisco has not, on the whole, been so badly governed as New York. That city has for half a century been dominated by an organized conspiracy against good government. It has controlled through distribution of patronage and official corruption, and is so strong and disciplined that it is next to impossible to subvert its authority. In a few instances when its methods have been extraordinarily audacious and a plundered and outraged people have temporarily deprived it of power, and a few times its rascals have been visited with condign punishment, the better element has appeared to triumph; but the people have immediately relapsed into indifference and Tammany has returned to power without resistance. No people in America have so long been bound hand and foot by a machine and a boss, and none have been taxed so heavily and uniformly misgoverned as those of our greatest

commercial metropolis. There are men enough in that great city who desire good government to control it, but apathy on their part, which is the crying evil in all our cities, is the obstacle to reformatory action. San Francisco has suffered from bad politics and indifferent government, but this has not been an almost perpetual condition. Probably no people were ever more enchained by crime and criminals than those of San Francisco years ago, but they were not slow in finding a means of relief. The remedy, though radical, and nominally revolutionary, was heroic and effective. It was charged that the steps taken were in defiance of law and the regularly constituted authorities, but in reality it was the resumption of power by a people for their own protection. The mettle displayed by the business men in the days of Vigilantes, and their just conception of public duty made a profound impression throughout the civilized world, and the influence of their heroic action is felt in the city to this day. The machine and bosses were dethroned and the government restored to rightful hands. The reigns of our bosses have since been short, for they have disappeared upon a warning that the tax-paying and responsible classes are aroused. No city in the country has a class of business men stronger and more determined than those of San Francisco. Though they want good government, they are not always sufficiently attentive to their political duties, and as a consequence public offices fall to the control of a class who have other than the public interests to subserve. Unless the policy of self-disfranchisement, by the protracted and inexcusable failure to perform duty to the public, be abandoned, and that voluntarily, there is no legal way in which reform can be secured. The destinies of San Francisco and of all other cities, and of the whole country as well, are in the hands of the intelligent and responsible citizens.

CHAPTER V.

POLITICAL DUTY OF CALIFORNIANS.

CALIFORNIA became a state forty-two years ago. Her admission was not in conformity to the usual methods. Congress never gave her an organic Act and territorial government. Her tutelage and preparation were practically under military rule, nor was her admission preceded by an ennobling Act. The people proceeded in their sovereign capacity to elect a convention, which framed a constitution, and to which they gave their assent. The original thirteen states entered the Union by mutual consent, Texas was admitted by joint resolution, Maine was detached from Massachusetts, and West Virginia was carved out of the Old Dominion by the consent of Congress. In all other cases, admission was preceded by some preliminary action of Congress.

The manner of her admission was not the only exceptional feature. California had been acquired little more than two years before she became a state. The so-called native Californians, or Mexicans as they are better known, numbered about thirteen thousand, and the other classes of citizens in the main were new-comers from every part of the nation. They were brought hither by the gold excitement and a spirit of adventure. The area of California was large, climatic conditions were varied, resources were extraordinary as productions of the soil were abundant and rich, and covered a wide range. It was supposed that her wealth in the precious metals rivaled that of Ormus and of Ind. Enterprise was unbounded, wages were high, and the miner, banker, merchant, laborer and professional classes were generally prosperous. It was a land of large ideas, and living was extravagant. Many who aided in

framing the first fundamental law expected to remain in the country only long enough to acquire fortunes, and the same was true of a considerable percentage of their constituents. The first constitution may almost be said to have been made by non-residents.

It is a well-known fact that nothing is so well done in a new as in an old country. Pioneers are always too busy with their private affairs, too intent on gaining a livelihood, and in preparation for comfortable life, to give their best thought to public questions, as is more common among people who possess competency and leisure. The first settlers are content to live in cabins for a time and until they are able to erect better residences, and provide ampler conveniences of life. It is quite natural that there should be a similar feeling in regard to matters of government. Compared with a majority of the states, California is young, but with a large minority she is old. Since her admission there have been many changes in the constitution and laws of the older states. The newer states in preparing their constitutions had the benefit of the experiences of others and the improvements made by them. California came in before there was the progress that has characterized the last quarter of a century.

At the time she acquired statehood, there was the most intense political feeling, and more thought was given to the disturbing questions then in issue than to providing the best machinery of government. The idea also prevailed throughout the nation that party success was best assured through the creation of a multiplicity of offices to which liberal compensation was attached that profitable employment might be given to those who

made politics a profession and performed political work. Those were days when spoil was the most powerful incentive to political effort.

Under all these circumstances it could hardly have been otherwise than that a constitution should have been framed that did not reflect the most advanced ideas, or recognize the principles of the most rigid economy. It was natural, too, that laws early enacted thereunder should have been of the same character. A superfluity of offices was created, and salaries and fees were in accord with the extravagant ideas then prevalent. Governments in California, state, county, and municipal, are among the most expensive in the nation. At the outset they were more so than at the present time, as to some extent salaries have been reduced and expenses otherwise curtailed. There is still ample room for improvement. Our courts are excessively expensive from the large number of clerks, bailiffs and hangers-on employed, and paid out of the public treasury. The practice, as administered is productive of delays as well as of needless expense. Our County Boards of Supervisors are clothed with extraordinary powers, and they have not been exercised as a rule in the interest of the greatest economy. The Supreme Court has recently made a decision which circumscribes their power to expend money. As the courts do not make laws, they can only limit expenditures by applying the rule of strict construction. The chief remedies must be sought from the law-making power.

We have county and municipal assessors, and consequently duplicate assessments, which impose an unnecessary and large expense. In other states, one assessment answers for all purposes. It is true that the Legislature, during the last session passed an Act which permits City Councils to adopt the county assessments as a basis of municipal taxation. The law is not imperative, as it should be, for wherever a ring is in control or the

idea prevails that the more officers there are the better it is for party, Councils will disregard the option and retain the city assessors. We have county and city tax collectors, which are unnecessary officers. In many of the states county treasurers collect all the taxes, and pay over to the state, municipal, school and other treasurers the sums belonging to them respectively. To abolish these offices and impose their duties upon the county treasurers will save a large expense. Beyond this it is a great convenience to the people to have one place where all taxes are paid and a clean receipt given. To point out all the cases where the pruning knife should be applied and expenses lopped off would make an article too long to suit the taste of most magazine readers.

The Constitution of 1879 was intended to be an improvement on its predecessor, and it undoubtedly is in some respects. In one feature, experience has demonstrated that it works an injury to a class it was intended to benefit, and that is the provision which requires a lender of money to pay the tax upon land on which he takes a mortgage. If the conventional rate of interest were sufficiently limited, it might be otherwise. But as it is unlimited, the lender is sure to exact a rate high enough to cover the taxes, and generally a little more. The result is the borrower pays more interest than he would in the absence of any such constitutional provision. Moreover it complicates the assessment of lands and the collection of taxes. Those who fathered the provision ought to be satisfied that it should be expunged from the Constitution. To reduce expenses is not the only work to be done. Simplification and adjustment of the laws so as to create a harmonious system easily operative is necessary to facilitate the public business and reduce the cost of government.

Every people, when they have become accustomed to them, are apt to regard their system and methods of

government as the best, or at least with toleration, and hence there is an indisposition to make changes or to inquire whether improvements are necessary. It is true that change may not be reform, but it is also true that methods in California are not as simple and practical as are those in some of the states. It is not unnatural that it should be so, because they have had the advantages of longer existence and greater experience, and have not been environed by those tremendous and absorbing enterprises and efforts to develop the country, which have existed in this state. The time has come when there should be earnest and intelligent inquiry into conditions with a view to discovering where changes will be beneficial, and when discovered to see that they are promptly made.

It is quite different now from what it has been. Formerly there were better opportunities for acquiring large wealth by the few, in railway building, in mining, agriculture, in the appreciation of land values and in speculation. Lands have been cheap, and capital in the past could be more profitably invested than at the present time. The great ranches to an extent have been subdivided and sold to small farmers. Wealth *per capita* is less because population has increased through the immigration of mechanics and those who gain livelihoods from labor on the farms. When the bulk of taxes was paid by those whose incomes were large there was not a marked disposition to enforce economy. Taxation more seriously affects the farmers and mechanics, as their incomes are comparatively small. These changes of circumstances have produced a revolution in public sentiment, and it is increasing in its hostility to unnecessary public expenditures. It is best for the country that it should be so. The political party that is blind to or ignores the tendency of the times is destined to be engulfed in the maelstrom of popular disapproval. The two great political parties of this state

in 1890 comprehended this, and sought to satisfy public sentiment by passing resolutions limiting the rate of taxation for state purposes. The Republicans said it should not exceed fifty cents on the hundred dollars, and the Democrats reduced it to forty-five cents. The principle is wrong, but the motive may have been good. Resolutions have no binding effect, and though faith may apparently be kept, yet actually it may be broken through an arbitrary increase of valuations by the Board of Equalization. There can be no cast-iron rule applicable to all circumstances. Fifty or twenty-five cents on the hundred dollars may be too much or too little. All and no more than is necessary should be appropriated. If they receive an equivalent in benefits the people are willing to pay any necessary rate of taxation. The only safe and just rule is to elect men to office who will keep expenses as low as possible, whatever may be the circumstances. Then it will be unnecessary to throw around them the restraining influence of resolutions adopted by party conventions.

Of our legislatures it has become a trite saying that the last is the worst. It is, probably, unjust to thus characterize all of them. Such opinions, however, prove that the people have little confidence in our solons, and also that there is general dereliction of duty, if nothing worse. Reputation has been bad so long that misconduct is practically tolerated in so far that effective measures are not adopted to guard against it in future. There has been plenty of rotation in electing legislators without improvement, in fact—or, at least so far as public opinion goes, whether there shall be a change for the better is a matter that rests entirely with the people. They are all-powerful, and unless they can be aroused to healthful and effective action there never will be reform. So long as the people are apathetic, incompetency, indifference and boodlesism will rule. To elect Senators is not the chief object for which legisla-

tors are chosen, nor is it their mission to promote class interests, or to engage in jobs. Their duty is to make a study of the situation, to revise and improve at all points, and do their utmost to promote economy and effectiveness in government. It is not enough to merely elect new men, but the utmost care must be taken to secure those who are honest, capable and faithful. The official who is delinquent in the discharge of duty, and the rascal, must be visited with condign punishment—the former as a political, and the latter as a social, outcast. A proper bestowal of rewards and the infliction of deserved punishment will have a most salutary effect. We have had many good legislators, but the trouble has been that there has not been enough of them.

An obstacle to a more rapid approach to perfection in our institutions and laws is the proneness to allow political considerations to subordinate the public interests. Governors and legislators look too much after party or personal success to admit of that careful and comprehensive consideration of measures which is dictated by a paramount desire to promote the public welfare. The best party strategy is to give the people the best government. No public officer should be influenced by selfish considerations beyond the desire to deserve the good opinion and gratitude of the people by a wise and faithful discharge of duties.

Government is a progressive science, and the people, as well as legislators and officials, should ever hold the improving hand in readiness to be applied whenever or wherever defects are discovered. As the first settlers of a country are not apt to do their work with system and thoroughness, so the pioneers in instituting a government do not, as a rule, make the best constitution and laws. They should be changed to meet the exigencies of changed conditions. Experience is the greatest of schools. We have before us the results of experiments

that have been made by all the states of the nation. Experiments have been so numerous that there is little danger of mistake if there is proper research, and changes are thoughtfully made. Errors in legislation may be in doing too much as well as not enough, while wisdom may be gained from the study of the institutions and laws of other states. Conditions are varied and changes should be made adaptable to our own. Defects in legislation are not the only evils. Details in administration demand faithful, intelligent and patriotic attention. There are extravagances and blunders to be guarded against in every branch of the public service. If the highest officials set the proper example, delinquency in subordinate places will be less likely to occur.

The true principles of popular government have become well defined and established after a century of experiment. They are no longer a subject of contention. The questions before us are material and social. A state has little to do with foreign commerce and relations. Its authority is mainly confined to its own internal affairs. The social feature involves questions of intellectual and moral development, as well as material; protection against crime and wrong, and fostering educational and charitable institutions. It is incumbent on the state to so regulate the relations of labor and capital that each shall receive its just rewards. These questions will not be wisely dealt with if partizan success is the controlling motive, nor if any considerable percentage of the citizens are neglectful in the discharge of their public duties. The best solution of all political, material and social problems will be wrought when the aggregate judgment of the whole is brought to bear upon them. If politics are left to rings and bosses, the wisest results cannot be expected. Since California became a state there have been before the country national questions of the gravest character. Happily many of them have been permanently settled.

National issues of importance, however, will always exist, and there is a tendency on the part of the people to permit them to overshadow those which are local to the state. Our political duties are dual to the nation and state. Neither should be disregarded. State government is closer to us than the national. It has most to do with business and social affairs, and it im-

poses the heaviest burden in the way of taxation. In natural resources, in the intelligence and energy of her people, California is equal to the greatest states, and in population and wealth she is destined ere long to rival the foremost. It should be the ambition of every class of our people to make her the peer of the best in the excellence of her government.





CHAPTER VI.

OUR COMMERCIAL GROWTH AND THE TARIFF.

FROM A REPUBLICAN STANDPOINT.

PRODUCTIONS in this country are of wide range and abundant, through favorable climatic conditions, exceeding fertility of soil, and the energy and intelligence of the people. The United States is the greatest producing nation in the world, especially of articles of food, and of materials which enter into manufactures. Americans consume more per capita than any other people, yet we produce surpluses of nearly all the necessities of life and of many luxuries. If her bleak and Asiatic possessions are taken into account, Russia alone is larger in contiguous territory; but in number of enlightened population the United States leads every other nation. The same is true as to seacoasts and number of capacious harbors. In domestic commerce we stand first, but in international trade we are third, Great Britain being first and Germany second. Our natural advantages entitle us to leadership in foreign as well as in internal trade.

The foreign commerce of Great

Britain, through duplication of accounts, is undoubtedly considerably exaggerated. Aside from iron and tin ores, the British Isles are not great producers of raw materials for manufacturing. They are largely procured from their dependencies and other countries, and when wrought into forms for consumption, are exported. This is especially the case as to cotton, wool, hides, jute, and many other raw materials. Great Britain also imports tea, coffee, spices, breadstuffs and provisions for exportation. They are taken up on the import side of accounts, in the one case, and entered on the export side, in the other. The same is true in Germany, only to a less extent.

There is very little exported from this country that is not wholly produced here. If duplication were eliminated from British and German accounts, our position in international trade would be relatively higher and possibly highest; but our foreign trade is far less than it ought to be, or would be, if proper efforts were made

to develop it. To find markets for their surplus products, is of the highest importance to any people, and especially to us, since we have passed the colonizing period, and have gained a position in which we are able to produce almost without limit. Our industries have already reached immense proportion, and are destined to the greatest development in the future, if proper efforts are made. On the whole, our productions are not likely to be reduced but increased, and there will be greater necessity for larger markets.

Ever since the Phœnicians gained great wealth from commerce, the magnitude of foreign trade has been deemed a measure of a nation's material prosperity; whether such traffic is beneficial or not, depends upon its character. A nation which imports more for consumption than it exports cannot prosper any more than the individual who consumes more than he produces. Great Britain rapidly gained wealth for two hundred and fifty years, for the reason, mainly, that generally she was able to secure balances of trade in her favor. As commonly understood, a balance of trade is the difference arising from an exchange of commodities which is met with cash. An individual who buys what he should produce, grows poorer; and so it is with the people. Nations, like individuals, are at times obliged to purchase more than they sell. The farmer must do this while he is erecting necessary buildings and preparing his new farm for cultivation; and this country was similarly situated in its young and colonizing days. That necessity no longer exists, for the preparatory period has passed away. In the early days, there were statesmen who forecasted the future and urged policies that would avoid depletion through adverse balances of trade. The policy pursued from Washington to Polk was measurably successful in preventing diminution of our money resources. There were adverse balances of trade,

which resulted in no grievous harm, because virgin wealth was so great; but commendable efforts were put forth to build up manufacturing to supply home wants, and a merchant marine capable of doing our own transportation on the high seas.

In 1846, a new policy was inaugurated which checked industrial growth, and the War of the Rebellion swept our shipping from the sea. For thirty years from and after 1846, balances of trade were uniformly against us, and the country would have been greatly distressed for money, had it not been for the phenomenal production of gold in California. For fifteen years, which was a period of peace, there was a continual outflow of gold from this country, caused in large part by depression of manufacturing industries, through the influence of the Tariff Act of that year; and from 1861 to 1865, balances resulted from the necessity to purchase war materials in Europe. In 1862, the policy which was advocated by Washington, and all the Presidents down to Polk, was restored, but time was required to put our industries on a footing that would enable them to produce sufficient to supply domestic demands. Conditions were extraordinary, as a large labor force was employed in war, and consumption was unusual, for war is destruction. For years after the conflict closed, the energies of the people were devoted to colonizing and developing new regions, to building railroads, and making other internal improvements. Ten years after the war were required to place ourselves in a condition to overcome adverse balances, and turn the tide in our favor. This result would not have been achieved so soon, but for the remarkable increase of agricultural productions and exceptional demand for them in Europe. Had the principle of the tariff of 1846 been restored at the close of the war, and continuously adhered to, there would not now be large and diversified manufacturing industries in this country; and however immense our



agricultural productions, there could scarcely have been any foreign demand for them which would have paid for imported manufactures. The protective principle having been preserved, our industries have thrived. For the first time in thirty years, at the end of the fiscal year of 1877, a handsome balance appeared in our favor, and the tide has flowed our way ever since, except in 1888, and 1889; but from June 30, 1876, to June 30, 1892, the net aggregate of balances in our favor was \$1,762,000,000. Our gold resources have been increased \$500,000,000; some of our securities held abroad have been paid off, and others have been purchased, and brought home; so that interest on them is paid here, instead of to holders on the other side of the Atlantic. After years of suspension of specie payment, the Government has been able to enter upon and maintain a gold paying basis, and to make treasury and national bank notes circulable everywhere at par with gold. Our policy has had the effect, also, to place foreign countries in financial straits. The Bank of England, a little more than a year ago, was obliged to obtain \$70,000,000 in gold from this country and for which a premium was paid. There is to-day a gold stringency in several of the leading nations of Europe, and if favorable balances of trade continue, the result will be to compel monometalist nations of Europe to resort to some international standard of value additional to that of gold. Silver's hope rests upon the maintenance of the protective principle in tariff legislation. It contributes materially to an increase of our domestic circulating medium, which is so much needed, and by a kind of money which all nations regard as the best. Results so beneficial have been achieved without the aid of an adequate merchant marine; in fact we have been so dependent on foreigners and rivals for transportation, that in the last fiscal year six-sevenths of our foreign

commerce were carried in foreign bottoms.

There has been in this country over-production of cotton, breadstuffs and provisions, but under-production in some lines of manufacture. For fifteen years anterior to the enactment of the McKinley law, we annually imported, on the average, merchandise to the value of \$300,000,000 or \$400,000,000 consisting chiefly of manufactures which we should have produced for ourselves. Nearly three-fourths of our exports are products of agriculture, and if mineral illuminating oils are included, they constitute a larger percentage. We import more manufactures than we export, which shows that we do not on the whole manufacture sufficient to supply domestic consumption. It is therefore wise that we should develop those industries in which we are deficient, to supply home wants to the utmost practicable extent. This will lessen importation and consequently enlarge balances of trade in our favor. The time has come when this policy also should be pursued with a view to larger exportation of manufactures. We have relied too much on exporting products of agriculture. Indeed, our people have not displayed their wonted energy in building up export trade. Because we produce some things that other countries do not or cannot, they have been quite content to let others come to us. The most effective work could not have been done in developing export trade, for the want of transportation of our own. A fallacious idea has prevailed as to the best markets for our surplus agricultural products. Because Great Britain has hitherto been the largest buyer of our food articles and raw materials, there are those who believe our best interest lies in promoting trade with that country; but she need not come to us for articles of food or for raw materials, except cotton. The United Kingdom and Ireland produce wheat enough to supply their people to the extent of 2½ bushels

to the person. Per capita consumption in the United States, where nearly all the population daily eat wheat bread, is but 5 bushels, while in those countries it is a rarity to more than a moiety of the people. India and Australia export from 45,000,000 to 60,000,000 bushels of wheat per annum, and they are dependencies of Great Britain. British America exports wheat, and there are such railway and steamship facilities that the mother country can obtain it there at less cost than from us. The Argentine Republic exports 12,000,000 bushels, which are taken largely in exchange for British manufactures. Austria-Hungary, France, Italy and Spain are exporters of wheat, and Russia, on the average, exports 25,000,000 bushels more than we do. Ordinarily, Germany raises breadstuffs enough for her own people. Europe, on the average, produces 1,250,000,000 bushels of wheat, which is sufficient for the people of that continent. It is not to any great extent that Great Britain buys of us to feed her own people, but she does purchase largely to supply countries to which we should export directly. She is a dealer, and finding out what all countries want, she arranges to supply them. She can do this, because she has the means of transportation, her tonnage being equal to that of all other nations combined. European people must have our cotton, because nothing yet produced in the world can take its place. If we manufacture it, all other nations would be compelled to accept it in fabric, as they now do in the bale. What a vast field for employment would be opened to our people, and what immense wealth would come to the country, if all our cotton were manufactured at home and then sold abroad!

The best trade is that between nations whose productions are different. It would not be sensible for one farmer to seek to sell to another whose products are the same as his own.

There is not much of importance produced in Europe, which we do not or cannot produce, and therefore the people over there need not buy of us, barring cotton, nor we of them, to any great extent, except there is an unusual condition, such as poor crops or a state of war. There is an adverse balance of trade with France because we buy her wines and silks; with Germany, because we buy her sugar; and with Italy, because we import her fruits—all of which we are able to produce for ourselves. These are only some of the commodities imported from those countries, and with which we should supply ourselves. If our industries, manufacturing and agricultural, were properly diversified and enlarged, there would be little that we should need of European product. We have been expending, annually, \$15,000,000 for oranges, lemons, raisins, olives, figs, preserved fruits and nuts, which California alone can produce in sufficient quantities to supply the whole country. The protection afforded by the McKinley law will shortly enable us to avoid this outlay, and cause the fifteen million dollars to be paid to Californians and Floridians, instead of foreigners.

Generally, in trade with Great Britain, there is a large balance of trade in our favor; in 1891, it amounted to \$250,000,000, yet in that year we shipped her \$60,000,000 in gold which were used to square our trade accounts with other countries. We send more gold there than to all other nations, because trade balances of the world are paid in London. Through English banks we pay balances to Germany, France and other European States, and also to Brazil, Cuba, the East and West Indies, Mexico, the northern States of South America, Central America, China, Japan and many other countries. The gold of the world concentrates in London, and is there distributed, because Great Britain through her ubiquitous merchant marine has control of the channels of commerce. The gold standard

of value originated in that country, and it will be maintained so long as she remains the commercial clearing house of the world.

Adverse balances of trade do not arise in Europe as a whole, but in countries elsewhere. In 1891, we bought of Brazil (I use round numbers) \$83,000,000, and sold her \$14,000,000; of Cuba \$64,000,000, and sold her \$12,000,000; of Mexico \$41,000,000 and sold her \$14,000,000; of the Central American States \$9,500,000, and sold them \$6,000,000; of the Hawaiian Islands \$14,000,000, and sold them \$5,000,000. The balance against us in China was \$10,500,000 and in Japan \$14,000,000. Outside of Europe the aggregate of balances against us was about \$200,000,000. In 1892, the aggregate was considerably less, because, through reciprocity in large part, our exports were increased \$145,000,000. Brazil, Cuba, Mexico, Central America, China, Japan, the East and West Indies, Hawaiian and Phillipine Islands, Oceanica, and the northern States of South America produce many things that we cannot, and which we consume; and we produce much that they cannot. None of them raise largely of breadstuffs and provisions, nor do they manufacture except in a comparatively small way and to supply a few wants. Conditions in those countries forbid, or are unfavorable to manufacturing on an extensive scale. Trade with them consists almost wholly of an exchange of commodities. It is in enlargement of direct trade with them that all danger of adverse balances will be removed. Considering these facts, one cannot be otherwise than impressed with the importance of making vigorous efforts to manufacture in larger quantity and in greater variety, in order to be able to supply those countries.

It was but natural that in the past the greatest efforts should have been made to find markets abroad for the products of agriculture, because the country had little else to sell. The

farmers did not for a long time seem to understand that domestic markets are better for them than foreign, or that it is best for both that producer and consumer should live near each other in order to save the cost of transportation. A thousand artisans or laborers in this country will consume more than the same number in Europe, because they receive more wages and can afford to live better. Therefore, producers of breadstuffs, provisions, fruits and vegetables, and raw materials should favor the policy that will increase the number of consumers at home and transfer the surplus labor from the field to the shop and mill. If this policy is pursued, the day is not distant when the country will not be over-burdened with agricultural products. Consumption is rapidly approaching equality with production. When it has reached that point, it will be important that we should be able to pay for the necessities of life, which must be procured in other lands, with manufactures. Because there were large surpluses of farm products, the McKinley law was framed and adopted by the Republican party so as to give better protection to agriculture than any previous tariff measure. While nearly three-fourths of our exports are agricultural products, nearly one-half in value is cotton. All our surpluses of food articles, which will stand transportation for a considerable distance, can be disposed of to countries south and west to better advantage than to other parts of the world. Reciprocity is based upon the idea of developing such a trade. In many lines our ability to produce raw materials is practically limitless, and agriculturists will find it immensely to their interest to produce sugar, wool, hides and fruits, which we now largely import.

The legislation of the fifty-first Congress is admirably adapted to the growth of industry and commerce without the imposition of unnecessary burdens upon the people. The Tariff

Act places in the non-dutiable schedules all necessities of life impracticable of production at home. High duties are put upon luxuries, because they are mainly consumed by those who are able to bear the expense. Upon such commodities as we can reasonably produce, the duties are just high enough to make up the difference in the cost of production in this and foreign countries, which difference is chiefly, if not wholly, one of wages. Such duties simply equalize conditions and render monopoly in production impossible either at home or abroad. The only departure from this principle is in imposing higher duties to protect new and infantile industries until they are able to compete with foreign producers. Benefits are bestowed upon agriculturists and manufacturers with impartiality. If, as General Hancock said, the tariff is a local question, California is more interested in it than almost any part of the nation. There are numerous industries which are benefited by protection; and in looking through the McKinley law, one cannot avoid being impressed with the idea that the Republican Congress which enacted it legislated liberally with reference to the interest of California, the empire Pacific State. This will appear more clearly and forcibly by contrasting the law with the Act of 1883 and the Mills bill. The duties are raised on wool, brandy, sparkling wines, grapes, raisins, figs, nuts, and generally on green and preserved fruits; particularly is this true in contrast with the Mills bill. There is hardly a California industry that is not protected. The spirit of the law is to assure compensatory wages to the laborer, and to capital reasonable remuneration.

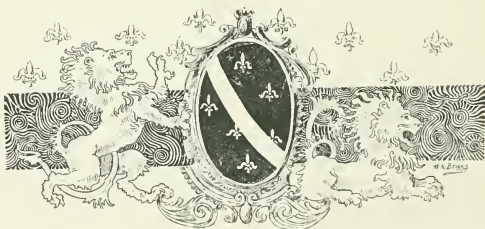
The legislation of that Congress would have been incomplete if the Tariff Act had not been supplemented by one that encourages the creation of an American merchant marine. The benefits of industrial legislation would not be realized in full measure, unless

something were done to give impetus to commercial development. It is not far from the exact truth to say, that we are paying to foreign ship-owners \$100,000,000 per annum for transportation of our passengers and freight upon the high seas. It is an outlay that should be avoided; a depletion that should not be endured. No nation can succeed in competitive traffic which must depend upon rivals for the means of transportation. Ships are handmaids to foreign commerce. The carrying trade upon the seas is controlled by European nations. To them the cost of transportation is less than to Americans, because the wages of their seamen are less; and added to this is the fact that the principal maritime powers afford pecuniary aid to their steamship lines engaged in trade between the great distributing centers of the world. Great Britain does this through postal estimates, France by tonnage bounties, and Germany, Italy and Spain, by direct subsidies. These are the conditions under which our people must compete for a status in the carrying trade upon the seas. It has been proposed to admit foreign built ships to an American registry. Such a measure would be but slightly beneficial, as the difference in the cost of construction is now but eight per cent, according to the statement of Senator Gorman of Maryland recently made in the Senate; and it would be unwise, because to purchase foreign ships, instead of building them at home, would give employment to foreign instead of American mechanics, involving the payment of money to other people when it should be expended at home. We now have yards, established under difficulty and great expense, which are capable of turning out the best quality of ships, and we are able to produce ship-building materials in the greatest abundance. The fifty-first Congress authorized the Postmaster-General to contract for carrying the mail for a series of years, and to pay liberally for the service, in order to induce Amer-

icans to put competitive lines upon the ocean ; and one of the conditions is, that the Government may take the ships for naval uses, in case of war. It is a measure which is necessary, because other nations grant pecuniary assistance to their steamship lines. If the law is permitted to stand, and is faithfully executed, it will tend strongly to the creation of a merchant marine worthy a nation of our greatness and power. Its value can hardly be overestimated. All the ship-owners and officers will be interested solicitors

of trade for their countrymen. Our exportations will be direct and we cannot be embarrassed by rivals.

The policy thus inaugurated, if adhered to, will give larger employment to our people, strengthen our finances, assure an honorable and influential position in the world's commerce, a power in diplomacy, and a position in the politics of nations, to which we are entitled from our unequalled wealth, from the intelligence of the people and the freedom of our institutions.





CHAPTER VII.

OUR COMMERCIAL GROWTH AND THE TARIFF.* †

FROM A DEMOCRATIC STANDPOINT.

THE Editor of THE CALIFORNIAN ILLUSTRATED MAGAZINE has requested me to give an abstract of my views relative to the very interesting article by Mr. R. H. McDonald Jr., entitled: "Commercial Growth the result of a Republican Tariff"

Mr. McDonald says much which cannot be successfully disputed, and which, I conceive, points to a conclusion differing radically from that which he has reached. I quote: "Ever since the Phœnicians gained great wealth from commerce, the magnitude of foreign trade has been deemed the measure of a nation's material prosperity." Again, "Results so beneficial have been achieved without the aid of an adequate merchant marine. In fact, we have been so dependent upon foreigners and rivals for transportation, that in the last fiscal year six-sevenths of our foreign commerce were carried in foreign bottoms." Again: "We have relied

too much on exporting products of agriculture. Indeed, our people have not displayed their wonted energy in building up export trade. Because we produce some things that other countries do not or cannot, they have been quite content to let others come to us. The most effective work could not have been done for the want of transportation." The summary given of our trade balances with Brazil, Cuba, Mexico, the Central American States, the Hawaiian Islands, China and Japan, is not encouraging, and does not indicate "commercial growth." I will endeavor to follow Mr. McDonald's argument, and ascertain whether he is justified in sounding the praises of the McKinley bill, and other kindred Republican fiscal legislation. He states: "The policy pursued from Washington to Polk was measurably successful in preventing diminution of our money resources." Also: "In 1846, a new policy was inaugurated which checked industrial growth, and the War of the Rebellion swept our shipping from the sea. * * *

In 1862, the policy which was advo-

*In the preparation of this article, I have freely consulted Mr. Moffet's very able tariff articles, also the valuable statistical information lately published in the "Examiner," and several publications of Hon. David A. Wells.

† Reply by U. S. Senator Stephen M. White.

cated by Washington and all the other Presidents down to Polk, was restored."

Much has been written during this campaign with reference to the policy alleged to have been advocated by Washington and other Presidents. Every student knows, or ought to know, that no such tariff as the present was thought of in our earlier history. No one then dreamed that in hours of tranquillity the power of the Federal Government would be deliberately used to make rich men richer and poor men poorer. Republican leaders direct our attention to the preamble of the Tariff Act of 1789; viz: "Whereas, it is necessary for the support of this Government, for the discharge of the debts of the United States and the encouragement and protection of manufactures, that duties be laid, etc." This preamble must be interpreted by the Act which accompanied it. The duties there prescribed ranged from 5 to 15 per cent. It is therefore patent that it was the idea of "the fathers" that manufacturers might receive such protection as incidentally followed a tariff for revenue only. The Democracy proposes no such moderate tariff as that to which Washington gave his indorsement. The schedule there approved would now be called rank free trade. The tariff of 1790 averaged 11 per cent; that of 1791, 13½ per cent. In 1809, the severest duty was 24¾ per cent. An investigation of all of our revenue acts will prove that it was not until the year 1816, immediately after the close of the war of 1812, that a substantial effort was made in the protection line; and yet the enactments there adopted, with possibly one or two exceptions, were less protective than the Mills Bill. Formerly, whenever protection was spoken of reference was had to real "infant industries." The bogus infantile creations of protective Republicanism had not been developed. But the policy of President Washington, mild as it was, did not meet the unqualified acquiescence of the statesmen of his time. Mr. Jefferson with-

drew from the Cabinet, in 1793, upon the distinct ground that he would not be held even indirectly responsible for the doctrine of Alexander Hamilton, as announced in that statesman's report on manufactures. But even Hamilton did not believe in never-ending protection. His idea, as expressed in his report, was that while the payment of bounties for the encouragement of new industrial undertakings was advisable, their "continuance on manufactures long established was most questionable." When this Republic was younger, and it was impossible to know, and not very easy to surmise the best policy to be adopted, especially upon tariff subjects, views were sometimes expressed the inaccurate character of which experience has made apparent.

I challenge the correctness of Mr. McDonald's statement that the policy inaugurated in 1846 checked industrial growth, or had any other effect than to promote national progress. In the ten years which elapsed between 1850 and 1860, our national wealth doubled. It has required thirty years of Republican rule to reach a similar result. In 1850, the per capita estimate of wealth was \$261; in 1860, \$384; while at the end of thirty years from 1850, there was an advance of only \$3.00—\$387. During the ten-year period above mentioned, the appreciation in farms was 10½ per cent. During the succeeding twenty years it was but 2½ per cent. But possibly Mr. McDonald refers specially to manufactures, in his attack upon the Democratic tariff. If so, the facts do not bear him out. In 1850, the capital employed in manufactures was \$533,000,000 (round figures). In 1860, the amount had increased to \$1,009,000,000. Thus it will be observed that the capital invested in manufactures during that low-tariff decade almost doubled; and the same may be said regarding the wages paid and the number of employes engaged. In the succeeding twenty years of high tariff the capital in manufactures

but little more than doubled; while the commerce of our country, which, as Mr. McDonald says, since the days of the Phœnicians "has been deemed the measure of a nation's material prosperity," really prospered from 1850 to 1860, and has been, as he admits, in a sadly depressed state ever since. It is true that in 1857 there was a financial panic, but this was due to causes disconnected with tariff legislation. That very year Charles Sumner, Hamilton Fish and Henry Wilson voted for a reduced tariff. In the decade of 1850-1860 our exports increased 135 per cent. In the thirty succeeding years, or to 1890, the increase has been only 167 per cent. From 1850 to 1860 the amount exported much more than doubled, and this achievement was not repeated until 1879. The tonnage of United States vessels, in 1850, was 3,535,454; in 1860, 5,353,868. Tonnage in foreign trade, in 1850, 1,439,694; in 1860, 2,379,396. In 1890, the tonnage of United States vessels had fallen to 4,424,496, and the foreign trade tonnage to 928,062. This certainly is an appalling condition of affairs from a business standpoint.

Our Republican friends blame the war for these consequences. But the war is over. It was concluded many years ago. Prominent business men of the present day were born after the scene at Appomattox. There never was a country better situated to recuperate from the effects of a conflict than the United States; and yet we find, as Mr. McDonald very truly tells us, that now "six-sevenths of our foreign commerce are carried in foreign bottoms." We are promised that the McKinley bill will cure all this, but the evil exists, and it exists not only in spite of Republican legislation, but because of it. The Republican party was in power when the Rebellion terminated, and with the exception of Mr. Cleveland's incumbency it has held the government ever since. Why has it not done something for com-

merce for Lo! these many years? There is nothing backward or bashful about the ordinary McKinleyite. He is prepared to claim everything. The United States has progressed in defiance of Republican legislation. The corner-stone of the edifice may be placed upon the oak's expanding roots, the tree will grow, and will even shatter the unnatural superstructure; but the imposition of the burden will not facilitate healthy development. The forces of nature will in time prevail, without, however, accomplishing perfect or natural results. No one will deny that our country is beneficially located. Great rivers, grand lakes, numerous and splendid harbors, rich soil, minerals of all kinds in abundance; in short, all things suggestive of commercial greatness are ours. There is no inaptitude upon the part of our people. It is the fault of the Republican party that "they have not displayed their wonted energy in building up export trade." It has been possible for other countries to outstrip us and levy tribute upon us, to capture our carrying trade, simply because of pernicious legislation. Just before each session of Congress a number of wealthy Republican manufacturers meet and arrange for a new infant industry, whose continuous growth will bring about individual aggrandizement as the result of general taxation. These infants are to remain forever unweaned. They are not destined for death or even maturity. Take the condition of affairs in San Francisco. There are at this time in her bay and at Port Costa a number of vessels preparing to remove our grain crop. It is estimated that the fleet of 1891-2 will carry nearly \$22,000,000 worth of wheat, and about \$1,700,000,000 worth of flour; the total aggregating a freight capacity of over 438,000 tons, of the value of about \$23,500,000. The cost of transporting this crop will be about \$5,226,000, or nearly 25 per cent. of the total worth. The bulk of this transportation money goes into the pockets of

Englishmen, whose tariff system our Republican friends are daily criticising, but whose ability to earn money by means of that tariff system is recognized the world over. Mr. McDonald refers to the immense productive capacity of our country, and to the difficulty which England experiences in conducting her affairs, because the bulk of her exports consist of manufactures made to a large extent from imported articles. That we have immense natural advantages no one can dispute. But it is novel to claim that our prolific crops are the result of the McKinley bill. Our adversaries will maintain that favorable seasons (good winters, as we call them), are produced by Republican legislation, and that a drouth is sure to result from fear of Democratic supremacy.

Our tariff legislation is behind the age. The Protectionist insists that Democracy is seeking to bring the country down to the level of England; that we are imitators of the British free-traders, etc. In the first place, free trade is not advocated by the Democratic party. A tariff for revenue only, and that means a very large collection, is the insistence of Grover Cleveland. England, which is usually called a free trade country, raises one-fourth of her revenue from her custom houses. The actual receipts from taxes for the year ending March 31st, 1891, were \$367,890,000, of which \$97,400,000 were derived from customs duties, excise or internal revenue yielding \$123,940,000. The United States, on the other hand, throws the burden of taxation upon imports as follows: Customs receipts, fiscal year 1891, \$219,522,205; internal revenue, \$145,686,250. For many years prior to 1842 the fiscal system of Great Britain was rigidly protective. The number of articles on the tariff list as late as 1840 exceeded 1,500, of which more than 400 were the raw materials of British manufactures. There were likewise export duties and prohibition of exports. Smuggling penalties were high, and there was no mercy dis-

played in enforcing the revenue laws. England then had a system of navigation laws upon which our present suicidal scheme was modeled. What was the issue? From 1815, when all the great wars in which she had been engaged were over, when she had as much influence over the affairs of the world as she has ever enjoyed, England proceeded under a protective tariff policy until 1842, and during the twenty-seven intervening years of comparative peace, her business affairs experienced such stagnation that bankruptcy was threatened. In 1815, her exports of manufactures and produce were £51,610,480; and in 1841 the increase was scarcely worth taking into account, the amount being £24,143 (\$120,715). According to Mr. Noble, whose work upon English fiscal legislation is recognized authority, the effect of this condition of affairs, the legitimate result of the policy now imitated by the Republican party, was to close mills and workshops, depreciate property values, paralyze shipping and drive starving laborers to the poorhouse. In 1841, Sir Robert Peel took the first step toward reducing import duties, and by the Act of 1842 there was an abatement of the imposition upon seven hundred and fifty articles. The result was at once apparent. A deficiency in the national revenue of \$12,105,000 in 1841 was converted into a surplus of \$17,045,000 in 1845. The duties on wool, particularly, which had been maintained for more than two hundred years, were wholly repealed in 1844, and in 1845 more than four hundred articles, mostly raw materials, were added to the free list. British navigation laws of a restrictive character were abrogated in 1849, with the exception of several relating entirely to the coasting trade, and these were eliminated from the statute book in 1854. Mr. Disraeli bitterly opposed the repeal of the navigation laws, and declared with the high protectionists who had preceded him, and who prognosticated innumerable evils as the result of the acts of

the Peel Cabinet, that the nation was in danger. There was great opposition to any reduction of import duties. But the protest did not come from the poorer or middle classes, or from the body of the people. Mr. Justin McCarthy, the present leader of the Irish Home Rule Party, in his well-known work, "History of our own Times," says: "The corn laws, as all the world now admits, were a cruel burden on the poor and the working classes of England. They who were the uncompromising opponents of free trade at that time are proud to be its uncompromising zealots now. Indeed, there is no more chance for a reaction against free trade than there is against the rule of three." Says Mr. Gladstone: "When the free trade reform began, trade increased to a degree unexampled in the history of the world. Periods of distress have been due to special causes which were beyond human agency to deal with. Such times of hardship have become almost, if not absolutely, unknown, owing to the blessed effects of free trade. The country has made a great step forward and will not go back."

The expression "free trade" is used by these statesmen in a relative sense, since England has never ceased to collect a large custom revenue. Charles Sumner, the great Republican leader, wrote to Cobden congratulating him upon his fiscal victories. He said: "I am happy in your true success. You are the great volunteer with something in your hand better than a musket. This commercial treaty seems like a harbinger of glad tidings. Let that go into full operation and the war system must be discontinued." Does anyone believe that Charles Sumner, holding these views, would have supported the McKinley bill? He favored a war tariff in war; he would not have favored a war tariff in peace. Mr. Garfield did not hesitate to publicly declare that he favored that sort of a tariff which would ultimately lead to free trade. But what was the consequence of the repeal of the McKin-

ley legislation of Great Britain? The effect was not only remarkable and favorable, but almost instantaneous. The aggregate exports and imports of Great Britain which were £123,312,000 in 1840 rose to £268,210,000 in 1854; £489,903,000 in 1865; £697,000,000 in 1880; and £748,000,000 (\$3,744,715,000) in 1890. This must be admitted to be a pretty good showing. The population of the United Kingdom, on April 5th, 1891, was 37,888,153. The total area in square miles is 121,481, more than 36,000 square miles less than the State of California. And with this population Great Britain has a commerce equal to that of Austria, France, Germany and Italy combined, although the aggregate population of those countries is about 160,000,000. Prior to the removal of the restrictions on her commerce in 1842 the merchant marine tonnage of England had been long almost stationary. While it did not present, perhaps, such a woeful condition as that afforded by the United States, still no progress was observed. Between 1842 and 1849 there was a gain of nearly 450,000 tons. There was a rise from 3,485,000 tons in 1849 to 4,284,000 tons in 1854; 4,806,000 in 1861; 5,694,000 in 1871; 6,574,000 in 1880; and 7,759,000 in 1890. It is estimated that the total tonnage of the British merchant marine is now in excess of 10,000,000. Before the repeal of her ridiculous navigation laws from which ours have been practically copied, Great Britain was the proprietor of one-third of the shipping of the world. To-day she owns about two-thirds, and of the steam tonnage about 75 per cent. We are often referred to the extent of the deposits in our savings-banks; and Mr. McDonald alludes to our seemingly favorable balance of trade. He does not mention the trade balance in gold and silver for the last fifteen years.

It may be well in this connection to consider the relative condition of our savings-deposits. The natural advantages of the United States are, as we

all admit, remarkable and unrivaled. Hence, we ought to make an unequaled financial showing. The tax returns of England prove that the recipients of incomes of \$5,000 and upwards are decreasing, while the increase in the number of those whose incomes are small is far greater than the percentage increase of population. This, of course, means more equality in distribution. The tendency of the United States appears to be the other way. It has been shown that between 25,000 and 30,000 persons out of a population of more than 60,000 own half the wealth of this Republic. The gold to which Mr. McDonald refers must have been and must be flowing into the pockets of this exclusive class. In 1890, the deposits in our savings-banks were \$1,438,000,000, or in the ratio of \$22.82 per head. The deposits, in 1888, in the savings-banks and provident institutions of England, were estimated at \$1,075,000,000, or in the ratio of \$28.28 per head. One among the many effects of the repeal in 1842, of the English McKinley measure, is found in the fact that there was then one able-bodied pauper to every 38 of the population of England and Wales. In 1890, the ratio was one in 300. Hence, there has evidently been a marked decrease in pauperism in England and Scotland. But if we are to believe the Census return for 1890, pauperism has increased in the United States; and I have the authority of Hon. David A. Wells for the statement that "there is not a city or town in England in which the percentage of returned pauperism is as large as the City of Hartford in New England." It is somewhat remarkable that, in 1885 one person in every 4,100 of the population of the British Isles was a convict. In 1890, the proportion in Massachusetts was one to every 461; and we are told that in this country many of our criminals escape. While it is true that numbers of our laborers receive excellent wages, this is not because of protective legislation. They are paid whatever their

labor is worth in the market. Labor is not protected. The man who is running the so-called protected industry takes the benefits of legislation.

He pays his employé whatever the market rate may be. Indeed, if it were not for labor organizations, supplemented by the skill required in manufacturing institutions, those who constitute the actual bone and sinew of the land would indeed be poorly compensated. The fact is that the best-paid laborers in the United States are not in any way connected with protection, unless it be as tax contributors. But if the reward of toil has advanced in this country, it must be remembered that in England, since 1842, wages of all classes have gone forward 100 per cent; and some of our best statisticians claim that of recent years the advance has been more rapid there than in the United States. It might also be noted, as a circumstance tending to show general prosperity, that the amount of life insurance in Great Britain is greater than in any other country. It is no answer to all this to say: "Then if you are such an admirer of England, why do you not go there?" Ours is the greatest of nations, notwithstanding Congressional blunders. The foregoing figures are not the result of any admiration for Great Britain. I am merely stating facts. It is aggravating to a patriotic American to see his Government adopting a policy which must retard the country's growth. It is exasperating to find that a foreign land, possessing no natural advantages over us, and whose people are neither as skillful or persevering as those of the United States, can make such a favorable showing. When we reflect that England proper has a population of more than 540 to the square mile, and that our people number only 18 to the square mile; when we look about us and comprehend all that nature has done for us, and see how little we are doing for ourselves in economic matters; when we remember that with all our freedom and all our intelligence, we are

diverting vast wealth from the pockets of the masses into the coffers of selected millionaires, our sense of duty—our common sense—must bid us pause. That we are happier and better off than any other people is proof of our great endurance and our limitless resources.

Says Mr. McDonald: "The legislation of the fifty-first Congress is admirably adapted to the growth of industries and commerce. It does not impose unnecessary burdens on the people. * * * Upon such commodities as we can produce, the duties are only sufficiently high to make up the difference in the cost of production in this and foreign countries, which difference is mostly, if not wholly, one of wages." The McKinley bill, as I think I have shown, is admirably adapted to interfere with the growth of our commerce. The assertion that the tariff upon such commodities as we can reasonably produce is sufficiently high to make up the difference in the cost of production here and in foreign countries, which difference consists principally in wages, is a mistake. The Minneapolis platform announces this doctrine; but as there are many people who fail to practice what they preach, so the Republican party announces a rule in its platform which it has never carried out. Thus the duty on steel rails is fixed by the McKinley bill at \$13.44 per ton. Mr. Carroll D. Wright, U.S. Commissioner of Labor, reported to the Senate on August 13, 1890, (See Senate Miscellaneous Documents, No. 212,) that the entire labor cost in this country of the production of a ton of steel rails is \$11.59; so that if the British manufacturer gets all his labor for nothing, the McKinley bill gives Mr. Carnegie and his associates \$1.85 per ton, besides the cost of freight, insurance, commissions, etc. But the cost to the British manufacturer to make the same material, as far as the labor is concerned, is \$7.81; therefore, the labor cost of a ton of steel rails in the United States is \$3.78 more than it is

in England. So, if we accept the Republican platform theory, which seems to be adopted in the article which I am considering, the tariff ought to be \$3.78 instead of \$13.44. But taking into account not only labor cost, but all other differences, Commissioner Wright declares that the net cost in this country is \$24.66 per ton, and in England \$18.61 per ton—difference, \$6.05; leaving a net tariff excess, over this aggregate difference, of \$7.39. This is a mere sample of the insincerity of the tariff lords, and of the inaccuracy of those who advocate their interests.

Woolen clothing must be considered a necessary of life; yet, with the exception of spirituous liquors, it is made the principal source of revenue. One dollar out of every five in our tariff tax is exacted from this essential. Of all our revenue from taxation, more than one-ninth is drawn from taxes upon wool and woolen goods. It is estimated that \$41,000,000 of taxes are gathered upon an importation of \$60,000,000 worth of wool and woolens. In 1891, there were some \$338,000,000 worth of woolen goods made in this country, which were protected by a duty under the McKinley bill exceeding \$80.00 on the \$100.00 worth; and yet wool-growing is not profitable. We have not sufficient raw material in this country to supply our wants. We cannot get what we need without paying extravagant duties. We must buy foreign-made articles, or purchase them from those who have secured the enactment of the McKinley bill. And somehow it happens that the legislation of the fifty-first Congress has not made the wool-growers happy. As to the assertion that raisins, oranges, etc., can be raised at a profit, because of Republican legislation, it may well be doubted whether much benefit is derived from the tariff thus imposed. But in any event, as the Democratic platform demands a tariff for revenue only, and as these articles must be considered luxuries, a high duty will be imposed upon imports of that class.

Although Mr. McKinley placed an additional half cent on imported raisins, yet the market price of the article has actually fallen. Probably this may be cited as an instance of the beneficial effect of protection. When a protected article becomes cheaper, our Republican brethren declare that its cheapness is due to protection. When it is high, they declare, on the other hand, that protection causes the high price. It will not be claimed, I imagine, that the object of the tariff on raisins is to reduce their value. As illustrating the McKinley method of establishing industries, Republicans are fond of declaring that all our tinware will soon be manufactured in the United States on account of the enormous duty imposed upon tinplate, and that the pearl-button business will rapidly attain large proportions.

What is meant by establishing or creating an industry? It is certain that the industry has not heretofore existed, because the market price of its product would not justify its maintenance. But why do such industries exist now? Manifestly for the reason that the law has increased the market price of their product by taxing the consumer. This may be beneficial to the handful engaged in the enterprise, but it is onerous to the people at large who are involuntarily supporting a class of persons who have no more claim upon the nation than those who raise wheat or corn or potatoes. The tin iniquity is familiar to all. Every man who has constructed the smallest tin roof, since the McKinley bill went into effect, can see the point. He knows that he pays more for his roof, and he knows that as a consumer he pays the tax. A very prominent merchant in New York, whose establishment is at 476 Broadway, made the following statement to the Committee on Ways and Means of the present House, regarding the difference in rates between the McKinley bill and the Act of March 3, 1883, as regards imported pearl-buttons: The foreign value of a given package in

1883 was \$322.00; duty 25 per cent—\$80.50. In 1890 the duty amounted to \$1009.25. Another imported package of the same article in value amounted to \$2,871, and the duty in 1883 was \$717.75. The duty alone on the same package in 1890 was \$5,020.89. Now, when the storekeeper on Broadway sells these buttons to the public, he does not sell them at a loss. Hence his patrons contribute this enormous sum for the benefit of a few gentlemen who have started a pearl-button establishment in Detroit. And still it is said that the McKinley bill "does not impose unnecessary burdens upon the people." I might multiply instances by the page and by the hour, but limited space forbids.

Republican protectionists assume to be very friendly to the American farmer, and declare that an additional tariff has been laid upon wheat for his benefit. But what advantage does the farmer derive from this additional tariff? Are not the wheat fleet and the flour fleet to which I have directed attention, preparing to sail to Liverpool? And does not the American farmer there meet the almost slave labor of India, and the miserably paid Russian? And are not the prices which he there receives, regulated by the English demand and supply? The farmer pays tariff on everything he uses, but he makes no profit by the legislation. There is nothing in it for him. If a San Diego rancher goes into Mexico and buys a mustang worth \$30.00 there, he must pay \$30.00 in order to bring his horse home. Thus he finds himself possessed of a \$60.00 animal, which across the line is worth \$30.00. The farmers through the country have been sold so often by the Republican party that they are protesting vigorously. If the wheat fleet already adverted to might go to Liverpool bearing the product of our soil (which grows not because of the McKinley bill,) there to receive in exchange the commodities which are needed at home, the materials which

farmers consume and require, and which are now practically barred out by law, would not the agriculturalist be benefited thereby?

Here may be illustrated the delusive character of the balance of trade argument in which protectionists indulge.

Let us assume that California's wheat crop is worth \$23,000,000 in Liverpool, and that its owners instead of getting gold for it make a wise bargain with their English customers and take and bring home in exchange English goods worth \$25,000,000. Here, evidently, the balance of trade appearing against us is \$2,000,000, and yet that sum represents gain resulting from barter in excess of the gold value of the article sold.

The assertion made by Mr. McDonald to the effect that reciprocity is reducing our trade losses with South America is strongly confirmatory of the position which I have taken. The Republican party never thought of reciprocity until Mr. Blaine stamped it on the McKinley bill and declared that the time had come when the American producer must get some benefit. Reciprocity merely gives us a taste of the benefits of freer trade. We oppose the reciprocity features of the McKinley bill, among the reasons, because it is there sought to vest in the President dangerous powers, and because the retaliatory spirit of the enactment is unworthy of the age. If some of the unfortunate Republics south of us are compelled, in consequence of their requirements or in providence, to make bread higher and scarcer to their people, then we will make leather and sugar higher to our people. Against such conduct Washington warned us in his farewell address. He said: "Harmony and a liberal intercourse with all nations are recommended by policy, humanity and interest. But even our commercial policy should hold an equal and impartial hand; neither seeking nor granting exclusive favors or preferences; consulting the natural course of things;

diffusing and diversifying by gentle means the streams of commerce, but forcing nothing."

Reciprocity, however, is valuable as demonstrating the benefits which would follow more generous legislation. Belgium, containing about the population of the Empire State, and smaller in area, shows imports and exports amounting annually to \$582,000,000. It is true that Austria, Bulgaria, Italy, Portugal, Roumania and Servia do not surpass the United States in the proportion of commerce to population. But we must not, because we are doing better than Servia, become vain or boastful. The Republican idea seems to be to avoid trading with populous and rich nations. In 1891, the United Kingdom imported 4,838,991 quarters of wheat from the United States; very nearly 2,000,000 quarters in excess of that derived from Russia, and more than 2,000,000 quarters above the importation from India. One of the most iniquitous results of the Republican protective policy is found in the circumstance that our manufacturers sell many of the articles made by them in this country to foreigners far cheaper than they do to the tax-ridden American. Mr. Farquhar, who is one of the wealthiest and most successful manufacturers of agricultural implements in the United States, frankly admits this, but nevertheless declares that he prefers a modification of the tariff, as the free importation of raw materials would enable him to compete with British manufacturers anywhere. He says that he sells manufactured articles to consumers in South America and Mexico from ten to twenty-five per cent. cheaper than to his United States patrons.

The Ann Arbor Agricultural Implement Company, through its advertisements in the Spanish edition of the *American Mail*, offers standard agricultural implements at enormously reduced rates to Spanish consumers. A few of the relative prices are here given.

	Spanish Price.	American Price.
Advance Plow,.....	\$9.00	18.00
Advance Plow,.....	4.00	8.00
Hay Tedder,.....	33.00	45.00
Mower,.....	40.00	65.00
Horse Rake,.....	17.00	25.00
Cumming Feed Cutter, No. 3	60.00	90.00
Ann Arbor Cutter, No. 2	28.00	40.00
Ann Arbor Cutter, No. 1....	16.00	28.00
Clipper Cutter,.....	9.50	18.00
Lever Cutter,.....	4.25	8.00
Cultivator,.....	22.00	30.00
Sweep,.....	60.00	90.00

Nearly all the large concerns in the country present similar records. And Mr. George Draper, a prominent Massachusetts manufacturer, so concedes in a pamphlet recently issued by the "American Protective Tariff League."

California Republicans have not always held the views which many of them now profess. In 1891, the Legislature of this State, which was largely Republican, passed a joint resolution requesting the removal of the tariff (truly called in the resolution *a tax*) upon grain-bags, burlaps, gunneys and gunney-cloth. (Statutes of 1891, page 525). But the Republicans in Congress heeded not the appeal.

The Democrats made an effort in the last Congress to procure the removal of the duty upon binding twine, but failed by reason of Republican opposition. President Jackson truly said (and he never did anything at the battle of New Orleans, or elsewhere, to indicate that he was very fond of England): "The corporations and wealthy individuals, who are engaged in large manufacturing establishments, desire a high tariff to increase their gains. Designing politicians will support it to conciliate their favor, and to obtain the means of a profuse expenditure for the purpose of purchasing influence in other quarters. * * * Do not allow yourselves, my fellow-citizens, to be misled on this subject. The Federal Government cannot collect a surplus for such purposes without violating the principles of the Constitution, and assuming powers which have not been granted. It is, moreover, a system of injustice, and if persisted in, will, inevitably, lead to corruption, and must end in ruin."

Republican protection is a fraud.



CHAPTER VIII.

LESSONS OF THE LATE ELECTION.



AS SHOWN in the elections of 1884 and 1888, the strength of the two great parties in the electoral college was more nearly equal than since 1860, except in 1876. Hence both parties entered into the late contest with hope and expectation of success. As the country was fairly prosperous, new industries had sprung up, and our foreign commerce disclosed a larger balance of trade in our favor than ever before in our history, (all of which was due in no small measure to the policies inaugurated

and pursued by the incumbent administration) the Republicans at first were more sanguine of victory than their opponents. It is not unusual for adherents to a defeated party, especially when chances were so favorable, and the reasons why it should be sustained were so cogent, to inquire how the result came about. Since the election the Republicans all over the country have been seeking information as to the causes of defeat, and as is not unusual a variety of conclusions have been reached. We are now so far removed from the contest, and the smoke and mists of

battle have so fully disappeared that we can examine dispassionately and decide intelligently. An examination would be without benefit except to satisfy curiosity, unless we seek to profit from the lessons taught by the election and its results.

One fact stands out prominently and agreeably. It is that the campaign was exceptionally free from scandal, personality, and ungracious criticism of methods and details of administration. Both candidates had served the country in the Presidential office, and had given the people honest government. It was eminently a decent campaign, reflecting credit upon popular institutions, and one that has contributed to improvement of political morals. It is to be hoped that it is a precedent that will be followed in all future time.

It was somewhat peculiar, too, that no commanding strategic point was presented with reference to which the two great political armies were maneuvered, although nominally there was fabricated sharp issues upon economic, financial and commercial policies. The armies actually fought in detachments and without any general plan. During the campaign several prominent leaders on both sides gave their views in magazine articles as to the controlling or most important issue. Some said it was the money question; others that it was the tariff question; still others that it was a question as to the limitation of federal power or of economy in expenditures. In each section of the country the leaders directed their efforts to the point which seemed to them to be the most salient, or on which the public mind could be most easily swayed.

In their speeches on the stump, Senator Hill and others laid most stress upon the Force Bill. It was an issue manufactured out of the declaration in the Republican platform in favor of free and fair elections, and coupling with it the bill passed by the House of Representa-

tives in the Fifty-first Congress, the declaration was distorted into a purpose to enact a law that would give the general government control of electoral and congressional elections in the South. This charge probably had no influence in the North, but it tended strongly to perpetuate Democratic solidity in the South. It was done to prevent the People's Party making inroads in that section, and it was effective in achieving that end. Negro domination is a "raw-head and bloody-bones" to the Southern people, and it is not easy to make them believe that any other than the Democratic party would not introduce it.

Denunciation of silver coinage by Senator Sherman and Governor McKinley alienated those Republicans from their party who entertained free-silver coinage views. There is a feeling in the country that there is not money enough to accommodate the wants of business, and that silver coinage is a way to supply the deficiency, and one that should be adopted. The Republicans in the East attacked the plank in the Democratic platform which declared for a repeal of the ten per cent. internal revenue tax on state bank issues, and portrayed the horrors of a return to a "wildcat" currency, but it had little effect, being looked upon as a mere spook; the business men of the country did not believe Mr. Cleveland or any other Democratic President would dare assent to such a measure in the face of the satisfaction that prevails with the existing sound, uniform, and everywhere circulable currency. That plank was evidently put into the platform as a gimcrack to satisfy the States' rights sentiments of the South, and as a sop to the clamorous for more money in the South and West. On the silver question there was no appreciable difference in the platforms of the two parties, and it was understood that the candidates for the presidency entertained the same or similar views. The hardest fight against free-silver coinage in the first

session of the present Congress was made by Democrats in the House of Representatives.

There were local issues, notably in Illinois and Wisconsin, which had a material influence upon the general election. Activities aroused by hope of securing crumbs of patronage are always greater in the party out of power than in that in possession of the government. This contributed to no small extent to Democratic success. The Republican party being in power was held responsible for the want of a sufficient volume of money, and for every ill, real or imaginary; and it is easier to produce defection from the ranks of the party in power than from that which is out. Again there is an inexplicable feeling that a change of administration will produce changes for the better. It is inexplicable, because it has been so often tried without resulting in improvement.

In the campaign the tariff issue was not presented as sharply as in the platform of the parties. The extreme free-trade position taken in the Democratic platform was very little defended; in fact, it was substantially ignored by the party leaders in the North. Many newspapers and stumpers made efforts to razee the sharp edge. Editorials and speeches were filled with modificatory explanation. The interpretations given by Senator Hill of New York, Mr. White of this State, and numerous others made the Democratic position tolerably good protective doctrine, or, speaking more accurately, the positions assumed in many instances were outside of and inconsistent with the Democratic platform, if its language is given a literal meaning. Mr. Cleveland spat upon the tariff plank of his party's platform with a boldness almost equal to that of Horace Greely in spitting upon the Whig platform of 1848. In his letter of acceptance he expressed views clearly inconsistent with those announced in his message to Congress in December 1887, and with his

attitude throughout the campaign of 1888. In the late election the country did not express itself distinctly upon the tariff issue as raised by the two platforms, while the Democratic newspapers and orators, modified, explained away, and befogged as to their party's position, misrepresented that held by the Republicans. The Republican platform declared for a principle, and not for a particular measure; the principle was clearly stated when the McKinley Bill was pending in Congress, and notably by Mr. Sherman, who, while he indorsed the principle, said that some of the duties might be too high or too low. In adjusting duties when there are multifarious and conflicting interests as in this country, no man or set of men can satisfy all classes, or do absolute justice to all interests. The issue of protection or no protection to American industries and labor was artfully evaded by the Democratic newspapers and orators; and in addition they treated the McKinley law as if it were indorsed in whole and in detail by the Republican party, and as if it were to remain as unchangeable as the laws of the Medes and Persians, when it was openly announced that there might be excrescences and inequalities that should be removed. It was not advocacy of the protective principle that brought about defeat to the Republican Party. The Democrats did not accept the issue pure and simple at the hustings, and the boldness of Mr. Cleveland in taking position not in conformity to party platform tended immensely to satisfy the business men of the country.

No public man of this day in the nation is freer from machine politics or bossism than President Harrison, and we have had no administration since that of Monroe which manifested less partisan spirit, or more thoroughly ignored political bosses than his. Nearly all the men in his party known as manipulators and bosses were opposed to his renomination. Unfortunately there were federal

officials, notably in the South, who exerted themselves for it. In that section it is impossible for the Republicans to gain a single electoral vote. It was repeatedly alleged before the country, and was openly charged in the Minneapolis Convention that a large number of federal officials were delegates, and that the Convention had been packed and was being manipulated by the "federal brigade." There was just enough truth in these charges to create an effect upon the country, and Mr. Harrison entered the campaign handicapped by them. For many years the sentiment has been growing that no President, however excellent his administration, should be re-elected to succeed himself. It sprang from the abusive use of patronage in the past to achieve party or personal success, and this sentiment has become no inconsiderable factor in our politics. The American people have become jealous of official interference in political management, so much so that a truthful charge that nominations have been made through official influence is most truthful to party or candidates' success. The nomination of Mr. Harrison under the circumstances rendered it distasteful to a class of considerable numerical strength.

On the other hand, circumstances placed Mr. Cleveland's position in a conspicuous light. He was nominated by the Chicago Convention in spite of the machine and bosses in his State. Hill's machine and the Tammany tiger were assaulted and overwhelmed. The heroism of the act challenged the admiration of the country. It showed a reliance upon the masses which demanded fitting recognition on their part. Tammany had no alternative but to support him; it had been beaten in the open field and outside its citadel, and if it became recalcitrant, it was in danger of being assailed and throttled within. Nothing contributed so much to Democratic success as the attitude in which Mr. Cleveland was placed by the circumstances of his nomina-

tion. He was aided besides by the boldness with which he ignored the extreme free-trade doctrines of the South. The Democrats of that section were in no better position to be recalcitrant than was Tammany.

There can be no doubt that the Homestead strike had a damaging influence upon the fortunes of the Republican party. That it was so is illogical. Mr. Carnegie is a Republican and has made an immense fortune in manufacturing. Though the McKinley law reduced the duties upon such articles as the Homestead Mills fabricate, still the employees felt that Carnegie's capital was increasing too rapidly and they were receiving too little for their labor. The Democratic charge that protective duties did not protect labor had some appearance of truth when Carnegie's wealth and the comparative poverty of the employees were contrasted. They did not stop to consider that the law cannot prescribe the wages that shall be paid, or the prices at which raw materials shall be purchased, or manufactures sold, and that they are matters that must be arranged between employee and employer and between buyer and seller. The employees evidently believed that the "robber tariff"—the "infamous McKinley law"—robbed consumers and laborers for the sole benefit of capital. There was an aggravating element that entered into the affair which had an exasperating effect, and that was the employment of a body of Pinkertons to aid in enforcing the lockout. It had been the practice to employ them as a sort of private standing army to overawe and to do the fighting for capitalists. Such an institution as the Pinkertons operate is offensive to the American people and obnoxious to the genius of our institutions. It is the general idea that the local authorities and people should be relied on to preserve the peace and enforce the laws. It is not mercenary to respond to a call of a sheriff or other executive officer to aid him in protecting the community

against violence and disorder. While the Republicans were not in the least responsible for what was done, the affair was irritating, and somebody had to suffer for it. That the Republican Party was selected as the object upon which vengeance was to be wreaked is shown by the fact that while in the rural districts it held its own, it lost heavily in the large manufacturing centers.

It cannot fairly be said that any material question was distinctly passed upon, but it is pretty clear that the people have set the seal of their condemnation on machine and boss supremacy. This is evident, for turn whichever way we may in this State and elsewhere, in general and local politics the machine has been mercilessly disregarded and sat down upon.

It is a lesson of great value to those who aspire to public favor and to leaders who desire party success. There is a growing determination on the part of the masses to have their own way and it is best they should, for it will give us better laws and purer administration. To get rid of the machine and self-constituted bosses is to be relieved from corrupting influences and every phase of bad politics. The aspirants to public positions had better take cognizance of the fact that the people want good government and mean to have it. Let us hope that in future the only road to political success will be the highway of honesty, intelligence and faithful service to the country.

Another conspicuous fact is that no party, whatever may be its attitude on material questions can prevail against the Democratic Party in the South. The Republican Party tried coercion and conciliation to secure to the negroes the exercise of the political rights conferred and guaranteed by the Constitution with the same result. The Democratic politicians there and in the North understand the strength of Southern unity and the weakness of that section when divided. In 1890, several Farmers' Alliance men

were chosen to Congress and numerous Democrats were compelled to concede the demands of the Alliance to gain their seats. In the late election, no People's Party candidate has been elected to Congress, and the fond hopes of the leaders of that party have been dashed to the ground so far as that section is concerned. It carried Northern States, but there was no reciprocation in the South. The Ocala platform which declared for loaning money by government on cotton and other agricultural products was a Southern conception and was supposed to be a popular measure in that section, but it was subordinated to the negro question. The People's Party took high ground on that subject and hence failed signally to break into the ranks of the Democracy. A lesson taught by the election is that the People's Party, so long as it favors manhood suffrage and equality before the law will be regarded in the South as essentially a sectional party as the Republican.

Another lesson taught is that the progressive spirit of the country should not escape observation, and that there should be no failure in recognizing it. New conditions and new wants are constantly arising, and a political party that does not make a study of them and put forth efforts to employ adaptable measures cannot be successful. The want for a larger volume of money should be supplied by the Government through measures well considered and generous, giving to it the elements of soundness and sufficiency. The people are aroused to the prevalence of monopoly, and a party that wishes both to promote the common welfare and to gain success, will hereafter be compelled to inquire how far government should go to remove special privileges, and to exercise power to that end to the fullest legitimate extent. It is an important lesson of the late election that party trammels are not as binding as formerly, as the people are more inclined to follow the dictates of conviction

than to obey the compulsion of the party whip. Advocacy of just and practicable measures, clean methods in politics, honest and vigorous administration are the only agencies through which popular attachment to party

organization can be secured and maintained. The best and smartest politics is to give the people the wisest and most efficient government. Any other theory is beneath the respect of the true patriot.



CHAPTER IX.

BALLOT REFORM.

AGITATION of this question has reached almost overshadowing proportions. The evils of a great variety of election frauds have existed in many parts of this country for a long series of years, and as is natural, they have grown in proportion to their toleration. As a rule, they have more largely prevailed in the large cities, but frequently they have appeared in smaller towns and occasionally in the rural districts.

The first fraud that attracted national attention was committed in Louisiana in 1844. To be a voter in that State at that time, it was necessary that a man should be the owner of real estate. A political manager purchased a tract of land near the Gulf, called swamp land, which was totally uninhabitable. He laid out a town, divided the tract into small lots and conveyed them to hundreds of men in New Orleans, who, after they had voted in that city, were sent to the Parish of Plaquemine where they again voted, showing their deeds to prove they were real estate owners. In this way that State which was Whig, was carried for James K. Polk.

The Plaquemine fraud became historical.

The next fraud which attained national notoriety was committed in the city of New York in 1868. In some of the wards of that city the votes cast outnumbered the whole population. Through this fraud Hoffman became Governor of the State, and its electoral vote was cast for Seymour for President. These successful frauds gave impetus to similar practices in many parts of the nation. They became numerous all over the South, and alarmingly prevalent in several of the large cities. Not only were voters bribed, repeaters

employed, ballots miscounted, ballot-boxes stuffed, and returns forged or falsified, but intimidation and violence became common, especially in the South. The fact that all these acts were committed is not the worst of it. The perpetrators were rewarded by the beneficiaries of these crimes, and not infrequently lionized. There were those who aspired to notoriety through these proceedings, and thought themselves heroes if they could be spoken of and pointed out as those who had carried elections. We have heard of men who held the votes of a city, and even of a State in their pockets. Such men prided themselves upon being bosses. It is a very apt and suggestive designation. A boss is not one who persuades, but one who coerces—one who drives a gang whose bidding is obeyed. The boss is never potential where elections are honest, but he achieves his greatest power where corruption and crime are least obstructed by popular antagonism.

Efforts in behalf of ballot reform at the present time are mainly directed to so surrounding the ballot-box that there can be no bribery, no stuffing of boxes or miscounting of ballots, no forgery or falsification of returns. The brains of the reformers are racked to devise ways for protecting the voters against the influence of the perpetrators of election crimes. Such efforts are well enough, indeed they are useful and produce good results, because they tend to make the commission of crime more difficult and detection more certain. It is interesting and instructive to study the evolution that has taken place in legislation for the government of elections. At first the laws were very simple, and few acts were denounced as crimes or misdemeanors against the ballot,

and the penalties imposed were of a comparatively mild character. Our grandfathers were unable to conceive that any free American citizen, endowed with the power of the ballot to preserve his liberty and promote the common welfare in which his own was involved, would think of destroying or impairing the potency of suffrage by any crime or irregularity. They supposed the right of suffrage would be regarded as the most precious of all rights and would be treated as a holy thing, and for a time they were not mistaken. The election defrauder in those days was quite unknown, and when a Judas did appear, he had no escape from public opprobrium except in going out and hanging himself. It was not necessary that the laws should be complicated, comprehensive and severe. As misconduct made its appearance, inhibitory and penal laws were enacted, statutes were enlarged to meet contingencies that were probable, and their probability grew with the loss of regard in the minds of individuals and the public for the sacredness of the right of suffrage. The legislative reform of the ballot has gone on until our election statutes have become the most conspicuous of any relating to public offenses. No statute has yet been so ingeniously constructed, or so severe in penalties, that it has not been successfully evaded or defied, and all have been quite as often boldly defied as cunningly evaded. The race between legislators and rascals, the one to circumvent election crimes and the other to devise schemes to avoid the law has been an interesting one. The genius of the legislator has not as yet surpassed the skill of the election rascal. Each statute that has been enacted has been deemed amply comprehensive to prevent every possible election crime, but all have proved inadequate.

The Australian law is now supposed to be a product of human wisdom that will secure honest elections beyond a peradventure. The ballot reformers are bending their efforts to secure its

adoption in all the states. It is a law of many merits and may be justly regarded as the best that has ever been devised. It probably will prevent bribery, as the bribers will not dare trust the voters to carry out their bargains, and it prevents intimidation immediately at the polls. The timid is shielded from assault, because it is supposed that no one knows how he votes. There are safeguards against ballot-box stuffing. The law is not stronger than some other laws against false counting and falsifying returns; nor is it absolute proof against repeating, though it is more perfect in that respect than any of its predecessors. But as perfect as it is, it affords no protection against intimidation or violence away from the polls, and it must not be assumed that it will not be evaded or defied. Election crimes are more frequently committed, or connived at, by election officers. No law can make men honest, and it cannot be safely presumed that none but honest men will be chosen to conduct elections. The illiterate can be assisted in stamping their tickets, and as they cannot read, they must rely on their assistants. It may, and probably will be the case that those disposed to defraud in elections, will fasten upon these aids to the illiterate to have their foul work done. It need not be surprising if it should transpire that this law will be evaded or defied.

The question will be asked, can any law be made that will put a stop to election crimes? Every criminal statute that has ever been enacted has been violated; none has ever totally suppressed crime at which it was aimed. Then is there no complete remedy? There is none that the law alone can supply. The efficiency of a statute is not in its language or in its sanctions—all depends upon its administration. It is a great gain to have public sentiment so developed as to secure the enactment of comprehensive and stringent laws, but efforts should not stop there. They must extend to their faithful enforcement. The duties

of the good citizen never end. It is not enough that the political rascal is punished; he must be boycotted socially, and regarded and treated as a social outcast. The really good citizen will not be disgusted and not go to the polls, or otherwise refuse or neglect to perform his political duties, because crimes and frauds are committed by bad men. In such cases there is the greater necessity for vigilant and vigorous action. The mere theorist reformer will never revolutionize conditions; that can only be accomplished by putting theory into practical and successful operation. To tie the hands of rascals by legislation is good so far as it goes, but no law is automatically executory.

There are and always have been classes who advocate limitation of the right of suffrage as a panacea for election crimes. One class would have a property, and another an educational qualification. These limitations are inconsistent with the fundamental idea of popular government, and the tendency is to enlarge rather than to restrict—to enfranchise rather than disfranchise. Limitation of suffrage is the very essence of class government. It is the rule in monarchies and aristocracies and the results have never been beneficial to the masses. If popular government ever advances beyond the experimental period, it will be under the influence of the broadest suffrage. If it fails as the best means of promoting the general welfare, or proves less beneficial than some other form, the institution of a class government will not only be tolerated but cheerfully accepted. The property qualification existed in this country for a considerable period after the constitution was adopted, but it had to give way to the conviction of its impropriety under our system. Dr. Franklin put the cases of two men, one of whom could vote because he was the possessor of a jackass, while the other was deprived of the right of suffrage because he did not own such an animal. "The ques-

tion," he said, "was whether the right of voting belonged to the man or the jackass." Men with or without property must obey the laws relating to business or regulation of the social relations; the only difference between them is that one pays taxes and the other does not—one is interested in having a good government as much as the other. The non-possessor of property should have the right of ballot to protect himself against the power of the property owner. To restrict the right of ballot on this basis is not ballot reform.

There is more reason, however, for imposing the educational qualification, as participation in public affairs is intellectual rather than physical. The theory seems reasonable, but the difficulty in prescribing the line of demarcation renders the application of the theory impracticable. Scholarship is no proof of good judgment or honest purpose. Election frauds and crimes are not committed by the unlettered, but by the intelligent rascals. The ignorant are not more easily bribed than the learned. They may be deceived. It would be quite as well to base suffrage limitation upon moral qualification if it could be done, but it cannot be, nor can any just rule be inscribed on the subject of intelligence. The way is to let suffrage be as little restricted as possible, and trust to time, tolerance and education, for they are forces that will ultimately remove the evils that result from errors of judgment or defects of understanding. The advice of honest, intelligent men will be taken by the ignorant sooner than that of the unprincipled and unintelligent. If the former class will be as active and earnest as the latter there will be immensely less evil resulting from the illiteracy that prevails in this country.

Ballot reform is agitated more especially to prevent frauds in manipulating ballot boxes and returns. There is comparatively little said of the wholesale deprivation of the right of

suffrage by force or intimidation. The man whose vote is not counted, is cheated out of the exercise of his rightful power in shaping the policies of government; if it is counted for the opposite side he is doubly wronged. The same is true in case of forgery or falsification of returns. All these are no worse, or not as bad even as the use of violence, or intimidation to deter men from voting. Force and intimidation have frequently been resorted to to prevent large classes from voting on the ground of preju-

dice against race, religion or nationality, and sometimes to promote partizan or personal success. The consequences of preventing the exercise of the right of ballot by any unlawful means may be of a most fearful character. If one class is thus deprived, it constitutes a precedent for depriving another. True ballot reform includes not alone the prevention of too much voting or counting, but also enforcement of the exercise of the right in behalf of all who are entitled.



CHAPTER X.

THE DANGER TO THE REPUBLIC.



FROM the earliest period of which we have any knowledge, men have indulged in philosophizing on the subject of government. The effort has been to discover a system that would produce the highest degree of public happiness. Plato, Aristotle, and others gave their thoughts to devising such a system, and Sir Thomas Moore, in his "Utopia," developed one, as he thought, of the most perfect character. Theoretical government is one thing, but practical government is quite another. Theory, however, is necessarily antecedent to experiment. In this field evolution has in reality been constantly taking place, though at times there have been appearances of retrogression. History demonstrates that in government there can be no standstill; that there must be advancement or retrogression, in accordance with a law of nature. There are elements which prevent carrying theory into perfect practice. No machinery is more subject to accidents, and unseen and fluctuating influences than that of government. When a people possess the necessary degree of intelligence and virtue, it is not difficult to render theory and practice completely harmonious. Philosophers have been the fathers of the ideal popular governments, and their conceptions have preceded every attempt to overturn monarchy and found popular institution.

The French revolution of a century ago was brought about more by writings of philosophers, encyclopedists and litterateurs than by the abuses of the French Monarchy, though for two centuries there had been no States General, and the government had been a practical absolutism. No French-

man did more to develop new and better ideas of government in the minds of his countrymen than Montesquieu. Up to that time there never had been a Republican government of a high order, according to the American idea, but there had been sufficient experience to disclose what a republic might become when a high order of general intelligence and virtue prevailed. When Montesquieu wrote, he had not the example of the American Republic before him, but only the light that ancient, and a few small spasmodic republics in modern times supplied him.

The experiences of republics had, however, demonstrated the correctness of the principle I have stated, that in government there is inevitably advancement or retrogression, and it has been further demonstrated in subsequent history. It is certain that governments become bad through vicious activity. The first French Republic failed from the latter cause, and the same has been true of many other governments, but a greater number of nations have decayed through inertia. People have often lost their liberties and their manhood through continued supineness. The perpetuity of a republic depends upon avoidance of both extremes. The time will never come when there cannot be change for the better. The founders of our government thought they had devised a perfect system, but within about eighty years from the time the Constitution was adopted, it was amended in fifteen important particulars, and many other amendments have been suggested and urged by intelligent people. The American mind is active, and it is not improbable that changes may be proposed that would, if adopted, prove impracticable or vicious, but we are

less liable to injury from change that is not reform, than from evil practices that grow up through general indifference and inattention.

Corruption is the bane of republics. The friends of popular government throughout the world have been more alarmed about the effect of the Panama scandal upon the fortunes of the present French Republic, than about the plots of legitimists, imperialists, and Boulangists to overturn it. The French people have, for twenty years, been able to withstand the efforts of these enemies, but the question has been anxiously put: can the government survive the demoralization and disgust that will ensue from the disclosure of the corruption of numerous high Republican officials?

Montesquieu held that a despotic monarchy is not so bad as a corrupt republic. This opinion does not rest upon theory merely; it is sustained by the world's experience in every age of which we have authentic history. Corruption is the worst form of oppression, for it is not only impoverishing to a people but it leads to general demoralization and criminality, to the subversion of all authority and to anarchism. Despotism may crush, but corruption debases the spirits of a people. If long tolerated, corruption of officials and leaders will extend to and involve the body of the people, and there is no relief from its malign influences, except in revolution and bloodshed. Monarchy has succeeded republics because the latter have become corrupt, and the former has been accepted as the lesser evil.

The same author thought that expenses in a republic should be less than under any other form of government, and for the reason that the people who pay the taxes can control expenditures if they will. A corrupt government is never economical; it is an impossibility that it should be so. An honest government may, in certain respects, indulge in profuse expenditures, but this tendency is easily checked. The burdens which bear most heavily upon any people, as a rule, are those which

are imposed through corruption. It is not alone that people may have freedom of action that makes popular institutions desirable; but also that life and property shall be protected, and the public interests promoted at the least cost consistent with efficiency.

Montesquieu again says that "the tyranny of a prince does not bring him nearer to ruin than indifference to the public good brings a republic." The government of a monarchy or aristocracy reflects the character of the king or ruling class, but that of a republic is the mirror which reflects the character of a people. A popular government is precisely what the people make it, and no such government will be good, to which the people are indifferent. It cannot be said that any people are capable of successful self-government, until they have been tried. Americans believe they have the best government on earth, and they are correct in this belief; but if they are so satisfied with it that they see no need for reform or improvement, there is danger. Because we have a better government than other nations, it does not prove that it is as good as it might be made.

In a republic, officials recognize their responsibility to the people, while their conduct in office is indicative of what they believe the people will tolerate, or what the people demand of them. This may be taken as a general rule, though there are exceptions, for it has occurred that men have been chosen to office who have disregarded the wishes and interests of their Constituents. The same thing will occur in future, but the frequency of such instances depends upon what the people exact, and the punishment they inflict for dereliction. One thing is certain, that a rascal will neglect duty, and become corrupt, if he believes the public will not thereby be seriously offended. As has been said, the character of a government reflects the character of the people for intelligence and virtue, and where corruption prevails for any length of time there must be some defect in the people—there

must be a lack of intelligence or virtue, or an indifference to the public welfare, which of itself indicates a want of virtue. In Spanish American countries there are governments popular in form, but they are defective, more especially in manner of execution. There is lawlessness, profligacy and corruption because the governments have no regard for the people, and, on the other hand the people have no respect for the officials. There are repeated revolutions in those countries without being productive of improvement. Unstable conditions there are but reflexes of the popular character. The few only are intelligent, and the corruption of officials has demoralized the masses.

In this country there is greater intelligence, and the people are more generally virtuous than in any other. Thus far there has been general progress in regard to institutions of government. The nation has at all times been full of reforms: there is a constant clamor for reform, and measures are often urged which are impracticable or without value. While we have men of extreme views, those that are erratic, still there is a conservatism in the masses that preserves the country from engaging in extravagant movements. There is not the radicalism that would overturn all because a part is bad. Action has generally been so discriminating as to remove the evil and build upon that which is good. The American people move no faster than is required to gain the light that assures to them a tolerably safe footing. As they theorize and reason carefully and accurately they seldom resort to experiment to test the virtues of measures, and consequently it is not often necessary to retrace steps that have been taken. With all their intelligence and virtue, there is a defect that has been productive of every evil in government from which the country has suffered, and that is the proneness to be inattentive to public affairs, to public duty. There always will be persons who seek to promote private interests at the

expense of the public, and Constitutions and laws will be framed for that purpose; there are treasury vampires who seek to live on public expenditures, and corporations or individuals who want special privileges. Every success they have met with in the past has been through inattention on the part of the masses, and those officials who have disregarded or sacrificed the public welfare have relied on the inattention of the people. "When the wicked rule, the people mourn." But there need be no occasion for popular mourning in this country except from the consequences of sins of omission on the part of the people themselves.

The greatest present grievance is the burden of taxation. It is greater in some localities than in others, and where the burden is least, the people have been most attentive to public affairs, and where it is greatest, they have been most neglectful. Where the most expensive governments are found, investigation will show alarming corruption. It is enigmatical that men will neglect public matters when their own personal interests are involved. The man most unlettered cannot but be aware that there are those who devote themselves to making gain at the public expense. Extraordinary expenses grow out of the very machinery of government. This is the case in California. The system is complex and cumbrous, and needs simplification. Corruption in the State, county and municipal governments may be exaggerated, but if it prevails to the extent that is charged, it cannot be more depletory of the public treasures than the official superfluity, or the complicated machinery of government that exists. The people have themselves to blame for all the unnecessary burdens they bear, whether imposed by corrupt practices or an expensive system.

Montesquieu wrote a half a century before our system of government had been founded, and upon the theory that a republican form of government would be as direct and simple as that of monarchy. Upon this theory he was

correct in his idea that in a republic, government should be less expensive than in monarchy. Leaving out the expenditures to maintain a great standing army, our government is the most expensive in the world, because it is most extensive in all its phases. We have the national, the State, the county, the municipal, and in some of the States, the township government, and which act in different spheres and to an extent independently of each other. The idea is that concentration is a danger, and to avoid it there must be checks and balances; otherwise despotism will follow. To carry out this American theory, it is necessary that the system should be complex, that officials should be numerous, and taxation comparatively onerous. With all these loads upon them, it is the more essential that the people should be watchful of the conduct of officials, that expenditures may be kept within due bounds, and especially that corruption should be made odious. Unnecessary expenditures must be avoided in every practicable way, not alone to lighten burdens, but because extravagance begets corruption.

To curtail the public expenses is but to simplify and improve the machinery of government. Public officials should be amply compensated for their services, and appropriations for public improvements, for education and charities should not be niggardly; but not a cent should be appropriated for which the public do not get an equivalent in benefits. If the people will but give the same intelligent attention to public as they do to their private business, the government will speedily become as perfect as human judgment can make it. If they are neglectful they may expect that the ruin which is often visited upon a despotic prince will fall upon the Republic.

The early philosophers reasoned upon the theory that a self-governing people would not be dishonest, and would not permit dishonesty in matters of government. They knew that men

are often guilty of practices that do not square with morals in dealing with each other, but that they would act perfidiously against their own individual interests, they seem not to have conceived.

It was known by the later philosophers that the Roman people were hoodwinked and debauched by aspirants to consular, tribunitian, and other important offices through the exhibition of games, gladiatorial shows, and the distribution of largesses, but general intelligence of a high order did not then prevail. If they could have conceived a people like those of this country, where there are schools and churches in which the principles of morality and responsibility to a single and perfect Deity are taught, they would have supposed that inattention to public affairs and the prevalence of official profligacy and corruption could not exist.

Montesquieu knew there had been vile practices and corruption in republics, but he could not have imagined how free and independent citizens could become so debased as to buy or sell votes, or commit any other act that would prevent a fair expression of the popular will. Traffic in votes and all frauds in elections are the legitimate out-growths of official corruption. No honest man will pay money for an office simply for the honor it confers, for an office thus acquired is not an honor. Whoever does it thinks he can make the office profitable through some illegitimate practice, and to get his money back, he must do that which is robbery of the public. The men who sell their votes and are paid to stuff ballot-boxes and falsify returns, conjure up a sort of defense for themselves on the ground that the beneficiaries in the end will receive a *quid pro quo* for the money they expend.

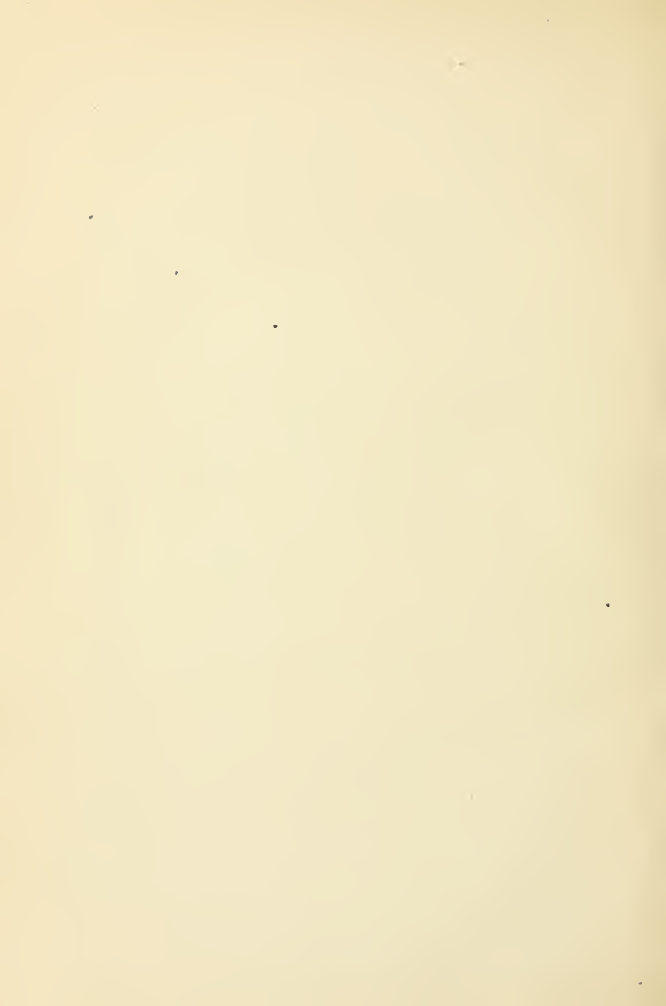
If an end can be put to official corruption, profligacy and irregularity, criminal and all improper election methods will cease at once. Whether this consummation shall be realized in a free government depends upon the

action of the people themselves. To bring it about they need but give unremitting attention to their public duties. Failure in this on their part has produced the debasement and

overthrow of every republic that has disappeared from the map of the world. Inattention and indifference to public affairs are the dangers to which all popular governments are most exposed.







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