

YOUR COUNTRY AT WAR

AND

WHAT HAPPENS TO YOU AFTER A WAR

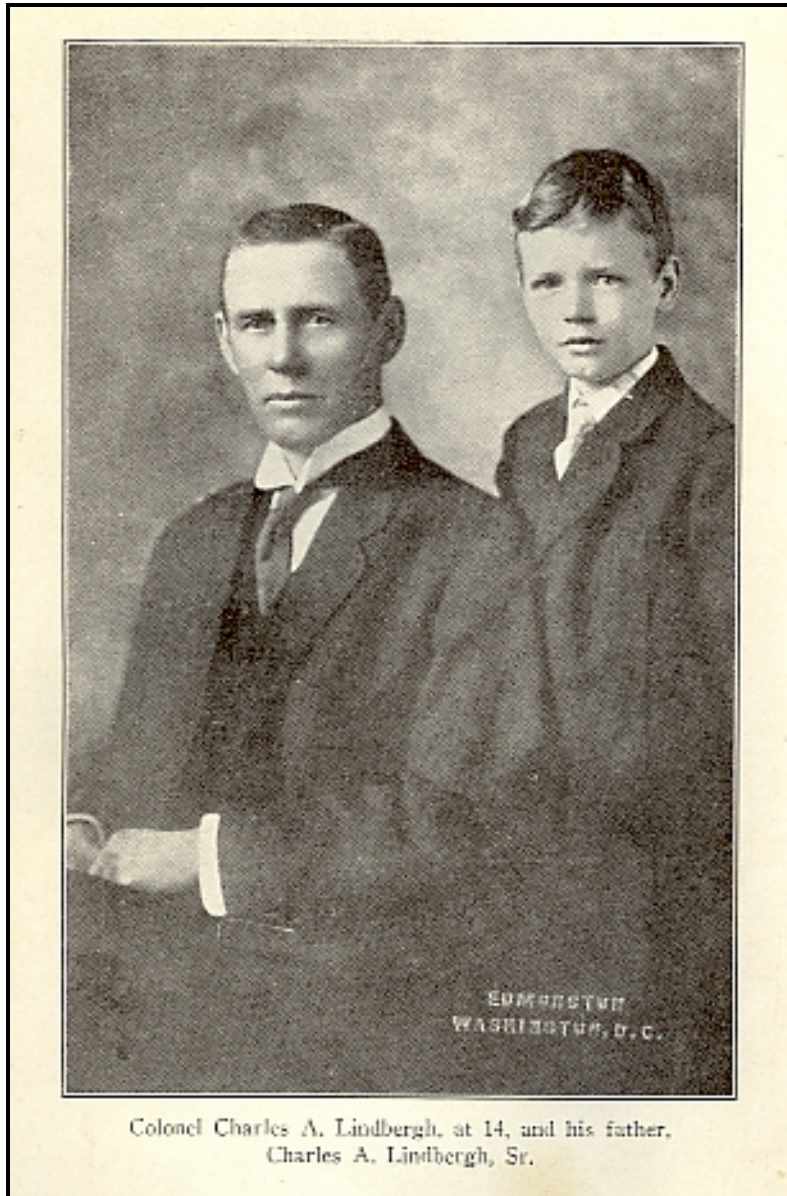
By

CHARLES A. LINDBERGH, SR



DORRANCE & COMPANY, Inc.
Philadelphia





Colonel Charles A. Lindbergh, at 14, and his father,
Charles A. Lindbergh, Sr.

Copyright 1934
J. S. HIBBERT and W. B. QUIGLEY All Rights Reserved

Copyright 1917
CHARLES A. LINDBERGH, Sr.

MANUFACTURED IN THE UNITED STATES OF AMERICA

CONTENTS

Chapter		Page
	ILLUSTRATIONS	5
	INTRODUCTION	7
I	“INNER CIRCLE” CAUSED WAR	15
II	POSSESSION OF THE EARTH—WHAT FOR?	19
III	CONTINENTAL AND POLITICAL ENVIRON- MENTS IN AMERICA	22
IV	THE EXPLOITERS	28
V	YOU—YOURSELF	32
VI	THE FARMER AND WALL STREET SPECULATOR AFTER EMERGENCY CURRENCY	53
VII	MEMORIAL TO THE PRESIDENTS	67
VIII	THE POLITICAL PARTIES	152
IX	TRANSITORY CONDITIONS	195
X	CONCLUSION	200

ILLUSTRATIONS

	FACING PAGE
COLONEL CHARLES A. LINDBERGH, AT 14, AND His FATHER, CHARLES A. LINDBERGH, SR.	<i>Frontispiece</i>
LINDBERGH MEETING AT MILACA, MINNESOTA, IN 1918, WITH CONGRESSMAN LINDBERGH, RIGHT, AND A. E. BOWEN HOLDING FLAG	56
LINDBERGH-FOR-GOVERNOR MEETING AT DETROIT LAKES, MINNESOTA, APRIL 26, 1918, LINDBERGH STANDING BETWEEN BANNERS	156
COUNTY NONPARTISAN LEAGUE MEETING HELD IN MACHINERY SHED AT ECHO, MINNESOTA, BECAUSE OF REFUSAL TO ALLOW MEETING IN TOWN	156
LAST PICTURE OF CHARLES A. LINDBERGH, SR., TAKEN JANUARY, 1924	157

INTRODUCTION

On a spring day in 1918 several government agents entered a printshop at Washington, D. C., where the original edition of this book was being printed.

“Destroy all the Lindbergh plates in your plant,” they told the head of the institution. He was forced to comply. The hysteria of war-time brooked no delays. Not only were the plates of this book “Why Is Your Country at War ?” destroyed, but also the plates of Congressman Lindbergh’s book “Banking and Currency,” written in 1913 and attacking the big bankers and Federal Reserve Law.

So was the painstaking effort of months wiped out. Only a few hundred copies of this book had been printed, and they were sent to Minnesota for use in Congressman Lindbergh’s campaign for the governorship of that state.

In 1923 Dorrance & Company issued Congressman Lindbergh’s “The Economic Pinch,” long out of print, as are his other writings, so that the present volume is the only one of Lindbergh’s books available to the American reading public today.

Lindbergh transferred the copyright to me late in 1923, when I was associated with him in the practice of law at Minneapolis. We intended to use the book in his 1924 campaign for governor, but death took him on May 24, 1924, and the project was halted.

As the years have passed the book has become more and more amazing. In the light of things now happening it is a most uncanny prediction of economic trends, twenty years ahead of its time. The Pecora investigations of “big bankers” and “high finance” are reveal-

7

ing things in 1933 and 1934 that were foretold by Lindbergh, in 1917, with real accuracy. The book even predicts the use of a plan almost identical with the NRA and Lindbergh’s discussion of the results of such a plan is interesting.

Every person, giving thought to economics, realizes that, we are entering into a “New Deal,” a realignment of the social and economic order. Just how far this adjustment will go nobody can foretell. Our country is as truly at war as when the armed millions of men were marching in Europe.

The first day I met Congressman Lindbergh he was chased out of Minnesota by a sheriff. The author of this book had been indorsed for governor of Minnesota by the Farmers Nonpartisan League, which had a paid membership in Minnesota alone of 67,000 members. This organization was founded in North Dakota in 1915 and gained complete control of the state in the 1916 election. The League then expanded into twelve other states, signing thousands of farmers on a platform demanding state ownership of terminal elevators, flour mills, packing plants; a state-owned bank; state hail insurance; and other planks of an advanced nature. The custom was for each precinct to elect a delegate to district conventions, these in turn to send men to a state convention to draft candidates to run for office. In the spring of 1918 Lindbergh was select by the farmers in joint

convention with organized labor to run for governor. In addition to the state ownership planks, Lindbergh's platform demanded conscription of wealth for carrying on the war, attacked profiteering, and protested against the fixing of prices paid to farmers while the price of what the farmer bought was not limited.

This campaign was one of the most vicious ever waged. The hysteria of war times was freely used for political purposes. Halls or theaters were seldom used.

8

No hall was big enough to hold the immense crowds that greeted Lindbergh and his fellow speakers and townspeople were so bitterly hostile against the League candidates that halls could not be rented at any price.

Generally the Home Guards were drawn up in military array, when Lindbergh attempted to speak in a town or village, so most of the gatherings were on a friend farm. The day I met the Congressman he was scheduled to address a crowd of some ten thousand people in a grove. The meeting had just started when the sheriff, accompanied by thirty townsmen sworn in as special deputies marched to the platform and announced that no League meet was going to be held in his county and under no circumstances could Lindbergh or anybody else speak that day. The crowd started milling and booing, and bloodshed was imminent when the crowd started toward the stage to manhandle the deputies who stood with drawn guns. Then Lindbergh stood up and raised his hands. The best description I can give of him is that he closely resembled his son, Colonel Lindbergh. The father also stood about six feet two inches in height, slender, with narrow, athletic face, keen blue eyes and light wavy hair.

"Friends," he began, "we are a peace loving people. We are governed by laws and certain men are chosen to enforce laws, and among those so selected is the sheriff here. While I think these officers are wrong in their action of willfully suppressing free speech, a discussion of the serious economic issues confronting us, nevertheless it would do our cause more harm than good to have riot and possible bloodshed here. I suggest that we adjourn a few miles south into the State of Iowa which still seems to be part of these United States." A farmer announced that his place was available and in ninety minutes the thousands of automobiles and occu-

9

pants had been transported to the neighboring state and the meeting held without further trouble.

This was one of many similar incidents in Lindbergh's campaign for governor. In some towns electric light wires would be cut; Home Guards broke up dozens of meetings and in one county a warrant was issued for Lindbergh, charging him with conspiring to obstruct the war. This case was never prosecuted, however.

Through all of the exciting and dangerous time the candidate was calm and serene, although determined to carry his messages to the people. A last-minute roorback defeated Lindbergh for the Republican nomination for governor. In this book you will find a discussion of the church and politics, a discussion based on speeches given in Congress

by Lindbergh. By selecting a few lines and isolating them, the author could be made to look like an intolerant or an enemy of the church, but reading the entire text wipes out that impression.

Extracts from the 1916 speeches were printed in a paper of the Archdiocese of St. Paul. Hundreds of thousands of these papers were distributed from the churches the day before the primary election. Hundreds of sermons called attention to the paper. As a result there was an overturn in twenty-four hours sufficient to defeat Lindbergh for governor—and probably change the history of aviation!

With the possible exception of Robert M. LaFollette, Sr., no man has been more pilloried in modern American politics than Lindbergh. Until 1907 he had a lucrative law practice at Little Falls, living on his splendid farm fronting the Mississippi river. He decided to run for Congress in 1916 in the Sixth Minnesota district, comprising the north central part. Even to this day some of this territory is primitive and wild.

10

Lindbergh was a lover of the out of doors; born in Sweden he was brought to America when one year old and spent his boyhood days tramping the newly developing wilderness of Minnesota, where he developed a splendid physique. In his first campaign he did not have an automobile but covered some territory on bicycles some with a team and a large part by canoeing up and down numerous lakes and rivers, calling upon the isolated settlers who seldom had visitors. They were impressed by his sincerity and personality and he was returned to Congress for four more terms.

Shortly after reaching Washington he became interested in the money question and with the advance of years his absorption in this problem was almost fanatical. Every speech and writing was devoted at least in part to discussions of finance, the Federal Reserve System and “international bankers.” Early in his political career he introduced a resolution to investigate the so-called Money Trust. There was a bitter fight but it resulted in the Pujo investigation. To his last illness he opposed the system of having the Federal Reserve Board control the business, transportation and finance of the country.

For this fight Lindbergh was punished by the press, receiving at times a national condemnation which would have discouraged a less courageous fighter. But he took care of his health, neither smoked nor drank, and in his silent way even enjoyed the fights. The only time I ever heard him approach profanity was when he received a letter from a New York banker notifying Lindbergh that he could not receive appointment on the War Industries Board.

President Wilson in the early days of the World War intended to appoint the Congressman to this important place. But Washington was literally flooded with protests from the political opponents of Lindbergh on the

11

ground that this book “Your Country at War” was giving aid and comfort to the enemy and that he should not be placed on such an important war body.

In 1923 Senator Knute Nelson of Minnesota died suddenly and a special election was called to fill the vacancy. Lindbergh filed on the Farmer Labor ticket, this party having elected Senator Henrik Shipstead the preceding year. Lindbergh telegraphed his son who was flying an Army Jenny plane in the south to come to Minnesota and drive him in the plane so he could cover more territory and attract larger crowds. Finally one balmy May afternoon when we were conducting a meeting at the fair grounds in Marshall we heard the drone of a motor in the sky and a few minutes later the future Colonel Lindbergh landed in a nearby field. I rode in the plane to Redwood Falls, our scheduled evening meeting, and distributed literature from the plane. Next day father and son flew to Glencoe—their first airplane ride together. That afternoon when the Colonel was going to take off he hit a concealed ditch on the Miley farm and cracked up, so the airplane method of campaigning came to an abrupt end. The former Congressman was certain he could not win the senatorial nomination but wanted to get over his Federal Reserve Bank speech to as many as possible, and he went through a strenuous schedule for several weeks. That trait always was peculiarly his. Office to him, as office, was nothing. Holding an office to him meant an opportunity to educate, agitate and serve.

The father lived a very simple life. It was usual for him to be at his office at five A.M. and stay there until late in the evening. When writing or studying, he often slept there all night. He ate simply, but heavily, was almost careless of his clothes and devoted himself to work and then more work.

During my association with him I never heard Lind-
12

bergh speak an unkind word of any person. He rarely passed a child without expressing a friendly greeting. During his last illness he was worrying more about the comfort of others than his own.

One of my last recollections at the office was to see him standing in the bitter cold air after a heavy snow, window open, feeding the pigeons.

“They can’t forage today,” he said. He procured a large sack of feed and soon the place was swarming with the hungry birds.

In the light of events since this book was written he must stand as one of the nation’s leading economists. Whether you agree with his conclusions or not, you will realize when you have read this book that “Here was a Man.”

WALTER E. QUIGLEY

330 Metropolitan Bank Bldg.
Minneapolis, Minn.
January 1, 1934

13

14 <blank>

CHAPTER I “INNER CIRCLE” CAUSED WAR

All that I ask of readers of this book is that they give it hospitable consideration. We of this particular time—now have the most important economic problems that were ever actively presented to be solved. To a greater extent than ever before, the world presents the failure in some respects of the existing civilization. Failure must be acknowledged as a fact. No one can question that the old order of things is what has run us “off the track,” and that a new plan of things must be worked out.

I believe that I am as patriotic as any one. To be that implies bias in favor of my own country. I admit that I look upon the United States as the best, but that does not preclude me, a sovereign citizen, from looking the truth in the face and objecting to many things that take place, if I believe them wrong. I realize also, that to depart from the ordinary practices of enthusing over some things that we have habitually enthused on, and that in addition to that failure, to state truths about certain things that are practiced by a certain “inner circle,” invites unfeeling criticism to be heaped upon me by those who defend what herein I shall assail. Let that be whatever it may be, this little volume presents facts and arguments on things as they are.

It is not the war which furnishes us with the largest problems to solve, but it is the conditions and things that existed before the war and that caused us to enter the war, that we must solve. If we do not they will

15

continue and be even worse after the war and furnish cause for later wars. Incidentally we must consider several things, among them the following:

Claiming it as a fact that ours is the best of the existing governments and that the basis for the grandest opportunities exists here, in spite of those truths, do we have the advantages that our “continental conditions” make it practical for us to have?

I conclusively prove herein that we do not, and I have outlined a simpler and less expensive plan that could be made effective without delay which would give us the advantages that its conditions justify.

Why is our country at war and how does it happen that already some of the best citizens have gone and that great numbers are about to be sent to the battlefields in Europe to kill and be killed?

Trespass upon our rights on the high seas makes our cause just, still I do not claim that it was wise to enter the war. I believe the problem could have been settled without war or sacrifice of national honor, the same as we expect to adjust the trespass upon our rights to the high seas by other nations. Our purpose is humane, nevertheless I believe that I have proved that a certain “inner circle,” without official authority and for selfish purposes, adroitly maneuvered things to bring about conditions that would make it practically

certain that some of the belligerents would violate our international rights and bring us to war with them.

To what extent shall we prosecute the war?

Our highest representative is Congress and the President. Whether we believe their official acts right or not in this matter, we must support them with all our power. There are two sides involved internationally, and we are for America. Whether in battle, in industry or elsewhere—everywhere and wherever really needed or required, we will respond patriotically.

16

Up to the time of taking official action, it is our right as sovereign citizens to direct Congress and the president and to have them act as our servants to put into effect our demands. We should never surrender our sovereign right to petition or otherwise properly influence either Congress or the President. We should spurn as contemptible to the idea of democracy the oft-heralded statement of “Stand by the President,” in the sense of its present frequent use because it is too often used as a guise to deceive.

We should stand by the President and Congress as well, in the execution of their official duties, but until their acts become law, it is our right to direct them as we believe right and to determine their authority. Even after they have officially acted, we are still at liberty to seek to have officially undone what has officially been done—that is, to change and officially amend. There is much which they have done that should be repealed or amended. Any attempt under the guise of war or otherwise to prevent this being done in the legal way is revolutionary, and invites revolution in opposition.

Is the social and business policy of our country such that it is impossible for the masses to secure their industrial rights?

I prove herein that it is impossible.

Do the dominant political parties still serve the purposes that originated them and if not why not?

This is discussed from the practical application of the relation of things that are to the relation of things that clearly would be if we had made the best of our continental opportunities.

What are the influences that prevent a fulfillment of the best purposes of our nation with the continental advantages that we possess?

I realize, of course, that at this time it is impossible

17

for any one to discuss impartially the facts that have grown up out of the war without being charged with being either pro-German or pro-British according to the temperament of the critic. It is impossible according to the big press to be a true American unless you are pro-British. If you are really for America first, last and all the time, and solely for America and for the masses primarily, then you are classed as pro-German by the big press which is supported by the speculators. In the discussion of all subjects in this

volume, it is my aim to state the truth impartially, whether it favors or disfavors England, Germany or even America itself, for I have never been able to take the view that we should even deceive ourselves as to our own American faults in order to become true Americans. Of course I shall avoid the discussion of any subject that might give any satisfaction to our military foe.

Chapter VI is a departure from the regular—a dialogue—to emphasize a condition.

18

CHAPTER II

POSSESSION OF THE EARTH—WHAT FOR?

We - mankind, yes, that is it: this is our earth. There is no one else to claim it. If there were we should contest the claim. We even contest it as between each other. It is not exclusively my earth, but my rights are as great as those of any other, and their rights are equal to mine, and equal to each other. Thus we all come out in the same half bushel so far as our abstract rights are measured.

Mankind—yes, if any one else, beast or whatever it might be, made a claim to the earth we would contest the claim. Why? Because we need it and we claim it for ourselves. No other body, however, has made a claim, and as to all other kinds, mankind is in the undisputed possession.

My rights stop where your rights begin, and yours stop where mine begin. Everybody's rights stop where the other body's rights begin. Still there rages a frightful conflict—nothing so appalling in dealing death and destruction has occurred since the creation of man.

Who is it then, that is claiming the other fellow's rights? I see—it is mixed: Some claim the other fellow's rights and are fighting to possess his advantages; some have trampled down the other fellow and already possess his belongings; some trespass; some defend—some claim the right to rule and dominate the others, and the others deny the right—all in this mighty conflict that threatens the destruction of the major portion of mankind, and if spared from that, be reduced to

19

abject industrial slavery, unless we reason, rather than follow mere naked impulse to guide us.

How did all this hell come about? Can it be crushed, so peace, good will and universal prosperity may be restored? As to that, see the subsequent chapters.

Mr. William W. Clay, of Chicago, Ill., is the author of the following, setting into poetry Chapter II above.

What For?

Alone am I here,

*Bewildered stupefied,
In deepest agony of soul;
While all about
The shouts of frenzied men
Ring out their hideous cry for war.
WHAT FOR? WHAT FOR?*

*I hear far off
The battle raging hot
In furious, desperate strife:
I see its flame
Dart toward me 'cross the sea,
Seething with hate and misery.*

*I see the dead.
Deep in the trenches strewn
Their mangled, rotting bodies lie.
I see their souls:
They hover all around—
Dismayed; but helpless, e'en as I.*

*I see those left;
Widowed and orphaned,
Crippled and starving: better dead.
I see! I hear!
I hear them cry to God:
"Almighty God! Why is this war?"
WHAT FOR? WHAT FOR?
20*

*I hear the din
That drowns HIS answer out;
The battle shout—the cannon's roar
The howl from Hell
Demanding blow for blow
And cursing me who thinks not so.*

*I see below
Where devils line the way
From Hellespont to Hellespeak.
I see them grin;
I see them prance about;
I see them revel in hell's heat.*

Onward they come;

*Mephisto in the lead,
Waving the skull and bones on high.
Near is his hand:
Close to my throat his touch;
Oh, God! Hold off that dreadful clutch.*

*I see above:
I see the angels' tears:
I see them gaze in anxious fear.
I see HIM there;
I see His blood-stained cross;
I see HIS saddened soul's despair.*

*I see—and yet
Betrayed and crucified
In agony of soul HE weeps;
While all about
The shouts of frenzied men
Ring out their hideous cry for war:
WHAT FOR? WHAT FOR?*

21

CHAPTER III

CONTINENTAL AND POLITICAL ENVIRONMENTS IN AMERICA

No one can walk or march here to invade us—they must swim or fly if they come. We have surrendered neither our domestic nor our international rights, but we have slept on both of these rights too long. A few, however, were awake all the time putting the rest of us in a vise. So we find the existing order of things strangulating—menacing our hold on life. We have become extremely uncomfortable—even irritable. We Americans have an intolerable political condition to overcome.

Politics and business, we were told, should be kept separate. The wealth grabbers told us that. The rank and file of us did not mix into politics at all, except to vote occasionally, and scarcely knew why we did that. But the wealth grabbers did not keep their business out of politics. We were the only ones that tried to keep business and politics separate, and the effect was that we kept out of politics altogether, except merely to vote to give politicians power. When we get down to “brass tacks,” however, we will discover that business and politics should go hand in hand, and should not be separated, and that every patriotic American should be actively interested and active in politics.

Ours was the first government to make a proper start. Washington, Jefferson, Franklin and men of that class launched the ship of state, and did it on a sound political and business basis—fitted to growth and

modification as conditions should change—always open to be governed by principles of eternal justice. That was in the beginning and that was the purpose of its continuance. There was nothing demagogic or selfish in the original organizers. The colonists had built up from hard luck, and political oppression from abroad. Therefore they knew the importance of good government. These serious pioneers drafted a wonderful Constitution, though later disfigured by technical court construction that smothered in part the spirit of the greatest instrument ever drawn by the hand of man.

For a time we built to the spirit of that grand instrument, but as the virgin resources remunerated the industry of the people, and they owned more, the temptation to exploit brought into politics demagogues and hypocrites and crowded out statesmen.

Under the administration of demagogues, a new and fundamentally pernicious principle was injected into our governmental policy. It was the doctrine of so-called “reasonable profit” to the owners of capital, without taking into account the necessity for a reasonable compensation for the industry and production of the toilers.

Under this destructive policy—now an iron rule— those who can possess themselves of capital, irrespective of whether it is acquired by the owner as the product of his toil, or by accident, hook or crook, become proprietors of the industry of labor, and by that iniquitous rule may take toll, limited only when labor has been reduced to bare subsistence. Upon the practice of this rule, justice in the social world has been undermined, and civilization is being destroyed, properly so if we tolerate the rule, for this earth is not a suitable place for liberty loving people if we shall be subject to its Operation.

Thank God, there are always enough of us remaining

who dare to repudiate and who will ultimately destroy the operation of any false rule.

The Capital of the United States

Our towns are important, likewise our counties, and the States each a great commonwealth. Important as all these may seem, and great as our respective States may impress us—town, county, State, all combined, influence our business affairs comparatively little when measured with the administration at Washington, the capital of our country. There we have Congress, the President with his several Executive Departments, and the Supreme Court. They rule us under the existing political practices.

We look to Washington, then, for the great and most important things. All eyes are now on Washington. What about it? Much indeed. I shall not mince things out of the pride I have for my country. I love the country in spite of the mistakes of the administrators. I believe it the duty of those who love their country to point out any mistakes they may know about its administration. Love of my country does not blind me, nor close my eyes nor make me refrain from pointing out what I believe to be faults in its administration. We must prosecute its faults as well as to make operative its virtues. If we do not do both

we are not good Americans. There is more reason now than ever before for every American to attend to the rights of the people.

We elect our own representatives, and if we ourselves know what we want and see to it that they, too, know, there should be no trouble in their truly representing us. The trouble has been largely with ourselves. We have not known what we really wanted, while “big business,” thriving off our earnings, knows exactly what it wants, has abundant means, and is completely organized

24

to act and does act in every emergency for its own selfish ends. The special interests have experts to draft their plans. Did we not see how quickly they took hold of the war, at the time it started in Europe and again when we declared war? They are always ready, because they get the earnings from our toil. They know just what they want and have always gotten our representatives to grant it to them. In the last few years they have gotten their greatest increase of wealth.

Of all the cowards, no other is so cowardly as the average politician, considering him in a political sense. But, nevertheless, many of our officials are better men morally and at heart, as well as in ability, than they get credit for. They must, however, be led by the people if we are to succeed. They dare not fight the people’s battles unless the people lead them. For the public officials, to fight the people’s battles is the “signal” to “big business,” to deceive the people and get the latter to defeat such officials at the polls.

If we lead our public officials by showing them exactly what we want, then they will know that we know, and that “big business” will not be able to deceive us as it has done in the past. Then the officials will act in our behalf. A progressive, thinking and observing people will find among themselves men and women suited, as public officials, to serve the general welfare.

Who Says the People Rule?

Most politicians who face American audiences assume that they can charm with glittering generalities, provided they truckle to a vanity which they presume all persons possess of their own importance. A favorite thing is to make the audience believe that every American citizen is his own master, and ordinarily they hit it off as follows:

25

“The people rule; this is a government of, by and for the people.”

It was from his heart that Lincoln made such a statement. Because it came from the bottom of his heart it was honest and original with him. But he feared of the future, and his fear was well founded, for the people have not ruled. Some one must rule. It should be the people, but thus far it has not been.

These who claim that the people have ruled slander the people, for surely no one can claim, with the enormous advantages that exist in America, that if the people have ruled they are really fit to rule, for all along they have gotten the small end of the advantages that exist, and then think of the mess we are now in. But just the same, this Government

is for the people, and it is their right to rule. It is because they have the right that I seek to show what a dismal, lamentable failure the existing rulers have made of the Government. I do so in the hope that the people themselves may soon exercise their right to rule, and thus we shall secure the advantages that really belong to us all.

Our national territory affords us enormously greater advantages than we have had. Only here and there do we find a person who really takes advantage of the opportunities, and even the most of those who do seek merely the material advantages, which when carried to excess destroy the very purpose of life if it has any purpose at all. Surely life has a purpose.

It would be useless to show up the disadvantages, unless at the same time we explain the advantages that may be made to take their place. We must know them both in order to understand either.

We must proceed from the individual—the unit. No government is better than its people. On the contrary, even government is less progressive than the

26

people, for you cannot improve anything before you know how. The intelligence must precede, and that, must originate in the individual, and spread to the various units and then take effect on the state. There fore each of us must know himself first.(1)

1 “Big Business,” washing the hands of their captains: In all issues of their big press and other publications, you can read about what noble patriots we have in the men who profit by the war, while it is the plain, toiling people who are really supporting the entire system, including the payment of the profits to the big fellows. Yes, these men are patriotic (?). They subscribe liberally to everything that helps them, and then charge the people for what they subscribe. The plain people who get no benefit by way of profit out of the war are the only patriotic people subscribing.

27

CHAPTER IV

THE EXPLOITERS

A well-known weekly magazine recently published a series of articles entitled, “The Builders of America.” Other magazines published similar articles. The purpose was to make the public believe that certain “big business” men, one or more of whom had his picture in and was described and eulogized in each issue, had done a great service for America.

Any one who understands the economy of things could appropriately paraphrase the title of the articles to embody the true meaning of the text but use the same personal cuts and call the title, “The Cancers in American Business,” and show by the text, conforming it to the true acts, that the subjects of the sketches are the “Destroyers of America’s Independence.” That fact notwithstanding, we have no cause for condemning these men, but instead we should change the system that makes them and their like certain to exist. Emphatically, we should not let them make us believe that they are, “The Builders of

America,” but on the contrary we should make them understand that we know that they are the “Cancers in America’s Business.”

They Try to Justify

They say to us that we all have an equal opportunity, and that it is our fault that we do not become rich. They seek, however, in every way possible to prevent us taking the only opportunity we all have to become

28

successful, for they know that if we did, it would end their exploits. It is our fault that we do not take the advantages we have, for we all can never, or even any proportionately large number of us, be successful if we follow their plan, and that is what we have done. They keep in politics, on the sly, to force us to follow their plan. Under their plan but few can succeed.

As pretended proof that there is an equal chance of success for us all under their plan, they cite Rockefeller with upward of \$20,000,000 annual income upon his billion or more of capital, an income admitted by his own agents and generally supposed to be three times that; they cite the late J. P. Morgan who had nearly as much wealth; they also cite other wealthy men, grouping several, each of whom began as poor boys— “Look at these men,” they say to the public, “go, each one of you, and do likewise.”

It is the “special privileged” who tell us to “go and do likewise,” but they know to a certainty that it is only possible, here and there, for one of us to do it and that it can be done only under their system.

It is as if the Government should set aside in the far West, out of the public domain, a tract of 1,000,000 acres of the best land there, and say to the poor people in New York City, “The first of you who can get there and put foot on that land may have it.” Now that presents an equal opportunity for them all to begin with, but the one first in the race who puts foot upon that 1,000,000 acre tract would exclude the rest. So when a Rockefeller enjoys a \$20,000,000 or \$60,000,000 block of profits annually, he takes what many thousands of others have been excluded from, and the unfortunate thing of it is that he did not earn it, while they did.

Oh, no! The evidence which the wealth grabbers offer as the proof of an “equal opportunity to all,” is positive

29

proof to the contrary. It proves the success of the masses to be impossible under their plan, and, as we have seen, it is their plan that we are working under. The wealth grabbers did not produce what wealth they have. It is impossible for any one person to earn so much, or even any considerable portion of it. They simply extort it from the products of the toil of others, and the toilers secure that much less of what actually belongs to them.

The Exceptions

Some persons are inventors, and discover new methods to apply human energy that secure better results in the way of production. They are entitled to certain credit for whatever of advantage they give to humanity. Edison, Ford and other persons of genius, who devise plans for improvement, come under that designation. It is not against the man or the plan, when the plan is good, that we object, but we do object to predatory wealth running our nation as it is certainly doing flow—politically as well as industrially.

No one who gives it study doubts, for instance, that their manipulations deprive the toilers of most of their earnings, and incidentally in running their business these big speculators are forced to employ able assistants to aid them in their schemes. Some of these assistants have also become immensely wealthy preying upon the country's business. What is true of these speculators is equally true of most great fortune grabbers.

It is true that existing laws and business practices do give a few of us a remote chance to acquire great wealth. A few are slick enough speculators to get it; others get it by accident, but these laws and the practices under them absolutely destroy the opportunity of the masses.

30

Charity

There is another form of justification offered by themselves for the favored class. It is that with their fortunes they found colleges, churches, eleemosynary institutions and charitable works of different kinds. Even if the beneficiaries of such institutions felt entirely free, which in many cases they do not, to regard themselves independent of obligation to their founders, and could deal with the public as free men and women should, even if this were so, are we who labor in the various fields of enterprise to consent to be deprived of our earnings—are we willing that any man or set of men, however good and liberal they may be in giving away our earnings, shall by force of circumstances and practice be able to take the products of our toil as they see fit, to use them for any purpose whatever? Certainly not. Those who earn in the sweat of their toil should be able to dispose of their own earnings, and not be forced to see others do it for them.

31

CHAPTER V

YOU—YOURSELF

Are you a farmer—a wage worker—or engaged in any of the occupations required to be filled with industrious men and women in order to fulfill the many necessities of life?

If you are—why do you let capital, a product of your own toil, sit on the throne of human industry as the master of all—to determine your place in life and assign you to drudgery, even to war if it chooses?

There is a reason—you should know, for it is due to you, the real toilers and producers, to sit on the throne where provisions should be made to safeguard the rights of humanity.

Under the rule of the “dollar”—human life has fallen to its lowest value. But time heals all things. No longer will the masses accept, “Error for truth, darkness for light, wrong for right, or lust for love.”

“The masses of humanity”—formerly—“symbolized by the stupid ox, are awakening to a realization of their rights and long withheld privileges.” Take the war management, the financial end, who controls it? Not one of the plain toilers has anything important to say about it. Yet the expense of the war, as well as the men to fight it, falls mainly on them. But it is managed by the multi-millionaires. Where do you suppose they got their millions to begin with? Not by being liberal with their employees and allowing them the proper measure of their earnings—no, sir, not that. Millionaires are not made in that way. Sharp and predatory practices—manipulation—make millionaires, Why then

32

tempt these sharpers with the financial management of the war? Unless they have changed their nature and their practices both—the evidence is against it—we need not expect them to manage it free from speculation.

Already since the war began in Europe, the finance speculators have exported \$6,000,000,000 in value of American products in excess of the products that we Americans got, back in exchange, which fact the speculators have used as an excuse to raise the price to American consumers on the “trust” controlled products approximately \$17,000,000,000 over the former prices, which upon the latter items alone equals \$170 on every man, woman and child. That is what the press calls a “favorable” balance of trade—favorable to starve the masses and to glut the speculators.

In line with this disastrous export policy, and as a part of the speculators scheme to mulct the public on a gigantic scale while the war should last, they started the war propaganda preparedness campaign. They knew that the people were favorable to the Government itself making proper arrangements to meet such emergencies as might arise out of the existing chaotic conditions, so they wanted it all done in a way that would give the greatest control to speculators who are in charge of the banking system, and with the aid of their press, they succeeded in lining things up to suit them.

After many intervening things had happened in which the speculators were always active, the declaration of war by Congress was made. The first bond issue was called the “Liberty Loan Bonds,” a name that suits us all. In Minneapolis where a Federal Reserve Bank is located, the Minneapolis Journal had the following to say:

“An inner committee, designated by E. W. Decker as the ‘the big stick’ committee, is to check up contributions and call parsimonious givers to account.

33

“ ‘What is this I hear about slackers?’ Mr. Decker rose to demand. ‘Well, we’re preparing to use the big stick. Any business house or individual who in the opinion of the solicitor is shirking his duty should be reported to the Executive Committee.’

Mr. Decker, referred to by the Journal, is the big banker of the Twin Cities. You know what it means to have the bankers use the “big stick” on a borrower at any bank and all

business men are borrowers. The same thing that was done in Minneapolis was done in the other cities.

Then again came the Red Cross campaign for funds. We want our soldier boys who may be sent, across the seas to fight in Europe, to be cared for in the best way possible. The purpose is one of the most important. Here too the “big finance speculators” are the principal leaders. It is not possible that they have any design to cripple the work of the Red Cross, or to filch from the \$100,000,000 fund to which they have liberally contributed. What they want is to control the organization of the Red Cross, because it will be officered by able persons, and to control that organization will be worth billions of dollars. They will have a powerful influence in the reorganization of Europe. Out of that reorganization the “big financiers” expect to make very many billions of dollars profit. It will not interfere with the good work of the Red Cross on the battlefield. It can and undoubtedly will be just as efficient in its work there in ministering to the needs of our boys, notwithstanding that big finance is its main supporter. The Government itself, however, should have both financed and controlled the operations of the Red Cross, but this the “big financiers” opposed, and undoubtedly because of the desire to be independent in organizing the Red Cross for the advantage it hopes to get out of the organization in the reorganization of Europe.

34

It is the Federal Reserve Banks that have been the clearing agency for all the work of “the big financiers.” They have been used as the spur where spur has been required. The Federal Reserve Banks are owned by the member banks, and the millionaires who own the big city banks control the Federal Reserve Banks. They plan the whole thing. In spite of the fact that the people themselves should direct all these matters through their own servants, instead of big business doing it, they, the people, have responded to every call with noble patriotism. Honor to the people for it. But how much greater honor will be due them, and how much more enthusiastic and hopeful of the future they will be, when the management is changed as it should be from the greedy speculators to the people’s “actual” own representatives.

It has indeed been humiliating to the American people to see how the wealth grabbers, owners of the “big press,” really attempt by scurrilous editorials and specially prepared articles to drive the people as if we were a lot of cattle, to buy bonds, subscribe to the Red Cross, to register for conscription and all the other things. The people will do their duty without being hectoring in advance by the “big interest” press. What right, any way, has the “big press” to heckle the people as if we really belonged to the wealth grabbers and were their chattel property?

I do not seek to give you my opinions, but ask you to make a call upon your own. In the depths of your own soul are stored thousands of the best things in your life and that you have not yet called out to your conscious mind. When you call out your own natural talents, your country, too, will have additional splendor—a splendor which you cannot appreciate until you have discovered your own best self. Know more about yourself, for it will give you more confidence—a better

35

understanding of the world, because you do not differ from others so much as you may believe, besides, you are much greater than you have yet discovered.

Dig out your innermost thoughts—the simplest of them, because they are the natural ones—and the great est. They will help you—me and others to solve the disturbing elements in life—the things that bother us all. It is the arbitrary things—the ones that have been created by men contrary to what's natural—that make most of our trouble.

You may be a farmer; you may be a wage worker; you may be in any one of a thousand different occupations, but that makes no difference in what we are looking for. We look for the men and the women. We find them in you and in me. The point of interest is—what's in us, for there is much that is the same in us all. We have mutual necessities unfulfilled which may be supplied if we understand each other. Every one of us can bring him or herself within the rule—high or low, rich or poor—all may be benefited.

I grew up on a farm. There are many of you, and but one of me. But since wherever we grew up—there are many things the same, the easiest way for me to understand you is to first know myself, and likewise, the easiest way for you to understand the public, is to first know yourself. I have already studied myself somewhat, so I will now briefly examine what you would find in yourself if you have grown up on a farm, and made a farm for yourself out of a wild tract of land. I do that because it is the best example that can be given, on a unit scale, to show how our country grew up, or perhaps better stated, should have grown up. I wish to examine the simple things, because the complex ones have gotten us into bad trouble and we shall have to rely upon the simple ones to get us out. If we had watched the necessities of the farmer on his farm, we

36

should have known the principles for the development of a nation of more successful people. Don't desert these thoughts now, simply because it's a farm, for wherever you are and whatever your work, I will soon reach your case as well.

Suppose a farmer with an average family owns 160 acres of wild land, moves on to make it a farm—he requires a house, a barn and other buildings, as well as livestock including a team, and implements and machinery to work with. He owns the land, but has no money to buy material for buildings, stock, etc. What happens in his case? I am asking about the pioneer days now. He was somewhat in the same fix that this nation was at the time of its birth. It was then mostly wild lands without farms or cities and but few inhabitants. With rare exceptions the people then did not have aught but their hands—so the nation and the farmers, as well as the rest of us, started about alike.

What did the farmer do who under those conditions could borrow no money? He had to begin with his bare hands—plus a spade, a hoe, an axe and other simple tools which in some way he managed to get, by trading his work or by borrowing. In the first settlement of northern Minnesota, where I grew up, no one farmer had implements enough to work his farm, but within a radius of 4 or 5 miles there were several farmers, and while none had the variety of even the simplest tools and implements necessary, taking all the farmers there into account they had these. Therefore they borrowed from each other to supply their most simple requirements.

With these simple implements they worked. If they owned or were near timber—which was all the same in those days, a statement which carries with it no disrespect to their honesty either, for the pioneers always were the salt of the earth, and had the courage to build

37

a nation—so I repeat, if they owned or were near timber they quickly constructed rude log buildings, and if they lived far from timber, sods largely took the place of timber. In these buildings they took shelter, and then began preparing the land for fields. This was the primitive condition of the white race everywhere in America.

Almost within the memory of the oldest of us now living, this continent, and all on the surface and underneath, belonged to either the State or to individual inhabitants of modest means. There were no Morgans, no Hills nor Rockefellers. What about it now? In presenting the facts as they are now, we find an influence has been at work that was strong enough to do the value of the great natural material resources as well as the products from human energy, from the masses into the control of the Morgans, the Hills, the Rockefellers and others.

But reverting to the pioneer farmer for the present, for he is the unit furnishing the best illustration of how to deal with an important feature in the social problem. We found him with his unsubdued land and his own self—poor in all that supplies food, clothes and shelter. He had to work to secure the mastery of his surroundings in order that they might serve his needs. If he had had food, wearing apparel and a certainty that his family should neither starve nor go naked, he would have built better from the start, but of this he had no assurance. In fact he knew that the only way to provide for himself and family was to neglect, in the beginning, making many permanent improvements in building, in order that he might have the time to put the land in shape to receive the seed, that the sun and rains might do their part in season.

Suppose the pioneer farmer, after he had roughly thrown together his log or sod shack which afforded him and his family shelter, had next began to build a better

38

permanent up-to-date dwelling, and had neglected the cultivation of the soil, how would he have come out? He knew better than to do that. He adjusted to his needs in his labor and otherwise. He was forced to do this by his very condition. He knew that the time spent upon undertakings that supplied no actual needs, reduced by that much his time to work for what he had to have.

It was the pioneer that builded the country and supported himself too. He did it by confining his work to the actual needs. He could not allow whims or needless fancies to take up much of his time, and he did not, so he succeeded well in producing for his own use what the farm could grow. His trouble came when he undertook to dispose of his surplus farm product in order to buy what he needed that did not grow on the farm. In this latter respect there is no difference between the farmer of today and the pioneer. The moment they try to deal with their brothers in other business, they are square against an extravagant system, that measures nothing from the standpoint of necessity or desirability alone, but has attached to it a demand for “profit,” independent of the pay for the

labor in production and distribution. This profit is largely expended in riotous living and unnecessary building of some kind which we shall examine later.

The nation is neither more nor less than a giant farm, with an almost endless number of needs the simplest of which were originally supplied direct from the farm.

The farmers did spin, weave, manufacture, mend, etc., but spinning, weaving, manufacturing, and all have become specialized, so we now have manufacturers, trading houses, transportation systems, and the many other means by which to supply us with every branch of service separated from the farm, and instead we

39

build cities in which to transact the manufacturing and business of all kinds. Those who are employed in any of these that serve the actual necessities, do the work on the same principle of development that governs the farmer, but the farther we get removed from the soil, the greater the opportunity for extravagance, and the opportunity was long ago seized, so that now millions of us are employed in ways and in work that serve neither actual necessities nor the reasonable demands. As a consequence we are all charged with the extravagance by having it levied and added to the cost of whatever we must buy.

The farmer confines his work to the production of necessities; seldom indulges in extravagances; is satisfied with comparatively few luxuries. There is a deep and significant lesson in the work of the farmer, especially the pioneer. He lived on the product of his farm and not on the "debt" that he could make. He had no debt to threaten him with destruction. He was a free man and if the nation and the people of the nation had followed in his footsteps in the practice of first working for the necessities and putting the "soil," figuratively speaking, into a productive state, instead of first creating the expense and the debt before there was anything coming in to pay with, we should have avoided the debt system and would now be universally prosperous, and find the cost of the best living within the reach of us all. The interest debts are destructive to civilization.

You Pay as You Go or Never

To the intelligent reader, it is easily understood that everything produced in any given generation is paid for in the generation of the then living. After we have departed this world, we cannot pay or receive pay.

40

Whatever we have done on earth is closed. If the generation produced more in value than it consumed, the succeeding generation inherited that much without cost to it. Of course the generations are not distinctly separated, but wedge into each other.

I may work for you now, receiving merely your promise to pay me. As long as we both live I have an opportunity to be paid, but if I die I will never be paid. If you die I will be paid only in case you leave some thing with which to pay. If we both die everything of ours is left over for others to fuss about.

I have said that everything is paid for in the generation of the living or never. That means in a physical sense. It, is the natural law, but in conflict with it man kind has created an arbitrary law by which we contract “paper debt,” and agree to pay a premium (interest, dividends or profits) that never has been and never can be earned, but is simply extortion. That kind of debt can be and has been heaped increasingly upon the people of each succeeding generation. It was heaped upon us more heavily than upon any previous generation. Unless we revoke it, we will pass it on to the next generation as a still greater burden to it, unless the people then shall possess the good sense to equitably revoke it.

Those who have not considered the subject. from the side of humanity, or who value the perpetuation of property accumulation more than the preservation of human integrity, may object to the term “revoke,” as I have used it, but I use it advisedly, after the most serious consideration.

Unhesitatingly, I declare it to be the most solemn duty of the State to establish a system to liberate man kind from the existing industrial slavery.

The masses cannot be liberated from industrial slavery without revoking many of the existing practices.

41

It is not meant that individuals on their own responsibility should have the power to revoke, but the State must exercise that power justly to all mankind.

It is utterly indefensible that we should go on piling up debts under an arbitrary system which it is impossible to physically comply with except by reducing the masses of mankind to a constantly lower and lower industrial state. A new system to liberate the toilers, need work no hardship to any one. The products from the industry of the toilers in a very short, period measure immensely more in value than all that has been accumulated.

It is not necessarily the purpose to take from those who have to give to those who have not, for that, would be no remedy. All that is necessary is to adopt a system that will enable those who produce to secure the benefit of their production, and not force them to continually remain the prey of a toll levy made by centralized wealth. Give us a system that allows us to keep what we earn. If that is done we can take care of ourselves.

We have an apt opportunity in the conduct of the war on which to base a true estimate, or at least a much more just one, than is now practiced. Wealth saw to it that the conditions would be created that would make it practically impossible for us to keep out of the war if the world continued to follow the old practice, and it is these old practices that wealth insists on following. Wealth was so greedy that it had to build greater fortunes, even if it took the sacrifice of millions of lives, and entailed suffering on more than nine-tenths of the world’s population. What was its demand?

It was the demand of wealth that we should prepare a great Navy and a great Army in order to enforce the existing political and economic system not only upon ourselves, but upon all the world—present and future.

42

it required that we should impress into the service of war, every available man and woman at nominal pay for their time. What did wealth offer in return? It offered to sell copper to the Government for 16 cents a pound when it costs wealth only 7 cents. It offered to loan money to the Government at **32** per cent provided the Government would raise the interest if later bonds should draw more. It offered other things provided always there was a profit to wealth, and it considered itself patriotic because it, did that. But it protested against the big incomes being taxed much to support the war for which its system is responsible.

Is any government justified in impressing men and women into war service at the lowest of pay for their time, if it does not also impress the surplus property of the wealthy? Strange, inconsistent, even lower than criminal is that practice of the governments which take the lives and the liberties of their citizens to impress into war, when at the same time they pay a premium in the form of interest or otherwise for the property of the rich to be used in carrying on the war.

No one with an ounce of brains, unless filled with injustice or a mere hireling, will defend such a practice, for when peace is restored the loans of the rich burden those who risked their lives and the families of those killed.

When our country needs us, we should respond, but it is not to be expected hereafter we will be willing to permit the lives to be sacrificed and the hardships of war to fall almost entirely upon the plain people. We were imposed upon in the past, but with the more general intelligence of this generation, we should not be so supinely stupid now. The property of the wealthy should be taken the same as we conscript the individual.

43

The conscript is not paid the value of his time to say nothing of the risk and exposure.

The taking of property or money to pay the costs of the war should begin with the largest of the fortunes, and as these are scaled down to equal the lesser, then conjointly they should be scaled down to take in the lesser still, and so on the process should run until all the greater fortunes pay in full the material costs of wars. Those with comparatively small means should pay nothing until those with larger means had been reduced to their equal. That is the only just rule.

If that rule had been the law these last years, there would have been no careless and reckless, and, as it was in some cases wanton, traveling upon the high sea in the danger zone by neutrals, notwithstanding that the rights of the seas should be and are of right inviolable. The rich owners of the ships would not have taken the risk to carry passengers if that had been the law. They would not then have tempted any of the belligerents to violate the international laws in defiance of America's rights.

To take the centralized fortunes to pay the costs of the wars would in addition to the justice of compelling wealth to support wars, usually of its own making, relieve the plain people of the levy that is made upon them at all times for interest and profit on the excess wealth. Surely, it is not possible that any of us in this day are so stupid as not to

understand that those who do the necessary work to sustain life and its requirements, really pay with their toil the extravagances of the existing system.

Because of the supreme importance it be understood by every citizen, so that no one shall be longer imposed upon without; his eyes open, I repeat that we pay in physical expenditure the full price of everything we produce. In order to have some of the things that we

44

need, we are obliged in some cases to construct what will last thousands of years, and pay for it in full when the work has been performed. True, we issue bonds and have been stupid enough to think that that pays the debt. It only adds to the burden, and as President Jefferson said in his day, "Spending money to be paid by posterity, is but swindling futurity"; or perhaps you may like Ruskin's statement better, that, "National debts, paying interest are simply the purchase by the rich of the power to tax the poor."

I like Jefferson's definition better, because it applies not only to national debts, but to all debts. What Jefferson said applies to us. We are what was to him "futurity," and have been mightily swindled as he had foretold. Jefferson and Ruskin were both great men, but while those statements were true, they were not profound, for even the commonest; of us certainly should see how we have been swindled as Jefferson said we would be, and we continue to be to this very day by the existing debt system.

Incidentally consider the two New York City depots—terminals for the New York Central and the Pennsylvania Railways. They cost \$200,000,000—built. to last forever. It was the physical energy of this generation that paid in full for them. Futurity can give not an hour towards payment. It can only keep them in repair. It consumed all the time of thousands of men for several years to get out the material and construct those terminals. Already, before they were built, the advantages for getting in and out of the city were good.

To build the world's most expensive terminals was as it would have been for the pioneer farmer, if immediately after completing his first shack and before he put his wild land into shape to produce crops, he had begun the construction of a grand and beautiful dwelling. If he had done that he and his family would have

45

starved, and his life would have been a failure. Surely we can understand that our nation is the giant farm, and that because of many excessive extravagances we have many ill-provided-for people. There is no co ordination between the various requirements of us all as one great nation.

The two depots to which I have briefly referred are but "a drop in the bucket" measured alongside other extravagances. In New York City alone there are more than a thousand dwelling houses for the use of single families that cost from \$400,000 to \$15,000,000 each, and in each of which are expended annually for their occupants from \$50,000 on up to over \$1,000,000. This is in New York city alone. In that city and in the other cities enormous and extravagant works take place, besides personal practices followed, merely to satisfy the vain fancies of wealth.

The millions of people working on the farm, in the shop and other fields of needed industry must support all this extravagance together with those required to work for it. Knowing that to be so, can we wonder at the constantly increasing cost, of living, even in the face of the wonderful inventions that make the energy of men immensely more productive? Certainly not. It is simple as “a, b, c,” that we have built too many superfine dwellings, blocks and other things of almost fabulous cost, before we cultivated enough fields “to grow the crops,” before there were enough factories to make the shoes and the clothes and the many other things which we need for our very existence. In other words we are using too much of our energy and wealth in building to satisfy the whims and fancies of wealth. Consequently millions of our people have not the necessaries of life. It is a system that robs all who work for a living.

What—did I hear you say that this of which we
46

have spoken gives employment to lots of people? That is an insult to the intelligence of any thinking person, yet that statement is excusable as long as we continue the existing business and political scheme. As things now are, the main thing aimed at by the wealth grabbers is to use us—to make of us mere machines to wear out in producing wealth for them. Our children are to be dragged into our useless places and be dropped into mother earth “ashes to ashes,” “dust to dust,” good bye.

If that is all we are for, then God bless the Kaiser, the late Czar, the Kings, “Big Business” and all the “Big Boys” who caused the war. It will at least be interesting while it lasts. If we are made simply to wear out in their service, the harder and the more dangerous our occupation the sooner will our ashes be scattered to the earth, and serve vegetable life better, to bud in beautiful foliage of the grasses, the trees, and the flowers.

Oh, no, we have not sunk yet to mere abject passive beings, even if our occupations in many cases would, standing alone, prove that we have. We are in a big measure industrial slaves, but we are not mental imbeciles. We still have our heads filled with brains, and they act when we command them. We all know that if any particular work or employment is unnecessary, nothing could be farther from the truth than to claim that it was justified because it gave employment, yet, even in spite of our knowing the truth we do not live up to it, so as to force its importance into a realization in our concrete experience.

Did You Forget Conservation?

Only a few years since, America went wild on “Conservation,” properly so. We pretend even now to be

47

conservationists, but we practice the grossest kinds of waste. This is discussed later. A few words here however, on that subject: In many places we have parallel railways where one could serve the traffic at less cost and equally well if properly managed; we have about 30,000 banks, but one-third that number could serve the business needs equally well and with less than one-half the cost; practically every town has too many business houses, which increases the cost of their out-put.

The success of a town or city does not depend on the number of inhabitants, but upon their thrift.⁽¹⁾ The real purpose of business is to co-ordinate everything. If that was done, we could support a population of five times what it is now, and with the greatest possible success.

A Sudden Reminder

You yourselves, plain American citizens, what happened to you when Europe's war dogs leaped at each others throats? The majesty of your own America

¹One of the greatest mistakes any village or city can make is to seek growth in population and multiplication of business houses without taking into account the thrift and well being of the inhabitants already there. It is not the number of people in a town that is an evidence of prosperity. If that were so the people of New York City would be the most prosperous in the Union, whereas the people of that city on the general average are the most miserable. You can take the people of almost any of our little towns and those on the farms—consider them as a whole, you will find they are very much better off than the people in the large cities.

If you have stores, manufactories, and other business enough to meet the demands of a community, to seek more of the same kind will often weaken the thrift of all the legitimate business. I never could understand why any city should boast of the number of its inhabitants rather than of the prosperity of all of its people. To seek to boom a town is a business error. Whatever is done, should be specific, calculated out on a business basis. Let the town build to meet the business demand, and never build the town merely to create a big population.

48

sprang to your minds; your respect for its past; your confident hope in its future continued greatness fully justified and supported by your loyalty and patriotism—filled you with just pride for your country, with its peaceful pursuits. That was what first happened to you.

The raging battles gave you no fear, but suddenly another cloud appeared. It had appeared in a thousand wars before, but you had forgotten about it; crimes, crimes, crimes—the most terrible to report. Which were true and which were false the majority of us will never know. But we are morally certain, as we had a right to be, that the very devil himself was at large as he had been in other wars, and that women and children, the old and the crippled as well, were helpless in the path of destruction. We know that mothers and daughters were made slaves to carnal brutes. Every war has produced something of that. All these and terrible other things were presented to your mind.

March 10, 1916, I made a speech in Congress on the deception practiced, from which I quote a few paragraphs:

“I cannot discuss so important a subject without a few preliminary observations. The general impression is that truth is free. No one seems willing to buy it, and since it costs money to compile and present it in practical form to be read not much of some kinds of truth is placed before the public so that everybody can get it. The kind of truth that it is

worth while for some parties to conceal, they pay well to have it concealed. Everybody is therefore puzzled about existing conditions.

Deception as a Fine Art

“At no period in the world’s history has deceit been so bold and aggressive as now in attempting to engulf all humanity in the maelstrom of hell. The world is sizzling
49

in the ‘melting pot.’ Sober men and women who measure the conditions with unselfish judgment and suggest sane action are pounced upon by those in command of the ‘hell storm’ in an attempt to have them labeled cowards, and to force us into war over a standard of false national honor. Many of the highest officers of Government fail to sustain their moral courage for common sense, and add to the confusion of the excited by supporting the demands which are made by the speculators.

“Amid all this confusion the lords of ‘special privilege’ stand serene in their selfish glee, coining billions of profits from the rage of war, in shoving up the price of stocks and the cost of living. They coldly register every volley of artillery, every act of violent aggression, as a profit on their war stocks and war contracts, and discourage in every way possible any attempts to secure peace. They commercialize every excitement, and create excitements by false reports, in order to scalp in and out of the market alternately, taking a profit both ways on the fluctuations.

“Deception has paid a few so well that its practice has become a fine art, and is maintained by many ingenious schemes. Those who earn their living by the sweat of many hours of daily toil, have little time left after their work is done to figure out the ways in which the schemers gather in the cream of the products of toil.

The Invisible Organizers

“We have been buncoed, and a majority of us do not know how it was done. It was the ‘invisible organizers’ who did it. They employ many agencies for the purpose; besides most of the great city press are maintained by them for that purpose. Their work is even stealthily being introduced into the public schools, colleges and universities. They do not leave the tender minds of the children free to the unselfish tutorship of parents and teachers, but use adroit methods in an attempt to warp the youthful minds in a belief in special privilege. They seek to control civic bodies.

“The ordinary work of these civic bodies is beneficial.
50

Most of the members are from the best citizens, acting with the best of motives. Little do they know about the ‘inner circle,’ or even that an ‘inner circle’ exists. It is the ‘underground lines’ that are used by the ‘inner circle’ only that influence village and city councils, legislatures and Congress to grant special privilege.”

With all these visions before you, you could no longer be calm. You had a right to be wroth and were. But have you thought of the entire world, the responsibility that rests on us as American citizens? We are at war now. The task that confronts us to win in the battlefield is small as compared with the task that confronts us to win liberty and prosperity to all in America. We stand united as against any foreign military foe. We cannot think that, in any other than in a military sense, we have any foe among the plain people, for the interests of the plain people everywhere are the same when we place ourselves on a true economic basis. But there are foes within our own country far more dangerous than those without, and there is a wide difference of opinion as to how we should deal with our domestic foes.(2)

2 'Nothing is more childish than to place too much responsibility on one man, no matter what his position. The press, and even the President, have criticized, properly so, the Kaiser's autocratic power. But the same press as well as the President, not only demanded, but the President actually exercised as extensive autocratic power as any Old World ruler—the press, "standing by the President," only when the power exercised was in favor of the interests it represents—but woe be to it when not favorable to such interest. The following taken from the Washington Times, June 7, 1917, is typical of the "soft pedal," when the acts of the President please "big biz":

"But it is only fair to Senator Lodge to say that he did not object to the use by President Wilson of the large power given him, but of the inevitable necessity of delegating powers to subordinates who did not and could not have the wisdom of the Executive himself. Many times during the course of debate in Congress, a knotty point has been settled by simply saying, 'Let the President decide. We can all trust him.' "

51

Strange, is it not, that when a man is elected President, the presumption is made that he knows it all, when, as a matter of fact, he does not have as good opportunity to investigate details as he had before, because of his limited time. It is a true saying that: "A great man surrounds himself with equally great men to aid in his work." If a man has not that qualification he is not great. So far as wisdom goes, a President is not changed by becoming President.

52

CHAPTER VI THE FARMER AND WALL STREET SPECULATOR AFTER EMERGENCY CURRENCY

Mr. Politician: Good morning, Mr. Speculator; what brought you to Washington again and at such a time as this? I thought when we gave you your Federal Reserve Banking System that that would satisfy you forever.

Mr. Speculator: Good morning, Mr. Politician. Don't twit me of the past. I wish to see you in private so we can talk over the most important business that ever was on this earth.

Mr. Politician: You evidently think me high up in the political councils here. I pretend to no such great importance. If you have such important business, there should be more of us in conference. No man is big enough to tackle the most important business ever, but I will listen to what you have to say. Mr. Speculator: Of course we understand each other,

but even at that it may be well for you to practice your modesty—to keep on the safe side. I know the importance of your help. We may as well be perfectly frank with each other. Even the greatest of things must begin somewhere and with someone. There is absolutely no time to waste. You know I am a product of Wall Street and “big business.” I represent it. It is in danger this very minute—unfortunately so, for in spite of its danger, it also has its greatest opportunity. We must have help immediately from Congress, for this sudden war, no one can tell when or where it will

53

end, or who or which nations it will involve. Our business was always on a great scale, but this sudden war burst upon us and we have not, the capacity to take advantage of it unless Congress helps us. Financial help we demand. We now control \$20,000,000,000 of bank deposits to run the business of the country, including our promoting enterprises. We have some deposits of our own, but who knows when the depositors might start a run, lick up the deposits and prevent our taking advantage of speculating on the war business? War business offers the greatest and the most rapid means of building immense fortunes, something worth while to us Americans. We must act quickly, for now is our opportunity to make America the financial center of the world, and our friends to dominate. Germany is pushing out in every direction her vast armies for invasion. Russia is mobilizing and moving her great forces for action. France is rapidly mobilizing and marching her armies to hold the Germans in check. England, too, will immediately be in the whirl. The world may soon be at it, and I must inform my people that, Congress will extend the unlimited credit of the Government to our banks. Without that immediate assurance, we would be forced to precipitate a panic tomorrow, the like of which in its trail of financial ruin never has been equaled. What, Mr. Politician, have you to offer by way of suggestion for immediate action?

Mr. Politician: Fine proposition this is, that you make—too big for me this morning. We shall have to get more of us together in order to figure out a plan of action and draft some bill to be enacted to give the relief. I am not for placing the financial credit of the Government behind those whom you represent, but we must meet the emergency. We must prepare some bill that will meet it.

54

Mr. Speculator: “Some bill!” No need to talk about “some bill.” We have the plan and the bill prepared already. It is only a question of getting it enacted into law in the least time possible.

Mr. Politician: We must to some extent prepare our constituents to understand the situation—the danger, and what might happen if we do not legislate to meet the emergency. They will not take kindly to our lending Wall Street the credit of the Government again, and it will be up to us to show good reason if we do.

Mr. Speculator: Old as you are at this game, Mr. Politician, and many times as we have talked of these matters, you know very well that we make it our business to take care of the constituencies in all cases where that becomes necessary. That has already been cared for through the press, a part of which we control, and through news agencies which we control. We also have several civic organizations whose business it is to mold public

opinion, and are organizing more. All that will be, in fact has already been, taken care of, for this is only the first of a series of great and important, acts that Congress will be forced to pass before the end of this war. All our plans have been organized, and were even before the war began. Before every important act that we shall require, we will conduct a campaign to teach the people and prepare them to approve of your action whatever it may be, and they will even willingly demand it of you, for we have our agents out among them. They, that is the people, have no plan, and no organization to finance any. They do not take care of themselves. They think that, you are here to do that, and give mighty little thought to it any way.

Mr. Politician: Well, you seem to be prepared, so you better see the other fellows. We can all have a conference today and work something out to save the

55

country from ruin. We can use the telephone to arrange a meeting. So good-bye till the meeting.

The Farmer

Mr. Citizen: Good morning, Mr. Politician. Your secretary told me to come right in when the gentleman just came out. I am a farmer, and am here on very important business, and could hardly wait till that man had gotten through.

Mr. Politician: I am delighted to see you, Mr. Citizen. As one of my constituents, my office is yours, too, and I shall be more than glad if I may be of service to you. What is your important business?

Mr. Citizen: Well, you know what the war has done to cotton. It has busted the price to the middle—and more—for we can't get the actual cost of production. We owe for the advance we got during the planting and cultivating season, and we have no means to harvest; besides, the price we can get, if we can sell at all, is below what we, or most of us already owe, and the harvesting must be done. We are simply busted wide open—can't feed our wives and children. We farmers down there got together and concluded to send a delegation to Congress for help. I am one of that number. We want a Government loan temporarily. We have the security and are willing to pay the Government all it costs and more.

Mr. Politician: Surely, I sympathize with you most deeply. Just how to help you out, I confess I am at a loss to see. We can't provide a loan to you farmers because that would be class legislation. Let me think. I have it, you go right home, your whole committee may do so, and we will make loans to the banks. Then you can go to the banks and borrow money. In that way we can help you over the trouble.

56



Lindbergh-For-Governor meeting at Detroit Lakes, Minnesota,
April 26, 1908, Lindbergh standing between banners.

Mr. Citizen: Oh, no, Mr. Politician, we want to get the money from the Government! The Government already loans to the banks treasury funds at 2 per cent, while the banks have loaned that money at 10 per cent and more for small loans. Besides, just now the banks will make us no loans. They say they don't know what the war will bring, and offer us no encouragement. We have got to have help now, or our crops will rot in the fields.

Mr. Politician: Take my word for it, we will give you plenty of help through the banks. We will give them unlimited loans, so they will have enough for all. We will prepare the plan immediately, legislate and you can depend upon it. You go home, for help will be available. See your banks. It is their business to help you and we will see that they are able to get the funds. The Government will supply the banks with all the money they need for all purposes.

Mr. Citizen: Mr. Politician, we are entitled to it more than the banks are—we want it, direct, with no rake-off to pay the banks—we need it to use, while they do not—they take it for profit—we need it for our own industry. I wish to bring the rest of the delegation to see you. We farmers want help direct from the Government.

Mr. Politician: Oh, no! Tell them it is all fixed, or will be, and to go home satisfied. I have a very important committee conference this very day, soon to begin, and won't have time to meet the others of your committee. Depend upon it, we will help you, so good-bye and good luck to you, for I must now go to the conference. My secretary, whom you talked with before you came here, will give you some tickets to admit you to the family gallery to see Congress in action, if you or your friends wish to attend.

The Conference

Mr. Speculator: Mr. Politician, you have all been advised of the purposes of this conference. We have all consulted more or less with each other, and now that a few of us are together, I wish to say that I have seen enough of the other “high-ups” to know that an emergency currency act can be passed without delay. It only requires slight amendments in the old Vreeland Aldrich Act which we had Congress pass in 1908, and an extension of time to merge into our new Federal Reserve Act under which we will soon be able to work. These amendments I brought with me, and you can put them right through. Arrangements have been made with the U. S. Treasury Department to anticipate the action of Congress and a great sum of emergency money is already on its way to the Subtreasury in New York where the banks can get it as soon as the law is passed.

Mr. Politician: There doesn't seem to be much for us to do except to get the Senate and House Banking Committees each to meet and report the bill.

Mr. Speculator: That is all. The rest is arranged and there will be no trouble about passing the bill, for this is the most exciting time financially that has ever been. You can assure both Senators and Representatives that our press agents and civic leagues and the various Chambers of Commerce will see to it that the Act of Congress will get the publicity in a form that will be satisfactory. Every man who votes, for it will get unstinted praise, and any obstreperous Senator or Representative who votes against it, will be shown up in a ridiculous light to the public.

Mr. Second Politician: But, Mr. Speculator, what are you going to do with the money? What about the regular every-day common business, what will it get? The bill, if it passes, will enable you to secure from

58

Uncle Sam over a billion dollars with no check as to whom, for what, and at what rates of interest it will be loaned. Will it be used for speculation; will you reopen the stock exchange and when; will you let the business interests in on this or what? Give us some idea about all that, for we will be asked many questions when the bill comes up on the floor for discussion and vote.

Mr. Third Politician: I will undertake to answer. The bill will have to be brought out by special rule. We can limit the debate so no one will have a chance to make inquiries other than those we consent to. This is a time when we can force things right along. I live in New York City, and I know conditions there. If any one tries in any way to block this legislation, he can be charged with disloyalty and the press will back it up. Shut everybody off by pressing the urgency for immediate action. So far as handling the funds, you can trust the banks. You have done so before, so why balk at that now? Even the new Federal Reserve Act places the entire financial control in the banks. We all knew that we were successful in putting that over with a long debate—surely we can this which does not give the banks even so much, for we have the best excuse now.

Mr. Fourth Politician: I am satisfied that the case is so urgent that we must protect the banks immediately so we may as well convene the two Banking and Currency Committees, report the bill to both houses, pass it and be ready to act on other emergency

measures sure to be required. There is really nothing further for this conference. I move we adjourn.

After the Bill Was Passed

Mr. Politician: Well, hello, Mr. Citizen—you here again! Glad to see you. By the way—I hope you
59

cotton farmers got all the help you needed to take care of you properly. How are you anyway?

Mr. Citizen: I am still alive, Mr. Politician. We cotton farmers were taken care of “properly.” They did not forget us for a minute—no, not till they “skinned” us out of over \$200,000,000 scalping on our cotton. They bought up the crop at less than cost of production, and then put the price up to twice what they paid, and will catch us again when we buy cotton goods. They got Government aid, and we farmers were kicked out of Washington and told to look to them for help. Now that I am here again, however, you may think I have joined that crowd up there and become a lobbyist myself. Not quite so, though their success is quite a temptation to join, I admit, but we farmers have a new committee here, or rather a committee for a new purpose. We want Government aid this time for rural credits. We wish to use the money to improve our farms so we can feed you. We know that that too is class legislation and would not ask it, except that we saw you legislating for the speculators—so we thought, while you seemed to be up to that sort of game, you might do some of the same thing for us as well. We had hardly gotten home the last time when we learned that the New York banks got \$50,000,000 emergency money in one day, and that in a few weeks Uncle Sam turned over to the banks \$369,258,040, they having gotten a large part of what he had in the Treasury before. We noticed too, Uncle Sam, through you here in Congress, passed a new tax bill sticking more taxes on us, so you would not need to take out of the banks the tax money we had before paid. You let them keep it to use for a long time. They had altogether nearly \$500,000,000 from Uncle Sam, besides their other special privileges, but even that was not all, for they knew they could get three times that much more if they
60

wanted it, so they began scalping the market on stocks, bonds and provisions, etc., and made several billion dollars. That is what you did for the banks, so their stockholders could speculate. All that our committee asks is Government aid for rural credits so we can improve our farms and raise more crops—more stock. We want to get the money as cheap—that is, at as low interest as you give to the banks. We want actual Government aid, the same as you give to the banks. What can you do for us on that?

Mr. Politician: We have a committee working on that. Some time ago we sent a committee to Europe to look up the different systems of credit—one for general credit, and the other for rural credits. A bill is being framed.

Mr. Citizen: We don't care about these committees. We learned long ago that committees sent out in that way are simply to make delay or to deceive the public. The system that

we are now tied to have us practically strangled from an industrial side. A few now are getting all the profits, and every delay gives them greater capital. These committees simply help them out, in delay. That is not all. They wine and dine the committeemen, and flatter them until they become mere “dough” in the hands of the capitalists. Now don’t talk to me about those committees. I am peeved since the last time I was here. We got such a dirty deal, that I shall not refrain from speaking plainly upon these matters. You are putting up your smooth talk to send us home again with nothing accomplished. We may forgive you for your past tricks, but it will be only upon the condition that we get a good rural credit law.

Mr. Politician: You don’t understand. You accuse us unjustly. These things can’t be rushed through. It takes time and investigation. There is a Banking and
61

Currency Committee in which the bill must be framed I can introduce you to some of the members. My committee can probably arrange with its chairman so your committee may get a hearing.

Mr. Citizen: You, Mr. Politician, are one of the leaders here. Whenever you take hold the other leaders do, too. It did not take Wall Street Speculators fifty hours to get an emergency currency into their banks and to be using it, and that time included the time it took to pass a law through this very Congress. When we ask aid, it takes a committee to go to Europe, and two or three years to get a report. There it usually ends. When they ask aid they get it in less than fifty hours. They profited billions of dollars by your swift response to their call, and people lost the same billions by your failure, for a whole generation, to pass a proper credit law. You say, we must work through the Banking and Currency Committee. Is that, where the wealth grabbers began? You know it is not. They laid their plans with you “political topnotchers.” When you pressed the button, the Banking and Currency Committee brought out the bill, and your other special privilege utility committee, which you call “The Rules Committee,” arranged for bringing it up for consideration by the House. Our committee is not going to the Banking and Currency Committee this time, because we know that it would be a waste of our time as things are now run. Unless you “topnotchers,” who connect all the way to the top—the head “moguls”—will act in our interest, our appearance before the Banking and Currency Committee would be merely ‘a show, and might deceive the public by making it believe that everybody gets a fair hearing. We admit that it is possible to get a hearing here in Washington for any committee that, comes with backing, but what does a hearing amount to unless we get action based upon merits?

62

This we cannot do where it affects special privilege unfavorably. You know that many millions of dollars have been spent on hearings and publications that amount to nothing. Now, I will add this, and then relieve you of my presence. There are several of us here in Washington, and all have been as busy as have been, and some more, each in his own way to learn what could be done for a proper rural credit bill. We have discovered that the whole thing is already planned, and that the main points of the bill have been agreed upon, to suit the banks, and that our work now would be of no influence. You won’t ask

us to go home, this time, because you know what happened the last time. But I wish to tell you myself what will happen this time about rural credits. We are going home without a hearing with the Banking and Currency Committee. Some other committees that have come here have had a hearing. This is what will happen about the rural credits: the banking interest, that is, the big city banks through their representatives have outlined what they will accept without opposition as a rural credit bill. It is proposed to give a pretense of Government aid. That will be the “joker.” We have learned that since we came. The Government will take some stock, but it will crawl out as fast as the farmers can be forced to take the stock off the hands of the Government, and then it will be left without Government aid. The Government will issue no money for the rural credit system, like it does for the banks. But the Government will run a steering game to sell bonds for the rural credit system, and of course the money to buy these bonds will have to come from the banks mostly, and they can force the interests because they control the money. Interest will be reduced somewhat, but not, enough to give the farmers loans at the rates of interest that they should have. The banks get money from

63

the Government for almost nothing. We farmers should have interest at 3 per cent to begin with, and gradually be reduced from that to actual cost, the Government issuing the money to us in the same way it does to the banks. We would furnish the best security in the world. Better still, however, we would be satisfied if you would pass a law to place everybody on the same footing. We farmers do not ask special privileges except when you give them to others. Later on, when the farmers learn that they will not get what belongs to them by the rural credit bill which will be passed, less than half a loaf in fact, we will be back to see you, to ask for support for a currency law in favor of all the people. So, for the present, good-bye, Mr. Politician.

A Couple of Years Later

Mr. Citizen: Mr. Politician, I am here to see you once more. Practically the same committee with which I came here before is here now. We have not come for any special bill or help this time, but merely to size up the situation to see about how long it is likely to take for the people of this country to draw the curtain aside and get a good look at the political work in the Capitol of our country. This game of politics is the smoothest thing possible, but we have got pretty good organization among the farmers, and the wage and salary workers seem to be even better organized, so we are looking things up to see when will be the best time for all the people to join to make Congress do its duty to all the people.

You know, Mr. Politician, that we have learned a thing or two in these most strenuous times. We used to get up a campaign for some good purpose, to give us some much needed law for governing something

64

that concerned us—concerned the public in general. We never came in with a bill all framed up, and then asked you to enact it into law. We just told you in a general way what we wanted. To our surprise, we found that the “speculators” always anticipated us,

and as soon as they saw that we would present something to a legislature, or to Congress, they had a bill, the main features of one, ready that would defeat the very purposes of our campaign, and their bills would be passed, and advertised as if they were our bills. We never presented any bills. We always left them to you legislators to draft. We are here now in advance looking things up, and in the near future, we expect to have some meetings, we farmers, and join with the organizations that the wage and salary workers have, so we can agree upon some bills in the interest of all the people. We will prepare the bills just as we want to have them passed. You won't need the blind committee meetings that you hold under your present practice. I am not here to ask you for a thing, but merely to pay you my respects, and to let you know that my eyes have been partially opened since the time you sent me home to wait for aid to the farmers.

I suppose, Mr. Politician, that you saw that some rural credit bonds were sold and that the banks and insurance companies bought them. I suppose, too, that you noticed how slow they were in even doing that. I suppose you have noticed the difference between what they sold for and what Government bonds sold for is very large. That difference represents the rake-off for special privilege collected out of the farmers and consumers. I suppose also that you have sufficient intelligence to know that even the Government bonds would not be necessary if it were not because special privilege has put its system into force even upon the Government itself. What the Government pays for interest is also

65

a rake-off for special privilege. Yes, you have helped the banks to Government aid, which means the speculators; you helped England, Russia, France and Italy to government aid; you helped various other enterprises to government aid, and while I am making no criticism now upon any or either of these, I am calling attention to the fact that, the plain toilers everywhere go without government aid. They are the ones upon whom all the assessments ultimately fall to supply all the government aids whether it may sometimes in the future be to them selves, or as it is now to the specially privileged.

Good-bye, Mr. Politician, our committee did not come to be talked to, but merely to appear one by one, as if a vision, to the "topnotchers" in this political game, to give the signal that the people are going to rule. There will be no revolution—don't for a minute fear that, for fundamentally we have a good government and all that is necessary is for us to act in our own behalf under the Constitution, instead of as we have done heretofore, by permitting special committees or standing committees to run the Government in secret. We expect to elect our own representatives hereafter, and not to select representatives for special privilege. Good-bye, Mr. Politician, good-bye forever. The next time we come, you will be a "statesman" or you will not be here.

66

CHAPTER VII

MEMORIAL TO THE PRESIDENTS

“Let all the ends thou aimst at be
Thy Country’s—Thy God’s, and Truth’s.
Be noble, and the nobleness that
Lies in other men—sleeping, but
Never dead—will rise in majesty To meet thine own.”

Inscription on Union Depot, Washington, D. C.

“Where the mind is without fear and the head is held high;
“Where knowledge is free;
“Where the world has not been broken up into fragments by narrow domestic walls;
“Where words come out from the depths of truth;
“Where tireless striving stretches its arms toward perfection;
“Where the clear stream of reason has not lost its way into the dreary desert sand of dead habit;
“Where the mind is led forward by thee into ever- widening thought and action— “Into that heaven of freedom, my Father, let my country awake.”

To the United States Presidents:

The first of you have passed and gone; three still live; one is President, and many will be. Who the latter no one knows, but all eligible should qualify, for we, the people, now address memorials to the presidents officially and not personally.

67

Mr. Presidents, it is not wars alone that trouble us; there are other troubles even more dangerous. We are not represented. The organized government acts independently of us. We have petitioned our Senators and Representatives to secure redress from certain evils. We petitioned them as our respective local Representatives and also as the Congress. We find them unwilling, and we may add with certain reserve, unable to act upon matters that are most vital to protect and promote our best interests.

They have made rules and adopted practices to prevent themselves from governing themselves except through leaders. These rules form the excuse given by our local Senators and Representatives for their failure successfully to initiate legislation in our favor when it is opposed by wealth. But there is a way the leaders have of “riding over” their regular rules when they wish. They have a “special privilege utility committee,” which is called the Committee on Rules. This committee sets aside the regular rules whenever it wishes to bring any matter before the legislative body, the regular rules notwithstanding. Congress has tied it self up, so that it is not a representative body as it should be, and we seem never to get, enough independent Senators and Representatives in Congress at any one time to cut the knot and make Congress free. Therefore, it fails to act for us. So now, Mr. Presidents, we petition you.

Mr. Presidents, somewhere, sometime, somehow, a nation will have to take a step towards civilization or the world will go down in ruin. We believe that now shows the how, that this is the time, that ours is the Nation, and that the civilization process must begin with the nation that is to lead—we have been wrought to action. Lowell said:
68

“Once to every man and nation comes the moment to decide,
In the strife of truth and falsehood, for the good or evil side;
Some great cause, God’s new Messiah, offering each the bloom or blight,
Parts the goats upon the left hand, and the sheep upon the right;
And the choice goes by forever, ‘twixt the darkness and the light.”

Mr. Presidents, you are the only representatives of the people officially free from the influence of local conditions. Every other representative elected by popular vote is a part of and elected from a section less in extent than all of the United States. Therefore, we place our cause before you as our servants, calling on you to give executive expression to our demands. You are of us—selected by us—and have our consent to lead us. But we are not blind followers, for should you attempt to lead us the wrong way we will not follow. We are the Sovereigns—Represent the Republic

—in fact, Constitute the Republic, and do not intend that the Republic shall be a hollow mockery by leaving to its Presidents the whole responsibility. Please, therefore, take notice of what we demand of our Presidents:

Mr. Presidents, we know that what you say must be carried in the press. We know that no others that can speak for us will be given space in the full press if they speak in our interest. Therefore, what you will say of what we wish affords us the only means of communicating our desires so as to make them common knowledge and sufficiently understood to secure concerted action among us. That is the only way at present to secure our best interests. We desire you to know from us our common needs—what our reason-
69

able demands are. We do not need you to tell us, for we are up against them every day. But we do need you to give expression to them. We will stand by you when you speak and act for us.

Wealth and Advantages

Mr. Presidents, comparatively few have wealth and advantages now. Still who among us would not leap at a chance to double his income and increase his advantages? Do you not know that it would be easy for the rank and file of us to do it—if the conditions were made right, and that they can be made right? You know very well that every industrious toiler who depends upon his industry to provide the means that make life worth while can even quadruple his advantages under proper conditions. Certainly you know that we placed the means in your hands to bring that about.

The isolated, individual “self-centered interest” which has hitherto dominated the world in favor of a few—prevails because the masses have been kept in ignorance of certain false practices—and, therefore, could not act in support of their own interests. This, Mr.

Presidents, you can overcome in the manner we have indicated. Ninety-odd per cent of us are shack led by industrial slavery. All that we ask of you is to communicate to us through your messages the details of the main things to be done—so that we may all have a common understanding, for we possess the power to liberate ourselves—once we secure a leader who will call our attention directly to the necessities—so that we may simultaneously co-ordinate our work.

Special Privilege

Mr. Presidents, no law names specific persons who may have “special privilege.” We would not stand for

70

such laws. But what could not be done directly—has been done indirectly. The laws and the practices that we follow enable some persons to secure special privileges—by getting themselves into positions to force burdens upon the rest of us. The law does not prohibit any of us getting into a position to secure special privilege if we can. In fact it actually enables some of us to do so. All have equal right to bring themselves within the law—but the very fact that some are able makes it certain that the masses can not even secure all that actually belong to them. Our system is so arranged that it robs the masses of most of their rights— material as well as social. Our objection is to the system that makes special privilege possible—and not to the persons who are the beneficiaries of it—for they, or others occupying like relations, are the inevitable result of the existing system.

“Special privilege” controls three distinctively important advantages in trade: (a) finance; (b) transportation; (c) telegraph and telephone. To these we may add “publicity”—for it controls the agencies for the distribution of news—and owns or controls the most extensive publications—which to a great extent mold public opinion in conflict with truth. The “special interests” are in deadly conflict with true economic principles which are on the side of the masses—but the latter have had no practical means thus far of enforcing them—and have known little about them. We have not only been deceived, but we have been charged and made to pay the whole cost of maintaining the system with which they have done the deceiving.

The High Cost of Living

Mr. Presidents, the existing prices are higher than usual—higher than they would be except for the war—

71

but so far as America is concerned—up to the time we entered the war officially—the war merely formed the excuse for the speculators to boost prices above what they otherwise could have been raised to so suddenly. You must not, however, confuse the war prices with the prices at other times. War prices are both violently and artificially juggled, while in ordinary times they are juggled without violence.

Farmers and wage workers, who occupy the most important, places in the field of production—cannot fix the prices upon what they have to sell. In most other fields of activity the seller fixes the price that the buyer must pay. The farmer and the wage worker must generally accept what the buyers offer—and pay for what they buy what the sellers demand. Practically everybody else, except the farmer and wage worker and the small business man, sets the price on his service. It is those of us who fix the price of neither what we buy nor sell—that the increasing cost of living affects most disastrously. It is the masses that suffer.

Everybody seeks to dodge “high prices,” either by increasing his own income or by decreasing the other fellow’s—often both.

Mr. Presidents, do you say to increase wages to meet the increased cost? If we do that—the increase is added to what the worker produces—plus the capitalist’s profit on the additional investment. In the same way—if the farmer gets more for his wheat or what he offers to the market—the extra price and the capitalist’s additional profit upon this are added to the bill of fare at the table. That again necessitates the wage worker. getting still higher wages to pay what has been added to his bill of fare; that too, with a further profit for the capitalist, must be added to the cost of the product of labor—and so it comes back to be bought by the farmer and other consumer with the extra cost, added.

72

Thus the endless chain runs—taking in all the industries and schemes of mankind from “a” to “z,” “the devil running us around the stump,” never to quit the chase as long as existing practices are followed, presenting us with:

Truth No. 1.—To increase wages also increases the cost of the product—and as every commercial necessity is a product of either wage workers or of producers for market without intervening employers—in the process of raising prices, leaving out the toll for capital, one would properly offset the other—but as efficiency increased the advantages of all the toilers would equally increase.

Mr. Presidents, it is apparent that with all the modern mechanical devices and the improved means of applied human energy—that with proper social regulation all industrious toilers would have all the advantages that anybody could reasonably enjoy. The actual toilers do not now have such advantages. Capitalists have intervened as a profession, instead of capital serving its true purpose by simply being the product and winnings of proper energy, physical or mental—the fruits of the toilers.

Under the rule, Truth No. 1, the relations between all the toilers would be reciprocal. Their interests are quite the same. Aside from inequality in a proper employment of time and of income for their work, there would be no conflict. The more they intelligently worked—the richer all would be. When they adjusted the relative value of their services—universal prosperity would be both natural and certain.

The toilers have never attempted to adjust the relative value of services. Each field of workers has sought to increase its income, wages or other, without considering its effect upon the toilers in other fields. They

73

have not comprehensively realized that the increase is added to their co-toilers' cost of living—and even if they did realize it, they are without remedy as things are now managed. The raising of wages, though necessary under the existing systems of doing business, is not a remedy for the high cost of living—for the raise is added to the cost of the product, plus a profit to the capitalist.

Mr. Presidents, as you can plainly see, several primary elements concern us in the study of the high cost of living. First, we have “the products of labor”—but since we cannot each economically produce all that we individually need—we must, have an “exchange system.” Exchange presents a complex problem—for it involves on the part of the worker, in addition to the production—the need to find a buyer for his product—also to learn where he can buy what he wants for his own use—all of which in turn involves the carrying of products to the places for consumption.

Exchange has never been worked out economically between producers and consumers. On the contrary, long before the producers and consumers ever dreamed of what would ultimately happen—the element of “private capital crept in to exact a toll”—and therein entered the whole extravagance of our system—evolving as it does the concomitant retinue of speculators and gamblers in human affairs—the rich man's plan and the poor man's burden.

The most difficult complications in the social order of mankind began with the injection of capital as a means of getting an extra profit for its possessors—and giving nothing in return for it. It matters not whether this profit consists of additional capital or of other special favor—for if it is based upon a favor to capital

—the principle is the same—it upsets the whole social order by destroying the equilibrium of service and pre-

74

vents an equal opportunity for all. It gives us a false rule as follows:

Truth No. 2.—The privilege of capital to exact a toll, which toll becomes additional capital and is vested with the same privilege as the original—constantly increasing the capital—and the toll becomes heavier—thus giving to a mere material substance the privilege of exacting a constantly increasing proportion of the products of toil. Inter est, dividend, rent and profit are the “wages” capital gets—but unlike labor, it returns nothing.

Mr. Presidents, business, as you well know, is governed on the basis of Truth No. 2, which is a false and vicious rule—for it automatically makes the few successful, but forces the masses into industrial failure. The older the system grows the worse it gets. It is the cause of the rich man's wars and the poor man's fights.

It is not those who go forward to the battle lines that bear the main hardships of war. To do that calls for a kind of heroism of which there is an excess over the need—whenever the cause appeals—appeals to patriotism for one's country. Any true citizen, and not many are otherwise than true, will willingly face the battle line—and die for his country if need be. But the real heroes and upon whom all things depend, are the ones that make it possible for battles at all under modern conditions—by sticking to drudgery and misery—

toiling incessantly before, at the time, and for generations after a war, to provide and pay for even the material waste, all of which would be avoided if Truth No. 1 governed business between producers and consumers.

Mr. Presidents, under business practices, values are measured in dollars—not in labor. Labor creates the value but dollars control it. That condition deserves

75

your deepest thoughts, for you will see the injustice of it. Only about one-third of us are occupied producing useful things. The rest of us are children, incapacitated adults, and those who are idle and those who get a living by useless work or by manipulation of some kind. The one-third bear the burdens of producing for all. You will find them on the farm, in the shop, in the factory, study, home, and the many other places of industry necessary and useful to civilization.

The initial cost to maintain existence must be met for everybody. About one-third of the population, by their toil, not only supply their own necessities, but it is their toil that supports the other two-thirds as well. “Special privilege” seeks to justify even that condition and existing practices, because it says that the masses consume the bulk of the products, and therefore should not complain. Let us examine its claim:

Suppose it costs a farmer through a series of years an average of 89 cents a bushel to raise wheat and he has been forced to sell at an average of 90 cents; suppose at the same time the grade and market manipulators net a profit of 20 cents per bushel on the wheat. The farmer did all the work, furnished the seed and the land, paying taxes, also, while the manipulator did nothing but the scalping. Would that be fair?

It would be as fair to say that the farmer should be satisfied with 1 cent per bushel profit because he got most of the price, while the speculator got 20 cents’ profit, as it is to say that we should not object to the centralization of wealth in the hands of those who do not earn it, since we consume the bulk of the productions. It requires the bulk of the products to supply us with the necessities of bare subsistence. We should all starve in less than three months if the masses failed to work to keep up the supply, and many of us would be starving in less than a week.

76

The masses get the bulk of products when we consider the aggregate consumption, but, when what they get is divided between them, the average for the individual is ridiculously small—as compared with what special privilege favorites get.

Why should we be satisfied with our lot as long as we do not enjoy the advantages we earn and those of right belonging to us? It is not a question of comparing what we have had hitherto—with what we have now. The question is—are we getting what we are entitled to?

Mr. Presidents, it is not missing the facts very far to say that the total receipts for us all fall into three divisions: one-third to the farmers and others who produce without intervening employers, one-third to the wage workers and one-third to the speculators and other supernumeraries. That expresses the principle involved at any rate. What does it prove? That only two-thirds go to those who work for a living and include all except a

small per cent of the population— say 98 per cent—which is the proportion stated by the Commission on Industrial Relations.’

The other 2 per cent consists of the “special privilege” class. They produce nothing— only consume— extravagantly at that. They exact one-third of all the incomes—which is measured against the two-thirds income of the 98 per cent—depriving the latter of one-

1 ‘The reader will not overlook the importance of the fact that first of all earnings are required to pay the actual expenses, and that what the laboring people secure for their services, being individually comparatively small, it is impossible for them to accumulate capital in any considerable individual amount, whereas the speculator’s expense and extravagances though individually in many cases hundreds of times greater than the expense and costs that a laborer can pay, are nevertheless small in comparison with his income, so he can accumulate capital and become a millionaire, but this the laborer can never do on the pay that he gets for his labor.

77

third of their toil’s product—thus increasing the cost of living in this respect alone 33 1/3 per cent. If, however, instead of being extravagantly and lavishly wasteful—as most of them are—the 2 per cent were producing, there would be still more of the needed products to reduce the cost of living. Then everybody would be prosperous. From the foregoing, Mr. Presidents, we present you with another truth upon which to base a rule:

Truth No. 3.—Employment should be in the line of necessity—not merely to be occupied and paid-for time— for unless necessity determines the occupation, the time is wasted—and those who do properly employ their time are forced to make up for the waste of the others.

Necessities, of course, include all things required for a well-ordered civilization—not merely the bare necessities for subsistence of health, vigor, etc., but also for moral and intellectual enjoyment.

If employment were governed by Truths No. 1 and No. 3, there would be vastly more of the material, useful things—and also more time at the disposal of everyone—without drudgery being dragged in with it. Then it would be easy for all of us to inform ourselves, and we would experience a true and better life.

One of the strange things in human experience is— that any one should be opposed to a just and natural plan of economic action—because even those most favored by the existing system would still be able to enjoy as much, and we confidently predict more, of the things of real value in life than they do now. Opposition to a more practical system is accountable only on the basis of ignorance—or because of a selfish desire to be exclusive.

78

Costs During This Immediate Time

Mr. Presidents, right now—1917—we are kicking because of the extraordinarily high costs of everything. The fault lies with the administration of the Government over a long period of years.

Ever since the Civil War, “special privilege” has been undermining the government to secure control of the business of the country. Never before has its hold been so strangling as now. For instance, think of a special United States attorney who was given charge of a probe into the cause for the outrageous prices forced upon the consumers—think, we repeat, of his telling us through the press, “to start countrywide boycotts,” that there is nothing else to do except to abstain and live upon cheap foods until the more costly ones come down. That was an admission of folly on his part.

Think of Senators and Representatives, especially those laying claim to leadership, who have been in Congress for twenty years or more—with power to act—backed by the best people the world can produce—having done nothing—not even attempting to relieve the people of needless burdens—but instead, cringing under the influence of patronage—”pork,” as it is termed—wasting our time and causing expense—sometimes pretending to be progressive, but all the while legislating or creating conditions to favor “special privilege,”—at the same time carrying on fake investigations to make believe that something will be done “in the sweet bye and bye” when those of us now living will be dead.

Mr. Presidents, think of a President pointing to some of his so-called “progressive laws”—sponsored by his administration as the “embodiment of progress,”—yet himself indicting the claim by admitting that it costs more now to live than ever before. Is that the result

79

of a progressive administration? Deliver us from that kind of “progress.”

Mr. Presidents, we have not challenged the present incumbent of the White House to compare his administration unfavorably with any other. We are considering things as a whole—the effects—the results of miscarriage over a period covering the last fifty years. None during that time, who has had authority given him by the people, has taken his duty with sufficient seriousness to deal with the fundamental economic problems in a common-sense, natural way.

That is why, in the face of the most efficient mechanical devices and the best means available for applying human energy that have ever existed—instead of progressing as we should—by increasing the advantages to all mankind—we now exist in the worst state of chaos. Nearly every public official has been backed off the board of duty to the public by the influence of predatory wealth. It is always an implied exchange—unwritten understanding, nearly always fulfilled, that predatory wealth will support the campaigns of those in office who give predatory wealth the least trouble, and support it when they dare.

Reform While the World is Ablaze

Mr. Presidents, we do not know whether the war will be ended or not, when these memorials reach you, but we know that the difficulties that grow out of the war will not yet be settled, and that the people of all countries and everywhere, will be alert to discover the best means of coming to a better understanding, for as between the toilers of the world there is no difference in their rights. Their common interests are identical. Once

they accept a true way to adjust, the world will be in line for correct “preparedness,” as distinguished

80

from the kind of “preparedness” which we have heard so much about. since the war shattered the world’s control of reason.

Mr. Presidents, we wish to show you as our Chief Executives, that we know enough about the “truth of things,” so that when they are properly presented to the world, there will be no cause for war—not in any form that will bring about any material interference with the rights of a country so great as our own and situated as we are.

The Unsettled Controversy

Mr. Presidents, even should the international problems between the Central Powers and ourselves be settled, which is not likely, when these memorials reach you, still there will be many matters to adjust. In the first place there were two or more methods by which the wrongs done us could have been settled; one at a postponed date by the fate of war—a great sacrifice of life and property, but we trust with no sacrifice of principle or honor—the other by peaceful methods, also at a postponed date and without much if any sacrifice of life or property, and we believe with no sacrifice of principle or honor.

Mr. Presidents, if there had been no sensational, and in many cases false statements of these problems made by a large part of the press, we should have settled the difficulties with the Central Powers in the end by the same methods as we choose to settle our other difficulties with the other powers—which also violated many of our international rights. We ourselves would have chosen the latter, and firmly believe that it would have been immeasurably the best met and therefore the wisest. But the constituted and the legally qualified authorities of our nation chose the first plan, and that settles it for all of us, for we are one people and the choice of

81

action has been made. Therefore we must be united on the one purpose.

We made no demand of the Central Powers that of right we should not have made. It was our duty to make our rights known, and to protest against their violation. We violated no international law by going to war, nor can we be said to be wrong internationally, because we chose different methods with different nations to settle the international disputes between us and them. Many of us would have chosen the method that would have averted war, but it was the right of our country to choose, and not to be dictated to by any other nation in a matter that was our right.

Mr. Presidents, there is one thing we cannot over look, however, in the consideration of this problem— because of its importance to avoid in the future—and that is that there should be no State tolerance or license to private American individual enterprise to deliberately bring about a condition by putting them selves in a position to invite nations at war to violate our international rights. The fact that that was done in the present, controversy, should in no way change our course now, unless in the end it should

influence us in the terms of peace—but we should guard against a recurrence in the future.

No one doubts that “special privilege,” without authority or license from the Government, immediately when the war began, took an inventory of the conditions that surrounded the war—with a view to making all the profits possible out of it—and that in furtherance of their profit schemes, they deliberately took great risks, figuring that the Government would support them when within their legal rights. The greed of those speculators notwithstanding, we can tolerate no nation unchallenged to violate our rights upon the high seas. The violation of that right is the real

82

question we have to settle with the violators. The fact that certain greedy Americans were willing to profit at the risk of forcing a war and untold sacrifices by the American people, is a problem of our own to settle in our own way.

The Patriots and the Money Sharks

Mr. Presidents, among the war-infested nations, as well as among the nations claiming to be neutral, there are two forces operating in each—for years after peace articles shall have been agreed upon, these two forces are likely to be active.

Speaking of our own country: on the one hand we have the “war for profit group,” which at this epoch of the so-called world’s civilization is responsible for the conditions that lead to wars. It is this “war for profit group” that has counterfeited patriotism for commercial ends, and counterfeited the flag for the same purpose—all in an attempt to perpetuate the selfish plans of that group. On the other hand there is the rank and file of the people, who have kept the flag unsullied—kept it before and above to the breezes—as the emblem of liberty and progress. These two forces have been fighting side by side in opposition to what has been termed a “common enemy,” and yet the two forces—“the war for profit group,” and the true patriots, aim at diametrically opposite purposes.

Mr. Presidents, to understand these opposite purposes, it is necessary that we should understand our own conditions, and the relations that different groups hold to each other, so that in the final adjustment the dividing line shall be wiped out and all stand on equality in the general practice to be followed, as well as in the eye of the law.

It was indeed strange that we should have proclaimed to the world that we entered the war to es-

83

establish a “world’s democracy,” when we ourselves had not for fifty years been a democracy except on election days. Strange and inconsistent as that may seem, the proclamation nevertheless — though unwittingly on the part of him who made it—will prove true, more true, however, to ourselves—than it will to the nations against which our arms are directed. Henceforth we shall become democratic—become a true Republic—be a republic in fact, instead of as, heretofore, a mere republic in form, but without the essence.

As to the war, we selected the most costly, the most cruel and most sacrificing method to accomplish what could have been settled in a humane way. We have been almost as reckless as the other powers in the war. But with sacrifice, hardship and endurance, greatness develops to a greater extent than when things desired come with ease. The world had adopted that method, and we cannot be singled out by any of the nations engaged in the struggle for criticism because we did as the others, for our cause to keep the high seas open and free is just.

It is not as to our comparative rights with the outer world that we raise any question, for no one can deny that we have kept within our rights as to our relations with other countries in the conflict, provided nations have a right to act independently at all. That being unquestioned—nevertheless, conscience-free as we may feel with the outside world, we are a long way from being so with certain interests at home. We are being imposed upon by a few of our own people most shamefully. It is in this latter respect that we shall learn more about our necessities than we have known before, and our experience shows us the way to remedy many of the existing false practices.

Mr. Presidents, the war appears upon its face to have been between the nations grouped upon opposing

84

sides. So it started, but it will not end thus, It is a war of shot and shell, fire and sword, alone; it has developed into a war of economics—and the proof of the false economic system under which we have worked for a long time, stands out in such bold prominence that the evidence of it cannot be concealed by the adroit coverings of those few who have profited so much by it. In this latter respect the war will not be ended with the signing of peace articles, whatever the wording of the articles may be.

The war of economics will not last long, and will not be a conflict between the nations grouped into opposing sides, as the special interest press now claims it will be, and as the “war for profit, group” would have it. It will develop into a war against the old order of things—against the practices that have been to blame for all the troubles. The new system will negate the practices that are economically false, and lead directly to amicability, instead of as now to conflict. We shall look back upon our own follies in amazement at our original stupidity. So will the people of every other civilized country, look back upon their own follies, as the cause of their past troubles. Once they understand that the existing practices are sure breeders of war, and that the new system is a sure and certain way to permanent peace, all the ranklings and cross-ranklings will cease.

No, Mr. Presidents, it will not be the peoples of the nations divided into opposing national groups—but it will be the plain honest people of all the civilized nations united upon one side for the establishment of a true “world economic democracy,” as distinguished from a “political democracy.” An economic plan will be selected that will be natural— simple—that will do justice, by the self-interest of everybody to follow it. The plain people will con-

85

stitute the one group—while the “wealth grabbers” will constitute the other group. The latter for a short time will try by all the cunning and adroit methods of their long

practiced deceptions to maintain the old order of things—by which they would continue to live in luxury and extravagance off the products produced by the sweat of others' toils.

Surprises in the Economics of the World

Mr. Presidents, as previously suggested—the economic disclosures of the war have suddenly exaggerated the old order of things—and brought out in bold evidence the fact that it has all been the rich man's plan and the poor man's struggle to meet it—his burden. But bad as this sudden exaggeration caused by the war is, it may be that war was the very thing we needed to bring us ultimately to our senses. It will—if we open our eyes and use our heads, unshackle the toilers of the world.

Heretofore the false economy of things has been executed on a more gradual scale—each succeeding year the wealth-grabbers have dug deeper into our earnings—but it was all done in such adroit and “slick” fashion—that there were never enough of us at any one time that realized it was done to make us act together simultaneously to relieve ourselves of it. It is perfectly apparent to us all now, that when there is so much to waste as the war has shown—that there would be wealth for us all if we managed properly.

Many of us did not before realize what vast productive power we had. When the world's greatest conflict burst upon the frightened peoples of the earth, it furnished an object lesson that forces us all to think at, one time. Of course, the subsidized portion of the press is beating the “drum” upon every conceivable

86

imagination on other subjects, in an attempt to make the people overlook, and do no thinking on the true economic side of things. The display lines in their papers are artfully given to sidetrack us from the significant. failure of the old order of things. But nothing will avail them in their adroit attempt to hide from the patriotic people the fact that at a time when the masses were being made poorer by war, the old system immediately created a few billionaires, and a new crop of millionaires. The sudden forcing of the old system to its limit, lit up its workings so that every body could read its betrayal. It has been read by us all. It is now “the lighting bright hand on the wall.”

The “war for profit group” seems to labor under the impression that it is their war, and that it shall be their material gain. That group surely is the cause of wars, and temporarily, that is as long as we let the country be run on their plan, they have the advantage, but their days for selfish realization are numbered, for we will not allow a legal cause which we had to enter the war—whatever the purposes of those who created the conditions to excite war were—to sidetrack us from the greater duty that now confronts us; that is—to correct our economic system. It is our war to establish a true democracy in America, and that part will be accomplished through constitutional channels. The people are loyal, they are patriotic and ready to sacrifice all that is necessary to continue our flag as the emblem of the great principles that inspired its birth.

When Money Is Used to Do Wrong

Mr. Presidents, we should hardly accomplish the purposes of our memorial if we did not place before you some of the serious occurrences that have taken place in the history of our country—and that relate to what we wish accomplished.

87

In the last two decades we have had several bad financial jolts—called panics. Our finances have never been satisfactory. Therefore on several occasions we started campaigns to improve our currency and banking system. It is the debts of ourselves and of the world at large that cause most of the existing troubles, so we thought to build up a better system. No sooner had we begun to plan for that, than our oppressors took the campaign right off our hands, and ran the campaign for themselves. They executed the scheme so cleverly that we ourselves abandoned our campaign and helped them in theirs—so now we are in a worse squeeze than ever.

Mr. Presidents, if we had originally presented to you memorials for a proper financial plan, so you could have messaged the plan back to us, we could simultaneously have acted and secured its adoption. If that had been done in time, we should not have had a war on our hands now—for the first nation that adopts a true financial system for itself will lead the way for all nations—to peace and prosperity.

Our past mistakes need not discourage us. On the contrary—they will serve as examples to steer us quite clear of them hereafter, for instead of leaving this problem for our representatives in official office to settle, as we did heretofore—hereafter we shall direct those whom we have placed in authority to enact our plan into law. In order that there may be no misunderstanding, we will review the happenings that led us wrongly before.

We gave finance problems more or less attention at different times, but never were able to get ourselves sufficiently active to secure concrete, favorable legislation. Some of us concluded that an investigation of the Money Trust and an exposure of its methods would prove sufficiently exciting to spur the people to action.

88

It certainly would, if they knew how they have been robbed by it.

A resolution was introduced in the House of Representatives to investigate the Money Trust. At first an attempt was made by those who profit from it, to laugh it out of consideration, but that attempt failed, for the people had been aroused. It was quickly discovered that, we could not be sidetracked in that way—so with the usual agility and swiftness of the Money Trust group, it took the campaign for the investigation into its own hands—for if it had to be examined it much preferred an examination by a committee whose members should be favorable to it, and at least “white wash” it in all respects by any distortion that could possibly be done—and at least not to do anything that would injure it in the most essential respects to its continued existence.

Once the investigating committee got to work—not withstanding that the members of the committee were partly disciples of the Money Trust—they made more of an exposure

than was at first intended—because of being spurred by what they termed “public clamor.” Much evidence was taken and several volumes printed

—so voluminous and mixed, however, that no one with much else to do would ever have time to read the evidence and but few the report—besides, only a few copies were printed. The whole thing in fact was stopped just when they got to the point where the system would have been exposed in its most secret schemes if the investigation had gone on—and of course if it had once been exposed in the true conditions of its work the whole “special privilege” system would have been wiped out—for no self-respecting people would knowingly stand for such injustice.

The investigation began to develop some startling facts—everybody was beginning to take notice—

89

particularly the big financiers, as they term themselves

—for they came “post haste” to Washington, got down on their knees begging the authorities in charge to “slap on the lid” lest these pleading money sharks would be landed in prison. This was the very same group that have been so active in these later years creating the conditions which caused the belligerents in the European war to violate some of our international rights, and it was they, primarily, who laid all the plans to bring about a condition to excite our people into a state of war fever. Their press was worked night and day at the game, to play upon patriotism, to excite it even by false statements—statements which if they were true would have justified extraordinary action to combat long, long ago, on the part of the people.

Notwithstanding a sympathetic investigating committee, the Money Trust group “sweat blood,” for in September, 1912, the committee asked the Comptroller of Currency to supply certain data concerning the business and practices of the larger national banks controlled by the Money Trust group. Then they were about to reach the “lion in his den,” but a mighty roar came forth. Timidity was hit in several official places now by this roar. It was a roar that was limited to the hearing of only those in authority and muffled as to the public. A panic was threatened.

The Comptroller referred the request of the President for instructions, in compliance with an executive order originally issued by one of you, President Roosevelt, and reissued by another of you, President Taft, which order prohibited any head of department from furnishing any information without permission of the President.

The “lion in his den” was now lashing his tail and roaring furiously, but at the same time crouching in

90

fear. So from September to December the matter was held in abeyance—and at the most critical period— when the point was reached where we would have been given the most startling facts possible, and a basis laid for forever ending the rule of the Money Trust—at this most important point, President Taft rendered his decision declining to allow the Comptroller to furnish the information. That left the Money Trust free to continue with its plans to further exploit us, and it has put in its most colossal “licks” during the war.

Mr. Presidents, you will recall that the National Monetary Commission had previously been created. This, of course, was a mere sham, for already the Money Trust knew what it wanted and proposed to get it, and finally did. The National Monetary Commission was a “just make believe” to deceive Us. It was ridiculous to send those men at great public expense to Europe to study finance to frame a bill for Congress to pass. Europe has not been economically successful. That was not it at all. The whole scheme had been planned long before. One of the greatest of you, President Lincoln, had warned those of you who followed in succession, and warned the people as well during the Civil War, in the following language:

“Yes, we may congratulate ourselves that this cruel war is nearing the close, but I see in the future a crisis approaching that unnerves me and causes me to tremble for the safety of my country. As a result of the war corporations have been enthroned, and an era of corruption in high places will follow and the money power of the country will endeavor to prolong its reign by working upon the prejudices of the people until wealth is aggregated in a few hands and the republic is destroyed. I feel at this moment more anxiety for the safety of my country than ever before in the midst of the war.”

91

Yes, Mr. Presidents, the above quotation from Lincoln’s letter to Mr. Elkins, of Illinois, became quite well known at the time as well as other of Lincoln’s statements to the same effect. Those were the admonitions of one of the world’s greatest of the great— came from the lips and the pen of the one of you who piloted us through the dark days of the Civil War. He knew whereof he spoke and wrote, for the evidences were already clear as to what the corporations sought and the means they used to deceive the people.

The corporations referred to by Lincoln have indeed grown mighty, even more so than could have been dreamed of at that time, and they now seek to commercialize patriotism, by having us look at it through their eyes. The thing that Lincoln said would happen has happened, and it is up to us now to correct it, not only in honor of the great President who made the statement, not only in honor of the heroes who then fought for and won the liberty of all, and not only in honor of the people who supported them, most of whom have passed to the great beyond; not only in their combined honor, but, as a duty to America, the one nation to which the world should look to redeem its people everywhere from industrial bondage.

Mr. Presidents, you and we as well—even the great Lincoln among you—had an earlier notice from one of you. It was by another of the greatest of the great— Thomas Jefferson. We quote from him as well:

“I hope we shall crush in its birth the aristocracy of the moneyed corporations, which dare already to challenge our Government to trial of strength and bid defiance to the laws of our country.”—From Jefferson’s letter to George Logan, November, 1816.

Again: “Banking institutions are more dangerous than standing armies.”—From Jefferson’s letter to John Tyler, one of you, 1816.

92

Again: “Spending money to be paid by posterity, under the name of funding, is but swindling futurity on a large scale.” —Jefferson

Again: “The banks have the regulation of the safety valves of our fortunes and they condense and exploit them at their will.” —Jefferson’s letter to John Adams, one of you, November, 1819.

Again: “It is cruel that such revolutions in private fortunes should be at the mercy of avaricious adventurers, who instead, of employing their capital, if any they have, in manufactories, commerce, and other useful pursuits, make it an instrument to burden all the interchanges of property with their swindling profits which are the price of no useful industry of theirs.”—from letter by Jefferson to Dr. Thomas Cooper, 1814.

Again: “We are completely saddled and bridled, and the bank is so firmly mounted on us that we must go where they ill guide.”—From letter by Jefferson to James Monroe, one of you.

Again: “All eyes are opening to the rights of man. The general spread of science has already laid open to every view the palpable truth, that the mass of mankind has not been born with saddles on their ‘jacks, nor a favored few booted and spurred ready to ride them legitimately by the grace of God.”—From Jefferson’s writings.

Mr. Presidents, the last statement above from the great Jefferson stands out with prominence when we take into account that now, more than a century later, we have been completely “saddled” and special privilege, forever, if we permit t, “booted and spurred,” is actually riding us—sticking the “spurs” as deep as they can into our “flanks”—not, however, by the grace of God, but by the acts of the Congresses of the United States.

The whole world has been ablaze with war as the result of the plain toilers being “saddled” with the system which we call to your attention. “By the
93

grace of God,” and the intelligence of a people getting their eyes opened, this 1917 has come as a day for a new birth to a new world democracy in fact, and not merely a democracy on paper as it has been for some time past.

Mr. Presidents, Ruskin truly said, “National debts paying interest are simply the purchase by the rich of the power to tax the poor.” It was Ruskin, too, who said:

“The real thieves of Europe, the real sources of deadly war in it, are the capitalists—that is to say, people who live by percentages on the labor of others; instead of by fair wages for their own.”

Mr. Presidents, the Civil War was the last of the great acts of our country for civil liberty, if we except the Spanish-American war which was of less importance, that measured up to the highest ideals for which we stand. You know that politically even in the Civil War, “big business had its agents in the National Capital, planning for industrial slavery to succeed chattel slavery.” You saw the “Hazard Circular,” issued during the Civil War by an agent of the English money loaners, which read:

“Slavery is likely to be abolished by the war power and all chattel slavery abolished. This I and my European friends are in favor of, for slavery is but the owning of labor and carries with it the care of the laborers, while the European plan led by England is that capital shall control labor and wages.”

Mr. Presidents, civil liberty and the legal right to industrial liberty was established for all in this country—by the success of the Union armies in the Civil War. That was the greatest act of the American people

94

after the independence from England. There is only one greater thing that we can accomplish as a government, and that is to establish practical industrial liberty. Civil liberty is only theoretical except if it is coupled with practical industrial freedom. The two go hand in hand to make liberty complete. We all have the absolute rights, but mere naked rights are of little value unless the conditions go along to make them effective. Already in our country 90-odd per cent of us are shackled, as suggested we would be, by the “Hazard Circular,” but fortunately we still have the power to liberate ourselves. That liberation is close at hand.

True, the war started as that of the Kaiser’s, the Czar’s, the Emperor’s, the King’s, and other rulers— but grouped with them were the wealth-grabbers. It was the latter principally who were the real aggressors—long in advance. It was their system that had created the conditions for it. The toilers now do the drudgery to furnish the supplies; the most able-bodied of the men are made soldiers. to do the fighting; but women and children do most of the suffering. If anyone is to get any glory out of that, it will be by the establishment of industrial freedom, and that only. No humbling of any nation will do it. To secure articles of peace, with all kinds of concession, will be meaning less, if we fall back on the existing industrial system. It will all be in vain unless the world’s toilers—the plain men, women and children—shall be liberated from the industrial slavery advocated by the “Hazard Circular,” and now in actual realization.

Such a liberation cannot take place on the battle field. It can only be accomplished in the halls of legislation. Law will not create, but it may regulate, so that the toilers shall not be fleeced by a false economic application of business methods.

95

The patriotism of our people has been tested too many times to doubt their readiness to make any sacrifice necessary to the welfare of their Country. The lash of the press during registration period was a : insult. Back of that insult, however, were the greedy speculators planning to control the civil government and to manage the war to destroy the value of the victories that we expect from the true and the brave upon the fields of battle. The wealth-grabbers propose to do it again, as they did before.

Will you, Mr. Presidents, permit it again? Will we permit it again? Will we do that in this age when all of us can read, write and understand?

Do we accept of the draft, the drudgery and the burdens of war, and they expect us to leave them indefinitely in control of the civil government to perpetuate their rule of special privilege? That won’t go this time, Mr. Presidents. ‘We accept all our

responsibilities, give our service in every way that it is needed for the general welfare, but we shall exercise our right to govern under the Constitution as our forefathers drafted and interpreted its purposes—to secure forever justice and equality.

Mr. Presidents, we did not, begin the war. It was not originally our choice to go to war. We were dragged in because the “war for profit group” refused to sacrifice temporarily their speculations. If they had done so they would have failed to add the several billions of profits which the war has netted to them. Rather than lose that profit, they carried on a traffic which tempted the violation of the freedom of the seas as public highways by all of the belligerents.

The freedom of the seas involved a sacred right to us—a principle entirely independent of the selfish designs of the speculators. We had fought to success one war with England to maintain the freedom of the

96

seas This right was flow being violated by all the 11ig None but the Central Powers, however, went so far as to destroy innocent human lives when their weapons of war were held in their immediate control. The others planted mines in the seas. The destruction of human beings in either case raised no difference in principle as applied to the uninterrupted freedom for travel and commerce on the high seas, but it immeasurably aggravated the seriousness of the violation. It added to the gravity in the minds of the people, which resulted in Congress declaring war.

Now we are in the war and must prosecute it until we have established peace. The sacrifices which we shall make, we expect to be instrumental in the establishment of a “world’s democracy.” But, Mr. Presidents, not for a day do we carry on the war for a world’s democracy in the interests of our military enemies alone. There is no real complete democracy on the face of the earth—nothing even approaching it, We ourselves have the form of a democracy to be sure, but a form only—for we have not the enjoyment of it—the substance. Democracy must necessarily be exercised by the people, and not proceed from mere leaders and dictators.

Liberating Our Exchanges

Mr. Presidents, nothing is more important than a means of easy and inexpensive exchange which includes distribution so that products and advantages of all kinds may readily pass from producer to consumer to their mutual advantage. We demand that.

Money and credit on the one hand to evidence value, and transportation on the other to effect the material delivery—are the main elements in commerce, and should never be incumbered by monopoly. When unincumbered they become the commercial agency for

97

civilization of the world by administering to the material and social necessities, but when controlled by monopoly as they are, they become elements of violent disturbance and oppression. In monopoly, they enable those in control to take advantage of all mankind by imposing burdensome charges for both services hitting both producer and consumer—inflicting ruin and disaster.

The Group of Trust Banks

Mr. Presidents, there are a few very large banks that dominate, and probably about one hundred more of the larger city banks that designedly co-operate with the first to control the finances of America. The smaller banks are by force of circumstances co-ordinated. Together they constitute the greatest power for the control of business that exists. They are the Money Trust. Many of the smaller banks are not aware of the influence that controls them. Very few of them would voluntarily belong to the Money Trust. Most of them are much opposed to it, because they are owned by persons who come from the plain walks of life, Nevertheless the banks as now run are the principal barriers to a world's new democracy. They must be shorn of their power before justice can be established in commerce.

Before the Federal Reserve act was passed, it was possible, though not easy, for a national bank to keep from directly aiding the IV Trust. Now it is impossible. The law makes every bank that joins the system a link to the Money Trust. The law compels national banks to join.

Mr. Presidents, at the beginning of 1917 there were 7,596 national banks. They directly control nearly one-half of all the banking resources, and indirectly they control many of the state banks and most of the

98

trust companies. The group of speculators who control the larger banks, took it into their heads some years ago that they must have control of all, including the state banks and trust companies, and they engineered a campaign to secure the Federal Reserve act to be passed by Congress.

You understand, of course, that all of the banks and trust companies and some of the old line insurance companies deal mostly with other people's money and construct a debt system upon it. In fact they organize in the form of banks and trust companies on purpose to secure the control of other people's money. Including all banks, trust companies, old line insurance companies and organizations incorporated and unincorporated, for handling other people's money there are about 30,000 such. New ones are constantly organized. Eventually as you well know, the Federal Reserve act, unless materially amended, will squeeze some of the smaller ones out.

The existing laws make the masses of us absolutely helpless against the impositions and exactions of the money lenders. The very circumstances that surround us force us to support a monstrous, unjust system. In reorganizing for the "new world's democracy" suggested by one of you, we shall require a new plan for financing business.

The smaller banks supply the Money Trust banks with a part of the people's deposits. That is how the Money Trust has acquired its power. With 30,000 banks to draw from, you will see that it means practically a backing by all the resources of the plain people, for in the banks they place their temporary savings.

The aggregate of the actual money in possession of the banks at any one time has never been quite \$2,000,000,000, still our benevolent Government, benevolent to special

privilege, granted to the banks
99

the privilege of creating “bank credits,” to sell them and build up a “debt system” on which to charge for their own use billions of dollars of profit to be paid out of the earnings of our daily toil. There is now to the credit of those of us who deposit with the banks more than \$25,000,000,000, on which they pay an average of less than 2 per cent, and charge those of us who may borrow direct from them from 6 per cent up to 10 and often more. They collect from us more interest and bonus every year than it has taken to run the Government of the United States. We pay that much directly to the banks. When we add to that what the Money Trust group exploits us for, with the use of our bank deposits, the total cost of the banking system to us has probably reached the \$10,000,000,000 mark.

Mr. Presidents, certainly it is not fair to grant to any organization, combination or concerns whatsoever, such privileges as the banks possess. Why is it that only three of you as Chief Executives of the best Government in existence, have raised your voices in vigorous protest, and advised Congress to liberate us from this soulless and shameful power over our destinies? Congress has the power to do it, and to place the finances of the country within the control of the Government in fact, so that the system shall not be used to rob us.

No one would dare propose such an absurdity as the existing banking system, as a first proposition in the formation of a true and honest Government. The Constitution of our forefathers, the heroes of the American Revolution against English rule of taxation without representation, etc., expressly reserved the power of control of finances to the people—that is, to its Congress. Congress in violation of that trust has delegated the power to the bankers. Strange, is it not,
100

under that condition, the people are wondering what is the matter with things?

No people can be industrially free with any important element in the commerce of the country in monopoly control, unless it is the Government itself that exercises the monopoly. If the monstrosity of the existing banking and currency system had been presented to the people in a single “dose” it would have been rejected as the most unjust and ridiculous thing possible. By insidious manipulation—gradual callousing of the conscience of the public servants, and slow “parboiling” of the masses—we became “paralyzed” and our sensibility deadened to its monstrous injustice.

Mr. Presidents, we shall burden you with comparatively few of the details of the iniquities of this banking system. The Constitution, as you know, lodges in Congress the power to act. Therefore we ask a few pointed questions:

What do you think of Congress delegating to the banks, organized by their stockholders for private profit—the power that they now possess? Some of you approved the laws which did it.

What do you think of the Government, supported by taxes collected from the people, issuing money and handing it over exclusively to the banks, organized for private gain, to exploit us with their high rates of interest and in other ways as well?

What do you think of the Government refusing to loan money to the people upon terms as favorable as it does to the banks—refusing absolutely to loan to the people upon any terms—thereby making the monopoly of the banks complete?

What do you think of the Government issuing money by authority of the Constitution at the expense of the people—handing it out to these same banks, and then

101

this same Government borrowing the same money and paying interest upon it?

Mr. Presidents, what are your answers to the above four questions?

Some of you have signed bills passed by Congress making the banks the absolute dictators of our financial affairs—these same banks, everyone of them organized to make as much money for their stockholders as they can. One of you urged Congress to pass—and signed—the bill creating twelve Federal Reserve Banks that are owned exclusively by other banks.

None of us individually nor our Government owns a cent of stock in the Federal Reserve banks. They were named “Federal Reserve” in order to give us the impression that they are Government banks. Our Government issues money to them, but prohibits their loaning it to us—allows them to loan it to their owner banks only. In connection with their owner banks they may expand and contract the currency in order to enable their owners to exploit us in speculation, and compel us to pay outrageous rates of interest.⁽¹⁾ Why are we compelled to go a round-about way to secure the money issued by our own government, when properly we should be able to go direct and secure it as cheaply as the banks do, and at less than half what we are now forced to pay?

¹ There is not a Congressional district in the United States—and no persons—outside of the bankers and professional speculators and capitalists— do not in the aggregate pay vastly more interest, or its equivalent, than they collect. They need not be borrowers to pay interest. When they buy the necessaries of life—sell their products—earn their salaries—pay their taxes— and respond in cash or toil to secure any of the things they must have, the interest account is against them. It was this persistent levy of profit for the few that drove Europe to war. Let the United States beware lest it meet the same misfortune. The day of fearful reckoning will surely come unless we remove the cause. Human nature has a limit to the burden which it will bear and will resist when it is reached.

102

What do you think of the Government making these same private banks the exclusive custodians of the deposits of the people, and then using the deposits to exploit us with?

What do you think of the postal savings bank system—the Government taking deposits from us at 2 per cent, and then loaning it to the same private banks at 23/2, while the

banks loan it to us and charge us several times that rate? Some of you signed the laws that do that.

Mr. Presidents, we might continue this series of questions indefinitely to the disadvantage of Congress and several of you—but it is not our desire to embarrass either you or Congress—for you both belong to us—and we love you both—as we love our own children—for their good and for all of their errors. We understand things better than we used, and realize that this Government of ours has not been a democracy in fact, but merely so in form—that we have had the form and not the substance of a democracy. For this we ourselves are largely to blame, for not having observed things as we should have done and have forced a correction.

Now, however, that we are about to start a new world's democracy, we will see to it that we are equal to the importance of the occasion, and to the extent of directing the administration of our own country we shall succeed—for we shall not hereafter leave you to grope about by yourselves as you have hitherto, without thoughtful assistance from us. We will indicate to you our desires and ask you to see that they are followed—for otherwise it will be no democracy. The naked privilege of walking up to a ballot box and voting for this candidate or that candidate to become a public official does not complete a democracy.

Why, when there was an attempt to create a rural
103

credit system to give direct Government aid to the farmers, did not Congress pass and you sign an act that would give as direct aid upon equally good security—as continuous and at equally low cost to the farmers,—as the act which was put through Congress for the benefit of the bankers?

We petitioners are not exclusively farmers. We constitute the people from all the useful lines of enterprise—farmers, wage workers, merchants, instructors, traveling men and all the others of us who are required to make a civilization complete. We do not ask, nor do we or any of us need special favors, provided that no one else has any. We want to cut out all special favors, but as long as some are granted special favors we want you to be impartial, and grant them to the rest of us as well.

Your rural credit plan depends upon the bankers to get the money. How can you claim otherwise when you force even the Government itself to go to the bankers to get the very money that the Government alone under the Constitution has the power to issue? You sell bonds to get the money to loan the farmers, and the rates of interest on the bonds are practically agreed upon by the banks.

No one should pay more than the actual expenses—the expenses that are really necessary—for the maintenance of a system to finance commerce in all the fields of enterprise. When the financing of all enterprises is, or shall be, placed upon a sound basis, instead of upon manipulation for a rake-off on the financial part—there will be no conflict, and practically nothing in a commercial sense to fight about.

Our Government is loaning to foreign governments billions of dollars at 33 per cent. Under the rural credit plan, farmers—our own—will be required to pay 53/2 and

probably more, and not secure the full amount
104

they mortgage for. What sort of short-sighted policy is it that governs our public servants, when they know that food, more than men, are needed by those whom we have made our allies? There is no explanation except that the Money Trust has secured an influence over the actions of Congress—not that the public officials have been bribed or even intend to wrong the people—but that they cannot separate themselves from these unhappy conditions, and insist upon following the precedent that are rooted in special privilege. The farmers' security is infinitely better than the foreign loan security and carries with it no possible dangerous complications.

We have already explained that the mere fact of some of us not being borrowers—does not exempt even those from the payment of interest. But even if it did, we would not wish to visit an unjust burden upon those who are borrowers. Among us we often hear farmers owning small farms—urban dwellers owning modest homes, and others of moderate property means—complain because taxes upon these are too high. Again, we occasionally hear tenants say they have no concern in how much taxes their landlord pays.

In the case of ownership, these go directly into their pockets to pay their tax, while the tenant has it added to his rent. But these tax additions to the cost of living are small in comparison with the indirect, toll that is levied upon them through the operation of the banking and currency system. It is seldom that we hear a kick about the bank charge, except by the borrower, but we do kick about the prices of the things we buy. If we stop to think, we will realize that, included in the charge for these, is the extortion of the banks from their borrowers.

We would not have you understand that we complain of the bankers or resent them personally for their

105

oppression. Some of them are among us now petitioning you, and a majority of them would be if they did not fear the action of the big banks with which it is necessary for them to do business. They know that they have advantages over the people that are not right, but they alone are not in a position to correct the evil. It is our own fight. We are to blame for permitting special privilege to continue. It is not within the power of the banks alone to change the condition now, unless they would all get together for the purpose, which we do not expect.

If any of us should go into the banking business, we would be forced, by the very environments that would surround us and the laws, to do the same as those already in the business.

It is not the item of \$1,000,000,000 or more of annual profits that the banks collect from us that causes the main mischief. It is the high financiers, who borrow from the deposits in the banks to exploit us with, that add several additional billions of profits to their capital annually, which, of course, is added to the cost of living for the rest of us to pay.

For every billion dollars of profits scalped by speculation from operating the country's business, it adds to the cost of living an average equal to \$10 for every man, woman and child, and thus it increases annually because of compound interest. Practically, in the end, it all falls upon the toilers. Therefore, we insist upon the importance of putting into operation a better system for our new world democracy.

Mr. Presidents, our memory is still fresh with the advertisements carried at great expense by the railways in 1916—in the public press, as well as in posters in the most frequented public places. Their purpose was to teach us that, if the hours of toil for the train operators were reduced, the cost of operating would be increased,

106

and that this difference, plus a profit upon it in the cost of operating the roads, would be charged to the passenger and freight service and we made to pay for it. They wanted us to object to any reduction in the hours of work for these men.

Their challenge to raise the cost on travel and freight service was by no means an idle threat. The hours for train operators to work were, by an act of Congress, properly reduced. Already the freight charges and charges for travel on trains have been increased in many sections of the country and will soon take general effect. The people were entitled to a reduction in charges for both passenger and freight transportation, but the railways by keeping up a constant fight to increase rates manage to ward off decreases.

So far as any of us can now recall, these advertisements by the railways were the first expressions that ever came directly from special privilege that, in its own admission, indicted its own system, and, if properly studied and followed out by us—to its legitimate conclusion—would reveal the fallacy of private ownership of any of the public utilities.

Mr. Presidents, it must not be overlooked that the Money Trust group fixes tie interest rates that the railways must pay for their financing; they own the banks that finance them; they own the main factories that make the materials that go into their construction; they own the telegraph and the telephone systems that they use; special privilege persons hold the offices that control them, and set the prices on what they sell to the railways, and fix their own salaries. Through political “pull,” they have secured to be appointed a majority of the members upon the Interstate Commerce Commission, who, though intending to be just, have nevertheless been educated and taught, to believe in the existing system of economics, and, therefore, con-

107

veniently to special privilege, the Interstate Commerce Commission adds to the freight and passenger traffic for the public to pay all the interest paid on moneys borrowed and on all the costs of the trust-controlled materials, as well as the exorbitant salaries of special privilege officials—irrespective of the true value of either.

A Master Stroke of the Money Trust

Mr. Presidents, you will bear with us, when we press this proposition with force and persistence, because all our economic troubles are caused by the Money Trust group. We must clearly define how it rules and positively rely upon you to help us destroy its rule.

After spending \$287,259 tax money collected from us to pay the expenses of the National Monetary Commission, the membership of which was mostly made up of Money Trust disciples, and, in addition, the expenditure by special privilege of more than \$2,000,000, all with the view to divert the attention of the people from their true purpose, we had saddled on our backs the greatest special privilege scheme the world has in all time witnessed. Then and now—here and there—in addition to what we had originally, we get sidelight flashes of how this scheme was put across.

An article written for the October 19, 1916, issue of a nationally known magazine by B. C. Forbes, Vice- Chairman of the Railways Investors' League, begins:

“Picture a party of the nation’s greatest bankers stealing out of New York on a private railroad car, under the cover of darkness, stealthily hying hundreds of miles south, embarking in a mysterious launch, sneaking onto an island deserted by all but a few servants, living there a full week under such rigid secrecy that the name of not one of them was once mentioned lest the servants learn their identity and disclose to the world this strang-

108

est, most secret episode in the history of American finance. I am not mincing. I give the world the real story of how the famous Aldrich-Vreeland Currency report—the foundation to the new currency system— was written.”

Following the above, the article goes on to describe how this band worked. The group constituted the strongest of the “high financiers” and represented the largest business speculators on earth. Two billionaires and a new crop of millionaires in America have emerged from speculation on war business.

Mr. Presidents, there is not a member of the Federal Reserve Board who was not, before his appointment, in business, closely connected with the Money Trust group. Each of them had been educated to believe in that system, and, though ever so honest in their mental purpose, their education and belief in the very same system that has destroyed our industrial independence make them obstructionists to the proposed world’s new democracy.

In presenting the economic conditions to you, Mr. Presidents, it is immaterial to us from that standpoint what may be the good or the bad intentions of persons intrusted with the administration of laws. We are proving to you the utter hopelessness of the plain people ever securing justice from the existing political, economic and business practices, even if they were carried on with the utmost honesty on the part of the political administration, and by those in public and private business. In the administration of public business, also of private business—in both respects the very laws of nature are being violated and we are paying the penalty.

History for 6,000 years verifies the fact that human nature is selfish—so we must accept that as a fundamental fact—and must presume that it continues so and give it proper weight and protect ourselves against

109

ourselves—assume that persons will, if the opportunity affords, do those things that give them individual advantage when they know how. Human nature is all that we have to deal with. It is ourselves— it is our battle and our life—all that there is in us for us to follow through to the end. That is why we discuss and hold out the promise:

That if you, Mr. Presidents, will message back to us all the facts that we present to you, so that we shall all understand them at one time, we will then act at once in the common interests of all—if that is done, everybody will succeed. We gave you the power to do this, and we ask you to do it in the interests of all America, and in the interests of all the world.

Mr. Presidents, the future success of the masses— which means all of us, rich and poor, high and low in estate—all—all, supplies the motive for collective consistency and co-operation. All that it requires is to organize. The only organization that exists now that is in every way co-ordinated, is the speculators; big business, organized to get richer and richer off the fruits of the toiler's toil.

In view of the selfish interest that has dominated the world, it is not possible that the masses, if properly advised of the conditions and informed how to proceed, will allow the sure means that they can adopt to secure universal success—to remain inoperative, simply to have the existing gambler's chance—luck—that can come only now and then—here and there—to one of them under the existing practices. This presents to you, Mr. Presidents, the key with which to open the door for a universal brotherhood. You can depend upon it as fundamental, and once it is put in operation it will become universal and eternal.

Mr. Presidents, returning again to finance, which at
110

present rules everything and, therefore, justifies more detail—having shown that there are twelve Federal Reserve Banks and a Federal Reserve Board that makes the Rules for their government, it is important to mention the Advisory Council which under the law meet in Washington to plan the way to control the finances of the people. This Council has great influence with the Federal Reserve Board.

Conspicuous upon that Council is J. P. Morgan, the leading member of J. P. Morgan & Co., and son of the late J. P. Morgan. Every one of the twelve members of the Advisory Council, as you will know, was educated in the same atmosphere.

The Federal Reserve Act is not only a special privilege act, but privileged persons have been placed in control—are the advisers in its administration.

The Federal Reserve Board and the Advisory Council administer the Federal Reserve System as its head authority, and no one of the lesser officials, even if they wished, would dare to cross swords with them.

Mr. Presidents, of course so cleverly arranged a scheme as the Federal Reserve Act for enslaving us, could not be put through without almost infinite care to secure able assistance and a means provided to pay off the obligations of the original designers and main beneficiaries of the act—of their subordinate lieutenants who aided in pushing the

scheme through. As this is a common practice, in anticipation of putting all selfish great schemes through, it is well enough to observe their tactics in this case before proceeding further. The campaign to educate the public to accept was, of course, secretly arranged.

To disguise the scheme, a parent organization, named the “Citizens League,” was created in Chicago, and from there State organizations and campaigns were directed. Of course, you know that the plan for

111

the act itself was already in existence when these organizations were formed, and the literature that was put out did not propose any specific provisions for the act. On the contrary, they kept their secret, and merely advocated a “reform,” and when the time came, instead of a proper reform measure being prescribed, the Money Trust Group adroitly slipped in its own plan, and got it enacted substantially as it wanted.

The act, of course, provided many lucrative offices and these were parceled out to the lieutenants of the Money Trust group who had helped organize the so-called “Citizens Leagues,” as the reward for their help. Any scheme that supports such lucrative offices as the Federal Reserve act provides for, when considered from a purely selfish personal standpoint, is well worth working for by those who would get the offices, and, of course, forever after they would be at their wits’ ends to make the people, whom they had knowingly deceived, believe that it was a good thing, and it would take the people at least a trial to find out the trick.

The twelve Federal Reserve Banks are now at the head of the national banking system. Next we have the banks in the system that own the stock of the twelve; including a few State banks that have joined, there are (July, 1917) approximately 7,700, and more joining.

It is the smaller banks scattered in all sections of the country that gather in and control the people’s money and credits. These banks are in turn controlled by the Money Trust group—not designedly so, so far as the stockholders in the small banks are concerned, but inevitably forced by the system to be.

It is not because the banks scalp \$1,000,000,000 and over annually for the managers and owners, that the banking system is the most objectionable, for we all know about that, and, since we have been so foolish as to permit it, let us not now complain of the fact so

112

far as it relates to what they already have gotten out of us. The wrong of which we complain, and an evil which we insist on being corrected, was in turning over to the banks the unrestricted control of the entire finances of the country, thus enabling the “inner circle” of speculators to use the deposits to fleece us out of several billions of dollars annually.

Mr. Presidents, the Money Trust, in its revised organization, is made up as follows:

First: The national banks arranged into three groups— (a) the country banks, the small banks in the cities, and a few large city banks; (b) the larger banks in the “reserve cities”; (c) the largest banks in the “central reserve” cities.

Second: Government postal savings banks which have thus far turned over most of the deposits to the privately owned banks.

Third: State banks and trust companies.

Fourth: The old line insurance companies and unincorporated private bankers.

All these four divisions gather in the funds from every section of the country. Then comes the fifth which deals with banks only.

Fifth: The twelve Federal Reserve Banks.

The Federal Farm Loan Act, for the present, at least, is not a part of the Money Trust. Unfortunately, though, it depends upon the Money Trust, to secure funds with which to make loans. The rates of interest, therefore, will be mainly under its control.

As already stated, these agencies are all active, inducing the people to dump whatever funds they have into the banks. As further noted, the twelve Federal Reserve Banks are exclusive. Only the member banks and the Government itself are allowed to patronize them. Every other body is excluded.

From the very beginning, it was the purpose of the
113

Money Trust group to force the State banks to join the Federal Reserve system, but not many of them have

—so of late a new scheme has been devised to get them in, if possible—_it is, the privilege of having their checks cleared without being members, provided they carry deposits in the Federal Reserve Banks. If that fails, other schemes will be devised for the same purpose.

The State banks are not essential to the Money Trust from a financial standpoint, but the purpose of the Money Trust is to solidify the banking power, and, to still further solidify it, they are letting in small property owners to get small holdings of stock in the banks, not enough to give them control, of course. But the Money Trust group know that once we all understand that the existing banking game is one to exploit us, their merry “jig” would all be over. So they seek to get in as many of the small stockholders as possible in the hope that these will aid in their campaigns to retain their exclusive control. There is an advantage in the people taking stocks and bonds, nevertheless, when they are sound, for it will help to educate them to change the system.

How the Banks Dispose of the Deposits

Mr. Presidents, to get at that will be cracking the “nut” to get at its contents. When we see the rich treasure—naturally we will want to know more about, how in the name of “thunder,” or rather “more Americanism,” did they get their schemes through Congress, for it must have been approved by the “grand old men” sent to Congress from several of the States—states men that the press extol and eulogize—christening them with the “pet” name quoted above; and also by the younger “statesmen” whose votes it required, following in the tracks of their more “holy” seniors, upon whom the subsidized press also heaps editorial approval.

Yes, Mr. Presidents, all that will be interesting once we realize the truth, and know, it to be a fact that we are deprived of more than 75 per cent, of the results of efficiency through certain legislation these “grand old men” and these young “statesmen” have placed upon the statute books, and particularly their absolute failure to legislate to meet the demands of an enlightened civilization. Oh, yes, they become progressive, sometimes, but it is only when they see the “handwriting”—forced upon them by the strongest and most irresistible public sentiment, that spells defeat unless they yield to it, or else when their votes are not, needed or cut no figure anyway. They are never leaders in progress.

What do the banks do with the deposits, we ask? That is now the question.

The country banks and the smaller city banks gather in most of the funds that are deposited by the plain people—toilers principally. The “big” fellows—that is, the rich—do not keep on deposit many funds, because they use their own funds, and as much of the people’s deposits as they can borrow from the banks to use in speculation, to exploit the plain people. In this way, by the use of their own funds and what they borrow of the banks from the deposits, they build larger and larger fortunes at our expense. That is why the subsidized press, in the interest of special privilege, adroitly attempts to make it appear that the plain people are rich, and that the rich do not possess so much after all, because in the aggregate the plain people own most of the deposits. In that way they try to satisfy us with our condition, and discourage us from going after what really belongs to us.

The big banks get deposits out of the small banks to loan to the speculators, who use it to exploit the plain people—among which are fully 99 per cent of every

115

one hundred depositors. The banking system was built up with that very purpose in view.

Of course the “big” fellows know the necessity of keeping the plain people (a majority of whom own no deposit) at work most of the time, or there would be no “fleece” for the speculators to “shear” from the “goats,” so the banks must loan to the plain borrowers, who are able to work and do the small business of the Country, enough of the funds on deposit to enable the “goats” to do the work and to supply the workers at times with the bare necessities of life, and upon such loans the highest rates of interest are charged.

Yes, Mr. Presidents, a part of the deposits are loaned to small business, farmers and wage workers, who have credit or security, in sufficient sums to keep themselves at work, but they are forced to pay exorbitant rates of interest. The borrower may have the blessings of God, in the gift of good health, physical and mental activity, and judgment to strengthen his credit, or the weight of physical and mental misfortune may bear him down—in both cases he will carry the banker upon his back. The poorer he is the higher rate of interest he must pay.

To those whom this system has forced into bankruptcy (and they are the majority of us) the bank doors are absolutely closed. We do not, however, blame the banker for closing the door on the bankrupt. The banker must do that or he would be forced to close it on the depositor. It is the banking system that creates the bankrupt and not the banker.

Mr. Presidents, unfortunately the banks do not do as much loaning as there is a demand for, in the respective communities from which they receive their deposits and which support the banks. They do not loan nearly as much as they reasonably could and should. For the loans they make there, they charge higher

116

interest, as a rule, than they get anywhere else. They prefer to loan at lower rates away from home and to speculators, than to loan more extensively at home and lower the rates there.

The result of that practice is, that after they have loaned at home all they can, at the highest rates of interest, they still refuse to reduce the rates of interest to home borrowers who would borrow more money if they could secure it at lower rates.

After loaning a part of their deposits, as already indicated, the remaining deposits of the banks not, required for their tilts and for the Federal Reserve Banks they employ to buy notes from loan brokers in the large cities, drawing a lower rate of interest, and they re-deposit any balance they have to spare in the big city banks and receive 2 per cent interest.

Mr. Presidents, no reports are made anywhere from which it can be learned how much the banks loan away from home. They' should be required to state the amount, and have it appear in their published reports, for it is important that the public should know. We are informed how much of their deposits are re-deposited in the Reserve Bank.

The Money Trust has seen to it that no reports are required to show how much of the deposits in the banks are loaned to borrowers un other sections of the country than they receive their deposits from.

Mr. Presidents, on December 27, 1916, the Comptroller of Currency made the following report for publication:

The growth and development which has taken place in the national banks of the country, as expressed by their increase in reserves since the inaugural of the Federal Reserve System two years ago, has been three times as

117

great as has ever before been shown in a two-year period in the history of our national banks.

The compilation just completed in the returns of all national banks for the last call, November 17, 1916, discloses a condition of strength, of progress and of growth beyond precedent.

On November 17, 1916, the resources of all our national banks aggregated \$15,520,000,000, an increase of \$4,028,000,000, or over 35 per cent, in just two years and ten days.

The prodigious growth and development of the national banking system may be better appreciated when we realize that the resources have doubled since the spring of 1906—ten years.

Capital stock \$1,071,000,000, an increase, as compared with September 12, 1916, of three millions.

Surplus and undivided profits \$1,071,000,000, an increase as compared with September 12, 1916, of twenty- three millions.

Mr. Presidents, it should be very apparent to you (for it is so to us) that the Comptroller of Currency— though a good and capable man in his way—he, too, has been educated to believe in the present system, for the tenor of his report indicates that the report is a source of pride to him when he uses the following language re-quoted:

The compilation just completed discloses a condition of strength, of progress, and of growth beyond all precedent.

Mr. Presidents, if the Comptroller, instead of looking upon that condition as progress, had gone beneath the surface, he would have seen that the growth of which he boasted, is in fact the growth of a cancer in our social and economic system, and that the faster it grows the more rapidly our present disasters will increase,

118

and unless we destroy it, it, will destroy us. Let us all understand how that is:

In addition to the national banks' great growth, made by absorbing our earnings, we have the State banks and the trust companies performing a like feat. They also absorb the people's earnings with terrible effectiveness. Consider the four additional billions in the national banks first, and multiply by two, which will give us the approximate growth of both national and state banks, and give us a part of the evidence to prove that the system is gnawing at the foundation of our social fabric to break it down.

In two years alone, since the Federal Reserve act took effect, the banks have increased the national bank credit over four billions—just that much more for them to exploit us with. On the \$4,028,000,000 they pay an average of less than 2 per cent interest and collect from the people an average of over 6 per cent. Their net profits on this alone exceeds \$160,000,000. Double that, to include the state banks, and we find the bankers' increased profits are \$320,000,000—equaling \$3.20 for every man, woman, and child. That is merely the beginning of the new era under the new "Federal Reserve" System. Each succeeding year it will be increased. Already, under the old plan, the banks cost the people for direct contribution to their support over a billion dollars annually. When you add the vastly increased new charges, you can see what we are coming to.

Mr. Presidents, that additional charge upon the people is the first, "progress" and "growth beyond all precedent," as the Comptroller well states it—of this cancer "gnawing at the vitals of human economic existence." Add that to what the speculators have exploited us with (the use of these additional sums placed largely

119

at their disposal) and it runs into billions of additional expense to the people.

Mr. Presidents, we must not be confused by the statement made by the advocates of the system, that interest is lower on the dollar than it, was at any previous time—for it matters not so much what the interest on the dollar is, when we are accounting for the in

creasing cost of living, as it is to show what the grand total of all the interest paid by all of the people amounts to, for that is what boosts the price.

The aggregate of dividends, interest, rents, and profits, that we must now pay upon centralized capital and to manipulators, enormously exceeds what it has been in any previous period of our history, and since we have seen that neither interest, dividends, rents nor profits return a single service, the burden they impose falls upon the toilers principally.

This new inflation by the Federal Reserve Act benefits Wall Street principally. The direct profits of the banks, though very large, are small as compared with the profits the speculators make on the accommodations they get from the banks. Most of these speculators, of course, have stock in the banks, and get their inside information largely through the business of the banks. They own the greatest of the banks, and, through the coordination of the system of banks, they know what goes on in all sections of the country.

For every billion of dollars that is added to the speculators' holdings, it adds to the average expense of the toilers \$30 each—assuming that approximately one-third of us are toilers. Therefore, the importance of stopping the speculation schemes of every character.

Mr. Presidents, when the European war burst upon the world, Wall Street saw an opportunity to reap a harvest of profits such as had never been witnessed before, and it went to it with a vim characteristic of
120

Wall Street. Immediately they closed the stock exchange, for now with this new and extraordinary condition more credit was required to manipulate the tremendous outburst in speculation that was sure to follow in these most extraordinary military operations in the world's history.

Immediately on closing the Stock Exchange, the gamblers (that is, speculators) came to Washington with a threat, to Congress and to one of you, that, unless immediate provision was made for emergency currency in unlimited amount and placed in the banks where they could control it, a panic would forthwith be precipitated upon the country that would drag it down in ruin—and, of course, that they intended to do it was well understood.

Instantly Congress, and one of you, took action— obeyed the request, and, even in anticipation of completion of legislation to that end, shipped on fast express to the sub-treasury in New York, emergency currency where the Wall Street speculators could get it when the bill which had been introduced could be enacted into law.

Mr. Presidents, as you well know, the speculators received from Uncle Sam \$369,558,040 of the emergency currency. The help they received with this sum, though large in itself, was a mere bagatelle compared with the help it was to them to have the Government of the United States reinforce their credit so they could carry on their speculations in billions of dollars in commerce dealings. They had been assured that if they wanted a billion dollars or more additional, that they could get it, so they went on with their speculations as if they had it. They knew that in a pinch Uncle Sam would

furnish it, and they profited many billions of dollars speculating in bonds, stocks, and war commerce, which billions, of course, were charged to

121

the people to increase the cost of living, not with full knowledge of the same people, who still do not know what increased the cost of living so suddenly. They think it was the war. The war, to be sure, was made the excuse, but was not the real cause.

The Federal Reserve Act A Further Surrender To Special Privilege

Mr. Presidents, as the finance system is at the bottom of all our trouble, you will pardon us for going still deeper into the subject.

Wittingly, or unwittingly, Congress has served the Money Trust in two ways: one, by giving it practically the legislation it wanted, and the other by refusing to legislate in the public interest. It has now reached a point where the Money Trust group needs no action by Congress to continue its exploitations. It can do practically anything it wishes, and it is by no means backward in doing the most selfish things. The public, on the other hand, requires some very important legislation in order to release it of the strangling hold of the Money Trust. But here, again, the Money Trust has anticipated—knew that the time would come when there would be a demand for such legislation. Far in advance, its influence had secured the adoption of certain rules by Congress itself to block its own way and prevent it from legislating when the leaders could not be persuaded otherwise, which they have usually been.

We require new acts of Congress now to prevent our being further exploited. The failure of Congress to act with expedition plays directly into the hands of special privilege.

Related to the subject, we must add that it is desirable that our relations with foreign countries should be such that whatever commerce we have with them,

122

we should have an easy means for settlement of balances. This should not be in control of the Money Trust group, as the Federal Reserve Act, provides.

At the time the Act was passed, it was well known that a great war in Europe would come. Of course the particular time was not. Immediately when the war broke out and we became a commercial party to it, American speculators engaged in trade to make money out of the war. Several times their greed went so far as to nearly force us into the war on account of their selfish acts. From the very beginning the speculators sought in every way to work up a public sentiment that in itself should by them be converted into commercial profit, and (yea to the extent of bringing us into the war, if it should serve their ends best to have it done. When the big loans were made to some of the belligerents it was very clear that, if the ultimate payment of those loans became endangered because of their defeat by the other belligerents, the Money Trust would seek to have us enter the war to collect their loans.

Mr. Presidents, we have stated to you certain facts about the trade entered into by the American speculators in war commodities. We regret that these facts exist, because many

believe that they are the actual cause of our entering the war. Whatever one's belief may be upon that is not so material now, except that we should not be blind to the facts. At this time they are mere incidents, and merged in the greatest of all causes, and that is, to solve this conflict the economic principles for the future government of all peoples, not that we expect to dictate them, but that they will in themselves prove their own necessity as a rule of universal government.

From an economic point of consideration the speculators made us a party to the war from the very begin-

123

ning, and they still believe that it is their war, and that the victory will be their victory. They are the ones who have mainly been put in the management. If we had entered the war from their selfish standpoint, it would be most, unjust, as well as certain to be disastrous, irrespective of who wins the war, from a military standpoint. Even if it were to be admitted in the end (though it will not be admitted even if believed), that it was the manipulations of the Money Trust group that caused our entry into the war—repeating, even if that were admitted—the people themselves do not accept that as the cause and will not use that excuse to fight for victory.

Bold as the manipulators have been to commercialize every one of the finer, higher and exalting sentiments of the people in their sympathy with the hundreds of millions of suffering people, the people themselves have not, been influenced by selfishness. Even with the Money Trust group placed in command of the financial management—however strong that group may now seem—its days are numbered, and it will come out of this conflict dethroned. It will be the people's victory this time. In the final adjustment—particularly when the readjustment at the close of war takes place—the people will be in power under the Constitution. The war has boosted the Money Trust to its highest power, and it is due to have its farthest fall. This has now become a war for freedom—the liberty of all peoples. The Money Trust is a slave-maker and not a liberator.

We are not going to create a democracy in Germany, England, or anywhere else except in America. A real democracy in America is absolutely certain as a result of our entering the war—much as the evidence appears now to the contrary. It is a thing contradictory to democracy to attempt by force of arms, or by any kind of force, to make the peoples of other nations become

124

democracies. Democracy can exist only by internal or domestic choice.

Aside from any purpose we have of doing all we can to better the world conditions, we have at least one cause that is internationally sound, so far as our entry is concerned, and that, is to keep the high seas free and unincumbered. We have the absolute right to free and unincumbered travel, and the carrying of our commerce upon the high seas. Differences of opinion may be entertained as to whether we should have gone to war or not to enforce the right to the present, exercise of it, or to have waited to exercise the right at the end of the war. No one can doubt our right to the high seas, and that we may, if we like, choose to go to war to enforce the exercise of the right.

We could not have justified going to war solely because of killing human beings, however much it might arouse our sentiments against the horror of it. No one, for instance, dares to claim that all the horror of the existing war is justified merely because a prince and princess were murdered in Serbia, and yet that is alleged to have been the cause of the war. The truth is, that it was merely the excuse, or incident, that started the war. The real cause was in the economic systems practiced. So, no one now can reasonably justify our entry into the war solely because some of our citizens were unlawfully murdered. True—that excited a deep, real, and humane sentiment, but, in itself, it hardly justifies a sacrifice of, perhaps, thousands of our citizens for each life so lost. It was not justifiable, on the part of those who lost their lives, to have ventured their countries' welfare merely because they had the right—except that the high seas shall be open for every legitimate purpose. When the exercise of the right was challenged, that challenge was the cause for war.

125

Whether or not the war was really caused by the violation might be another question.

Mr. Presidents, we are determined, properly so, to maintain our international rights as against oppressors. It has always been the practice of speculators to take advantage of the patriotism of the people and work all sorts of graft to exploit them. The scale on which the people have been exploited during the present war has been the greatest ever—that is, because the speculators are thoroughly organized, while the people are not sufficiently organized.

The experience of the past, and especially the immediate past, teaches that it is an incompletely exercised patriotism to prepare for possible war, and to become soldiers for military purposes alone, for when it is merely the building of ships, sea, and air craft, forts, and all the other material of war preparedness—when it is for those things alone, it opens wide the opportunities for the speculators to saddle the country with economic wrongs that work thousands of times' greater injustice to the people than the trespass upon our rights by foreign nations. That is not all, for to allow any false economic practice, such as has been practiced in our country as well as in every other, materially weakens us. If we had been operating under a true economic system, the present necessity for food laws, food management, and all that would not have existed at all. Everything in that respect would run just as smoothly with war as without war, unless the war were in our own territory.

We cannot allow ourselves to fall back on the same old system, after the war is closed. We must consider these economic problems in our homes, in our public assemblies, in camp, and in the trenches, if we enter them, and everywhere—right while the war is in progress, for we would not have the flower of our man-

126

hood bear the brunt of the battles, nor those of the men and women who bear the burdens of providing, make the sacrifice, and when it was all over find our selves running in the same old ruts that had steered us into the war.

There will be no glory in the military conflict if, when it is over, we still are to be ruled and burdened with the same old system that we find has reduced the masses to industrial

slavery. As a nation, we did not do justice to our Civil War veterans and those who bore the burdens of that war, for we let the management of the Government slip into the hands of the exploiters, and our natural material resources were monopolized by these.

Have We Forgotten Conservation?

Mr. Presidents, during your Roosevelt administration, particularly, and extending through Taft's, and into the beginning of the Wilson administration, the demands were loud and continuous for "conservation"—conservation of timber—conservation of minerals—conservation of water powers—conservation of all resources—that was the demand everywhere in this glorious land of ours.

The European war threw conservation to the four winds. A new brag was started. The American press began to boast of an enormous "favorable balance of trade" — "favorable," they claimed, because we sent away more goods in value than we got back. The press seemed to think if we disposed of our products to foreign lands in excess of products brought from foreign lands to our own country, that it was a favorable balance of trade. It was indeed very favorable to certain interests, as we shall see, but the increase in price to American consumers over what the prices were before

127

that "favorable" (??) balance of trade occurred was approximately \$17,000,000,000—and some of us are squealing about the cost of living. Suppose we look into it?

For a given twelve months in 1915 and 1916, our domestic consumption of petroleum, for instance, was 211,933,000 barrels. In addition to supplying that, the Oil Trust exported in the same period 55,466,088 barrels. Prior to the export demand the price was 75 cents per barrel for western products and \$1.54 for the eastern products. The demand for export, however, the Oil people made an excuse to raise the price on the western oils to \$1.55, and the eastern to \$2.60—an increase of 80 cents and \$1.06 respectively. About one-fifth of the home consumption was of the eastern product and four-fifths of the western. That manipulation cost the American consumers for twelve months alone \$180,000,000 over what they had to pay before the export began, a sum far in excess of all that the Oil Trust realized out of the 55,466,088 exported.

Mr. Presidents, we have just cited you that one concrete case so that you might fully understand our point. The loss to American consumers on petroleum for a single twelve-month period is a mere bagatelle compared with what it amounts to in a period of years, yet in even twelve months it runs to \$180,000,000. The American supply of petroleum is forever reduced, and the American consumer will always have to pay more than he would if we had true conservation. Petroleum is only one item. We just mention that as a concrete example of the way the system works. Even though, at the end of the years, our total loss upon petroleum by reason of the false practice will run into the billions, even that is a mere bagatelle compared with the loss we sustain upon all the commerce carried on under the same business practices.

128

With every commodity controlled by the trusts, where a part was exported, the price on

the like product was increased to American consumers greatly in excess of the total collections realized from the export. Copper increased about three times its former cost. The domestic consumption of copper is greater than the export. So we might continue to name item after item, and show like results. It was by that process we have exported, since the war began, \$6,000,000,000 of American goods, in excess of goods we got back, and increased the price on the like goods to American consumers, approximately \$17,000,000,000.

Mr. Presidents, “what fools we Americans are,” and how ridiculous our late action seems, or else how ridiculous it was to think about conservation, when we not only part with a portion of our real material resources to send them to other countries for speculation, but in addition permit ourselves to be charged for what remains for us to consume, over the former prices, more than twice all the sums realized for what is sold abroad. It is, indeed, a good scheme for the trusts to do business that way, because they not only get a good price for what they export, but they collect in addition that increased price, \$17,000,000,000, thus far, from what they sell in America, and God only knows how much it will be in the future, if we permit such practices.

We do not, object to exports when it is done to meet the needs of legitimate exchanges. But you must admit that to increase the price on a reduced quantity, to exceed by an enormous amount, or even by any amount at all, the aggregate value of a greater quantity is conclusive proof of a falsely juggled system.

Mr. Presidents, this is too important to drop with out still further analysis. Let us consider the subject in its broadest sense—our commerce as a whole.

129

From July 1, 1913, to June 30, 1914, we exported \$470,653,491 in value of domestic products in excess of imports. That was before the war.

Now, let us see what happened after the war. Here we have it:

From July 1, 1914, to June 30, 1915, we exported \$1,094,419 in value of domestic products in excess of imports; from July 1, 1915, to June 30, 1916, we exported \$2,135,775,355 in value of domestic products in excess of what we imported; from July 1, 1916, to September 30, 1916, a period of only three months, we exported \$924,726,579 in value of domestic products in excess of imports. Since that time our exports in excess of imports have run at approximately \$4,000,000,000 per annum. From the beginning of the war up to the time that we became a military party to it, we exported approximately \$6,000,000,000 in value of American products in excess of what we imported.

Since the war became our military war, too, the exports have been still more out of proportion with imports, but now that it is our war it is a different question, and what we have to say regarding the false system in dealing with exports and imports applies to the time when we were not a party to the war. We are preparing to correct the system forever, but recognize the fact that not everything can be done while the war goes on.

Now, let us see what happened to domestic prices during the period between the beginning of the war and our military entry into it. The export trade was used as an

excuse to increase the cost to American consumers of American products approximately \$17,000,000,000 over what they would have cost if they had remained the same price as they were before the heavy export began. The total exports during that period were approximately \$8,000,000,000, which sum the exporters were paid,

130

and this was far in excess of former prices, but that notwithstanding, the trusts in addition collected from American consumers an additional sum of \$ 17,000,000,000 on what they consumed over the former prices. Who got the \$8,000,000,000 and who got the \$17,000,000,000? It went into the hands of the trusts, and they scalped more than two-thirds of the amount in profits; for it must be remembered that the \$17,000,000,000 was in excess of former prices. Now, it was this kind of manipulation that could be and was carried on as the financial scheme under our financial system—so, all you have to do to know what caused the extraordinary high cost of living, is to read the facts.

Mr. Presidents, if the trick that was played ended it, we might put on our hats and forget it, even with all its injustice. But the vast fortunes made out, of it have become what you term vested property, with the privilege of assessing an annual toll, not only upon us but upon future generations also, whenever it becomes a part of the capital for running the affairs of the country. It was extorted from the people in the manner we have indicated, and should not become a future additional charge against us.

What kind of conservation is it that justifies the export of domestic products to make it an excuse to increase the cost to American consumers, on what remains, more than twice over the total value of all realized out of the export? No one can defend such a practice, but, until the war caused it to increase enormously, the speculators were able to conceal from us most of its injustice. Now that it became suddenly exaggerated, even the least expert of us can see the wrong of it.

To maintain the existing economic system and support it by the Government, is worse than war, because it is continuous and is the cause of recurring wars.

131

From that false system we shall free ourselves in the readjustment. Of course when the group of inner speculators framed a plan to get us into the war, if they believed it necessary to be done in order to make their claims good against the foreign nations they were dealing with, they did not have in mind the reform that is sure to take place. They did not realize that the war would expose their system to public condemnation. They knew that the European nations would all be bankrupt and that indirectly they would need aid.

We, that is the people generally, have not entered the war to collect debts for exporters, or for anyone. This war, so far as we are concerned, is for no half-way cause. Now that we are in the war, we must make it for the greatest cause possible. It will be. We shall be benefited beyond anything that has ever occurred before. The benefit to us will be in the adoption of a safe and sane system of both politics and business—differing very materially from what we have now. Politics, when properly conducted, is business—and good business leads not to war but to prosperity.

The speculator group has believed for some time that there was danger, from its viewpoint, of strikes and even revolution as a result of the greedy operations that have taken place. They thought to head off their danger from that direction by exciting a war fever, and even to bring about a war, if they could in that way prevent trouble for themselves, and with that idea in view they went the limit of their capacity in speculation.

The speculators had some ground to base their views on, when they surveyed history, because it had been largely true of past wars. It will not, however, be true of the existing war. This has become our war, our fight, and we will do justice, which means of course that

132

the speculators must be eliminated from our economic system.

We do not hate the men in the armies, nor the people back of them who are pitted against us. They are governed by a false system also. They have wronged us, but it is their system that is the cause, and of course we must hold them responsible for their system. We are also opposed to a part of the system that we are governed by. Some extraordinary occurrence, it seems, was necessary to bring us to our senses in regard to our own affairs. In no other way was it practical to secure the effective attention of the people generally that was required to effect a true reform.

Mr. Presidents, as already stated, American consumers, by reason of the war speculation, have already been arbitrarily fleeced, over and above what they were for merely fleeced, of approximately \$17,000,000,000—equal to \$170 for every man, woman and child in America. To promote export of trade the Federal Reserve Board appointed, through the Federal Reserve Bank of New York City, the so-called Bank of England as its agent—in effect, putting the credit of the United States back of this foreign corporation, also organized for private gain. The Bank of England is no longer able to make payments in gold and fails to make a statement of its true condition.

The Federal Reserve Board was also seeking to make other foreign alliances with foreign banking instructions, with a view to promote further trade of the kind that we have described which has been so injurious to the American people. Suddenly Congress declared war, and of course during the war different rules govern. But before the war Congress had tied us to foreign nations by authorizing the credit of this country to be used to exploit, foreign peoples as well as our own.

After war was declared, Congress voted direct aid to

133

foreign nations, but that is an entirely different thing from authorizing speculators to use the credit of the people in this country to speculate in other countries. We must not confuse the acts of Congress with reference to war measures, with its acts prior to the war. Our comments at this juncture are based upon the conduct of things not officially or governmentally connected with our entry into the war.

Foreign Loans

Mr. Presidents, in the same way that the group of speculators jacks up the price to American consumers by turning the so-called “favorable (?) balance of trade” to us, but which we consider is against us, they also jack up the interest rates to American borrowers. Here, too, we must separate the period prior to our military entry into the war from that since, because our war measures are not governed by the same conditions.

Before we were made a military party to the war American speculators, the Money Trust group, loaned in foreign countries approximately \$3,000,000,000, supported in the operation by our Government. That is, our Government was practically back of this credit, because it supports the credit of the banks. By doing that the speculators were able to keep up the interest rates to the plain American borrowers, forcing the latter to pay, in excess of what they otherwise would have had to pay, more than all the interest that will ever be collected on the foreign loans.

Now that our Government has loaned to the foreign governments large sums, these governments will be able to pay the \$3,000,000,000 that they had already borrowed privately. Of course all who have examined into the conditions, know that the foreign governments are bankrupt and can never pay their debts. They may

134

pay what they owe to our Government, but whether they will or not, if we were to be in the war under any condition, it was best to make the loans to them, since we had made them our allies.

As long as our banking system is based on Government support, and the banks are used by the people for their depositories, no private individuals or group of individuals should be permitted to use the credit of the banks in any form whatever to make loans in foreign countries.

The National City Bank of New York is the leading bank that has a membership in the Federal Reserve System. It publishes a monthly review it sends to its correspondents. In its February, 1917, issue, after first reviewing the fact that there was a plethora of money and credit available, it commented upon the fact as follows:

Under the circumstances money promises to be in abundant supply, but if the banks have a proper regard for their responsibilities it will not be correspondingly cheap. Compensatory rates for money and ample reserve should constantly be maintained.

Mr. Presidents, a word to the wise is sufficient. The bankers are financially wise and see a point quickly. The National City Bank issued the above statement to the bankers and knew it would be heeded. That fact is additional emphasis to you of the arbitrary power possessed by the banks to tax people without reason except to swell their own profits, and of their intention to continue to exercise that power, as they have done heretofore.

In line with the decree of the National City Bank, Mr. W. D. Dicky, a Chicago banker and one of the greatest in the country, stated at a meeting of the

135

Bankers Association, in St. Paul, Minn., June, 1917:

“Interest rates may stiffen, but that will be a good thing.”

The big city bankers, you can see, are coaching the smaller bankers to raise the rates of interest.

Mr. Presidents, it used to be, that in order to divert attention from themselves, the millionaires would influence action to catch the smaller robbers. Now we have a couple of billionaires and several near billionaires, who in order to divert attention from themselves, influence action to catch the ordinary millionaire robbers. The public press in the June days, 1917, began their headline diversion of the public from investigation of the greatest robberies to the ordinary millionaire robbers. Their most common headline was:

“Hoover Bares \$250,000,000 Food Loot”

Mr. Hoover did his duty to bare that “food loot.” It had been exposed before, but until there got to be bigger thieves, the press did not publish to expose. But again those who do not know the ways of politics will think it a strange thing that not an official in all the departments of Government, who is in a position to force publicity of the fact, has breathed or whispered of “the loot” that equals more than sixty-four times the \$250,000,000 “food loot.” This \$250,000,000 food loot is only an incident of the bigger loot, yet the National City Bank says, “Compensatory rates for money should constantly be maintained.” “Compensatory” means “punitive” to any one who dares to cross swords with the Money Trust designs.

It is these people—these trusts—who have maneuvered to export \$6,000,000,000 of American products in excess of all the products we have gotten in return, and made it the excuse for raising the price on like

136

products to American consumers more than \$17,000,000,000 above the normal prices. Why does the public press never so much as hint of the facts as they are? Why do the Government officials who know this, fail to take measures to stop it? It has been going on for three years. They say it is the war, but it is simply greed excusing itself because of the war.

The boast of the National City Bank as to the abundant supply of money, to “constantly maintain compensatory rates” was not an idle one. It was put forth as a practical hint to the banking fraternity to tighten the interest rates and keep a lid on the loans. Dividends, rents and profits, you understand, in most general business must be in harmony with interest rates and the levy for interest, dividends, rents and profits is upon an aggregate capitalization that the war profits have enormously increased.

The actual values of our material resources have decreased since the war began. We have not as much as we had before. We are not so rich in resources, which, of course, is a natural result of war, but the “measuring stick,” which in this case is the “dollar,” is “shorter”—it does not cover, that is, will not buy so much, but still they want just as much interest, dividends, rents and profits on the “smaller” dollar as they had on the

“big” dollars, notwithstanding that every thing measures more dollars. No one of us, and certainly not a majority of us, are foolish enough to believe that we can get richer by sending out of our country more than we get back, and we know that the so called “favorable” balance of trade is favorable to the speculators only.

This juggling scheme which is partly emphasized by the National City Bank statement, has boosted the nation’s wealth, in a very short time, from \$125,000,000,000 to very nearly twice that sum, and yet there is no

137

increase, but in fact a very great decrease in our resources, except what the labor of the toilers has added, but has not retained control of. This increase in the number of dollars’ measure, but not in property, is centralized largely in few hands, so that now they levy a toll upon the American people of between \$11,000,000,000 and \$15,000,000,000 per annum—and constantly increasing. It means an annual average of more than \$100 upon all men, women and children in our land, and falls as a burden principally upon the toilers. That is our system. That is the system of all the civilized nations. That is the system that, produces wars. If democracy can do no better than to build up that kind of system we should not fight for democracy.

Democracy, however, as we have already observed, has not existed in fact, but in theory only, and the wicked system which we have described and which governs us now is not the result of democracy, but the result of plutocracy. We are just getting ready for democracy and it will work out a just system. The public officials, however, both high and low, with but few exceptions, do not stand for a true democracy— it must be forced by the people.

War to Permanent Peace

Mr. Presidents, we were plunged into war with the monstrous Money Trust speculators saddled upon our backs; side by side with us they are enlisted in the fields of industry, in the military programme, and else where for the purpose of exploiting us in each.

Along with us are those who stand for the monstrous injustice of the Money Trust system; we all aid to secure the military defeat of a military enemy. If we allow the Money Trust group, with which we are associated in this conflict, to continue their speculative plan, even

138

with a most complete victory for us in battle, the end will be disastrous to all the world.

The Money Trust group struggle for one purpose—we for another. They would have us continue their plan and force all nations to maintain it—while our true purpose is—that the world conflict shall unsaddle all intelligent peoples from every selfish domination, and leave each nation, and leave us, too, to work out the respective internal policies and problems that relate to the people respectively, according to democratic principles, thus enabling us all to handle in a natural way, not only our own domestic commerce, but the commerce of the world also.

Now that we, that is the rank and file of the people, have come together for a common purpose, let us not for the sake of vainglory—for simple winning of battles which alone is all that our speculators wish—with draw from this maelstrom of hell till we have un saddled from our backs the system of capitalism that now dominates the world in conflict, with human rights, and instead put into operation a simple natural system which by its very justice and easy operation will attract all the intelligent peoples of the world to a peaceful practice rather than merely to formulate treaties for the world's peace.

Treaties alone count for little—have little force— often no force at all, when the interests of those affected are in conflict. If we establish rules of commerce and business relations among ourselves—based on the rules expressed in the early recitals of our memorials; that is, in the rules as stated in Truth No. 1 and. Truth No. 3, and avoid following the false rule expressed in Truth No. 2—our domestic trade will be natural; our prosper ity will be complete, and enjoyed by all of us. Then the world will see that we are right, and our example will be followed by every nation having intelligent peo-

139

ple. Then, too, the commerce of the world will become natural and cooperative—create friends instead of enemies and antagonists, and thus a permanent peace will be established.

Mr. Presidents, we have explained what causes wars and what should be done to bring about permanent peace. War, we have demonstrated, is simply the re suit of following laws and practices that create u economic industry, diverting the human energies from the natural trade and commerce that should exist. It is the domination of the “privilege” that has been given to a few to make industrial slaves of the rest of us, that has led us wrongly.

Very simple legislation on the part of Congress would bring about the desired result. You, Mr. Presidents, with the backing we would give, you can easily persuade Congress to put through such legislation, and it would capture the world—not by force, but because it would become the collective demand of all the intelligent of mankind. Why the demand? Because it would be to their greatest interest.

When the way shall be pointed out, and it be made clear that the industrious and intelligent in all the fields of useful work can command success by their industry, all will accept the plan and put it in force.

Let one nation act wisely and demonstrate the fact of its wisdom, the other nations will tumble over each other to see how rapidly they can follow. Self-interest will compel it.

Had we, when the European conflict burst upon the world, arisen to the emergency, and made ourselves masters of our own economic conditions, and had proved to the struggling nations that we were masters of our economic conditions, the peoples in that conflict, each of them, would now be in peace, and beginning the

140

new prosperity which we propose to you, Mr. Presidents. Why?

Because it is not hard to persuade people to do what to them seems clearly in their own interest. That is why. In fact it needs no persuasion, once they know. You could not stop it if you wished.

Our trouble was that, there was no concert of action among us to overthrow our false economic system and adopt in its stead a just and economic system. It required a war or some terrible thing to make us all take notice at one time. Congress declared the war as our method. Now it is up to us to be patriotic enough not to make it a mere military affair, for that would be a farcical waste of patriotism. If we adopt the right course the war need be no sacrifice to us, except for the loss of life and the injured. Neither need it be a loss to the other nations in the conflict in the sense stated nor to neutrals, if we set, the example that our patriotism justifies. In itself it has been the utmost fool thing in all the history of the world—criminal to the extremes—but the very extremes seem to be the hope for awakening humanity to a sense of appreciation of its own absurdity.

In the last century the special privilege granted to capital over humanity has added over 300 per cent to the cost of human necessities, and the practices which we now follow are wanton waste that absorbs three- fourths of the earnings of the toilers. That would be saved under any honest system. Without confiscating a single dollar of the capitalists' holdings it can be done. All that is necessary is to take from capital the special privilege of unrestricted accumulation accomplished by gross abuse of profit charges. The cost, of living can be reduced to one-fourth of what it is now, and no one be injured by the operation, unless it would be called an injury to those who would be deprived of the priv-

14

ilege to exploit the rest of us, which it is not their right to do.

Mr. Presidents, in the early stages of the additional excitement added by our military entry into the war, we will be imposed upon by the old system, and more burdens will be heaped upon our backs. We made our entry to the war by \$7,000,000,000, plus the annual interest, and will multiply that several times if the war lasts three years. It was quite a beginning, but it need not discourage us, for it will be the weight, of the burdens that will bring us to our senses and make us adopt a new and better method of doing business.

The only nation which we fear may precede us in adopting a really economic system is the nation, whichever it may be, that shall be the most, completely exhausted in a military way! Under the awful destruction that has appalled the world, the sacrifice of the fruits of past industry, and a possible penalty that, may be imposed by the victors upon the defeated—grim necessity may compel the latter to plan and put in operation the new system of economic action that we Americans should adopt immediately. This would be true especially so far as their domestic industry and commerce would permit. Whoever does that, the rest of the intelligent nations will follow, not to their own misfortune, however, but to their everlasting benefit.

How would we look to ourselves if another nation should be first? We entered the conflict on the pretense that we are the instrument of greater civilization, so if we are going to get out of the conflict with credit and glory, and justify our entry, we should be

the nation to first establish the economic plan that would succeed.

Mr. Presidents, it was a great mistake when we entered the conflict that we did not set the terms upon

142

which we would make peace and have those with whom we became allies accept of them so far as we were involved. We should have made it a condition precedent that we would be ally to none, except upon terms of disarmament, when peace would be established, of course provided the other nations in the end joined. Because of our failure to do so, and settle certain other things in the beginning, we shall not find it so easy to settle things in our way in the end. But our failure in that respect does not prevent our moving right along to inaugurate a better economic plan in the United States. In fact, it makes it all the more important that we should do so immediately.

Three of All the Important Changes Required

Mr. Presidents, in the previous part of our memorials, we have reviewed only a few of the miscarriages of the existing system—merely a few, because even these few were sufficient to show why so many things go wrong.

We can put into operation three reforms which would change the whole economic system and bring the rest in by natural evolution. The three would bring easy adjustment of numerous other existing economic miscarriages that are incident to the three that we would remedy first:

1. The Federal Government must establish a financial system that is independent of private monopoly control.
2. The Federal Government must own and operate the main lines in the telegraph and telephone systems.
3. The Federal Government must own and operate all the transportation systems.

Mr. Presidents, we consider each of the above in the order stated:

143

Finances

Having presented the main faults of the existing finance system and shown that, it is the greatest of all the burdens that we are forced to bear and mainly responsible for our economic miscarriages, we offer it first as the most important to be changed. We do not now present the bill, but merely the plan. In the near future we will present the bill, which is already drawn and in the hands of one of the great industrial forces of our country, and will be considered by all of us before presenting, so that it shall be strictly adapted to the needs of all the people and no special favor to any.

We are not like the group organized by the Money Trust, to make Congress and the Presidents see falsely, if these organizations when inspired by special privilege can do so. We memorialists are the plain people acting in our own sovereign capacity as citizens of the Government that we intend shall be the best possible for all.

Our bill provides that the Government shall become the financial head, as the Constitution provides. It will take from the banks the monopoly which they have had, and which, though it existed before in practice, was elevated by the Federal Reserve Act to a legal monopoly, so that now the banks hold a dictatorship over the people by the power they have to contract and expand credits at their will, which they exercise in the interest of selfish gain for their owners.

Under our bill the Government will take up the control in the interest, of the people instead of doing as it does now—issue money to the banks and give them the monopoly of its use. Under our bill the Government will begin by reducing the interest to about 3 per cent, and from that gradually bring it 'down to where it will be sufficient merely to cover cost of operating the system. If there were any excess it would be ap-
144

plied by the Government to reduce by that much the taxes, instead of as now allowing the banks to charge several times the cost of operating their expensive system, in order to create and centralize still more capital to be used by the owners to exploit us.

In the end it is the purpose to charge on the financial operations sufficient only to pay the expenses, so that it will be as free to the use of all of us as the postoffice service is now. That is the only way to make trade and commerce natural, and cut out the Money Trust group and other speculators who are the worst of parasites and serve no useful purpose whatever.

The Government control of the important agencies which we have named will steady prices and standardize things that are in general use so that all the industries will have a sure means of success and no gamble. The existing system is good for comparatively few and bad for all the rest of us.

It must not be taken that our bill will provide for unlimited issue of money with no thought to its redemption. It will be issued for actual use and come back for redemption by natural means in the adjustment of balances, in practically the same way that the checking and drafting system goes on in the banks now.

Telegraph and Telephone

Mr. Presidents, these are instruments for conveying information, and naturally belong to the Post office Department. They should be in control of the Government as completely as the mail system, and as well equipped and adapted to the use of the public at charges to cover the cost of maintenance only, in the same way that our postal system is intended.

The Government should maintain bulletins at places
145

frequented by us, giving the important occurrences, something in the order of the existing

weather bureau reports, but at more places, so that the facts thus obtained would enable us to keep a check on the numerous false reports that appear.

Transportation

Mr. Presidents, no agency is more important than transportation, though it has not the controlling influence on commerce that finances have as finance is now regulated. The free interchange of commodities between the people is of the utmost importance and travel as well. Therefore all transportation should be as near to actual cost as it is possible to have it. That being the case the Government alone could handle it, and should do so.

Suggestion of Government Ownership of Public Utilities

Mr. Presidents, it must be apparent to any intelligent person, that there should be no arbitrary interference in the conveyance of information, whether by mail, telegraph, telephone or other means; also that there should be no arbitrary interference to suppress money dealings involving the trade and commerce of the people with each other, which further necessitates the free travel from place to place, and the transportation of commodities as well. Each and all of these agencies should be conducted at as near actual cost—no profit—as it is practical to ascertain, and to be paid for by those receiving the service.

Mr. Presidents, it has been at these three agencies that the Money Trust group and other speculators have been able to carry on their exploiting. Let us all—

146

everyone of us—individually and collectively, exercise our own reason and analyze things as we find them instead of stupidly saying, “Stand by the President ;” “follow this Senator ;” “follow that Representative,” or “follow our leader,” whoever he may be or even to blindly follow a political party governed by bosses, and all that sort of excuse for shifting the responsibility from ourselves to a selected few, who are too often tempted and do the wrong thing.

Yes, let everyone, instead of shifting the responsibility, do at least some investigation for himself. If we all do, we shall see that the agencies to convey information, and also those to express and represent values, and to facilitate travel, and to convey commodities from the producer to the consumer, lie at the very foundation of civilization. To place an incumbrance upon any of them in the nature of a charge in excess of the cost is, to the extent of the excess, that much obstruction and incumbrance to the advance of civilization.

The obstruction of information, transportation, commerce, etc., by artificial barriers, such as we have described to be controlled and operated by the Money Trust, has become so great that it is the cause of the breaking down of our civilization, a thing that is taking place now and can only be arrested by enough men and women regaining the equilibrium of their minds sufficiently, not to be impulsively patriotic, but instead be patriotic in a broad and comprehensive sense—of justice to all men—not by merely teaching “good will unto man,” but by fixing the agencies through which men and women must operate

their business and social affairs, so these agencies shall not be converted into instruments of extortion for a few to control and thereby to destroy the equilibrium.

147

Control Finances First

Mr. Presidents, there would be no sense in Government ownership of the railways, without first having Government control of the finances. In order to make a success of plans outlined, all three agencies: the postal system, to include telegraph and telephone; the finance system and the transportation system, all of these must be absolutely controlled and operated by the Government. Not one of these agencies can be economically and properly handled without the others. The postal system is already operated by the Government, but is incumbered by the other agencies being under private monopoly control. Even being deprived of these, no one dares to suggest that the mail service should be turned back to private control.

The Opposition to Government Control

Mr. Presidents, the opponents of Government ownership present certain statements to prop up their opposition. They say, for instance, that it would give neither as good nor as cheap service. They cite the freight and passenger charges, on Government owned systems, as evidence that they are more expensive.

We will not now take time to prove the difference in the conditions where they make the comparisons, and which accounts for the difference in costs in most cases, for we call on you to note the fact, that no case exists where any government operates or ever has operated all the services which we have designated, as necessary to make either fully successful.

The postal system, to be sure, is successful when compared with privately owned business of any kind, but it would be preeminently more successful if the other services we designate were also operated by the

148

Government. It requires them all to make the success of any such as it should be.

The one claim which the opponents of Government ownership present, which they pretend is sufficient to settle the problem, is that it costs more for the service.

We deny the truth of that statement. For the sake of the point they claim to make, but not otherwise, we might admit that the direct charge for passenger and freight services is less on privately owned than Government owned railways. But as we have already shown, it is not sufficient simply to have the transportation system operated by the Government, but the other utilities to which we have called your attention should be, too, in order to have any of them completely successful, but even without the complete control by the Government of all of them, the argument is not closed.

Mr. Presidents, the ultimate cost of a service involves more reckoning than the direct cost. The original failure on our part to take into account the indirect dividend and profit results of private ownership of public utilities is the mist that we, as well as they, have made, but will not hereafter overlook. In Government operation of public utilities, all

charges for service will be applied to maintain and improve the system, or a part will be so used and the rest applied to other kinds of service, thus reducing taxes.

In the private operation of public utilities, on the other hand, the profits with a reasonable margin for risk are absorbed by the officers and stockholders, the largest of whom control banks and other trusts, from which money is borrowed and materials bought. These concerns on the side charge enormous profits which are paid, and are added to the capitalization and the service taxes to pay interest and dividends upon the whole. In that method the Money Trust group pyramid

149

their profits both ways, and keep the centralized capital growing larger and larger each succeeding year.

That kind of exploitation, taking in all the trusts, has grown to such proportions that there is no doubt that it already equals three-fourths of the costs of the trust controlled commodities, thus forcing us to pay as much as four times the physical cost when we buy these. This arbitrary condition as expressed in "Truth No. 2" is increasing all the time. That is what constitutes the indirect charge, of which the opponents of Government ownership either are ignorant or seek to conceal the fact, and keep us from finding it out. In Government ownership we would escape the trusts, providing we governed the three main agencies yet to be taken over.

Conclusion of Memorials

Mr. Presidents, the above are our standing memorials. We petition you for such action on your part as we have stated we desire. We pledge you our support—with all the vigor of our manhood and womanhood, and the power of our numbers, over 100,000,000 including our children, and to whose interests and the future generations we especially dedicate our most loyal and continuous support. We repeat as we began:

You, Mr. Presidents, are of us—selected by and from us, and have our consent to lead us, but we are not blind followers, for should you attempt to lead us in the wrong way, we will not follow. We are the sovereigns

—represent the republic—in fact we are the republic, and do not intend that the republic shall be a hollow mockery by leaving to its Presidents or to any other officials or associations, the whole responsibility. Now please take notice Of what we have demanded in these memorials, and lead us so we may secure the results

150

that we have indicated to be fair and right, and that are in the interests of all mankind. "Eternal vigilance is the price of liberty." Too many of us have been asleep. Those, however, who excited us to war may not yet realize what they did, for nothing could be more effective than war to wake us up. That was not what they wanted. But possibly what we needed to bring us to a full realization of our responsibility to make our nation a republic in fact, as well as in theory.

Mr. Presidents, as our final words, we say to you, that a majority of us agree that the individual initiative developed to its highest is the ideal, but the work of attainment must be under circumstances to afford equality of opportunity so far as just rules effectively enforced can make it. The avenues of development must be thrown wide open, by placing the communication, the finance and the transportation agencies everywhere at the service of all at cost with no profit to either individuals or government for the service.(1)

1 The peoples of Europe's war nations had to sell their holdings of American stocks and bonds to aid in carrying on Europe's war. Wall Street conceived the scheme of getting these stocks and bonds, but make the American consumers pay for them while the Wall Streeters should own them. The first step was to close the New York Stock Exchange; their second step was to make Congress give them hundreds of millions of emergency currency; their third. step was to export \$6,000,000,000 in value of American products in excess of what we got back; their fourth step was to raise the price on like products to American consumers approximately \$17,000,000,000 over the former prices, and as a consequence the Wall Streeters now own the stocks and bonds that the peoples of the European war nations had to sell, while the people of America were forced to pay for them and in addition many billions to finance the campaign of deception- that has been carried on, as well as to aid paying the expenses of the war; and several of these same Wall Streeters are on the finance committees to manage our own war finances. What is the answer to that, patriotic Americans?

151

CHAPTER VIII THE POLITICAL PARTIES

We are willing to listen to all kinds of praise of our own political party, but many of us will neither reason nor analyze when a criticism is made upon the political party to which we individually belong. We stand for any attack on the others for their mistakes. But we wish to fight for our own, almost as we would fight against an insinuation reflecting upon the honor of our mother, wife, daughter, sister or woman friends. There is a difference, however—a wide difference in dealing with politics. There is an appeal from a party. The party is not the supreme power. It is less than the State. The State is over all. A political party is merely incident to the program of the State and is not even recognized by the Constitution. The political parties are unofficial, but legally recognized bodies of individuals associated, who believe, or think they believe, in their respective party principles.

There is an individual prejudice on party problems— much less now, however, than hitherto. One can get a hearing now even before the most prejudiced, who in the early stages of party organization would not reason upon this subject. My discussion is entirely nonpartisan, but may arouse in some readers partisan resentment, because I shall have no hesitation in showing how utterly ridiculous the party rule for the last fifty years has been.

In the early proceedings of any political party—that

152

is, before it begins to deal with the State, and in its first efforts when it acquires State power—it is practically free from blemish in dealing with the principles on which its birth was founded. To begin with, it has nothing to offer but, pure principles, except a “bit” of empty honor to its organizing officers. So it offers a set of principles, the best that its organizers know how to produce. Until it can give something more substantial, that is, something that gives material results, there is no selfish reason for betrayal of its principles.

In this discussion I take sides with no political party. It is impossible for any political party successfully to administer the Government for any considerable length of time, unless the people themselves shall know more about the work of the leaders than they have known heretofore. Something had to occur to wake the people up on this subject. I believe that the war is the thing which already has or soon will do it.

We have been dragged into the war by the intrigue of the speculators. The people already understand that, and all that remains is for them to experience the terrible sacrifice, and realize that if things had been done right in the first place, it never would have happened, and further realize that it would have been easier and simpler to have done the right thing for the American people than it was to do the wrong thing.

The sacrifice that the people will be forced to stand for will teach us that the most profitable thing we can do is to give some time to the study of politics. It is the best of business to do so. If we had begun six years ago, we would now be more prosperous and would have had no war. If we had begun twelve years ago, so that the world could have seen the advantages of our experience under a true economic system, there would have been no war in Europe.

153

Shift of Property from the Plain People to the Speculator While the Two Old Political Parties held the Reins

In plain view of the fact that fifty years ago 98 per cent of the people owned more than 95 per cent of the wealth of our nation, and the other 2 per cent, who individually were the most wealthy, then owned less than 5 per cent of the wealth, and that now 2 per cent of the people own more than 60 per cent of the wealth, and the 98 per cent own less than 40 per cent—in view of that shift of wealth from the toilers to the speculators, during which time the leaders of the two old political parties were in power, I do not see how we can longer look upon them as worthy of blind support. They had opportunity in the beginning to make for permanent good, still did not. They have allowed us to be unmercifully exploited.

I do not understand how so many of us can be blind to the failure of the Republican and Democratic parties. Many of us stick to our party because we think that eventually it may serve the people in the spirit of its first and original purpose, which was good. But if that is to be accomplished it must be done through the voters. It never can be done through the politicians or office holders.

The Socialists have a full and workable plan so far as it relates to leaving the people in control. But I do not doubt that bosses even under the plan of the Socialists would often become a fact; still it has a fairly rapid means of ridding itself of bosses, whereas the other parties have no practical means of speedy application to get rid of them. The Socialist party offers a remedy for existing evils, whereas the Republican and Democratic parties stand upon the old system and offer no remedy—merely undertaking to work out in a better

154

way a system that it is impossible to work out well in any way. If the voters themselves would take over the direction of these old parties, they could build them to a program that would make success of the masses possible. No such step has been taken by the voters.

There can be no doubt that the rank and file of the membership of all the political parties seek merely to promote the general welfare. That is the only interest they have in belonging to a party at all. The only trouble is that neither of the dominant parties follows a procedure that can keep them in the straight track. They have become powerful enough to be worth going after for “special privileges,” and were beset by “special privilege” organizations.

These parties were controlled by leaders instead of by the rank and file. The leaders were tempted and committed wrongs. Wrongs beget wrongs. One wrong gives birth to other wrongs. The wrongs that have been committed heretofore led up to the wrongs that are taking place now, and if we keep doing the same old things in the same old ways, things will continue wrong. Yes, the leaders were tempted, and sacrificed the original principles of the parties—simply the result of human nature when very important matters are left entirely to the individual.

Both of the dominant political parties for a long time have been and still are directed by “big business.” That is why no one can point to any existing material issue between the two, except that each wants the official “jobs.” “Jobs” are their only material existing issue, and they play the political game for jobs.

For “special privilege” to own a half-dozen Senators of ability who at the same time are sharp enough to make the voters believe that they are independent, is worth billions of dollars annually to special privilege and is a corresponding loss to the people.

155

With a few of the “grand old men” of ability secretly serving special privilege, and one or more Senators of ordinary caliber from most of the States to “kowtow” to the leaders, special privilege is enthroned. For that privilege it can frequently well afford to spend a half-million dollars or more to elect a single Senator, and do so in as many States as they think necessary to keep control of the Senate; and for “full measure” for its safety, special privilege also takes the precaution to have a strong following in the House of Representatives.

Here and there, now and then, an individual appears who stands solid and straight on principle—who directs his course on that basis, even when put in high authority, temptations otherwise notwithstanding. Senator La Follette has been conspicuous as such.

There are some others in both the Senate and the House, but there are not many who have dared to fight boldly for all the rights of the masses.

It is a fact, of which history is conclusive proof, that in every case where honesty and ability both have been required to administer a cause running through generations and in which temptations were many, that the individuals possessing it who were placed in authority, have not h sufficient in number and succession to make the cause permanently successful.

It is because of the failure successfully to find individuals in sufficient number to accomplish that, that the political parties have failed. If they had been more democratic and been directed by the voters, they would have been successful. For the same reason that makes the political parties fail, the nation, too, has not made the best of the continental advantages.

So it is because the people themselves have not given sufficient thought, to politics, but instead have left it to leaders alone to manage, that we find ourselves saddled with burdensome special privilege. The vast



Lindbergh-for-Governer meeting at Detroit Lakes, Minnesota,
April 26, 1918, Lindbergh standing between banners.



County Nonpartisan League Meeting held in machinery shed at Echo, Minnesota,
because of refusal to allow meeting in town.



Last picture of Charles A. Lindbergh, Sr., taken January, 1924. He died May 24, 1924.

natural resources and the products of the people's daily toil furnished temptations to speculators. They required certain laws to secure special privilege. These they sought and secured by tempting those in political power. The laws were made to suit the tempters, which accounts for the shift of the wealth from the producers to the speculators.

What conclusion must we come to in view of the facts stated? Inevitably it is that we cannot trust leaders with all the power. He who says, "Stand by the President," and discourages a fair investigation of what the President does, is either ignorant or a fake American—the same is true of any statement made of any leader. The people must retain and also exercise their control. To have the power merely for creating a democracy is a naked privilege of little value if we do not exercise it.

The trouble with our Government has been, that the "high-ups" in politics, those who got the political plums and those for whom they used their office to give business advantage and special favor, have by the law of selfish interest become one and the same politi-

cally. That would occur to a large extent even without organization, because their selfish interests have co-ordinated their operations.

Those who have special privilege do not have to be told to support those officials who have given special privilege to them, and vice versa, the officials who are supported by special privilege do not have to ask for its support. They know that they will get it, because it is profitable for special interest to give it. There is, nevertheless, a thorough organization of both independently, and they are linked practically by selfish ties.

If the people were organized independently and not partisanly, in support of their own interests, the political

157

interest of the "high-ups" in office would be to support the people instead of special privilege. Their life in office would depend upon it, as in the past it has depended upon supporting special privilege, for the people did not know one from the other and simply voted for the party nominees. If the people had actively directed the parties this would not have occurred, but instead of doing that they left the activity and the direction to leaders.

Nonpartisan Organization

As before stated, the people are waking up to the fact that to follow blindly the lead of anyone is not wise. They are organizing to overcome the false operations that have grown up politically and economically. The wage workers in their separate crafts are pretty well organized, and there is already considerable strength in some of their federated organizations.

The farmers formed a few granges many years ago but there was no widespread coordination, and when the first efforts were made, too many of the farmers were still partisanship blind, the same as the wage workers were at first. All people were so except the office seekers, office holders and speculators, and they pretended to be very partisan, because it was to their selfish interest. In the last few years the farmers have become more active and their organizations are growing strong.

The Nonpartisan League

Special privilege and the old-line politicians have become frightened of the Nonpartisan League, an association first organized in North Dakota to protect the people of that section against the greed and theft of certain big business organizations through which they had been forced to clear their business. The old-line politicians of North Dakota and the public press

158

as well, to a large extent, were tied to the big business organizations that were robbing the North Dakota farmers. The Nonpartisan League swept North Dakota clear of many of the old-line political grafters and showed what could be done by the people organizing in the interest of the public. They were joined by many of the business and professional men of the State.

The encouragement derived from the work of the Nonpartisan League success in North Dakota resulted in the extension of the field of their work and the formation of the National Nonpartisan League, with headquarters in the city of St. Paul, Minn. At first—that is, before the political bosses and big business realized the strength of the Nonpartisan League—they gave little thought or attention to it. But the moment they learned of its strength they became alarmed, for they knew their own weaknesses if the people once understood the facts about, them. They knew that any organization of strength could make the facts known, if it wished, and this the Nonpartisan League was doing, so the press which big business controlled was immediately pressed into service in the attempt to crush the Nonpartisan League.

The attempt has been made by the press to make the farmers believe that the officers of the Nonpartisan League were selfish, and later that they were not loyal Americans, also that they were Socialists, as if Socialists were criminals. Not many of those who criticize Socialists know the first, principles of socialism. Socialism and Socialists are libeled and slandered by the false and by the ignorant only, for no one who has studied socialism can for a single moment question that it has a program whereby, if it could be followed out and put into execution, this world would be cleared of much of its misery and degradation.

But even if the leaders are Socialists, which I do not
159

know, and even if the Socialist party is not our individual choice of the parties—yes, even if it were true that the organizers were selfish, as we all are more or less—and even if the Nonpartisan League were to disband soon, which it certainly will not do—all that notwithstanding, the Nonpartisan League has already rendered a service to the country in exposing the rotten conditions imposed upon farmers and others, and for forcing new reforms.

Even if these leaders had been as selfish as the big business press seeks to make us believe, they would have expiated it by work they did in their assistance in organizing a great body of honest cooperators in fighting for the general welfare. The mere fact of organization and further education is worth many times the cost. The Nonpartisan League has nothing to fear unless it itself becomes partisan, so much so that the membership would become prejudiced. This is not likely to occur, for its work is thrown wide open for inspection.

The Nonpartisan League and other leagues formed and being formed by the farmers in all sections of the country can coordinate their work, just as well as the politicians and big business have coordinated their operations to assist each other. These farmer organizations together with the wage workers' organizations, all can, should and likely will federate, for their interests are mutual. By a careful study of rules, stated as Truths Nos. 1, 2 and 3, so as to follow the principles stated in 1 and 3, and prevent the operation of those stated in 2, our whole system would become natural and everybody would have an opportunity to make good.

What I have stated as facts of the political parties has been apparent to all who have impartially examined the conditions. One trouble now, speaking of things in general, is

that there is too much to learn for any one person to learn it, and there is getting to be more all the

160

time. Of course there never was a time when one person could know it, all, but there was a time when the individual could have a wider knowledge of the things known within his field of operation than he can have of what is known now. There are yet things, however, that we should all learn, and the ordinary politics that has us within control is one of the things we should all—every one of us—understand.

I have given the closest attention to the subject of the existing political control, and had the best possible opportunity to make my studies effective so far as finding out things was concerned. For ten successive years I gave the closest study to the political, legislative and executive work in the capital of the greatest of the nations—our own. I was a Member of Congress, and all I had to do to find out things was to keep my eyes open, my head clear, and work. I am certain that I kept my eyes open and that I worked. I made speeches in the House of Representatives. These may be examined in the Congressional Record by those who wish. In them I forecast, far in advance, the general occurrences which have taken place since. I mention this not as a boast, but as an inducement to my readers to examine for themselves the existing social conditions, for if they do they will find that the existing social administration leads to certain positive things that are opposed to human welfare. They are the cause of our troubles, and must be changed unless we are willing to have even worse troubles.

I shall now quote the main important parts of my speech of July 5, 1916—in the Congressional Record of that date. I do so because in the speeches that I made from 1908 to the early months in 1917, in each I pointed to some wrongs that the future inevitably would bring—conclusions that were irresistible, because certain things had been done previously that would

161

bring them on. I use this speech because it will serve me as well as anything new that I might, offer here. I am adding some interpolations. In quoting, I omit the mere formal parts:

“No matter what individual professions and party claims may be to the contrary, it is apparent to any one who has been a Member of Congress, and to anyone else who examines, that the will of the people in regard to legislation is, seldom consulted. The price of leadership here is exactly the opposite of carrying out, in good faith, the will of those we are elected to serve.

“Wholesale deception of the voters has been, and is now, the means used most successfully to secure office and remain in public life. Committees that meet in secret and party caucuses held behind closed doors, or whose action was previously privately agreed upon, restrict legislation to such measures as ‘special privilege’ desires, or manipulate and emasculate what was intended to conform to public demand, so that the ‘title close’ only shall seem to respond to that demand.

“The leaders know how, and they use their knowledge when all other means fail, to so manipulate a disagreement between this body and the Senate, as to completely avoid in the conference committee of the two bodies a compliance with the public demand, and in that way benefit ‘big business,’ thus insuring the support of the latter in election campaigns.

“Every one here knows that these things are true. But the public gets no information from the press about it, for anyone who dares to uncover the system and expose the schemes for deceiving the public finds that a certain part of the press will attack him and call him a radical and obstructionist, and excoriate him in every way possible. If to tell the truth about things makes one a radical, then radicals ought to be at a premium. But they have not been so far politically.

162

“Go back, Mr. Speaker, in your own recollection, to those stormy days on this floor when your predecessor occupied that chair and you were the leader of the minority. Recall how a few of us on this side of the House led in that fight, refusing to bow to the party lash. We were joined by you and your followers in a demand which was backed by a vast majority of the American people, that this House should in fact and deed become a representative body with rules that would make it responsive to the will of a majority of its own Members.

“Does it not often recur to you in your meditations concerning your long service here, how the reforms then demanded were defeated by the desertion of twenty-three members of your own party, and who can doubt it, for the express purpose of serving the selfish interests of the ‘invisible government?’ Mr. Speaker, I cannot doubt that your mind has often speculated upon what different and more beneficial legislation would have followed had the twenty-three Members been true to the interests of good government.

“What of the twenty-three Members who at that contest of the progressive Members against the reactionary and oppressive Members, at the most critical time deserted your leadership, and by their action fastened upon this House rules under which it excludes itself from acting in the interest of the people when to do so would be objected to by special privilege? What they did, and what in other tight emergencies the advocates of party rule have done, proves to the country that, in its extremity, ‘special privilege’ is no respecter of party lines, and that whatever it demands, the ‘invisible government’ is in its own purposes above party and country.

“What sinister influence controlled the twenty-three? They were of unquestioned intelligence and knew the

163

effect of their vote. No satisfactory explanation has ever been made. If this is a government by party— which I deny that it should be, and I cite the Constitution as my principal authority—repeating, if this is a government by party, and party desertion is treason, why have not these twenty-three members of your party been punished? I will tell you why.

“There is a sinister influence at work in our country, which, if it is not checked, intends to completely under mine the original purpose of the formation of our Government—change it from the purposes of a democracy, and instead make of it a monarchical and Pluto-cratic system, and to bring all the world into one control and one system, which for purposes of deception of the plain people, they would call a ‘world democracy,’ but which in fact it is their plan to make the rule of the wealth grabbers, maintained by simple organization of themselves and disorganization of the masses, pitting the masses against each other. It would be the privilege of a few to rule in splendor, and the fate of the many to spend their lives in unrequited toil and that hopeless condition of servitude which millions came here to escape from. The few now desire to cut off every possible avenue of escape from industrial slavery for the masses.

“Already word has gone forth to lands across the seas to those aspiring souls who search for legitimate liberty of person and freedom of conscience, that America is no longer in a position to offer to the world an asylum and refuge for the oppressed. That class of emigrants which was once our glory and boast, has ceased to look for freedom here. It is a different class that now makes up the bulk of emigrants to our shores. It is a situation that deserves the consideration of all thoughtful persons. Amidst all this talk of ‘pre-
paredness’ we need to stop to enquire if, while we have

164

been preparing for the foe who may lurk without, we have entirely neglected to prepare for an infinitely more dangerous foe which, with the certainty of faith, exists within.

“I believe in pure lofty sentiment that pours out from soul to soul, but that we should not, keep ignorant of the facts that govern in all cases. I believe in looking the cold facts in the face and stating them as they are.

“During my service in the House I have closely observed the events during three administrations. I have seen the progressive tendencies to legislate under a Roosevelt, inspired by the logic, eloquence and candor of a La Follette, strangled by the stand-pat to the old plan proclivities of a Taft, and the power of a great party, which had controlled the country for many years, dwindle until it was able to carry only the electoral votes of the two smallest States in the Union.

“I have seen another great party ride into power on the strength of roseate promises to the people, and prove by its actions that those promises were merely made to catch votes.

“The plain truth is that neither of these great parties, as at present led and manipulated by an ‘invisible government,’ is fit to manage the destinies of a great people. Their rules of regulation must be changed before they will be, and it is doubtful if their rules will be materially changed. If they shall be, it will be because the voters themselves force it.

“During my service as a Member of this House and in the study of economic conditions which my conception of my duties to my constituents impelled me to make, I have observed many abuses of government which I believe might be corrected if known to the public, and the correction of which could not fail to bring about, better conditions of living among the plain people,

165

which after all is said constitutes the very foundation of government itself.

“Imagine the political situation in a representative government based upon the principles of government by, for and of the people, wherein the representatives persistently refuse to consider ways and means of bettering the conditions surrounding those who by right should be their masters, the great common people. That is the political situation here.

“From time to time, as I have observed abuses which certainly ought to be corrected if even the claim to representative government is not to perish, I have introduced resolutions calling for investigation and better understanding of those abuses. Before a wrong of general practice can be overcome, it must be known by what way the wrong exists.

“There exist among Members of the House smaller bodies within the main body. One of these is the Committee on Rules, to which is referred all resolutions calling for investigation of any subject that may be desired by a Member and to it is committed by the House almost unlimited power over such resolutions. If the Committee does not see fit to report out a resolution it dies without being called to the attention of the House. *That committee constitutes one of the cemeteries for many bills and resolutions. Of course many are not of sufficient importance to entitle them to be reported when more important business should be considered first.*

“The resolutions, which I have referred to as having introduced myself, related to the consideration of problems the most important to all the people. Some of the most important, the committee refused to consider, and I can only conclude that a majority of the Committee either do not agree with me that the evils I have pointed out are evils, or else that a majority of

166

the Committee favor the continuance of the evils regard less of their effect upon the welfare of the people. It makes little difference to me personally which of these two views of non-action is correct. I am content to abide by the decision of history to determine. In fact the subsequent events have already proven that I was correct.”

Early in my service here I observed that there was some power outside the Government itself which was insidiously but nonetheless effectively dictating the course of legislation in reference to finance, currency and the creation and control of credit throughout the country; that it was in a position to dictate and did dictate to an extent almost unlimited, to whom credit should be extended and from whom it should be withheld, and that it largely controlled the political action and influence of most of the banking and other corporations of the country. *I saw that such a power of control existed here in Congress.*

I introduced a resolution setting forth the facts, naming this insidious and well-nigh invincible power, the Money Trust, source of all the trusts and calling for an investigation of its activities. The “big business” press, ridiculed the resolution and especially the idea that the Money Trust had an existence. In this case the Committee reported out my resolution under a different name, and in order to prevent me from serving on the committee to be appointed, the resolution was referred to the Banking and Currency

Committee which was composed almost entirely of bankers, and lawyers for some of the banks. By keeping me off the committee I could not cross-examine the witnesses.

The committee, nevertheless, had to report, that there was a Money Trust and that its activities were as I had stated, and that its existence and the power it yield-

167

ed were a menace to the institutions of the country, but took no action to deprive it of its power.

Woodrow Wilson, however, took notice of the proceedings and of the existence of the Money Trust. This was before he became president. He promised to exercise his influence, if elected, to curb its power and influence. But on the contrary the principal result of financial legislation during this administration has been to legalize and more firmly intrench the Money Trust in its control of business, credit and politics of this vast country than ever before, and in order to conceal that fact the Money Trust has hired the services of many prominent financial writers for the purpose of running articles in the press praising the Federal Reserve system against which the people will rise in rebellion because of its intolerable burden.

Profiting from my observation of the Money Trust inquiry by a committee nearly all the members of which were interested in limiting its activities as much as possible, I introduced a resolution declaring it should be the policy of the House Membership that no banker or any one who was financially interested in a bank should be a member of the Banking and Currency Committee.

I also introduced a resolution calling on Members to declare the extent of their affiliations with banks, if they had any.

Neither of these resolutions came out of the Committee on Rules to which they were referred, so we must take it for granted that a majority of the Rules Committee believe that it is right for bankers to frame legislation for Congress to pass for the bankers' personal benefit, as all financial legislation shows has been done. Personally I do not believe that a banker should be on that Committee, any more than that if some one

168

sued a judge that he, the sued judge, should sit as the presiding judge to decide his own lawsuit.

I also introduced a resolution for the appointment of a committee on industrial relations. So far as I know this was the first suggestion for the appointment of such a committee. This resolution was permitted to sleep in the Committee on Rules, but it nevertheless suggested the subsequent passing of a law for the appointment by the President of a commission which made an exhaustive investigation and report, finding that exactly the conditions outlined by me in the preamble of my resolution and a speech upon it actually existed. Its report is long to be considered a classic in its delineation of the deplorable conditions which surround the industrial masses of our time.

Some one in the management for special privilege blundered, for once at least: a few persons were appointed on a commission who had not, been educated to believe as

special privilege demands, and required as a condition precedent to “fitness” (?) for all such appointments. There was Frank P. Walsh, the chair man, whom the special interest press tried to ridicule after they saw his honest and fearless work.

This man, Frank P. Walsh, with the majority of the Commission of which he was chairman, has done a service to the world and no doubt has brought nearer the day when the people in their right will rise to claim their own. Special privilege, however, was lucky in the bursting upon the world of the European war, which was so exciting that for the time being the people got about the Report of the Commission on Industrial Relations. If they will get and read that report they will understand why it is that we have wars.

In January, 1915, I introduced a resolution calling attention to the manner in which the Federal Reserve Law had legalized the Money Trust and placed it in

169

absolute control of the finances of this country; how it could and would under the law make use of Government credit to finance a world-wide monopoly, and use the deposits made by the people in the banks to loan to foreign countries at war, extend credit to foreign trade at the expense of our own people, control prices by the manipulation of its control of credit and extend its influence to control the politics of this country. *All this it has done since I introduced that resolution. It was as plain as “A, B, C” that they would do it, but still the rules committee would not act on the resolution. In my speech of July 5, 1916, I stated:*

Foreign Speculation Means War for America

“Last year, at the time of proposing the foreign loans by the speculators, I showed that speculation and loans made to carry on speculation with warring nations would likely mix us into the war. The trust-supported press refused to publish my statement, though in the first instance I made the statement at the request of its reporters. In December, 1915, I published it myself. From it I quote the following lines:

“Speculation and loans in foreign fields, especially with the nations at war, is likely to bring us into the war. They form a powerful incentive on the part of the speculators to get us into the war, but even if it results that way, they will never be stated as the cause. You can depend upon it that the trust-supported press will be used to trump up some other thing as the pretended cause, or things will be staged to force some country to commit acts of war upon us.,,

What I stated then has happened, but I do not say so now merely for the purpose of proving that I knew more about it than others, for no careful observer could fail to draw the same conclusion, but most of those who did so failed to state it, because they knew that they would be attacked as I was attacked.”

There was printed on July 9, 1916, the following:

170

European Finances

In retiring from the editorship of the *London Economist*, Francis W. Hirst, a prominent English financial authority and pacifist, writes:

“In my view the financial balance of western Europe is in imminent peril, and in a few months it will no longer be possible to disguise the bankrupt condition of several great nations. Civilization, as we have known it, and representative institutions are doomed unless, through the exertions of individuals, the rights, without which all Englishmen, at any rate, will hardly care to live, are speedily restored. To this end freedom and independence must somehow be won back for Parliament and the press.”

While it apparently was the purpose of this writer to present arguments in support of his advocacy of a peace movement his suggestion of the impending bankruptcy of several great nations of Europe is likely to create a keen interest in our own financial world, and a desire for an opportunity to study his views more in detail. It might be surmised that Mr. Hirst is not at all confident that the financial fate which he sees in store can be averted and certainly no one will expect that the allies at this juncture will pause in their war operations for any consideration of money. They have poured out too much blood and treasure for them to stop short of victory or annihilation so long as their resources in any form hold out. A great and decisive victory would do more to secure the economic future of these nations than anything else that is open to them. Beyond a doubt they will utterly bankrupt them selves fighting if that should be necessary.

And though we may try to deceive ourselves our own material interests are now very closely allied with those of the allies, for they are enormously in our debt. We are vitally interested in the successes of their armies. Also we may as well recognize that if it should come to a question of success for them or failure for the want of a few hundred millions more of credit in this country, ordinary business sense would dictate that we give them that credit quickly.

171

Therefore, if Mr. Hirst's dire predictions concern the allies our financiers will be interested in the prospect that soon they may have to arrange further credit for them, for the purpose of safeguarding the heavy investments they have made already in their chances of a victorious war.

The above I quoted from the *Washington Herald*. At the same time similar articles appeared in the press generally. More than a year before in a speech in the House I stated the impossibility of Europe's making payment of its debts, and again in my July 5, 1916, speech I made the following statement:

“The Government itself has created the Money Trust in the banks by giving to them the financial control of the country. The Government loans its credit exclusively to the banks, which are private, and the owners are as selfish as any of us in taking advantage of every opportunity to scalp profits.

“In addition to having the exclusive privilege of borrowing from the Government, the banks hold approximately \$25,000,000,000 deposits belonging to the people. They use the deposits as they please and scalp profits off the very people who make the deposits as well as off all others. They use these deposits also to speculate in foreign markets. Europe, however, will soon administer a lesson to us that will not be forgotten. Europe is on its last legs so far as this fake financial system is concerned and in the near future will repudiate and cancel by decree of the people there, through their governments, over \$100,000,000,000 in debts. Europe is bankrupt already, and all that remains is for the nations at war to recognize the inevitable.”

Already, in less than two years from the time that I first made the above statement, Europe has tottered under the load of debt, and *we have come to the rescue by loaning it large sums of money. Mind you, that it is*
172

stated that the money we loan to Europe does not go out of the country. Where then does it go? Europe was owing Wall Street speculators several billions of dollars when we joined the war, and the loans we made were used largely to pay these speculators, so now again the speculators may give new credits to Europe, and they will expect our Government to make Europe more loans to pay the speculators.

Again quoting from my speech of July 5, 1916:

“It is plain to see from the statement of the conditions why vast sums of money are paid by the special interests to secure publication of false and deceptive articles to excite a fear in the American public, and a demand for ‘preparedness’ of the kind only that the trusts want—that is, a big army and a navy, without any modifications of economic practices. *Fundamental economic reforms they oppose in the most drastic way.* The trusts would seek when the time comes, to use the Army and Navy to enforce the claims of the trusts against the bankrupt nations of Europe.”

When I made the above statement I did not think that they would be able to get our Government to loan the bankrupt nations the money to be paid to the speculators. Even at that, since we decided to send armies across the seas to war in foreign lands, it was wise to make the loans, whether they are ever repaid or not. The mistake was not in making the loans but in allowing the special interests to create a condition that forced us into the war.

My Democratic friends, you have the vain hope that special privilege, having obtained enormous benefits at your hands, is going to be grateful for the past favors that you have showered upon it and assist you in retaining control of the Government. They will furnish you campaign funds, as they do to both the dominant parties, *but it makes little difference to them which of*

173

you has the power as long as it remains with either under present conditions. You are to learn, having done all you could for it, that you are no longer necessary to its business, except that now that you have passed the most important laws that it wanted, you are forced to follow it up, and are estopped from complaining through your portion of the press and on the stump or from entering any protest whatever, when the time comes that your eyes will be open to the oppression the plain people are surely destined to suffer because of your falsely so- called "beneficial legislation."

You have missed the opportunity of your lifetime; one not likely ever to come to you again. The time will come when no Democrat who boasts of the achievements of this administration will be considered worthy to hold any public office. You have gone "cross-roads" with some of the most vital principles laid down by the great Thomas Jefferson. You may boast of him as a great Democrat, but none of you who have been active in fastening some of the hardships of this administration upon the people can boast of yourselves.

Secret Influence

For a long time the special interests have had a political tact that has been very successful for the rich. I have been conscious that the Money Trust and the correlated trusts were not, working alone; that there was ever present in our political parties an element or elements that were at its disposal, and in every election formed a nucleus around which it could gather the forces subject to its mercenary manipulation and thus for selfish purposes always control in the matters of most vital interest to the people.

I knew it must be so, for the mass of the voters, though not, informed as well upon these subjects as they

174

should be, are nevertheless too intelligent for a majority of them to vote in election after election contrary to their own interests unless that t are made to believe that there is some issue whose paramount importance transcends their own material welfare and the greatest good to the greatest, number.

Such political elements exist in all great cities and in every section where large numbers of voters are controlled and delivered in elections by interests supported by vice of any kind, and especially the liquor traffic of those localities. While this element is most powerful in the cities it is not confined to them alone, but extends into all sections. In most hamlets are to be found voters whose suffrages are at the disposal of these powers that prey upon the human weaknesses without any other consideration.

Such a political element exists also where any large number of voters or their parents are of some foreign nationality and are misled on that account to give their support to unworthy candidates because some prominent leader among them asks it.

Such a deleterious element also exists in any community where any considerable number of voters stake everything upon a single issue without taking into consideration the general balance of things.

It also exists where votes are cast in blocks according to the personal interests of high dignitaries, whether in lodges, churches or other organizations, and even with cliques formed within political parties.

It is by splitting up the people in the manner I have indicated that special privilege has found it easy to control the administration of the Government. The people split up against their own interest, which works to the advantage of special privilege—gives it control in a political way—enables it to pass laws to favor its own interest.

175

The special interests keep abreast of the times so far as information goes. As soon as they saw that a considerable percentage of the people were investigating the sharp business practices of the speculators they knew that their graft on the economic system would cease unless they could split, into numberless smaller groups, the people in their business interests as well as they had done in their politics. So the corporations began to scatter small holdings of stock, bonds and other interests in the special interest corporations, encouraging the wage workers, farmers and all small property owners to put what little cash they could spare to buying these small interests. In that way they expect to unite with themselves the small holders for the support of special privilege.

The banks in the same way get out amongst the people as many small holdings of stock as possible in order to have the small stockholder support the parasite banking system.

The new Liberty Loan was offered in the same way and with the same idea, in the hope that the plain people would all get a little of the loan so that they would believe themselves to be interested in keeping up the system. The big interests would be willing to take every dollar of the Liberty Loan and several more such loans if they were sure the people would support, them. By getting out in the very start a lot of the bonds in small amounts scattered amongst the plain people, they expect them all to fight, for a support of the system, where-as it would be infinitely better for the people if they would pay as they go. But if they did that the big interests would be cut out of most of their speculation.

Right here I wish to direct attention to the fact that the special interests parade patriotism, as a means of exciting the people to support war and their kind of preparedness—minus economic preparedness of a funda-

176

mental nature. That is special privilege—they excoriate the people unless the people fall right into line and offer their time and their lives for international support of the kind of system that special privilege thrives upon, but let us note, for it is a fact, that the moment some one or anyone proposes to amend, modify or abolish any existing practice that is injurious to the welfare of the nation, if it involves the little stock, bond or other holdings that special privilege has peddled out to the plain people, and of which special privilege holds the control and on which the very existence of special privilege depends for its plundering of the people, then in stentorian voice, reiterated in its paid press publications, it is scandalous—radical—to suggest any reform that would “deprive these poor people, widows and orphans, by depreciating the value of their stock in the trust corporations,

their interest in the banks,” etc., etc. You never then hear about patriotism for the general welfare of their country. Patriotism is worth nothing to the special interests except when it supports its system.

Here is where I desire to appeal to the people for true patriotism! Let us not be prejudiced by any little personal property interest, and thereby refuse to support a true reform of our economic system so that it may serve the best interest of all the plain people—the masses. If we only knew it, the little dividend, or interest, or profit that we get out of any small holdings, or special deals, is a mere bagatelle compared with the loss that is forced upon us by the existing false economic farce.

I do not mean to have it understood that as long as the economic farce is kept in force, that the plain people should not buy bonds, stocks or anything else that they wish. We have got to do business as business is done. More or less of us are forced by the circumstances to join in a business way in these very things—things that we are opposed to. But we are not for that reason

177

forced to advocate a continuance of the system that we are forced to operate under until we get a better. On the contrary, as true American citizens, our first duty is to the State, and to give our best judgment in building the State to as near a perfect State as we can. It can be made infinitely better than it is in but one way and that in a correction of our economic system—simply by making it more natural instead of more artificial. Here is where the highest order of patriotism begins. All other things depend upon it.

Independence

Our forefathers wisely determined that the State should be supreme. It separated the church from the State. The word “church” is not a narrow and limited term, as used in the Constitution, but includes every organization separated from the functions of government itself in which all the people by right should take a part. The Constitution contemplates that every person should be left free to worship God according to the dictates of his conscience. Therefore there is no occasion for any church to attempt to take part as a church, or through the influence of the church for the advantage of the church, in the political affairs of the Government.

I have been criticised by some of the high dignitaries of the Roman Catholic Church for a resolution which I introduced to have the controversy between these high dignitaries and the Free Press Defense League investigated. The criticism has no justification, for I have not created the issue between these high dignitaries and the Free Press Defense League and other leagues. Many of my best friends are Catholics, and I introduced the resolution in the interests of all the people, Catholics as well as Protestants, for it has been my aim to aid in bringing the people generally to a

178

common understanding of their political and economic rights, and to have them act upon those rights for their common welfare.

In my work along this line I found that there was an issue between the Free Press Defense League and other like organizations, on the one side, and some high dignitaries of the

Roman Catholic Church on the other, and that this controversy had split the common people into factions, a thing over which special privilege gloats. In dealing with economics I could not look upon that situation with indifference, for whether there is truth in the allegations of the Free Press Defense League and the others or not, politically and economically the controversy, as long as it lasts, materially aids special privilege, because it diverts the plain people from joining all their forces to take up and solve the problems that must be solved before we can all prosper.

I deal simply with the effect of human conduct upon our economic operations for the purpose of showing that it is wise for the people to understand and protect their material welfare. To do that does not need to involve their religious beliefs. They cannot stake everything upon a religious issue or upon any single issue and make this world go right, because there are too many issues in which high-minded people take interest, and when everything is centered by those respectively taking interest in their particular issue, and all else thrown to the winds, it leaves the selfish interests where they can draw the balance in their favor, and that is exactly what, has been done.

Because of that condition the toilers who do the work of the world secure only about one-fourth of what their work would return to them if we were consistent in government and business. It is for that consistency that I seek to fight diligently, and I have worked for it all the time without prejudice of party, nationality,

17

church or anything else, because I realize full well that prejudice is the worst, enemy of good government, and defeats the full exercise of the rights of the people.

The effect of the resolution which I introduced if reported and passed by Congress would be to investigate the Free Press Defense League and the other leagues making the same claim, as well as to investigate the high dignitaries of the church to see if the latter were seeking to interfere with the free exercise of governmental rights under the Constitution.

The leagues were pressing to furnish proof of their claims against the Church dignitaries for the purpose stated, and the Church dignitaries claimed that they were not subject to investigation, it is claimed. In view of this technical position and the influence that is claimed to have been used to prevent the investigation, as a practical proposition I would suggest that a resolution be introduced to investigate the activities of the Free Press Defense League and the others upon this subject. They claim that they have the proof to substantiate their allegations and want to present it. They offered to do so before the Congressional Committee to which the resolution was referred, but the committee did not fix a time to hear them, and it was opposed, it is claimed, by the church dignitaries. Now if the resolution were introduced to investigate the Free Press Defense League and the others making the same claim, the high church dignitaries could not with dignity oppose that. Then, the leagues could present their evidence and the high church dignitaries would be compelled to come in and rebut if they wished to dispute. However, my resolution should have been given a hearing. In my judgment the high dignity of the Catholic Church made a grievous mistake.

I do not inject any religious subject into an economic discussion, but I cannot in fairness

neglect to observe
180

the secular work of those who come into the political and economic field, even if they professionally belong to the ecclesiastical. Read history. You will find that everywhere, in all lands and at all times, many of the high dignitaries of the Church have been **the** ally of oppression, whether that oppression has been exercised under the exploited doctrine of the divine rights of kings or whether it is exercised under the groveling greed of plutocracy.

That is not a fault of the Church itself, but is a fault of the men in whom it has placed its trust of government. The same things, that is, the same kind of influences, that make political parties fail, that make nations fall, also infest the Church by poor government. Men are men wherever they are placed, and if they possess great power, as they do in the Church of Rome, they are sure to be subjected to temptations, and it would be a miracle if a few of them did not exercise their power selfishly.

Nothing has ever been permanently successful that has depended upon individual boss direction instead of popular control. If these things are not, true; if this organization is exclusively the medium for promulgation of divine truth and righteousness, and its high church officials have not many of them taken advantage of their high trust to promote selfishness, no opportunity would be avoided to let the people know the minutest details of their activities. Men love darkness rather than light because their deeds are evil. Righteousness loves light. The rank and file are righteous upon these matters, and of whatever denomination, party or creed will ask for light.

Considering the multiplicity of the things that affect us, and the way things are now staged, the man who would be true to himself, to his fellow-man, to his country and to his God, faces a hard problem. He has

181

not only himself to control, which is difficult at the outset, but he has strange men and women who influence his government, a strange world and strange gods to consider—all influencing for good or evil the general conditions.

To the average individual it seems too big an under taking, so, as a general proposition, we each take up our separate schemes and know but, little of the others. Instead of having a common consistency about the purposes of business affairs, and working to that, there is general inconsistency. We are working at cross roads and against each other—even seeking to take advantage of each other. Special privilege, on the other hand is organized, and it takes advantage of the unorganized masses. It holds the balance of power in politics, and it owns a part and controls most of the rest of the metropolitan press, and information is published to suit its purposes best.

If we were to live for three or four years and then it were all over, possibly, though I cannot think so myself, we could afford to go ahead with things as they are now staged. Perhaps, too, if we all died before we got old and left no children to take up life's problems where we quit them, we could run along without much further responsibility

than we are taking, because the trusts, in order to keep us as the farmer keeps his team, would be willing to give us enough of some of the things that our labor produced to feed and shelter us as long as we could produce for them more than they give us. It is poor business, however, for them to support, us when we get old for then we can no longer serve them. Therefore most old people live poorly.

We Must Not Deceive Ourselves

The true American will not question the duty to support American rights everywhere. But those who

182

would sacrifice the toilers of America to bolster practices that are not only unnecessary but injurious to the rights of Americans generally, are not entitled to the privileges they demand, and, the country should not be called upon to support them. In fact all sham practices should be prohibited.

We are here to live out our lives in the right way. We wish to respect ourselves as well as to be respected by others. True Americanism does not consist merely in defending the flag and the land of America against foreign foe.

The value of Americanism is in making the institutions of the people of America give to Americans useful government, to promote sensible business and industrial practices, to secure the advantages of our natural resources for the benefit of all Americans in the first instance.

We are now at war. To merely have a great Navy and a great Army will not strengthen us except for temporary military emergency. *On the contrary, the Navy and the Army and the war in which we are engaged, will weaken us if we continue on in the same economic system that we have been following. We must, if we are to get any advantage out of life and out of the fact that we are Americans, and to pass the advantages to our children and the future, reform our economic conditions during the war while our minds are centered upon the national and world problems.*

No sooner had the European war begun, than the war propaganda began to be spread in America under the direction of the hired press. by new books, pamphlets, speeches, etc. Every conceivable means was applied to excite the people to a fear of the United States being invaded by foreign foe. This was to spur a demand on the part of the people upon Congress for preparedness to meet it Congress having acted and

183

the conditions made opportune for a further step, it was immediately ventured. But this time the powers that acted did not dare to try to spur public sentiment, or feel that the public could be coached to a point, of acceptance of a draft into the Army or Navy of our boys to invade Europe, so Congress was importuned to enact a draft law without first securing the consent of the people, and under this law and the acts of Congress incident to the European war, the ablest and best of our youth will be drafted into the Army and Navy for the invasion of Europe.

It would be the crime of America, as a black impenetrable veil to cover and conceal the glories of the Revolutionary days of our forefathers, the heroism of the Civil War veterans, and all else that has been grand and noble in American history, if we permit our soldier boys to cross the Atlantic and battle in foreign fields, separated from their country and the opportunity to give counsel and aid in its civil administration, if we did not at the same time reform the system that is responsible, and that has or will separate them from us perhaps for years, and many forever.

It is the purpose of the special interests through their publications to so falsify the conditions and the facts regarding the war as to keep us excited with the occurrences, and to make grandiloquent claims for the future through the paid press and through the politicians whom they control, believing that by so doing we will believe their pretenses and leave it all to them to complete; if we do we shall still be their industrial slaves—their victims, following out their old plan with the new and added burdens to weight us further to their continuing advantage and to our own ultimate complete degradation.

Already in our large cities there are hundreds of thousands who are absolutely forced to live by vice, and

184

their number is continually increasing, and necessarily is forced by the existing system to increase. It is time that we begin cleaning house. I had hoped that we would clean our own first, but now that we have gotten into the cleaning game we may as well make it a whole sale business, and seek to make our own nation the model. In that patriotism—Americanism will find its highest and most noble goal—we can make the goal now, while our souls are in the human balance, better than at any other time; he who says, “wait with our economic reforms until the war is ended and peace re stored,” is a traitor to Americanism—the falsest of the false.

Big Business on the Job

Enormously important problems will arise as a result of the wars. The trusts are determined to control these problems in their own favor, and use every adroit method to parade the machine office holders as the only “true Americans” in office. The Senate, being the smaller body, and practically having a veto on many problems that are presented that are of foreign concern, is the body most sought by “big business.”

The Senate has become the seat of the most vicious political practices that politics make possible. It is not, however, so much to get new laws and further special privileges that big business now so desperately seeks to control the Senate for an additional period. Big business needs no more laws, but it wants to control in order to prevent any laws from being passed in the interest of the people which would destroy the special privileges it already has.

Comparatively few voters and not all of the press have the means for learning facts about candidates, and often support, in good faith candidates not in sympathy with the cause of the people. The ordinary methods

185

used by the trusts, such as boom articles published in the paid press for their candidates and falsehoods about the other candidates, sending out paid workers, and all that sort of thing, have become so common that everybody understands them. The trusts have other methods, however, not so well understood and that are more dangerous.

Baiting the Leaders

Old organizations exist and new ones are formed from time to time. They are all formed for good— with that purpose in view by the rank and file of the members—but whatever good is undertaken, there are always selfish persons who seek to take advantage of it. The selfish know that there is no place, where the object sought is to secure good results, but that advantage for selfish purposes may be taken if they can in some way become leaders.

Often the worst of scoundrels will themselves be instrumental in organizing new associations for good purposes or manage to become leaders in existing ones for the very purpose of taking advantage of the membership for the individual selfish gain of the leaders. But it more often occurs that the beginning is with perfectly good intentions, and that when a person has developed to a point where as a leader he gets a strong following the temptation is then first presented either for him to secure political power or material consideration, and experience shows that in a majority of cases he yields.

There are numberless cases where they set the stage, making use of the various organization leaders to control a primary or election. When the stage is set and all is ready for action, and an election is immediately to be held, enormous sums of money are supplied by the Money Trust, and by other big business as well, to

186

be used to make it go the way the trusts wish. The typewriters, telegraph, the telephone, and all the other agencies are put to work simultaneously, and now no time is left for the people to learn other than from those who had become interested through the channels described. The leadership of each organization, including even the churches in some cases, have different purposes in supporting the same man, and each expects to be satisfied, but the rank and file of the people who are the members will find that by following blindly the leadership, they place their necks in the yoke of the influences that have created a government by and for the trusts instead of by and for the people.

To the intelligent, which includes practically everybody, no further detail is necessary to describe popular government as now practiced. Most of the organizations, and the political parties as well, have worked along the lines that I have described. Their object is for good, but leaders in them all have been tempted and have used their influence for selfish purposes. The trusts understand human nature, bait the leaders, and a majority of them yield to temptation.

It would seem that after so much experience and observation the plain people would also

understand human nature, but so far it has not proven a practical knowledge on their part, for they still are playing the game for the trusts. There ' ill always be leaders, but the public must not be too trustful of them. The public must know what it wants, and see that the leaders stand for it, and especially be not fooled by the last word before election that comes by telephone, wire, mail, or otherwise, when everything could have been told before.

No Conflict of Interest among the Plain People

The interests of the plain people are all alike. It is no advantage, for instance, to the rank and file of any

187

association to have an undue proportion of their number hold offices or positions that may be secured for them through partisan influence for it is bound in the end to result in a prejudice which will deprive them of their proper influences. So, when the leaders in any organization undertake to get more than belongs to them, in the end it will defeat the purposes of the organization and make it the prey to special interests that know how to take advantage. The rank and file of the people, whether in organization or not, are honest and intend to do right by everybody, and only fail because they trust too much to leaders instead of judging for themselves, and because of that fact we find ourselves with a breaking down civilization on our hands as is evidenced by wars and other horrors.

Out of the kind of politics that controls us we have developed business practices that do not stand the test of common sense. We follow systems that destroy economy and efficiency. We have built up a false sort of patriotism, demanding things that are to our own eternal disadvantage, and the rest of the world apes the same kind of practices, thus producing a world chaos. The few examples, I have given, are sufficient to demonstrate the folly of doing business for speculation, because the profits all go to the ones least entitled to them and the rest of us become mere industrial slaves.

What Shall We Do About It?

To effect a remedy for all the existing evils is impossible, but to follow absurdities and deliberately bring on difficulties is a folly. We can become many times more prosperous than we are by the exercise of common-sense judgment. Every business which becomes or is by the nature of things a monopoly should be operated by the Government. The railways and other

188

transportation systems should be operated by the Government just as certainly and necessarily as the mail carrying. Likewise the telephone and the telegraph, as well as the financial systems, should be operated by the Government, and all these natural monopolies should be separated from the rule and down that these monopolies may levy a tribute upon the people to pile up the huge fortunes.

Time Required—Organizations Formed

It will take time before the Government will own the agencies that create the monopolies, and the question is, what shall be done in the meantime to protect the people while they are taking to themselves the control of politics and Government? The railway employees are giving us at example at this very time of what organization of individuals can do, even independent of Government regulation. The farmers are also forming effective organizations. The wage-workers can by pooling their forces with the farmers control the economic situation. This is one of the great steps to be taken, and the work has begun in a practical way and must be carried forward with all possible speed to prevent the monopolies from getting any further hold upon the resources of the country. I do not mean that the organization of the wage-workers and the farmers should neglect the Gov agencies. The special interests have controlled these, and now it is time to wrest from them that control.

Rights of Americans in America

We have heard a great deal of late about the rights of Americans in foreign lands. I have not fooled my self by any false notions of these, nor do I hold the rights of Americans, wherever they are, as of light importance. Respect them I do as of the highest im-
189

portance, but if any distinction in regard to their maintenance were to be made between Americans at home and Americans abroad, I should resolve that in favor of maintaining the rights of Americans at home, for when that is done we can depend upon the patriotism of those at home to protect those abroad who may be acting within their proper province. There are over a hundred millions at home all the time, while there are but a few thousand abroad at any time. I am not in favor of indifference to the rights of the hundred mil lions of Americans in the pursuits of their industries at home and the strictest vigilance at whatever cost for those abroad. I am in favor of fixing the rules for government of all their rights and then maintain them with the power of the nation. If it takes mighty armies and navies to do that, then we should have them, but if we fix the rule of government as it should be but little militarism will be required.

I recently read a poem displaying by word, and by picture, how the social conditions had seared the soul of a young girl. She had seen an old man on a bench in a park:

And the wind cut his feeble wrists,
Seared his collarless, pinched neck
Till his eyes blinked smarting
Am I a coward that I do not go to him,
Lift him instantly from his wretchedness?
Am I afraid, dreading the great horde of unanswered
And unanswerable problems (unsettled)
Before which governments and religions quail?
What have I done to you, old man,
What have all of us done to you,

Or what have we failed to do
That you should sit thus gaunt and lacking
While we have fires and homes in plenty?
190

“While we have fires and homes in plenty” referred to the 2 per cent who own 65 per cent of all the wealth.

The whole social system has seared my soul. I see life from its varied angles. I see, in many cases, thoughtless, glad faces, made so by the possession of riches wrested from the toil of others, that magnify the sad faces of those put in distress by the “system.” It is not alone—

The old man looking at me from a bench in the park...

Nor was it the old man alone who seared the soul of the girl in the poem. It was the numberless victims of a false system. The world is filled with the victims of—

What have I done to you, old man,
Or what have we failed to do
That you should sit thus gaunt and lacking?

What have we failed to do? Some one failed to protect childhood—the years that ripened into man hood and womanhood—and left them the victims of a false administration of government. They failed, as well as we have failed, to observe the very laws God created for self-preservation, and permitted a coterie of greedy speculators to dictate the whole social system and to educate us to their way of thinking and dealing, thus enabling them to dictate our elections, control our legislators, executives, tribunals, and courts; and, as a consequence, we are governed by practices and laws that permit them to appropriate the products of our toil and thus force us to walk through the world not only in sight of the feeble old man lacking the conveniences of life, but in sight of numberless, needless miseries that have opened the gates in my mind, where the wrongs of the world come trooping in.

191

I go into the fields and talk with the farmers; they take me to dine with them and their wives and children; I visit the mines, the factories, the shops, and the other industries, to see the toilers there, and then visit the back streets, alleys, and other places where they live, and they too dine me that I may know more about them. I have gone to the homes of the wealthy, and there, too, have dined and seen the waste and extravagance, supremely vulgar, in some cases, when one knows how the system which supplies the cost forces it from the earnings of the toilers, and leaves these toilers without the necessaries of life.

I have also seen the places where some of the rich waste their wealth in revelry and debauchery, where in a single night in a single place its cost would have supported fifty families for an entire year. There are numberless such running every night. These are some of the offspring from the wasteful “system” which I have briefly described, and are supported by the levy on those made poor for the support of special privilege.

I know how careful, how frugal the families of the farmers, the wageworkers, of the smaller business operators, and of numerous others who depend upon the earnings of their own industry for a living, must be to enable them barely to subsist, or any of them to save for emergencies. I know that from the earnings of their toil is extracted the means for carrying on the excesses, the revelry, and all the other hell that takes place.

Yes, I have examined the conduct of the people so far as I have had the means and time to do so. I did so in the hope that I might be able to interpret our kind of civilization. What I have seen proves that it is leading us rapidly toward ruin. But I also see in it elements that I know can and will be forceful in bringing the mad race to a close, because the very absurdity

192

which is now presented by the acts of civilized nations, by their very operation, will wake sane minds and bring into action sane judgment of the people instead of accepting the diction and following the selfish speculators, as we do now.

The system, however, will never be corrected by simply following leaders, for, as I have explained, leaders are very valuable to big business, and are quickly discovered by big business. Big business can afford to and does buy them. It knows that the world has always been moved by selfishness, and since big business has extorted from the people the means, and through its use has obtained unnatural and improper power, it uses a part of the means and the improper power to buy or control the leaders as rapidly as they develop.

There were never enough honest leaders at one time who remained true long enough to win complete success for the plain people. Success will never come until the people themselves act through their own intelligence. The people must know enough about facts and conditions to make it impossible for leaders to deceive them. When we do, the field will be clear for peace and harmony and will be followed by a permanent, general prosperity.

God has created the natural resources and man has invented and learned how to apply mechanical and other devices to aid nature in securing a bountiful production. A proper application of their intelligence on the part of the people will immensely increase the annual earnings of the toilers, prevent the operation of special privileges, reduce the cost of living, and increase manyfold the people's advantages, and produce a safe and sane civilization, thus leading the world out and relieving it from the chaos now so general. The people have acquired the knowledge, and it remains now for them to use that knowledge in a safe and sane

193

common-sense practical way. We can and should all be alive to the truth, and make America the light of the world by giving expression through its institutions to a coordination of the affairs of mankind, instead of allowing adventuresome speculators to fix the rules of action, that by their very nature invite jealousy and hatred of the world and consequent strife.

194

CHAPTER IX

TRANSITORY CONDITIONS

On August 12, 1912, I made a speech in the House of Representatives on economic and political conditions. The last part of the speech has some paragraphs that are pertinent to the preceding. Therefore I quote from them the following:

“Conditions are transitory. We do not know today what will occur tomorrow. The forces of yesterday left their impression upon affairs of today. Those of this day will lap over into the morrow. Thus the past, present, and future are linked. No new force has come into creation. The differences that take place have been but the varied arrangement of original principles. Infinite variety is yet to be tried. These trials will bring us to higher planes. Each failure publicly recognized, induces the forces of repair. Thus we have come down through the ages with infinite variety; like wise we are passing through the present, and so we shall go through the future.

“We ought not to be discouraged. The succeeding periods will bring new and better results. Failures are but temporary. They furnish the example to strive to correct whatever is wrong. As a result we should always be inspired with hope, reenforced by our reason. The fact that our course is onward and upward when ever and wherever people come to a better understanding should give us satisfaction. Knowledge is the way by which we shall travel safely.

“Many of the new arrangements and the most val-
195

uable discoveries made in each decade were ridiculed in the decade previous as the visionary dreams of those who were working out their solution.

“The mind that harnessed steam and made it work for all men; the mind that sent kites to the sky to play with electricity and plan its harness; the mind that arranged wires to send long-distance messages and to carry even the voice in a whisper across a continent; the mind that contrived the apparatus by which to transmit and receive human messages through trackless space on the air waves; the mind that devised the machines with which men fly; yes, the minds that devised political and social reforms, and more than a thousand other discoveries that serve this generation, were first criticized as the visionary and impractical dreams of per Sons supposed to have unbalanced brains.

“Sad, is it not that those who seek to build for the good of all men should be stamped by the unthinking as calamity howlers and dreamers, radicals and undesirable citizens. And now, after all the examples that history has furnished, we still denounce as visionary the work of those who discover new scientific facts, give the world new inventions, and inaugurate new methods and systems for the common welfare.

“But hold for a minute lest we enthuse too greatly over the higher civilization. What has it all resulted in?

“The great discoveries have constantly amazed and electrified the world. People have advanced more than a hundredfold in economic effectiveness; their mental realization has

immensely increased and possible social opportunities enormously enlarged; still there has been no correspondingly equitable individual benefit.

“As a result of the new order there are a few multi millionaires, but most of us are striving with difficulty to obtain the bare necessities of life; and yet, not-
196

withstanding this great difference in the control of the material agencies, there is, perhaps, no difference in the average capacity of intelligence on the part of the poor as distinguished from the rich. Then why should there be such a difference in their life results? This is a fact that I have attempted to explain in part.

“Knowledge is the means by which we can determine the relations that should be maintained in order to promote the common welfare. How can we have anything even approaching equality of opportunity until we, the people in general, understand the political, economic, and social forces that are in operation? Until we do there will be official, industrial, and social discrimination, and consequently the enormous inequality between people will continue.

“The few who are informed and understand will use their knowledge to their selfish advantage and keep the rest of us working for them. Why should we continue to follow the same methods that boss politicians, subservient to the interests, have planned for us? Shall we still allow them to continue to employ graft and use patronage in order to serve the interests so that they can get from them campaign funds and other favors? Shall we follow their selfish purposes and tag as ‘calamity howlers’ and ‘dreamers’ those who point the way by which to improve conditions? Shall we fear them and fail to adopt the improved systems proposed in our generation and which would satisfy our most urgent needs?

“Surely, after all that has passed, we cannot believe that we can trust the management of the Government to political bosses who dole out to their favorites all the offices of public trust, and to the special interests favors in the shape of legislation and otherwise. By these methods our greatest material resources have become the property of the specially favored. Surely they

197

should not be allowed to pilot the ship of state. We should no longer be herded by the political bosses within so-called party lines, in order that they may manage the Government. No statesman with the interest of the people at heart, and who has observed in the last few years the traducing of expressed party principles as well as the subversion by party bosses of the machinery of Government to the interests of the few, will say that this is rightly a Government by parties. Those who do state this are either wittingly or unwittingly the spokesmen for the special interests.

“The political parties in these last years have divided the people. The bosses have controlled the machinery of the parties and regulated them by the caucus system. Further, the caucuses have been divided into factions each in turn controlled by bosses, so that practically a Government by party proves to be a Government by the special interests. The special interests court the party in control. It matters not to them which party. All

they want is that the people should be divided into parties, the parties divided into caucuses, and the caucuses into factions. The strongest faction is generally controlled by the bosses, for the interests always deal with the bosses. As a result he who fights to keep the Government within party control usually fights for the special interests.

“Right now is the time for the single voter to begin to exert his undeniable rights. He has seen that party government redounds to the interests of the few. The voter, when he votes in accordance with his own interests, votes in accordance with the interests of the majority of his fellow citizens and against government by bosses.

“If we would have a Government by and for the people, then it must be essentially a Government by the direction of the voters instead of by political par-
198

ties, who are in turn governed by the factions and the latter by the bosses. Legislation should never be determined by a political party as such in a separate body from that which has under the laws the responsibility...

“Political parties may serve most useful purposes through which people may organize for the promotion of reforms, but they do not belong in the halls of legislation as a means of dividing the people’s representatives into factions, so that a minority instead of a majority of all the people’s representatives enact laws.”

199

CHAPTER X CONCLUSION

I apologize for prefacing this chapter with a few words about myself, but there is a reason why I do. I wish the reader to know that I have had an opportunity to study human nature in operation. I have not failed to do so. I have been in every possible place for me to get where I thought I could broaden my understanding of things. I wish merely to offer it as an aid to readers, if it can be, in connection with their own experiences.

I have been in contact with very many phases of human conduct; have made a study of life in both its individual and collective activities from every practical view that I could bring myself to see. My childhood was spent in what was then the wilds of northern Minnesota. My parents met with the misfortunes that visited many of the early pioneers and some severe accidental misfortunes in addition. My days then were upon the farm, in the woods, on the streams and lakes, and I had the usual experiences of the youngsters thus surrounded, of getting out occasionally and working for others—working for awhile on a railroad as a plain laborer and later as a brakeman on a construction train. I hammered together in a general way a sort of general education—more from experience than from books. Later I practiced law, and had among my clients the very poor and the wealthy both, which gave me knowledge of their experiences. I had a small interest in three banks, was a director of two of them and knew how

200

banks were run. I have just closed ten years of activity in Congress. I have seen enough of the world in other ways too, so that when I ran across two certain verses which I quote below, I understood the humor, as well as the pathos, in them. They are true to life, however, but the experiences of my life convince me that the first of the two has the advantage. I do not know their author:

“The toiler in the city,
Admits the country’s charm;
He toils away and hopes some day
To buy a little farm.

“The farmer, too, is busy,
He salts his profits down;
The prospect cheers, ere many years
He hopes to move to town.”

I have experienced both sides of the proposition, but I never deserted the farm as the ultimate goal of my return—and there is my home when I am home, for the farm unquestionably is the best of all places to live, and it affords the most independence.

Those who have taken sufficient interest in this book to have reached this, the concluding chapter, know that the object of the book is to emphasize independence. The preceding chapters have been more or less specific in their purpose. This chapter is general in its scope—almost to the extent of taking a “bird’s-eye” view of the world in its social sphere.

In a more or less general sense, and especially so with reference to the study of economics, statements should depend little upon their author for their force. Their influence should be cleared through the reader, he analyzing them in the light of his own experiences. If he does not do this he will find the study dry, and, what is

201

worse, he will find it useless and confusing. On the other hand, if the reader analyzes everything so far as it can be done, in the light of his own practical experiences, he will find the study of economics extremely interesting; and, what is better, if the public generally would take up the study earnestly, it would be seen what a terrible and ridiculous folly we are committed to in some of the existing practices. Then there would be no long delay in applying a remedy.

Every natural person stops occasionally to take a general survey of things in order to balance himself. There are times when one wonders why this busy world is quite so busy about certain things, and why it should not be more busy about certain other things. Then again, aside from what appears to be necessary for our real needs and our healthful pleasures, we wonder what relation it all has to the sweep of the Universe—the Everlasting.

We have come to a state where our business, the work we do for pay, is what we seem to live for, instead of making it our business—the work, incident to our living—to live well.

Because of that state we find that work has become a drudgery instead of a pleasure. A few only have the advantages and the rest of us are driven. Many of us are forced by our environments, and are helpless to change them unless we, with the others similarly situated, can arrive at a better understanding of things as they actually are, and then create for ourselves better environments.

From a material sense, nothing seems so stupid on the part of people generally as to permit the waste that takes place. Surely, at least three-fourths of our energies are exhausted in waste, and we are forced to use the other one-fourth to eke out a bare existence. Therefore the purpose of mankind to advance steadily to a higher and higher goal has been arrested.

202

It is unfortunate, but it is nevertheless true, that as science has progressed, that as mechanical devices have been invented, that as new ways have been discovered and applied to multiply the products of human energy, that while all these have taken place to make this period the most scientific as well as the most productive in all the history of the world, the masses nevertheless have become more and more dependent, and exist now as industrial slaves.

There is a reason, of course, for this as there is for all things. If the reader will refer to "Truth No. 2," in that truth the reason is stated. To briefly restate it here, it is the wrongful appropriation and capitalization of the inventions and the new ways of application, and the toll charged upon capital, that make the trouble.

Most of us have a soul. In some the hardships forced upon them buries the soul very deep. In others the greater the hardship the more the soul is in evidence. Those who look into and understand the real trials of life are not harshly critical of the individual, but look beyond to see the groundwork out of which the individual has arisen or fallen as the case may be. We take pride in those who arise in spite of adversity, with out lowering our charitable consideration for those who fall even if the fallen were surrounded by advantages. For those who are forced to work, or compelled to find a way, that very fact gives them the application, while under different circumstances, those surrounded by advantages—free from the necessity of strenuous action—too often fail to learn how to apply themselves, and because of that fact alone lose out.

It is sometimes hard to account for those who have soul for one thing or one condition, yet have no soul for another thing or other condition where both are equally important, and where there is nothing in the

203

remoteness or the proximity to distinguish them. It is still harder to account for overlooking those that are proximate, leaving them minus the soul consideration, to leap to the distant and remote with a view to better them while the proximate is forgotten, or at least neglected.

That the soul influence, when not guided by an analytical intelligence, is the prey of commercialism, no one doubts who has examined. The most extreme example in all history of the soul being led from home to venture in distant foreign fields on mercy's

errands, came to us through the European war. This most sensitive of all human qualities, the soul, was led to run riot, because it was fed by falsehoods as well as truths with no possible means to separate the false from the true, and because war at the best is bad, everything was believed or disbelieved according to the sympathy of the individual, and this condition was seized upon by the speculators to convert it into dividends upon their various commercial schemes. It did not take them long to make an inventory to determine upon which side they could make the most money, and how to use the advantage to make the American public pay them many billions of dollars. Their soul, such as it is, was in the dollars it could squeeze out of the unfortunates engaged in that conflict, and particularly in the additional billions that it could collect out of the American people by increasing the prices on everything they had to buy.

The following is an extract from a report made by the American Committee on War Finance, New York City:

“In some industries they (wages) have risen in a spectacular manner, yet the average wage increase since 1912 has been small, even in union labor, when compared with the rise in the prices in necessities of life. The index figures published in the April Review of the United States

204

Bureau of labor statistics show that in the large field of union labor there has been a rise of only nine Points from 1912 to 1916 inclusive. Index figures for 1917 are not yet available; but, even if we were to assume that wages have risen as much in the first four months of 1917 as they rose in the whole period from 1912 to 1916 (which would be a quite extravagant estimate) we should only have a rise of 18 per cent from 1912 to 1917; while according to Dun certain particularly important food products and necessities have risen from 46 per cent to 105 per cent in the last three years, and according to the Times Annalist the cost of the food budget of the average American family has gone up 74 per cent in the last two years.

“Keeping in mind these figures, we cannot but accept the unwelcome fact that the average American has not in reality shared in the prosperity of the country during the war period. On the contrary, he has lost ground in the economic struggle, in spite of the nation’s advancing aggregate wealth. Wages and incomes have no doubt increased, but there has been at the same time such an inflation in the price of things people must buy in order to live that the average citizen’s purchasing power has been steadily diminished. He has been handed more in his pay envelope; he has received a larger salary check, and made better earnings from his farm or his business, but in turning the money he has made into food, fuel, rent, household furnishings, etc., he has found that it does not go so far as in times when wages and earnings were much smaller.

“WHERE THE TAXABLE WEALTH IS

“Where, then, has the nation’s prosperity gone since the world war began—into whose pockets? And, above all, where may we find the accumulations of wealth which may now be taxed to pay for the war with the least hardship or injustice to the public?

“The following figures, selected almost at random from the great list of industrial corporations that have profited by war time, may suggest the answers to the above questions. They also indicate the economic conditions which

205

lie below the fact, reported by Professor King, of the University of Wisconsin, that 2 per cent of the people of the United States own 65 per cent of the country’s total wealth.

“NET PROFITS OF AMERICAN INDUSTRIAL CORPORATIONS

“Figures shown are the net profits earned for the stock holders, after deducting cost of materials, labor, depreciation, overhead, interest and all other charges. All figures are official, having been taken from the companies’ annual reports.

	1916	1915	1914
American Can Co	\$7,962,982	\$5,029,273	\$2,916,339
Am. Smltg. & Rfng	23,252,248	14,402,732	9,271,565
Am. Hide & Leather	1,643,266	959,974	107,205
Am. Beet Sugar Co	2,445,189	1,424,654	452,074
Am. Locomotive Co	10,769,429	*1,491,980	2,076,127
Am. Steel Foundries	3,418,057	*219,574	*231,481
Am. Woolen Co	5,863,819	4,080,865	2,788,602
Am. Writing Paper Co	2,524,378	*126,956	*108,310
Armour & Co	20,100,000	11,000,000	7,509,908
Atlas Powder Co	2,939,790	1,671,762	294,150
Baldwin Locomotive	5,982,517	2,827,816	350,230
Bethlehem Steel Corp	43,593,968	17,762,813	5,590,020
Barrett Co. (Amer. Coal Products Co.)	4,247,858	2,482,236	1,280,476
Brown Shoe Co	1,467,757	240,322	495,890
Central Leather Co	15,489,201	5,626,897	4,876,924

Colorado Fuel & Iron	2,201,171	*334,611	*905,968
Crucible Steel Co	13,223,655	3,073,750	1,015,039
Cuban-Am. Sugar Co	8,235,113	5,594,048	2,705,723
E. I. duPont de Nemours Powder Co	82,107,693	57,257,308	4,831,793
General Chemical Co	12,286,826	5,958,746	2,857,898
Hercules Powder Co	16,658,873	4,886,102	1,247,255
Intl. Agricultural Corp	1,279,832	*160,022	84,908
Tnt. Nickel	11,748,279	5,598,072	4,792,665
Lackawanna Steel Co	12,218,234	2,409,108	*1,652,444
Morris & Co. (packers)	3,832,213	2,321,415	2,205,672
National Enameling & Stamping Co	2,417,803	913,742	548,756
New York Air Brake Co	8,214,962	1,343,285	641,046
Phelps Dodge Corp	21,974,263	9,720,473	6,664,839

Page 206

Pittsburgh Steel Co	4,564,068	858,160	416,551
Railway Steel Spring Co	3,710,805	1,363,229	374,454
Republic Iron & Steel Co	14,789,163	3,515,819	1,028,748
Sloss-Sheffield Iron & Steel Co	1,912,624	522,388	490,139
Swift & Co	20,465,000	14,087,500	9,450,000
Texas (Oil) Co	13,898,861	6,393,327	6,185,794
U. S. Steel Corp	271,531,730	75,833,833	23,496,768

U. S. Cast Iron Pipe Co	1,308,6411	19m 381,387	*59,868
United Fruit Co	1,943,151	5,900,522	2,264,911
U. S. Industrial Alcohol	4,884,587	2,172,013	653,264
U. S. Smelting, Refining and Mining Co	8,898,464	6,592,324	2,265,641
Westinghouse Air-Brake Co.	9,396,103	1,575,839	3,482,994
Westinghouse Electric & Manufacturing Co	9,666,789	2,009,744	4,058,809
Wilson & Co (packers)	4,913,873	2,463,732	19m1,511,528
Total			
	\$729,933,235	\$292,588,355	\$124,242,776

* Deficit.

“Taking twenty-four of the principal companies listed above and comparing their earnings in 1914 and 1916, we find in these two years an increase of 500 per cent, and these increases may be expected to continue. For instance, the steel corporation’s last quarter’s earnings, just published, would indicate that; for, if the percentage is maintained for the whole year, the net sum applicable to dividends for 1917 should be about \$450,000,000.“Comparing the increased earnings and the increased stock values of two of these corporations, we get a still more concrete idea of the increased wealth which offers the country a ready source of war taxation:

“UNITED STATES STEEL CORPORATION

Net earnings 1914		\$23,496,768
Net earnings 1916		<u>271,531,730</u>
Increase		\$248,034,962
Average market value of outstanding stock in	1914	\$682,648,282
	1916	<u>961,181,378</u>
Increase		\$278,533,096

“BETHLEHEM STEEL CORPORATION

Net earnings 1914		\$5,590,020
Net earnings 1916		<u>43,593,968</u>
Increase		\$38,003,948
Average market value of outstanding stock in	1914	\$17,536,690
	1916	<u>106,112,130</u>
Increase		\$88,575,440

“RAILROADS

“Shareholders of railroads have also improved their position as investors since the war began.

“In 1913 the net operating revenue ran approximately from \$275 a mile in January to \$300 a mile in December. In 1916 the net operating revenue ran approximately from \$337 a mile in January to \$550 in October.

“The net revenue for railroads earnings over a million dollars annually for the six months ending January 1, 1917, was practically \$700,000,000, which is the largest profit in the history of American railroading.”

Of all the existing follies, war is the most senseless, and has the least prospect of doing justice in any way. It is natural only as a result of pre-existing wrongs, and would not occur except for these. It feeds upon vanity—false personal egotism, and a false so-called “patriotism,” that would destroy millions to avenge wrong to an individual when to avenge that wrong by war begets thousands of other wrongs, and secures no reform that could not in most cases have been more honorably secured and permanently established by natural means.

It is not the plain, industrious people of any country that create conditions that produce wars. It is the unnatural conditions that are forced upon them that do it. It is not natural that they should want war, because the cost falls on them. It is much easier and more desir-

208

able from a mere personal selfish standpoint to be a soldier in the battles, than it is to drudge in useless toil, for it is useless toil to labor for the support of war, when by a proper reorganization of our economic system we should make war impossible. True, until such reorganization takes place, now that we are in a war, it is our duty, whether in the field of industry for production of the necessities or in the battle line for their destruction, to work on and on incessantly to supply the means required. It is our patriotic duty to do that. But the very fact that it is so, and that we now must do it, should all the more impress us with the importance never again to let such a condition arise as to make us a party to such a condition. Now when we are so impressed is the time to work for the economic reform that will end wars.

In the meantime we should not have the false pride of wishing to make the war last longer, merely to show how terrifically we can punish a military foe. The world has never got reform through militarism. On the contrary, the hardships have been visited upon mankind through the recurring wars. Mankind is not reformed by punishment, and very seldom by force. Force does not count “1, 2, 3,” as compared with a solid, sound and just economic system. It is the latter by which we can conquer the world and win the respect of all man kind.

Just at present we are in a complicated condition. The speculative interests, having resorted to greed as their type of patriotic manifestation, invited the violation of our unquestioned right to the free and uninterrupted use of the high seas, and caused those rights to be violated, so that now we are at war. We can't get out of it by simply quitting. We have got to have an agreement to get out, so we must fight to the limit of

209

our capacity until we get an agreement that, does not put us at a disadvantage.

As a matter precedent to the war, those patriotic speculators whose greed was the moving cause to invite the violation of our international rights, they, knowing full well that if they persisted in their greed and having full intention to persist, that, our rights would be violated, prepared a campaign for great “preparedness” of the kind that they hoped would give them still greater opportunity for their speculative enterprises. They made it their campaign—conducted through their press, their speakers and their writers, and by the use of un limited sums of money simply swamped the country with false literature, and practically swept the people off their feet as to the details of preparedness. Every body, of course, wanted to be prepared for possible emergencies, but the best means of preparedness were not followed out, so we went on the propositions of the great so-called “industrial captains” and “finance heads,” which put us in more debt all the time.

Well, the consequences. After the speculators had created the sentiment for the kind of preparedness that they wanted, they wished to use that preparedness in a measure, to carry or help guard their commerce ships filled with munitions of war and products of various kinds to the belligerent nations to aid in war, particularly to those in whom they had become financially interested. So these ships were armed, which of course caused more trouble with the belligerents who believed that commerce to be to their disadvantage.

Then our international rights were further violated, and without consulting the people to secure a vote as to, whether under the circumstances we should declare war against certain nations which were violating our rights, Congress on the advice of the President did declare war. The next step was to resort to conscription

210

of men. In some of the States even women are forced to register. The conscription is intended to raise, by force if necessary, armies to cross the seas to' fight in foreign lands.

There is a difference of opinion among the people as to whether or not we should conscript men to send across the seas to wage war under the existing circumstances. So the part of the press controlled by special privilege, realizing this and knowing full well

that no conscription would be necessary to get men to serve to defend the nation as against any prospective invading foe, but doubting it for securing a great American army to invade foreign countries, did not dare to submit conscription to a vote of the people, so Congress on the pressure of the press and on the advice of the President voted to conscript men for the purpose.

Already we have many men across the seas and they are our soldiers, and more are on their way, and still more are certain to be sent. There is a move now being made to repeal the conscription law, but it is quite a different proposition now from what it was before our boys were sent across. Special privilege knew full well that it would be a different problem when our men got over there. We have, in law at least, forced them to go and hundreds of thousands are expected to go under that condition. These boys, or men as they are, have responded nobly, patriotically, to their country. We now owe to them our deepest, most sincere and patriotic consideration. We are in the position that special privilege wants us to be. It knows we have our boys over there, and that not a man or woman in all the land of America would fail to reinforce these, our true soldiers and sailors, with all the strength of the nation in order that they may so far as possible be brought back to the land of their flag. We cannot repeal conscription now, without in every way taking into consideration

211

these soldiers of America stationed and soon to be in battles, on foreign lands. Whatever we do we must protect them, but we should repeal the conscription law as soon as it can be done with protection to those who have been conscripted and sent abroad. Our democracy is indeed weak when we resort to conscription, which is an entirely different problem than universal training.

The war hysteria has so unbalanced the world that it is even considered traitorous to suggest terms of peace, or to plan for conditions upon which to propose peace. Take up the newspapers of the time immediately following the first days of the war; they all advocated an agreement for an early peace. Contrast that with the later and the existing publications of the press—do that and you will find to what lengths this war hysteria has carried things. Any person who will analyze the different editorials in the big press—or in any one of those newspapers or magazines—will see that they prove their own inconsistency.

We have a military enemy in the Central Powers; we have allies in the other powers to the conflict. Is there any reason why we should suspend the truth as to either? Will falsehood assist us in humbling our military foes? It may be that at times it is or will be a military necessity to suspend for a time statements of the truth. But it never will be or can be necessary to promulgate falsehoods.

We know that it is customary in political campaigns for the press to publish falsehoods of the candidates whom they oppose. While there is no justification for even that kind of falsehood, certainly in a case involving the lives and the destinies of millions of people and of nations, falsehood and hatred should be the farthest from the practice of any truly patriotic citizen of any civilized nation, and most of all that should be so of

212

patriotic citizens of the United States of America. I see in the windows of business houses in the National Capital, together, the portraits of Generals Grant and Lee, wrapped in the Stars and Stripes. That is as it should be now, but if you will go back to the press of thirty years following the Civil War, you will find expressions of the narrow hatred, and unforgiving editorials, that stamped General Lee as not fit, to receive such honors as those now bestowed upon him. We know that the spirit of this day, regarding that unhappy conflict between our own people, is the spirit for us to court. Why should we not be more liberal with the spirit that comes out of the same souls, and seek the right spirit out of which to quell the mightiest of all the conflicts that this earth of ours has produced?

Oh, no! It is not traitorous to plan the terms upon which peace can be negotiated in this war. On the contrary, it is idiotic hysteria to withhold the work of encouraging and securing peace, and at the same time put forth every effort to prosecute the war to an end successful to our true national purposes. It is not in consistent to prosecute both at the same time.

The real problem is not so much how to end the war and fix the terms of peace that shall be in our honor, as it is how to deal with the problems that cause wars, that is, the “special privilege” system itself. The “inner circle” of the beneficiaries of “special privilege” is carrying on a terrific campaign right now in the hope of diverting the public attention from its exploits in war speculation.

So far as the war is concerned we are all united up to a certain point, and that is that we shall not be defeated, but “defeat” as well as “victory” is susceptible of different constructions by different individuals, according to their understanding of things. The President’s beautiful but much misleading picture of “peace

213

without victory” seems to have faded from the mind that conceived it. The “war hysteria” had developed too far, and the message was the faint uttering of the last word from an already lost cause. His next succeeding message is proof of that, for there was no material difference in the conditions between the two periods.

“Peace without victory” has different meanings according to the individual viewpoint of the person. There is only one true victory that can come out of this war. The winning of battles by some nations and their loss by the others will be of comparatively little value to the winners and of loss to the losers—with an economic victory for the masses of the world. That would be the only great victory, but it is not, a victory that is won by the sword, but by judgment alone followed by action along industrial lines. That is not “peace with out victory,” but is peace with universal victory and no defeat, for the battles of war, as compared with it, are of so much less significance that they dwindle into insignificance. Peace with universal victory and no defeat is what we must get out of this war; not as a logical result of war, but as a sequence to the absurdity of war.

What would such a plan and victory mean?

It would mean that information upon facts of interest to the public should be free and universal, and paid for out of the public treasury; that persons should be able to communicate by mail, telegraph and telephone with each other at the actual cost for service—no profit to anyone.

It would mean that transportation of goods and of persons should be free, except for payment of actual cost of the service by those receiving it—but no profit.

It would mean that the finances of the country and of the people would be conducted free except the actual cost to be paid by those served.

214

It would mean that each person would pay, for the service he received, the actual cost with profit to no one.

What would be the result?

It would result in an equal opportunity to all and special Privilege to none. Then commerce would be natural—adjusted to the needs—and not for speculation and exploitation; nations would not be competing with each other as antagonists and competitors, but would be merely exchanging for mutual advantages—leading to friendship and amity.

The one example alone of our country exporting, between the time the war began and our entry into it, \$6,000,000,000 in excess of what we got back in return for it, and allowing the exploiters who carried on this trade to use it as an excuse to raise the price on like commodities to the American consumers, in excess of the regular, former prices, nearly three times that amount, should in itself be sufficient to convince any intelligent American that the greatest of all victories to be won is to get out from under that system.

215

BACK INSIDE COVER

LINDBERGH, CHARLES AUGUST, 1859-1924.

Your country at war and what happens to you after a war. 215p il \$1.75 Dorrance

339.973 United States—Economic conditions. Banks and banking—United States.

European war, 1914-1918—Economic aspects

34-5947

Reprint of a book, by the father of Colonel Lindbergh, which was suppressed by the government in 1918. It is made up of articles dealing with economic problems and the exploitation of farmers. It is the author's contention that the United States was forced into the war for personal profit.

Booklist 30:285 My '34

N.Y Times p Mr 18 '34 520/w

Sat R of Lit 10:620 Ap 7 '34 300w