UNITED STATES SENATOR FULTON DISCUSSES ISSUES OF PRESIDENTIAL CAMPAIGN

FOLLOWING is the full text of United States Senator Fulton's speech at the Milwaukie Grange Fair yesterday:

Ladies and Gentlemen: We are again entering upon a great political campaign that is to decide what political party and policies shall guide and obtain in the administration of the affairs of this Nation during the coming four years. We hear it frequently urged by our political opponents that there exist no real, substantial differences at this time between the Republican and Democratic parties. Well, if that be true, which of course it is not, it affords no argument for support of the Democratic party, for if there be no differences at this time between these two great parties, it is because the Democratic party has abandoned as untenable all its former theories and doctrines and has accepted as sound and wise the principles and policies of the Republican party.

The Republican party is certainly now, as ever, and as intensely now as ever, opposed to the Democratic doctrine of free and unlimited coinage of silver. The Republican party is just as firmly as ever in favor of the single gold standard. Has the Democratic party abandoned the one or embraced the other? Does the selection of Mr. Bryan as its candidate for the Presidency justify such an inference? Indeed he has within the last few weeks stated that he was right in 1896 and in the same circumstances would again advocate free coinage of silver at 16 to 1.

The Republican party still stands for the doctrine that our tariff laws must be framed with a view not only to provide a sufficient revenue but as well with a view to the protection of American products and American labor. Does the Democratic party agree to that? The Republican party still contends that it is the duty of this Nation to retain the Philippine Islands, at least until their inhabitants are fully capable of self-government, and that we have the constitutional right so to do, and it is opposed to any declaration at this time of an intention to abandon them at any time or under any conditions. Is that also the attitude of the Democratic party?

The Republican party still adheres to the doctrine that this is a Nation and not a mere federation of sovereign, independent states; that the Federal Constitution is the supreme law of the land, vesting in the National Government all powers necessary to an independent and sovereign Nation and that it is not to be crippled or hampered in the exercise of such powers by a narrow or strict construction. Is the Democratic party now willing to accept that doctrine in the full and complete sense for which the Republican party contends? Its record proves that it is not. But even if it be true that the Democrats have abandoned all their former contentions, conceding that they were erroneous and unsound, does it furnish a sufficient or indeed any reason why the party that has always been right should be deprived of political power and the administration of government confined to those who heretofore have confessedly always been wrong? Further, if there is to be no change in policies, why should we be subjected to the disturbances that will necessarily accompany and follow a change of party in the administration?

Party Conflict Irreconcilable.

The truth is that the Republican and Democratic parties must ever differ in some essential particulars, for they represent two distinct political schools. As men differ temperamentally their lines of thought are likely to diverge and their conclusions be either widely dissimilar or entirely antagonistic. Political parties are composed of men who in the main think along the same lines. They may not agree in all things political—many may not accept as entirely sound every policy their party advocates, but the general disposition, attitude, course and character of the party, the atmosphere in which it moves, its logical trend, more nearly conform to their views and convictions, and promise so to do in the future in dealing with problems as they arise, than any other existing organization.

Since the formation of this Government there have been two great schools of political thought, namely, the school of Hamilton and the school of Jefferson. The Republican party is the successor of those who, at the beginning adopted the views of Hamilton. They contended that by the adoption of the Constitution a new, independent, sovereign Nation was created; that this Nation possessed all the powers necessary to its preservation and that it could rightfully enforce the powers delegated to it, by force of arms if necessary. On the other hand the Jeffersonian school contended that the Federal Union was but an association of independent, sovereign states, no one of which could be constitutionally coerced into observing or complying with any law or ordinance which it deemed unjust or unwise. They advocated the doctrine of strict construction in interpreting the Constitution, for which rule the Democratic party contends today, while their opponents, they of the school of Hamilton, have contended for a more liberal rule of construction and, furthermore, that the National Government possesses certain inherent powers by virtue of its sovereignty and that in addition to the expressly delegated powers it possesses under the Constitution many necessarily implied powers. All of which the school of Jefferson has ever denied.

This fundamental difference between the two great parties has continued from the adoption of the Constitution down to the present time. It is doubtless true that to the efforts of Hamilton more than to those of any other person are we indebted for the final adoption of the Constitution and to his teachings that it is now recognized as bearing the broad stamp of nationality. He it was who first advanced and defended the now-accepted doctrine of implied powers in the Constitution. Under this doctrine and by virtue of it only have the vast appropriations from time to time been made for internal improvements, the improvement of our rivers and harbors. It is under this doctrine that the great principle of protection of American industries and American labor finds warrant. It is this doctrine we have invoked in enacting the anti-trust legislation, the railway rate legislation and the legislation providing for the construction of the Panama Canal. Yet that doctrine has been uniformly and continuously assailed and combated by the followers of Jefferson since its birth.

Jefferson himself always denied the constitutionality of appropriations for internal improvements and Andrew Jackson in his first message condemned as unconstitutional such legislation and in 1830 in a veto message argued at great length against the existence in Congress of such power under the Constitution. And, as I shall show later on, even after Chief Justice Marshall had by innumerable luminous opinions upheld the doctrine of implied powers as contended for by Hamilton, yes after the Civil War had at the expense of millions of lives, rivers of blood and countless billions of property determined in favor of the school of Hamilton, the principal question in issue, the nationality of the Federal Union, a Democratic administration held the Sherman anti-trust law to be void on the ground that no constitutional warrant existed for its enactment. Yet a Republican administration enforced that law, the courts have pronounced it constitutional and sustained judgments and decrees under it. Indeed it was under that law that the first great case which sounded the death knell of vicious trusts—the Northern Securities case—was prosecuted and sustained.

Hence I say, that the Republican party as an organization, is one which will ever appeal to men of one bent of mind, while the Democratic party will as regularly appeal to those of an opposite cast of mind. Men of a practical turn of mind will, as a rule, align themselves with the Republican party, for it is a party of practical ideas. It believes in doing things and it always finds the means of doing what it deems necessary to the public welfare.

The Democratic party is an association of impracticals. In construing the Constitution it can discover no governmental powers except those specifically named, constantly overlooking and blind to the fact that by the Constitution a Nation was created and that to establish a Nation means much in constitutional law. It implies that the Government is endowed with the power of self-preservation, and that it was designed to exercise control and governmental powers in all matters of general interest and concern, or, as Hamilton said, "whatever concerns the general interest of learning, of agriculture, of manufactures and of commerce is within the sphere of the National concerns." Then the Democratic party is, by reason of its impractical character, given to the support of wild and visionary theories. Witness its demand for the payment of Government obligations in greenbacks and later its adoption of the free silver fallacy. Its next cry will be for government ownership of railroads and transportation lines. Its tendency has always been to paternalism, inconsistent though it be with its doctrines of strict construction of the Constitution.

But, as stated, it is the party of impracticals. Of course environment and early associations exert a powerful influence in forming a man's political views and particularly in determining his early political alignment. Such influences eliminated or outgrown, certain intellects will always naturally be attracted to the Democratic ranks, others to the Republican ranks, for these parties represent two distinct schools of thought, one the practical, the other the impractical and visionary. Fortunately for the Republican party and the Nation the majority of the American people is of a practical bent of mind. So, even if it be true that there is no matter of real concern at issue between the two parties today, a wide difference in matters of grave concern may arise any day, and the question is, judging each party by its history and its tendency, to which do you prefer entrusting the task of solving and dealing with problems of grave importance that may arise during the coming four years?

It is my conviction that practical men will believe that it is the part of wisdom to entrust the administration of government to that party which has always been right, that has never abandoned a position it has taken or repudiated a policy or a doctrine it has advocated, rather than to that party which has always been wrong on every great issue in the past, but whose plea for recognition at present is based on the assertion that it has abandoned all its old theories and fallacies.

Great Issues Between Parties.

But it is not true, as I shall show before I conclude that there is no substantial difference today between the two great parties on questions of deep National concern. I am now simply attempting to emphasize the fact that even if there existed at this particular time no such differences, it is because the Democrats have abandoned all their former contentions and opposition to Republican policies, which ought not to afford a very satisfactory reason for entrusting the Government to Democratic control. If Republican policies as to the money standard, our financial system, the control of trusts, the tariff, the regulation of transportation lines, the retention and government of our insular possessions, the construction of the Panama Canal, are to be followed and adhered to, will it not appeal to most men as the part of wisdom to entrust that work to the original author and unfaltering friend of those policies?

Some will tell you, "Oh, it makes no difference what party is in power, times will be just the same. Neither prosperity nor poverty, good times or bad, depend on legislation." If that be true, then there exists no reason for a change certainly. But it is not entirely true. I myself do not believe in paternalism. All I believe the Government should do is to provide a sound currency and so provide by legislation that our own people shall do our own work; that our own producers shall have the advantage in our own markets; that every citizen shall be equal before the law, equal in rights, equal in opportunity. These being assured, every man is, as he should be, dependent upon his own industry and responsible for his failure or success. I take it also that there can be no higher or more satisfactory proof of the wisdom and soundness of political policies than that afforded by actual practice attended by success.

It is not so long since 1892 but that most voters of today remember how earnestly Republican statesmen warned the people what the result would be should they abandon the Republican policies and turn the Government over to the Democrats. But the people did not heed the warning. You know the result. You remember how the very moment Democratic success and Democratic policies were assured, business, industrial and commercial, paralysis came. Indeed it not only came, but it remained throughout the entire four years of Democratic administration. The black cloud of business depression did not lift, did not begin to lift, until the election of 1896 had assured the return of Republican policies.

Do you remember the issue in 1892, the determination of which in favor of the Democratic party brought on the terrible industrial and commercial stagnation that followed? It was the tariff, nothing more. The Democratic party from every platform throughout the country denounced the protective tariff as a robber and promised to do away with it if clothed with power. The country was then enjoying as high a tide of prosperity as it is blessed with today, but the people listened to the Democratic cry for "tariff reform" and "down with protection."

You all know the result. As I have stated, we were then enjoying a splendid prosperity. The factories and shops were open, the hum of industry was heard on every hand and employment was seeking the man. How quickly all this was changed most of you will remember. Realization that the Republican protective policy was to be supplanted by Democratic free trade—or its industrial equivalent, a tariff for revenue only—spread throughout the land and prosperity fled. It hushed the hum of industry and opened the mouth of famine; it closed down the factories and opened the soup-houses. Three million men were thrown out of employment. Not by an injunction, not at all. No talk about anti-injunction planks those days. What was wanted then was work in order that bread might be had, but work there was not, and hence the soup-house. For four long years a terrible depression prevailed. The columns of the daily press were filled with accounts of failing banks and business houses, of ruined homes and blighted lives.

Birth of Bryanism.

Then came the election of 1896. Indeed the people could hardly wait for it, though in truth they had little else to do. Then it was that Bryan and Bryanism secured control of the Democratic party. Mr. Cleveland was repudiated and Mr. Bryan was placed in command. He came forward as a prophet. He told the people that but one thing could or would restore prosperity and that was the free and unlimited coinage of silver at 16 to 1. He further assured the people that so long as the gold standard should be continued the severe commercial and industrial depression then prevailing would become steadily deeper and darker until dire disaster would envelop the land and we would all go down to a common ruin. Well, the people did not believe Mr. Bryan, fortunately. They felt that could they have Republican policies restored all would be well, so they voted the Republican ticket, for they believed with the Republican party that the gold standard and protection meant plenty and prosperity. And what a splendid, matchless prosperity it was that came! And yet the Republican party did exactly everything that Bryan said must not be done and it declined to do aught that he said must be done.

Campaign of 1900.

In 1900 Mr. Bryan was again the candidate of his party. He no longer advocated free silver; no longer denounced the gold standard, not, he said, because his views had changed, but because he had discovered a paramount issue, namely, "imperialism."

Now I ask you to tell me frankly if you believe Mr. Bryan was honest in that contention? I do not so believe, and that is one of the charges I bring against Mr. Bryan, namely, that he is wanting in mental integrity. He had discovered that the free silver doctrine he had advocated so strongly in 1896 was unsound. He knew, for experience had proven that his assault on the gold standard was a mistake. He realized that the Republican policies of sound money and a protective tariff had brought to our country the most splendid prosperity any people had ever experienced. He knew he must select another issue, so he took up the cry of imperialism. And here I ask, was Mr. Bryan honest in taking up that cry? Let his own record answer.

At the close of the Spanish-American War this country entered into a treaty with Spain whereby we agreed to annex the Philippine Islands and pay Spain $20,000,000 therefor. To make the treaty valid it was necessary that the United States Senate should ratify it and it takes a two-thirds vote to ratify a treaty. The Republicans did not have two-thirds of the Senate, hence it required Democratic votes to ratify it. Mr. Bryan went to Washington City and urged the Democrats to vote to ratify, and as a result 17 Democrats voted for ratification and yet it was carried by but three votes. But the treaty was ratified and the $20,000,00 paid to Spain.

Shortly thereafter came on the campaign of 1900 and Mr. Bryan, as I have stated, selected for his paramount issue, "imperialism." He asserted that the acquisition of the islands was in violation of the Constitution and that therefore we acquired no title by the treaty. But in addition to that he asserted that Spain never owned the islands and hence could not sell them, so in no view had we any title to them, hence could not attempt longer to hold them. Now what would you think of a lawyer who should advise you to purchase a tract of land, should advise acceptance of the deed and payment of the money and then thereafter calmly tell you that you had no authority to purchase and the grantor had no title to convey? Would you not pronounce him a fraud and a shyster? Do you think Mr. Bryan was honest with the people in his 1900 campaign? Was he honest and frank with them in his 1896 campaign? If his contentions were sound then they are today. Why does he not contend for the same doctrines today? Has he changed his views or is he fearful of the result? If he has changed his views why has he not the courage to say so. If he still believes in those doctrines why does he not come forward and contend for them?

Government Ownership.

As further proof that Mr. Bryan is deficient in mental integrity I offer this additional evidence. You will all remember that when Mr. Bryan returned from his trip around the world a short time ago he was given a great reception in New York and it was arranged in advance that he should deliver a speech which would sound the keynote for his 1908 campaign for the Presidency. The speech was prepared with great care, and in order that he might not be misquoted, and further that he might say exactly what he wished to say and all he wished to say, Mr. Bryan read it. He came out strongly for Government ownership of railway lines. That was the keynote of the speech.

A great protest went up in the ranks of his party. The Southern Democrats contended that such a policy would be in conflict with their doctrine of states rights. Mr. Bryan then came out in an interview in which he most accommodatingly modified his previous demands and insisted only that the Federal Government should acquire interstate roads. But his Southern followers refused to accept even his modified doctrine, and thereupon Mr. Bryan abandoned Government ownership entirely; at least he ceased to advocate it, for he saw it might defeat him for the nomination. Now, I ask, was Mr. Bryan honest in his advocacy of Government ownership? If he was, was it honest or manly of him to abandon it simply to secure a nomination to office? Is it of such material that the American people would have their Presidents made?

The Great Retreater.

Mr. Bryan stands today as the great retreater in American politics. There is not a principle or a policy for which he has stood in the past that he stands for today, except this, that he is now, as ever, a candidate for the Presidency. He has abandoned free silver, he has accepted the gold standard. At least he does not now advocate the one or combat the other. He is silent on imperialism and would have it forgotten that he ever advocated Government ownership. Will the American people elect this chief of opportunists to the Presidency of this republic?

Trusts and Trust Legislation.

Mr. Bryan charges the Republican party with fostering trusts, and yet he knows that every line of legislation now on the statute books condemning trusts and providing for their suppression was enacted by Republicans. The Sherman anti-trust law, enacted in 1890, condemns and makes illegal every contract, combination in the form of a trust or otherwise, or conspiracy in restraint of trade or commerce" among the states or with foreign nations. This was in 1890, and in 1892 you know the Democratic party elected the President and a majority of the House of Representatives. Did this Democratic administration either seek to enforce this law or to enact another? Not at all. On the contrary the Democratic Attorney-General, Mr. Olney, held the Sherman law to be unconstitutional and declined to enforce it or to take any proceedings under it. Thereupon, in June, 1900, the Republican members of Congress brought forward a resolution proposing an amendment to the Constitution, empowering Congress to suppress trusts and combinations in restraint of trade. Every Republican member voted for the resolution and every Democrat excepting five voted against it. They contended that it was an unwise interference with state rights, and so the resolution failed, for to propose an amendment to the Constitution requires the concurrence of two-thirds of those voting.

And this again illustrates the fundamental difference between Republican and Democratic doctrines. The Democratic Attorney-General, in accord with the Democratic contention for a strict construction and limitation of the powers of Congress under the Constitution, held the Sherman law void, as no provision of the Constitution expressly warranted its enactment. The Democratic members of Congress, when it was proposed to so amend the Constitution as to clearly grant the power, voted against it because they held it to be an invasion of the reserved rights of the states. But the Republicans always insisted that the Sherman law was valid and when William McKinley became President prosecutions under the law were brought and its validity sustained. The most important of those cases, the Northern Securities case, strikingly illustrates the difference I have suggested between the Democratic and the Republican schools of political and constitutional construction.

The case was this: The Northern Securities Company was formed for the purpose of acquiring a majority of the stock of the Great Northern and Northern Pacific Railway companies. These railway companies already owned jointly a majority of the stock of the Chicago, Burlington & Quincy Railroad. The Securities Company was formed by officials of the Great Northern and Northern Pacific and having had assigned to it a majority of the stock of each of those two companies, thereby controlled absolutely three competing transportation lines engaged in interstate commerce. It was a clear case of conspiracy to destroy competition and to advance prices for transportation. A suit was brought by the United States to restrain the Securities Company from exercising such control and to dissolve it as an illegal corporation. The case went to the United States Supreme Court and there the railroads contended that Congress had no power to enact a law prohibiting a person or corporation from acquiring and holding stock in a company organized under a state law, whatever might be its purpose, and hence that the suit could not be sustained. The Supreme Court, by a majority of one, upheld the Government's contention; held that the Sherman anti-trust law applied and that Congress had power to enact such legislation.

But I wish you to observe that this decision was concurred in by Republican judges only. Every Democratic judge on the bench dissented, holding that Congress had no power under the constitution to suppress such a combination. Here again we see the influence and effect of the Jeffersonian doctrine of strict construction of the Constitution. Had not the Republican doctrine of implied powers been invoked and sustained Congress would have been held to be wholly without authority to suppress the vicious trusts and combinations in restraint of trade.

A mighty victory for the people was this decision. The Philadelphia Press estimated at the time that it wrought a saving of over $150,000,000 a year to the shippers of this country. This was due to a Republican measure, enforced by a Republican administration and sustained by Republican judges. Now I do not wish to be understood as reflecting in any degree on the Democratic justices who recorded their dissent to the decision in that case. They were perfectly sincere in the position they took. I only refer to their attitude for the purpose of showing how important it is that men shall be elected to important offices whose political views and mental trend are in accord with that school of thought, the policies of which all experience has demonstrated to be necessary to the wisest administration of our Government.

Trusts and Protective Tariff.

Now I want to talk to you a few minutes about Mr. Bryan's contention that the protective traiff breeds trusts. Mr. Bryan is just as correct in this contention as he is or was in his position on the silver question, or to put it more directly, he is just as greatly in error in this contention as he was in the other. We do not have to rely on theory or arguments to prove this assertion, for facts are in evidence. Free trade England is the home of trusts, and indeed throughout Europe trusts are far more prevalent than here because they have not been legislated against there as drastically as here. Again the combinations or trusts most widely inveighed against in this country are the Standard Oil and the anthracite coal trusts. The product of neither is subjected to any duty whatever, hence it cannot be contended that the tariff contributes in any manner to their existence.

But, it is said, our manufacturers are selling articles abroad for a less price than they demand for the same articles here. In isolated cases this is true, but it is not due to the traiff. There is not an exporting country in the world whose merchants and manufacturers do not at times do the same thing. Our Consular reports show that many English manufacturers have one price for the foreign trade and another and higher one for their domestic trade. You can readily see that it may frequently occur that an American manufacturer may find it to his advantage to sell a portion of his product in a foreign market at cost. The home market is, of course, his principal market, but it will happen occasionally that he has no pending orders for that market. He cannot afford to disband his working force if possible to avoid so doing. When orders come in from his customers he must be ready to supply them, hence must keep his force together; besides to shut down his factory and later start up again would not only impose a serious loss on him but a great hardship on his employes. He cannot afford to put his product on the home market at cost for that would be an injustice to those who have purchased their stock from him at a profit to him and should he do so they certainly would never purchase of him again. Still he can much better afford to run his factory a few months at actual cost or possibly at a slight loss than close it down. He, therefore, resorts to the expedient of shipping the surplus product into a foreign market and selling it at cost or at less than a reasonable profit.

Or, we will take a case where a factory is seeking to introduce its product in a foreign market. In order to do so it may sacrifice profit for a time. No one pretends that any American manufacturer as a rule sells abroad for a less price than at home, and investigation has disclosed that the aggregate of sales abroad at less than the regular home market price, is, compared with our total exports of manufactures, infinitestimally small. It also appears that by far the most considerable portion of exports so sold is of products manufactured in whole or in part from imported raw material on which a drawback of the import duty is allowed when shipped foreign.

Republican Prosperity.

It seems incredible that any considerable sentiment should exist for a change from Republican rule when the marvelous development and growth of our commerce and industries under its policies are considered. Under those policies we have become and are today the foremost Nation of the world in power, influence and wealth. In every branch of trade and industry our people are the most prosperous on earth. We are the greatest manufacturing Nation of the world; the greatest in agriculture, the greatest in commerce. Nothing more clearly indicates our lead in the manufacturing world than our output of pig iron; we are now producing fully 50 per cent of the world's annual product. Think of that, more than any other three nations of the world. Our internal commerce exceeds in both volume and value the entire foreign commerce of all the other nations of the world. Our exports exceed those of any other nation, last year aggregating approximately the enormous sum of $2,000,000,000, and our excess of exports over imports exceeding $500,000,000.

Our laboring men receive higher wages by from 50 to 100 per cent than are paid in any other country. Is it not a wonderful and pleasing fact that we are the greatest manufacturing Nation of the world and yet we pay the highest wages of any country in the world? Marvelous indeed, but true. All this has been brought about under Republican policies. It is not necessary to contend that it is due entirely to such policies, it is sufficient to show that it came under them in order to prove that they provide the best possible conditions for the development of our industries and the highest possible degree of prosperity.

And this great prosperity is not confined to any one branch of industry but extends equally to all—to the farmer, the merchant, the laborer, the banker, the manufacturer. Now why should we abandon these policies? Why, for instance, abandon the protective policy? Have not all prospered under it as no other people under any system ever prospered in all the world's history? Do you not know that every time we have abandoned it, disaster and distress have ensued and that every time we have returned to it prosperity and happiness have quickly come in their stead? Of course you know all that.

Then who is demanding the abandonment of this principle? Is it the farmer? Surely not, for no class is more prosperous. It provides him the best market in the world for his products—our home market, which now absorbs over 92 per cent of his products. Does he think the tariff on hides and cattle creates the "beef trust"? Does he deem the tariff on wool a menace to his flocks? No he is not so easily deluded. Is it the merchant? He desires no change that will by any possibility abate the prosperity attending our industrial life. Is it the laboring men then who demand abandonment of the protective policy? It does not seem possible, for above all others they are benefited by it. They demand, properly, that we exclude from our shores the cheap labor of China and contract laborers from Europe, will they demand that we open our markets to the products of such labor on equal terms with the products of their labor? It is inconceivable.

The Injunction Question.

Right here I wish to say a word about injunctions. For some years Mr. Bryan and Mr. Gompers have been industriously endeavoring to instill into the minds of the laboring men the belief that the courts of the country have been violating their rights by issuing writs of injunction in cases arising out of disputes between employers and employes. They have characterized the practice as "government by injunction." It is possible, of course, that injustice may have been done employes in some cases, as injustice may occur in any case, for absolute justice is not possible in all cases under any system of laws that can be devised by men; but that any considerable injustice has been done in any case or that any considerable number of cases have occurred where any injustice was wrought by the use of the writ does not appear from an inspection of the records and seems most improbable. When men are worked up to a high state of excitement it is easy for them to believe and easier still for others to make them believe that any interference by the courts with their proceedings, is an injustice.

Now an inspection of the records of cases tried before the Federal Courts during the last five years shows that but 328 writs of injunction were issued in all classes of cases and of these but 20 were in labor cases. Of these 20 cases, in only 16 was the writ or restraining order issued without notice, being 3 cases per annum, and in each of such cases a showing by affidavits was made that an emergency which would not permit of the delay necessary to giving notice, existed. In none of these cases does it appear from the record that an injustice or injury was done.

Mr. Gompers went before the platform committee of the Republican National convention and sought to secure the insertion of a plank condemning the issuance of injunctions in labor cases. Of course he failed. No political party of any character could afford to stand for such a proposition. Civil government is organized and instituted for the protection of life and property and the rights of its individual members. Experience has demonstrated that some tribunal must be made the final arbiter of all disputes involving such rights and interests. For that purpose we have established courts. To deprive the courts of the power effectively to protect such rights and interests would operate to impel one party or the other to resort to force and that is the beginning of anarchy.

The writ of injunction is one of the oldest writs known to the common law from whence it came to us. Indeed it was known to the civil law prior to the birth of common law. Its use in labor disputes is by no means an innovation but is in strict accord with its history and purpose. The Republican convention, however, adopted a plank condemning the issuance of the writ without notice except in cases of emergency, and declared that in such cases an early hearing should be accorded the party enjoined. What more could be asked? What more dared the Democratic party do? Nothing. Even Mr. Bryan did not insist on going further, but true to his character as an opportunist he secured the adoption of the following:

"We deem that parties to all judicial proceedings should be treated with rigid impartiality, and that injunctions should not issue in any case in which injunctions would not issue if no industrial dispute were involved."

Nobody knows what it means. No injunction was ever issued in any case simply because an industrial dispute was involved. The injunctions were issued because it was alleged that an injury to property or personal rights was threatened, not because of the character of the dispute. But Mr. Gompers is a Democrat and is determined on supporting Mr. Bryan in any event. He is now trying to lead the union labor vote into the Bryan ranks on the false contention that the Bryan platform declares against injunctions in industrial disputes, when he well knows it does not.

No man has higher respect for those who labor with their hands than I have. I was brought up to manual labor and have worked all my life. I believe in labor unions and in their being protected absolutely in the enjoyment of their just rights. I believe laborers have the right to quit work in a body, pursuant to a previous agreement and to induce others to refrain from taking their places by pleadings and arguments if they can, but they may not employ threats or resort to violence. No honest laboring man will contend for more. That is the position of Mr. Taft and the Republican party. Now the laboring people know what the Republican party has done for them, what it has done to elevate and dignify American labor. They know that the Republican party has throughout its entire history been the friend of labor. Its first mission was to break the shackles of slavery and set the bondsmen free. It has been and is the champion of the doctrine of protection for American wage earners by refusing to allow the products of their toil to be forced into ruinous competition with the products of cheap labor elsewhere. It was said long ages ago and it is as true today as when first uttered: "By their fruits ye shall know them," and I say to our laboring people, be not deceived, by deeds, not by words, your friends are to be proven.

What has the Democratic party ever done for the workingmen? I challenge any person to designate a single instance of legislation by it in their interest. In 1892 the Democratic party in its National platform pledged itself to enact an employers' liability bill extending and more definitely defining the liability of employers in interstate transportation to their employes. It succeeded in electing a President and both houses of Congress. Did it enact any such law? Certainly not. Why? Simply because the Democratic party is under the domination of the South and the ruling class in the Southern States has no sympathy with labor. Then the Republican party was returned to power and what did it do? It enacted the employers' liability law; the law making eight hours a day's labor on all Government works; the law limiting the number of hours consecutively that railway engineers may be required to work; the Chinese exclusion laws; the law prohibiting the importation of contract labor; the laws prohibiting the employment of convict labor; laws for the protection of seamen; the laws compelling the use on interstate roads of automatic couplers and automatic ash-pans; laws creating boards of arbitration to settle labor disputes; a law authorizing the incorporation of international trade unions; the law creating the industrial commission; the law abrogating the fellow servant rule; and numerous other statutes all directly in the interest of labor.

Why has the Republican rather than the Democratic party enacted such legislation? I will tell you. The strength of the Republican party is in the Northern States and its Representatives and Senators in Congress come from those states. In those states the rights and dignity of labor have always been honored and respected. Few men in the North have attained eminence in trade, commerce, professional or public life who have not worked their way up from the ranks of labor on the farm, in the shop or the office. They are consequently in sympathy with those who labor. In the Southern States, where the strength of the Democratic party is, the situation is entirely different. The laborer there is the negro, for whom the Southern whites have neither sympathy nor respect. They have, when he confines himself to what they deem to be his station, a certain affection for him, such as we have for our horse or our dog—nothing more.

Is it to be expected that a party which is under the domination of such a class will ever be truly just to or considerate of the rights of laboring people of the North and West? Will the laboring people desert a party that has done so much for them as has the Republican party? Are they willing to confide their fortunes to the Democratic statesmen of the South, who have no personal knowledge of the labor problems of the North and West and are wholly devoid of sympathy with laborers in their efforts to improve their conditions? By supporting the Democratic party they will be aiding the effort to bring about just that situation, for should the Democrats succeed, the members of Congress from the South will always control every Democratic caucus and thereby dictate the policy of the party.

In all earnestness I warn union labor not to be deluded into abandoning its best friend, the Republican party. Organized labor has made wonderful progress in securing friendly legislation in recent years, all through the Republican party, because Northern communities are Republican in sentiment and in sympathy with every effort to improve and dignify labor. Do not, I warn you, alienate that sentiment and sympathy. Do not sacrifice your inheritance for a mess of miserable pottage. That you will not I am confident for you are too intelligent to be so grossly deceived.

Jury Trial in Contempt Cases.

Mr. Bryan demands that the existing law be so amended as to provide for a jury trial in all cases where a person is charged with contempt of court, not committed in the immediate presence of the court. Since Mr. Bryan came upon the public stage he has been singularly unfortunate in the unwisdom of the several policies he has espoused. Some indeed have been positively vicious, but none has promised so rich a harvest of evil and disaster, if carried into legislation, as this one does. It would destroy the integrity and finality of judicial decrees utterly. It is, of course, important in the administration of the law that justice shall be done. It is also important that judicial decrees shall be final and that there shall be an end to litigation; that when a final decree shall be entered all parties shall be compelled to accept it as a complete determination of all matters in controversy. This is necessary to the peace and good order of society. It will be hoped always that a judgment or decree is just and right. Exact and complete justice in every case cannot, of course, be expected, but the policy of the law should be to require absolute compliance with and acquiescence in all orders, judgments and decrees of our courts unless set aside or reversed on appeal. The highest considerations of public policy demand this. Mr. Bryan's proposal would destroy the very foundation of our whole judicial system by eliminating from judicial decrees the essential element of finality.

Suppose, for instance, that A institutes a suit against B, alleging that B holds in trust for him certain bonds deposited with him for a specified purpose which has expired or been satisfied and the bonds should have been returned to him, but that B still retains them and has collected a large amount of interest which has accrued from time to time, and now claims to be the owner of the bonds and is trying to and will sell them unless restrained by the court. A then asks that B be required to account for the interest and be enjoined from selling or transferring the bonds. An injunction issues and on final hearing the court sustains A's contentions and orders B to bring the bonds into court to be delivered to A. That, I think you will agree, should be a final determination of the controversy unless B appeals. Suppose he does not appeal but refuses to deliver up the bonds, or if you prefer, suppose he does appeal and the higher court affirms the decree and B still refuses to deliver up the bonds and is cited to show cause why he should not be punished as for a contempt.

Now he is clearly guilty of contempt, nor is he in contempt because of any act committed in the presence of the court, hence under Mr. Bryan's plan he is to be entitled to demand a jury trial. Then is the case to be tried over again and is the jury to determine whether or not B should, after all, surrender the bonds? No, you will say, the jury will simply decide whether or not he has delivered the bonds. Theoretically that may be, but we all know how prone juries are to ignore the real issue and decide a case according to what they deem the equities of the case to be and hence they are as likely as not to annul the court's decree and find B not guilty. How then is the decree to be enforced? What degree of finality would attach to a final decree of a court under such a system?

Or suppose the suit involved the title to real property and the court should finally award the property to A and enjoin B from molesting him in the enjoyment of it, but in violation of the decree B should seek to regain possession by force or deceit and is cited to answer for contempt of court. Is the question of title to be again litigated before a jury? Again, in either of the assumed cases, is the court or a jury the better qualified to interpret the decree the court itself has rendered and to determine whether or not B has violated the court's order? Is it not manifest that the court is the better qualified to determine that question? The important consideration, however, is that final decrees and judgments shall be in fact final. The interest of society requires that they shall be.

It may be urged that Mr. Bryan has reference only to preliminary injunctions and orders and then only to those issued or made in labor disputes. The answer is, first that Mr. Bryan expressly declares that his proposition applies to all contempt proceedings and he states that all litigants are equally interested in the question. But, how absurd it would be to provide one method of determining contempt proceedings in industrial controversies and another method in other suits. It is a fundamental principle of our Government that all men are equal before the law and hence they must be subject to general rules and general laws.

Mr. Taft has also pointed out that if Mr. Bryan's proposition should be adopted a witness or juror who should refuse to obey a subpena or summons would be entitled to a jury trial in a proceeding against him for contempt. It requires no elaboration to show how the administration of justice would be retarded by such a law. So I repeat that of all the many unwise propositions Mr. Bryan has fathered, this, in my judgment, is easily the most vicious and dangerous.

Guaranty of Bank Deposits.

I have stated that Mr. Bryan has been singularly unfortunate in the selection of political issues. He was unhappy in making the silver question the paramount issue in 1896. "Imperialism" brought no better returns in 1900. Government ownership, on which he hoped to ride to victory in 1908, did not survive the day of its birth. He now comes forward with a demand that the Government shall guarantee bank depositors against loss. The demand is distinctly Bryanistic. It clearly belongs to the free silver-Government ownership family and would be recognized anywhere as belonging to Mr. Bryan's household. It is entitled to his guardianship, protection and care.

Still it seems hardly fair to limit the Government's guaranty to bank deposits. Why not have the Government provide a guaranty fund for all indebtedness, public and private, particularly private? When the sheep man deposits his wool in a warehouse, why not have the Government guarantee its re-delivery or payment of its value? When the farmer stores his grain in a warehouse, why not guarantee that? But, says Mr. Bryan, when the Government deposits money in a bank, it demands security for its repayment, as do the states and municipalities, and therefore why should not all depositors be secured? This is the argument advanced by Mr. Bryan in his Kansas speech. It seems incredible that he himself did not detect its unsoundness.

All May Require Security.

If the Government, states and public corporations require security, it is only what any depositor has a right to do. No one is required to deposit money in a bank without security for its repayment. But of course the relation of the Government and public corporations to their funds is that of a trustee. The money has been produced by taxation for a specified purpose and cannot lawfully be devoted to any other purpose, hence those in charge of it are compelled to exercise exceptional caution. But with what reason or logic can it be contended that simply because the Government, when it becomes a depositor, requires the bank to secure the deposit, therefore the Government should guarantee all other depositors or require the bank to secure them?

But the principal objections to Mr. Bryan's plan of guaranteeing depositors against loss are, first, that it would offer a premium on reckless banking; second, it places the incompetent, irresponsible and negligent banker on a par with the competent, responsible, cautious banker, for both will have the guaranty provided by the Government behind them. The depositor will not inquire how reliable or trustworthy is the bank, how much its capital and surplus, how long it has been established, for that he will deem immaterial so long as his deposit is made secure by the Government guaranty. He will simply ask what interest will be allowed or what accommodations he can expect. The incompetent or reckless banker will, of course, pay him the higher interest and extend him the greater credit. But, says Mr. Bryan, the maximum interest a bank may pay will be fixed by law. Suppose it be, it will not follow that it will be safe banking at all times to pay the maximum allowed by law. But inducements to become depositors in many cases will not be confined to paying interest on deposits. The extent to which credit will be allowed in open accounts is oftentimes a matter of great importance to one who deposits with a bank, and in many ways is it within the power of a banker to extend favors to its customers, and the more reckless the banker the more the opportunities he will discover. The tax which it is proposed to impose on banks to create the guaranty fund must be paid alike by the competent and the incompetent; the solvent and the insolvent; the honest and the dishonest. The competent and honest banker requires no guaranty either to secure deposits or to protect them. Is it fair or just that he should be taxed in order that one who has no established reputation or character for honesty or competency can be maintained in business?

"Average Loss" Is Deceptive.

But, Mr. Bryan says, "the average annual loss to depositors in National banks during the last 40 years has been less than one-tenth of 1 per cent of deposits," hence he argues the tax necessary to establish and maintain the required fund would not be severe. But he overlooks the fact that the actual loss is the amount of loss actually sustained after the resources of the bank have been realized on, which is usually years after suspension. Now his plan proposes that as soon as a bank suspends the depositors must be paid out of the guaranty fund. Indeed any plan that contemplates making them wait until the affairs of the bank have been wound up will be no inducement to depositors; they will not want to wait months or years for payment, for certainty of delay may be equivalent in effect to a certainty of possible loss in preventing some from depositing or causing them, when any slight flurry comes, to withdraw their deposits.

Now, to provide a fund that will be sufficient at any time to pay off depositors will require practically an amount that would be a safe bank reserve. For instance, however solvent a bank may be, in order to conduct a safe business it must keep on hand in actual cash at least 30 per cent of its deposits. That does not mean that it will be insolvent with less. It might be perfectly solvent, have resources sufficient to pay its depositors and stockholders in full, and yet have no cash in its vaults and have to suspend. So an average annual tax of one-tenth of 1 per cent on deposits might be sufficient in a period of years, say 40 or 50, to cover the actual loss of depositors, but in the first place that word average is a most important one in such statement, for it may be that 50 per cent of the loss would occur in one year and it would have to be met at that time.

Again, as I have shown, the amount that would have to be kept in the guaranty fund is not indicated at all by the average actual annual loss in a long period of years, for that represents the amount of loss after converting the assets of failing banks into cash and applying it finally on the indebtedness. But when it is proposed to pay depositors at once in full whenever a bank shall suspend, the total amount of the deposits must be available, without regard to what the ultimate actual loss may prove to be. Hence it must be apparent that this guaranty fund would have to be a very large amount. A Kansas City bank failed last Winter owing its depositors, as I remember, about $16,000,000. It was thought to be solvent and that in the end it would pay in full, but the amount the guaranty fund would, in such a case, have to meet at once, would be $16,000,000. It will readily be seen that when discussing the amount of the tax necessary to maintain such a fund, it is most misleading to suggest the amount of the average actual annual loss in a period of years.

Present Law Is Better.

I have not time today to elaborate this thought or carry it further, but you will readily see that the requisite tax would be a severe one, and the proposal is, in my judgment, utterly inequitable and impracticable. I believe that some change should be made in our banking system and very largely along the lines of the legislation we enacted last Winter. Had the law we now have been in force last year, it would have entirely relieved the money stringency which then prevailed. The bankers could have deposited approved securities with the Government and on them Government notes would have issued. The banks, as a rule, had ample resources, the difficulty was to get money on them.

As the law now is under the statute enacted last session of Congress to meet such emergencies, the bankers can deposit securities and have Government notes issued to them thereon. On surrender of the notes, the securities are to be returned. Thus, ample money to meet an emergency is provided, the Government is amply secured and no burdensome tax is levied. While the amendment referred to does not make the law in all respects as I would have it, still it is far better than the Bryan plan. In addition to the legislation of the last session mentioned, we also created a commission to recommend a complete plan of revision of our banking laws. That commission is now at work and will doubtless report at the coming session.

Tariff Revision.

In an interview some days ago, Mr. Bryan said that the Republican party by declaring for tariff revision had come around to his platform for tariff reform. Of course Mr. Bryan knows that the Republican purpose to revise the existing tariff schedules is an entirely different proposition from his so-called tariff reform contention, which is in truth but an assault on the Republican policy of protection. The Republican party proposes to revise the present tariff schedules, but the principle of protection of American products, industries and labor will be kept constantly in view. Mr. Bryan and his party propose to reform the tariff by striking out all the protective features and making it a tariff for revenue alone. Now a tariff purely for revenue will in all essential features be a free trade tariff. A very low tariff will produce more revenue than a high tariff, because it will stimulate importations of foreign products.

But I wish you to keep in mind that every foreign produced article brought into this country which goes into competition with our own products serves to assist in circumscribing the market for our own producers and our own laborers. You cannot lower the tariff to a purely revenue basis without largely increasing importations. You cannot largely increase importations without crowding out our own products and curtailing production in this country. By so doing you will demoralize our own labor market. Are the American people willing to enter upon that policy? Are the workingmen, the wage earners, willing to assist in that? Assuming that Mr. Bryan will, if elected, succeed in prohibiting the issuance of injunctions in labor cases will that compensate our wage earners for the closing of our factories, the reduction of their wages or entire loss of employment? Are they willing to see our markets stocked with the products of foreign labor in order that the law regulating injunctions may be modified? Are they willing to return to the times of 1893-1896?

I agree with you that we do not want cheap labor brought here to compete with our own laboring people and hence I have always voted to exclude them, but had we not just as well have them here in countless hordes as to permit the products of factories and farms in which they are employed to come in under a low tariff to take the place of our own products? The Republican party announces no change of policy in stating that it intends to revise the tariff schedules. No one contends or has ever contended that any given schedule should be permanent. Conditions change; that which is a wise and desirable tariff duty on a particular article today may a year or a few years hence be unreasonably high or low. The present schedules have been in force over ten years and require revision. But Republican revision will be on protective as well as revenue lines. Democratic revision will be annihilation of protection and our products, our industries and our labor will be forced into ruinous competition with the products of the world. The result will be as it ever has been. Let voters not deceive themselves.

Panics.

But Mr. Bryan now says we cannot longer contend that panics do not come under Republican rule, for we had a panic last Fall. It is true that last year we had a slight flurry in the money market, due to overspeculation and gambling in Wall street. But what did it amount to after all? The country at large was prosperous and it was impossible long to impede the regular flow of the mighty current of commerce and industry which Republican policies had created. The panic was of short duration, and as compared with a genuine panic resulting from Democratic policies, was as a Summer zephyr to a cyclone; as a passing cloud that momentarily obscures the sun is to the inky blackness of a starless night. Striking the firm walls of sound Republican policies, the disturbing waves speedily spent their force and the mighty tide of prosperity rolls steadily on. What is such a disturbance when compared with the panic of 1893, which continued for four long, terrible years, throughout the entire term of the last Democratic administration?

I think some changes should be made in our financial system, it is true, but not along any lines that Mr. Bryan has ever advocated. Indeed the very fact that some revision of our banking and financial laws is required is a strong reason why Mr. Bryan should not be elected. If there is one subject on which he is more particularly unsound than on all others, it is finance.

The Candidates.

If there were no differences between the parties, however, if both stood for the same policies, even then there should be no doubt in the minds of voters touching the choice they should make as between Mr. Taft and Mr. Bryan. In my judgment Mr. Taft is the most nearly ideal candidate for the Presidency ever nominated by a political party. I know this is saying much, but I firmly believe it to be true. He has been in public life many years. His character seems perfect. His temperament, training, ability and mental poise give every assurance that he will prove an ideal chief executive. He has been in public life many years and has been right on all great questions. He has been a success in every field upon which he has entered. He is recognized as one of our most profound lawyers. As a judge he held high rank. As president of the Philippine Commission and later as Governor of the islands he impressed the entire world with his administrative and executive abilities. As Secretary of War he has been recognized as the most powerful member of a great Cabinet of a great President. The greatest questions with which the administration has had to deal have been entrusted without reserve to him. The Cuban question, the Panama Canal, the Philippines and, incidentally, at a most critical moment, our relations with Japan were entrusted to him. Grave and serious problems all, but handled with consummate skill and extraordinary ability by this man who has never failed in any task assigned him.

And who and what is Mr. Bryan? Wherein has he ever proven a success? A failure as a lawyer, a failure as a prophet, a failure as a political leader. He has been wrong on every great question of his time. Morally honest and clean, I admit, but unquestionably without high mental integrity or real statesmanship. He is simply a bright opportunist, ready and willing to shape his views and accommodate his convictions on any subject in order to profit politically by appealing to the momentary prejudices or passions of the crowd.

Prominent Railroadman Ill.

SAN FRANCISCO, Sept. 26.—W. D. Sanborn, general agent in San Francisco for the Burlington Route, is critically ill with pneumonia, and little hope for his recovery is held out by his physicians. He has been in a comatose condition for the last ten days.

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