

value because the law forbids bank circulation to be issued in better and cheaper ways. The banks could ease the money market a trifle more by lending directly the money they must pay for the bonds. But here the juggle begins. The Secretary does not compel the bonds to be entirely paid for; part of the price is left with the purchasing banks. Moreover, the money already loaned to the banks by the Treasury—there have been times when that simple phrase would have caused thought if not fright—is under notice of recall unless these bonds are deposited as security for the loan. The banks simply had to have these bonds at any price, and they know very well who will pay the excess cost.

Is any American proud of these facts? Is any one too blind to see that this shuffling and juggling is beneath government finance, except in times of war, or embarrassment like Russia's? Are not such doings worthier of a water-logged trust, with kited promissory notes, and a total indifference to what may happen day after to-morrow? And is that an unfair description of our Treasury finances, with \$236,401,454 of pure fiat "money" in the form of a forced loan outstanding and nearly double that in the form of credit money printed upon silver? Ought we not as a nation to blush when we read in the concurrent telegrams that benighted Japan is paying off its war notes already, whereas ours are outstanding after a generation—of Republican administration at that? And ought any one to blush more than those intelligent gentlemen who in their private capacities teach exactly what we preach, and in their capacity as national bankers congratulate Secretary Shaw upon his success in doing what they declare is inconsistent with national interests?

* * *

GROWTH OF DEMOCRACY IN OREGON

For The Public.

Many eyes are directed towards Oregon. In that State pure democracy is being put to a test that is without a parallel in the history of our nation. Direct legislation in operation there is fulfilling the claims made for it by its friends, and refuting the arguments made against it by its enemies.

That the readers of *The Public* may have in convenient form a summary of the chief events that have occurred in Oregon in connection with direct legislation, I give the following resume, together with some deductions therefrom. All the figures are official.

After ten years of untiring effort on the part of Judge F. Williams and Hon. W. S. U'Ren in favor of the measure, and after a favorable vote for it by two legislatures had been secured, a direct legislation amendment to the Oregon constitution was carried by the electors of the State on June 3rd, 1902, by a vote of 62,024 for, and 5,668 against it, being a majority of eleven to one in its favor; and about 70 per cent. of the total vote cast for candidates (which was 92,920).

Subsequently one of the Circuit Courts of Oregon declared the amendment unconstitutional, one of the grounds for the adverse decision being that it was in conflict with Section 4, Article 4, of the Constitution of the United States, guaranteeing to every State a republican form of government. In Decem-

ber, 1903, the Supreme Court of Oregon reversed the decision of the lower tribunal and confirmed the validity of the amendment.

First Enactments.

On the 6th of June, 1904, the electors enacted at the polls two laws, one for local option in temperance matters, and one for direct primaries. This was the first time in the history of our nation that State laws were passed by the electors without the intervention in any form, of the legislature or other representative body. The vote on the first mentioned law was 43,316 for, and 40,198 against it, a favoring majority of 3,118. The vote on the second mentioned law was 56,205 for, and 16,354 against it, a majority of 39,851, or over three to one in its favor. The vote cast on the question of local option was about 84 per cent. of the total vote polled for candidates (which was 99,315).

The law for direct primaries carried every one of the 33 counties comprising the State. The law for local option carried in 24 counties, and lost in 9 counties. It lost in the two most populous counties of the State where are located the cities of Portland and Salem. It carried in the third and fourth most populous counties.

The *Christian Endeavor World*, in speaking of the local option enactment, says: "Such a law could never have been passed through the legislature. It is a clear triumph of the people, against the whiskey ring."

The statute for direct primaries was passed by direct legislation because, said Mr. U'Ren, "party bosses have heretofore defeated all attempts to secure such a law" [through the legislature].

Second Enactments.

On the 4th of June, 1906, the electors of Oregon passed upon eleven propositions, ratifying eight and defeating three. The largest vote cast was upon one of the defeated propositions, namely, "equal suffrage"; and was over 84 per cent. of the total vote for candidates. The vote on equal suffrage was 36,902 for, and 47,075 against it, an adverse majority of 10,173. This proposition carried in 10 counties and lost in 23. Nearly half of this adverse majority came from the county in which Portland is situated, and was 4,356.

Alice Stone Blackwell, in an able article entitled "Enemies of Equal Suffrage," in *The Public* of July 7th, writes fully of the combinations which aided in the defeat of this proposition. She says in part, "To sum up: equal suffrage had against it a coalition of the saloons, the brothels, the trusts, the railroads, the machine politicians and the frivolous society women. * * * Under the initiative and referendum law of Oregon, any question can be submitted to popular vote as often as its friends wish; and the women of Oregon are already taking measures to have the equal suffrage amendment brought before the voters again at the next election." Miss Blackwell says that this "amendment was endorsed by the State Grange, the State Federation of Women's Clubs and the State Federation of Labor. It had the support of a majority of the churches, and a remarkably large proportion of the editors. Out of the 238 papers published in Oregon, only seven opposed it."

Of the other propositions which were defeated at

the last election in Oregon one was to amend the local option law which had been passed in 1904, and was an anti-temperance measure. The vote was 35,297 for, and 45,144 against it, an adverse majority of 9,847. The measure was carried in 11 counties, and lost in 22. It lost in the two most populous counties.

The third proposition which was defeated was a "Law to abolish tolls on Mt. Hood & Barlow Road, and providing for its ownership by the State." The vote was 31,525 for, and 44,527 against it, an adverse majority of 13,002. The measure was carried in 9 counties, and lost in 23; and in one county, Coos, it was a tie vote, 1,011 to 1,011.

The appropriation bill of the legislature which had been held up by referendum petition was approved, the vote being 43,918 for, and 26,758 against it, a majority in its favor of 17,160. This measure was carried in 27 counties, and lost in 6.

A constitutional amendment to enlarge the scope of the initiative and referendum was adopted, the vote being 47,661 for, and 18,751 against it, a favorable majority of 28,910. This amendment carried in every county.

"A constitutional amendment giving cities and towns exclusive power to enact and amend their charters," was adopted, the vote being 52,567 for, and 19,852 against it, a favoring majority of 32,715. This gives absolute home rule to cities and towns, free from the State legislature, subject of course to the limitations of the State constitution. This amendment carried in every county, as did all the measures that follow.

"A constitutional amendment for the initiative and referendum on local, special and municipal laws and parts of laws," was also adopted, the vote being 47,678 for, and 16,735 against it, a favoring majority of 30,943.

"A constitutional amendment to allow the State printing, binding, and printers' compensation to be regulated by law at any time," was also adopted, the vote being 63,749 for, and 9,571 against it, a favoring majority of 54,178.

"A bill for a law prohibiting free passes and discrimination by railroad companies and other public service corporations," was also adopted, the vote being 57,281 for, and 16,779 against it, a favoring majority of 40,502.

"An act requiring sleeping car companies, refrigerator car companies, and oil companies to pay an annual license upon gross earnings," was also adopted, the vote being 69,635 for, and 6,441 against it, a favoring majority of 63,194.

"An act requiring express companies, telegraph companies, and telephone companies to pay an annual license upon gross earnings," was also adopted, the vote being 70,872 for, and 6,300 against it, a favoring majority of 64,572.

It will thus be seen that the voters of Oregon have no disposition to abandon direct legislation, or to be again subject to party bosses. The future action of this progressive commonwealth in its development of pure democracy will be watched with great interest by every friend of the common people.

JAMES P. CADMAN,
Treasurer of Referendum League of Illinois.

THE CONFESSIONS OF A MONOPOLIST

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PREFACE

This is the story of something for nothing—of making the other fellow pay. This making the other fellow pay, of getting something for nothing, explains the lust for franchises, mining rights, tariff privileges, railway control, tax evasions. All these things mean monopoly, and all monopoly is bottomed on legislation.

And monopoly laws are born in corruption. The commercialism of the press, of education, even of sweet charity, is part of the price we pay for the special privileges created by law. The desire of something for nothing, of making the other fellow pay, of monopoly in some form or other, is the cause of corruption. Monopoly and corruption are cause and effect. Together, they work in Congress, in our Commonwealths, in our municipalities. It is always so. It always has been so. Privilege gives birth to corruption, just as the poisonous sewer breeds disease. Equal chance, a fair field and no favors, the "square deal," are never corrupt. They do not appear in legislative halls nor in Council Chambers. For these things mean labor for labor, value for value, something for something. This is why the little business man, the retail and wholesale dealer, the jobber, and the manufacturer are not the business men whose business corrupts politics.

No law can create labor value. But laws can unjustly distribute labor value; they can create privilege, and privilege despoils labor of its product. Laws pass on to monopoly the pennies, dimes and dollars of labor.

Monopoly, too, means millions for the few, taken from the dollars of the many. It may be in city franchises, it may be in mining royalties, it may be in railway rates, it may be in tariff monopolies. The motive is something for nothing—make the other fellow pay.

But monopoly does not end here. Even the sacrifice of our political institutions, even the shifting of taxes to the defenseless many, even the control of all life and industry by privilege, do not measure the whole cost of monopoly. These are but the palpable losses, the openly manifest ones. Monopoly palsies industry, trade, life itself. It encloses the land and the nation's resources. It limits opportunity to work. It erects its barriers about our resources; not to use them, but to exact a monopoly price from those who do. Monopoly denies to man opportunity. It fences in millions of acres of soil, of coal and iron mines, and of city lots. It closes the door to competition and to labor. This is why America is not only the richest, but in some respects the most poverty marked of nations. This is why enterprise is strangled, and labor walks the streets looking for a job.

Here is the confession of a monopolist. It is the story of no one monopolist, but of all monopolists. It shows the rules of the game. The portrait pre-