

# TRIUMPHANT PLUTOCRACY

The Story of  
American Public Life  
from 1870 to 1920

By  
**R. F. PETTIGREW**  
Formerly United States Senator  
from South Dakota



Printed by THE ACADEMY PRESS  
112 Fourth Avenue, New York City

THE NEW YORK  
PUBLIC LIBRARY

50077A

ASTOR. LENOX AND  
TILDEN FOUNDATIONS  
R 1922 L

Copyright 1921 by R. F. Pettigrew.

All rights, including the right of translation into foreign languages, reserved.

Published January 1, 1922.



### XXIII. ANTI-IMPERIALISM

The Senate debates over the annexation of Hawaii had roused millions of Americans to the imperial menace that was threatening the life of the Republic. Between 1893, when the revolution occurred in Hawaii, and 1898, when the annexation of the islands was finally approved under the stress of the war frenzy that possessed the country, I carried on almost a continual fight against the policy of those who were advocating annexation. The friends of the treaty were not able, during those five years, to secure anything like the necessary two-thirds of the Senate, and the fight against annexation might have been won but for the Spanish-American War with its tidal wave of patriotic frenzy.

It was on July 7, 1898, after the war had been in progress for more than two months, and after the public attention had been turned from the problems of imperialism to the celebration of victory, that Hawaii was annexed, and even then the imperialists still lacked their two-thirds of the Senators, so that it was necessary to provide for annexation by a joint resolution which required only a majority of both Houses of Congress.

With the end of the war there was a swing back toward sanity and a vigorous protest rose from all parts of the country.

Millions of the plain people were eager to stem the tide of imperialism that was running so strongly in favor of the big business interests and their policies.

As one means of checking imperialism an Anti-Imperialist League was formed about 1899. The league had a large popular membership—about half a million, I believe—held mass meetings and conferences in all parts of the country—adopted a platform that denounced the imperialism of the McKinley administration, and pledged itself to enter politics and fight the

issue through to a finish in every voting precinct in the United States.

Pursuant to this program, a conference was called at the Plaza Hotel in New York, for the 6th of January, 1900. The national elections were due in November of the same year; it seemed certain that McKinley would seek a second presidential term on his record as an advocate of annexation and conquest; there was, therefore, an excellent chance to make a clear issue and to organize a large enough sentiment within the ranks of both old parties to administer a severe rebuke to the business interests that were behind the Republican party and its imperial policies.

The meeting of January 6th turned out to be an eventful one. Andrew Carnegie was present, as well as Carl Schurz, ex-Senator Henderson, Brisbane Walker, Gamaliel Bradford, Edward Burrett Smith, Prof. Franklin H. Giddings, and about ten others. All were prominent men, and all were radically opposed to any movement that looked towards the holding of colonies against the will of the inhabitants and in violation of the principles enunciated in the Constitution and the Declaration of Independence. I was the only Senator or member of the House present at this meeting.

We had our meals brought to us, and talked all day. Finally we decided that we would organize a third political party.

It was agreed by Carnegie and Schurz and Henderson and by Prof. Giddings that the two old political parties—Democratic and Republican—were just alike; that as parties they were simply the servants of the great combinations and corporations who were the real rulers of the country; that it was foolish to depend upon either of them to oppose a policy which was being pushed by their financial backers and, therefore, it was decided to start a third party and to organize it in every county in the United States.

Mr. Carnegie, in a vigorous speech, urged the necessity of a new political party for the purpose of opposing the imperial policy of both of the old parties, and said that he would give as much money, dollar for dollar, as all the rest of us could raise toward promoting the campaign. As a pledge of good faith, he subscribed twenty-five thousand dollars on the spot.

The others present subscribed a like amount, elected Edward Burrett Smith, of Chicago, chairman of the political organization which they were forming, and authorized him, in consultation with the committee which had been appointed, to take charge of the campaign, to secure an organization in every county in the United States, and to have national committeemen from every state.

Carnegie paid in \$15,000 of the \$25,000 he had subscribed. The others paid in the whole of their subscription (\$25,000) and active work was begun within a month. Shortly after the New York meeting Carnegie came to my house in Washington, talked about the whole matter with me, and expressed great earnestness and anxiety about the success of the movement. I had every reason to believe that Carnegie meant to stand by the movement, and I felt convinced that his financial position and influence would enable us to raise a sufficient amount of money to carry on an effective campaign against McKinley and his imperialist backers.

I had known Andrew Carnegie very well for many years. I first became intimately acquainted with him during the contest in the Senate over the annexation of the Hawaiian Islands. I led the opposition to the annexation of those islands chiefly because the annexation would mean that we were starting upon a colonial system, acquiring a territory inhabited by a people not suited to our form of government, and that such a move would be the first step in the course of empire. Carnegie was of the same view, and, during the con-

test, often came to my house in Washington and discussed the question with me.

At the same time, I was investigating the question of the distribution of wealth in the United States, and I discussed the matter with him and, finally, made a speech in the Senate on that question. Carnegie agreed with me that the concentration of wealth in a few hands and the move for imperialism were both serious menaces to the American people and their liberties. Carnegie was not then so enormously rich as he afterwards became.

Carnegie was a rich man even in 1900, but he had liberal views. I had known him for years, and had known during all of that time that he was vigorously opposed to imperialism. His support of the anti-imperialist movement, therefore, seemed to represent a very substantial part of the foundation upon which the movement was built.

The story of our plans was soon noised abroad, and it became known that an effort was being made to organize a third political party with the backing of Andrew Carnegie. About the middle of February I received a letter from Mr. Smith urging me to come to New York. I went at once, and was told by Mr. Smith that Carnegie had refused to pay in any more money after his first fifteen thousand dollars, and that he had refused to have anything to do with the members of the committee, although they had made repeated efforts to see him and to get into communication with him. In view of my acquaintance with Carnegie, Mr. Smith thought that I was the best person to see him and ascertain why he had abandoned the project about which he had been so enthusiastic only a month before.

I called upon Mr. Carnegie, but he refused to see me. I then went down to Wall Street to see some friends and acquaintances who were interested in the business side of national affairs, and to inquire why

Carnegie had abandoned his effort to organize a third party, and had gone back on the whole anti-imperialist position of which he was an acknowledged advocate. I was not long in discovering the real difficulty.

The steel trust had been talked about and planned by the great capitalistic combinations of this country, and Carnegie was one of the parties to the negotiations. The matter had gone so far that the following propositions were agreed upon: First, they were to organize a corporation with one billion dollars of stock, none of which was to be paid for; second, they were to issue four hundred million dollars of bonds to pay for the properties and furnish working capital. Carnegie was to receive one hundred and sixty millions of this four hundred millions of bonds and, in addition, a like amount of the stock, and he was, of course, very anxious to consummate this deal which was of enormous financial advantage to him.

No sooner was it noised abroad that Carnegie was actively engaged in organizing a third political party, which would oppose McKinley and his imperialist policy, than he was waited on by a committee, with the ultimatum that they would go no further with the organization of the steel trust unless he abandoned his third party activities and stopped his contributions towards the movement. The members of the committee told him that it was absolutely necessary that they should have a protective tariff in order to justify the organization of the steel trust; that in order to have a tariff satisfactory to them, McKinley must be elected; that the organization of a third party would jeopardize his election, and, consequently, the tariff, and as they were going to capitalize the tariff by the issue of stock for which they paid nothing, they would have nothing further to do with the steel trust if Carnegie insisted upon pursuing the political course he had outlined.

The issue was a very clear one—political principles on one side and immense financial profits on the other.

After weighing the matter, Carnegie abandoned the whole third party movement and went in for the election of McKinley.

Subsequently, the steel trust organization was completed and Carnegie received his quota of the bonds and stock of the combination. He then retired from active business and began to build monuments to himself all over the world.

The anti-imperialist movement, which had depended so largely upon Carnegie's support, worked on for a time, hampered by a shortage of funds and a lack of effective interest in influential quarters. Its efforts were virtually nullified by Carnegie's withdrawal and the lukewarm support from other sources. The Republicans won the election. The steel trust secured the tariff it needed. The combination was perfected. The imperial policy of the preceding four years was confirmed by the election, and the hopes of those who had worked so loyally against the change of national policy were destroyed.

Undoubtedly we made a mistake to pin so much faith on the actions of one man—particularly in view of his business connections. On the other hand, his friendship, his determination and his apparent sincerity gave us every reason to believe that he could be relied upon to see the movement through.

We had made the issue—in Congress and out. We had set the Declaration of Independence against the conquest of the Philippines and the Constitution against the Hawaiian Treaty. We had placed the rights of man against the interests of the plutocracy. We had done everything that human ingenuity and energy and foresight could do to make our fight effective, and we had lost out. McKinley, the steel trust, big business and imperialism had won. *de m...*