

# TRIUMPHANT PLUTOCRACY

The Story of  
American Public Life  
from 1870 to 1920

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

THE NEW YORK  
PUBLIC LIBRARY

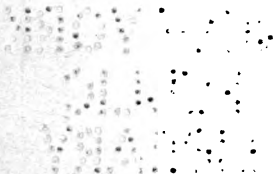
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Published January 1, 1922.



The people of the United States are playing with fire. They are experimenting with an unworkable system of social organization—a system that has been tried repeatedly during the past three or four thousand years, and that has destroyed civilization as often as it has been tried. The form of the experiments has been different, but their essential features remain the same.

Let me review these features briefly, because they lie at the foundation of our whole public life.

First, there is the concentration of wealth in the hands of a few men—"self-made," "irresponsible"—owing no allegiance to anything save our own destinies and their own ambitions. These wealth-lords, or plutocrats, ruling by virtue of their wealth, have been the bane of every great civilization from Assyria and Egypt to Rome, Spain and Great Britain.

Two per cent of the people of the United States own sixty per cent of the property of the United States. Yet they produced none of it. By legislation, by craft and cunning, by control of Congress and the courts, they took to themselves what others produced. Sixty-six per cent of the people of the United States own five per cent of the property of the United States. Yet they produced all of the wealth and have none of it. Why do not the producers of this wealth have what they produce? Because the making of the laws and the control of the courts is in the hands of those who do not work, and this has been true from the beginning of the Government. The convention which framed the Constitution of the United States was composed of fifty-five members. A majority were lawyers—not one farmer, mechanic or laborer. Forty owned Revolutionary Scrip. Fourteen were land speculators. Twenty-four were money-lenders. Eleven were merchants. Fifteen were slave-holders. They made a Constitution to protect the rights of property and not the rights of man, and, ever since, Congress has been controlled by the property

owner, and has framed laws in their interests and their interests only, and always refused to frame any laws in the interest of those who produce all the wealth and have none of it.

In the second place, the wealth-owning class, because of its wealth-power and its hold on the machinery of society, takes a tribute from the mass of the workers. The character of this tribute varies from age to age. At bottom it is the same. The owner of wealth, because he possesses the things without which the masses would starve, compels them to pay him a return for their use. In Egypt and in feudal Europe, the masters owned land and exacted rent. Here, in the United States, the masters own the forests, mines, factories, railroads, banks and insurance companies. These things they own through the instrumentality of corporations and therefore their income takes the form of dividends on stocks and of interest on bonds. The form is immaterial. The fact remains that the few—whether as landlords or capitalists—hold the choice spots of the earth, and the many, for the privilege of enjoying these choice spots, pay tribute to the few who own them.

These masses—the workers—the producers—are rewarded with the least possible amount upon which they are willing to go on working and reproducing their kind. In old times they were chattel slaves; today they are wage slaves. Formerly, their masters took all of their product and guaranteed them a living. Now, a part of the product goes to the workers, but they must keep themselves.

In the past the work done by the slave for his master kept the master in luxury and enabled him to live a life of ease, and, if he desired, of dissipation and waste. Today the rent, interest and dividends paid by the workers to the owners of lands, bonds and stocks enables these owners to live in luxury, in idleness and, if they desire, in wasteful dissipation. The owners of American wealth, according to the returns published by the Internal Revenue office, state on their income

tax blanks that their incomes amount to tens and hundreds of thousands, to millions and tens of millions of dollars each year. The most skilled of the workers seldom make over \$100 a week with steady work, and seven-eighths of them make less than \$50 a week.

Furthermore, when hard times come, it is the worker who goes on the street and starves. The bondholder continues to draw his interest and the stockholder continues to receive his dividend. The bondholder, under the law, can insist upon his interest. The corporations take care of the stockholder long after the workers have begun to walk the streets looking for a chance to work.

These owners, freed from the necessity for labor, develop rapidly into a leisure class, while the workers, struggling for existence, constitute a labor class. The leisure class controls the surplus wealth of the community. Out of this surplus it feeds, dresses and houses itself; buys privileges, corrupts the machinery of the state; invests in foreign exploiting opportunities; struggles with the leisure classes of other countries for the chance to exploit and rob.

Among the masses, who are laboring and producing without getting the value of their product, there is poverty and want. Diseases waste and ravage; vitality is sapped; energy deteriorates. Perhaps nowhere in the modern world is the picture more clearly presented than among the exploited British factory workers during the forty or fifty years preceding the World War. If the soldiers on the field were common fodder, the men and women of Lancashire and Birmingham were factory fodder. While the leisure class of Britain was shooting grouse and chasing foxes across the ploughed land, the men and women and children belonging to the working masses were huddled in garrets and cellars—the prey of tuberculosis, rickets, anæmia and want.

The leisure class, having nothing better to do, plays at ducks and drakes with international affairs, plunges the country into economic and military conflicts, heaps

up great debts, and wastes its own and the country's resources, while the workers do the mass-fighting, pay the taxes and suffer from starvation and disease. Between the two classes there springs up hate, class conflict and perpetual dissension. It was not for nothing that Alexander Hamilton wrote, "The various and unequal distribution of wealth."

When I entered the public life of the United States, the economic ruling class was just stepping into power. There was no leisure class to speak of. There was still an abundance of free land for the workers. The America that I knew in my young manhood was still talking, in all sincerity, about "government of, by and for the people." In the brief period of my own public experience we have adopted a species of feudalism more unhuman and more vicious than any of which history bears a record—a feudalism of artificial persons (corporations) using their power to exploit the workers in the interest of the parasites. Within my lifetime we have become a government of corporations whose attorneys are in the House and Senate and throughout the bureaus and departments of the Government, looking out for the interests of those who pay them their retaining fees.

This is capitalism—the control of the machinery of society in the interests of those who own its wealth. This was feudalism in France and slavery in Rome and in Assyria. This is the system of dividing the community into two classes—owners and producers—and of rewarding the owners at the expense of the producers. As I read history, this method of social organization has had and can have only one result. The leisure class rots out and drops to pieces; the workers starve and suffer and die. Sometimes they revolt—particularly in the later years. Generally, they are too weak and too ignorant to do anything more than labor and reproduce.

In the preceding pages I have tried to show how this system was getting its grip on the United States. Out

of my own experience in public life I have indicated the activity of the land-grabbers, the bankers, the money-ring, the beneficiaries of the tariff, the trust magnates, the railroad operators and the other masters of the economic world. In Congress and out, year by year, they have taken possession of the country's best resources, robbed the people through monopoly, exploited and plundered the workers by means of low wages and high prices. Then, with their ill-gotten gains, they have invaded other lands—Cuba, Porto Rico, the Philippines, Mexico, Panama, Costa Rica, Nicaragua and Haiti—and there they have repeated the same process, by fair means or foul, gaining possession of the timber, oil, copper and iron, and then forcing the natives to produce these commodities for a pittance wage. Behind them, in these ventures, the plutocrats had the army and navy of the United States to be used when necessary, as they were used against Spain, the Philippines, the Mexicans, the Haitians and the rest. Meanwhile, at home, through the subsidy of political parties—through the passage of legislation—through the courts—through the private control or, where necessary, through the open purchase of coercion of public men, the interests have taken possession of the government of the United States, shaping its institutions, and directing its policies along lines calculated to yield the largest net returns to the plutocracy.

The last move in this direction involved the entrance of the United States into the World War; the conscription of men; the dispatch of an army to the battlefields of Europe; the suppression of free speech and a free press; search, seizure, indictment, trial, imprisonment and the deportation of men and women in open and flagrant violation of constitutional guarantees and long-established precedent.

The Wilson administration and the Supreme Court have demonstrated and established that in time of war the Constitution, with all its amendments, is but a scrap of paper and of no force and effect. Hereafter,

all that the people who do the work and produce the wealth have to do it to unite and get control of the Congress and other branches of the government and declare war on some country—any country—and at once proceed to enact laws in total disregard of the Constitution, and all its guarantees, and arrest and imprison all who disagree or protest. It is well for the people who toil to make a note of this fact.

No man who has regard for the welfare of this country, or who is concerned for its future, can fail to be alarmed at the course that it has followed, and is still following, along the road that leads to empire and imperial institutions. There may yet be time, but unless we turn back soon, it will be too late. It behooves the sixty-six per cent of our people to take possession of their Government and enact laws so that every man shall have all he produces. Capital is stolen labor, and its only function is to steal more labor.