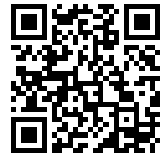
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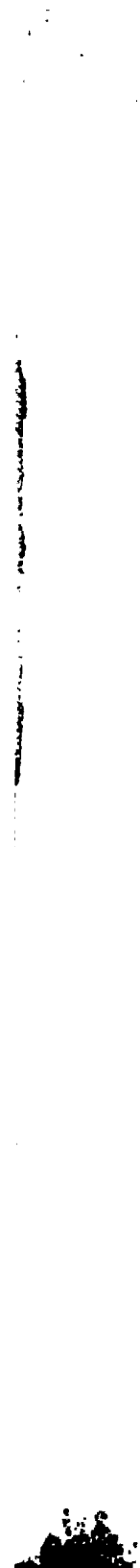
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# REPORT

OF THE

# COMMITTEE OF THE SENATE

UPON THE RELATIONS BETWEEN

# LABOR AND CAPITAL,

AND

## TESTIMONY TAKEN BY THE COMMITTEE.

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**IN FIVE VOLUMES.**

VOLUMES I, II, III, AND IV, AND PART OF VOLUME V, TESTIMONY;
VOLUME V, REPORT OF COMMITTEE.

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**MEMBERS OF THE COMMITTEE.**

48TH CONGRESS.

HENRY W. BLAIR, of New Hampshire, CHAIRMAN;
WILLIAM MAHONE, of Virginia;
WARNER MILLER, of New York;
NELSON W. ALDRICH, of Rhode Island;
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WILKINSON CALL, of Florida;
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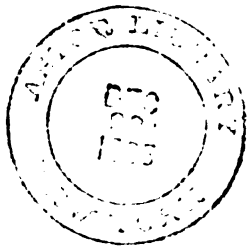
## VOLUME II—Testimony.

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# TESTIMONY

AS TO

# THE RELATIONS BETWEEN LABOR AND CAPITAL,

TAKEN BEFORE

THE SENATE COMMITTEE ON EDUCATION AND LABOR.

## VOLUME II.

NEW YORK, *September 7*, 1883.

WILLIAM WEIHE sworn and examined.

By Mr. CALL:

Question. What is your occupation?—Answer. I am a boiler; commonly called a puddler.

Q. How long have you been in that business?—A. I have worked in the mills since 1862.

Q. That is since you were quite a boy?—A. Yes, sir.

Q. And then you have grown up in the business?—A. From that time I have been continually working in the mills.

Q. Are you connected officially with any organization or association of workingmen?—A. Yes, sir; I am connected with the Amalgamated Association of Iron and Steel Workers, and I am at present a member of the board of trustees.

Q. What other position do you hold in that association?—A. No position except as a trustee at the present time.

Q. Are you not the president-elect?—A. Yes, sir; but I do not take possession of the office until some time in October.

Q. But you have been elected president of that association and will take your office in October. Now, what is the condition of the laboring people, skilled and unskilled, in that pursuit, in respect to their surroundings, their manner of living, and the adequacy of their compensation to provide for them comfortably?—A. To some extent their condition is good, and to some extent it is not. As a rule, we have a scale of prices, and we govern ourselves accordingly during the year; different branches of the work receiving different wages per ton, some more and some less. Some branches are more skillful than others, and get a better compensation.

Q. How is it on the average?



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THE ADVANTAGE OF REGULAR EMPLOYMENT.

A. Well, on the average in certain sections it is very fair, and in other sections it may not be fair. What I mean by fair and unfair is this: Where a mill runs every day men can make a better living than where the mill does not run every day. It depends upon the orders the manufacturers receive, or the demand that is made on the mill, and, of course, the men employed in a locality where the mills run regularly receive a better compensation, that is, they make more money during the year than other men who are employed where the mills are more idle.

Q. As a general rule is it customary to run the mills only a part of the year, or the whole year.—A. Some firms run only a part of the year, others run them more steadily.

Q. You consider the wages very fair, then, for the work really done?—A. Yes, sir; in view of the prices of iron at the present time.

Q. Give us an idea of the prices paid to the men.

THE WAGES OF IRON-WORKERS.

A. Boilers receive $5.50 a ton, or $2.50 card-rate.

Q. At that rate, how much will they make per day?—A. They make five heats in the boiling department for a double turn and six heats a single turn, and the heaters make eight on each turn. The heaters work the iron that the puddlers have made and make it into the finished bar. In some mills they charge heavier than they do in others, but the average would be between $3.50 and $4 a day for a fair hand in the puddling department. The foremen generally average $25, but they have to pay their helper out of that. The balance remains to the boiler.

Q. What will those rates enable them to average per month?—A. When they work a double turn they work eleven turns in two weeks; that is, provided there is no accident in that time.

Q. What will your wages turn out to you by the month?—A. Well, I don't believe that you can go more than about nine months in the year in a mill that runs very steady. Some mills run less and some again a little more than that; nine months, however, would be the average run per year in a very steady mill.

Q. And $3.50 a day, you say, would be the average wages of a puddler?—A. It might reach a little higher than that where they charge heavier.

Q. Then you say $3.50 a day is a fair average?—A. Yes, sir; a fair average on the $5.50 a ton basis.

Q. What would be a fair average, putting both together? What can a skilled puddler reasonably expect to receive at the present rate of pay, on an average, as the mills run?—A. He could not expect any more under present circumstances. The scale is made for one year and there is no change during the year.

Q. But I understand you to say that one mill will do more than another and that the compensation will vary in that way?—A. Yes, sir.

Q. In the case of a mill running steadily what will be a man's wages in that department on an average?—A. $3.50 a day.

Q. What will it amount to per month—$3.50 for twenty-six days, I suppose, will give it?—A. They could not work twenty-six days a month; they could only work twenty-two days.

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Q. Then the men would only get $3.50 a day for twenty-two days?—A. Yes, sir.

Q. And that, you say, would be the average wages?—A. A pretty fair average.

Q. Is that a reasonable compensation? Does it enable a man to live comfortably?—A. If a man got work all the year round it would, but the business is very laborious and the men that work at it have to live on substantial food, and in connection with that they must make a little more.

Q. Is that the reason why their wages are larger than the wages of others?—A. Not exactly that. The rollers are supposed to have more of the responsibility on them, and their wages will average a little more for that reason.

Q. The rollers, then, are the highest paid?—A. Yes; that is, they make the most.

Q. What do they make?—A. I could not tell you that exactly. Some of the mills are of greater capacity than others, but the rollers average from $5 to $6, and perhaps $7 a day. But there is only one roller at each mill, that is at one train, and he has a number of men under him that he has charge of.

Q. Then he is a kind of superintendent?—A. He works himself, but the same time he has charge of these men under him.

Q. What other classes of workingmen are there in this business besides those you have enumerated?—A. There are the heaters and the roll-hands.

Q. What does a heater get?—A. For a certain brand of iron 70 cents a ton. Some get more for work such as sheet-iron and plate-iron.

Q. What does that rate yield a man?—A. They generally average 7½ tons a day.

Q. Is that very severe labor?—A. Yes, sir; very exhausting.

Q. Does it require any great degree of skill?—A. Oh, yes.

Q. Then the man has to be a trained, skilled laborer?—A. Oh, certainly; a man could not go to any branch of the work in a rolling-mill and do it unless he had got some knowledge or experience before he went there by working at it.

Q. How do you regard that rate of wages, 70 cents a ton?—A. Well, I think that at the present price of iron it is about fair.

Q. You think that that rate of pay will enable a man to live comfortably with his family, do you, particularly out in that region of country where rents are lower than they are farther east?—A. The rents in the city of Pittsburgh are middling high; outside of the city limits they are not.

Q. They are nothing like as high as the rents in the eastern cities, I suppose?—A. But the eastern manufacturers do not pay those prices in all the mills. The eastern men have an advantage. Their food may be as expensive, but their clothing is a good deal cheaper out this way.

## DESIRABLE LEGISLATION.

Q. Is there anything special which you desire to suggest in the way of legislation or otherwise, for the improvement of the condition of the workingmen in that business?—A. Yes, sir; there can be something done by legislation. During last winter I was a member of the legislature of Pennsylvania, and several laws were passed there that are of benefit to the workingmen, especially the law in regard to convict contract labor and the mining law.

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Q. Those laws are satisfactory to the people that you represent, are they?—A. Well, the convict contract labor law is not as satisfactory as it might be. The mining laws are in regard to securing ventilation for the miners, to give the miners an opportunity to have better air in the mines.

Q. Then those are laws designed for the preservation of life and health?—A. Yes, sir.

Q. You don't care, I suppose, to state the specific provisions of those laws?—A. They will only become effective at a certain time, and until that time we are unable to say just what their effect will be.

Q. However, you say that is legislation which has been adopted by the State of Pennsylvania in response to the demand of the working people?—A. Yes, sir.

Q. And in the form demanded by the representatives of the working people?—A. Yes, sir.

Q. What else is there in the way of remedial measures that you can suggest?—A. In regard to the truck system, they had a bill which they were trying to pass, but it failed. The workingmen desired that the truck system should be abolished and a pay system established requiring that the men should be paid every two weeks, and paid in United States money. That bill passed one house but failed to pass the other.

Q. And your people still desire the passage of that bill?—A. Yes, sir; for various reasons. There are men in that part of the country that get paid only once a month, and that have to deal in the employers' stores. If a man goes to work on the first day of one month he will have to work until the third Tuesday (I think it is in some places) in the following month before he receives any pay. That is nearly seven weeks. Before that time arrives the men will have had, of course, to deal in the store, and the wages in those places not being so high as in others, it usually takes every dollar that a man earns to pay his bills in the store by the time pay-day arrives, and consequently he never makes one cent advance in the direction of a better condition.

Q. Then that law is designed to require the payment of the men in money, and at short intervals, every two weeks, you say?—A. Yes, sir.

Q. Are there any other provisions in the law designed to carry that object into effect?—A. Yes.

Q. What other suggestions have you to make in regard to any form of action, legislative or otherwise, for the benefit of the working people that you represent?

### A NATIONAL BUREAU OF LABOR STATISTICS.

A. To establish a national bureau of statistics. There is such a bureau in the State of Pennsylvania now, which has worked well. It collects information from the various branches of labor in the State, and distributes that information in its reports.

Q. The laboring people generally in your trade desire some action on the part of the Government looking to the establishment of a bureau of industrial statistics, I believe?—A. Yes, sir.

Q. Is that desire very general among them?—A. Almost unanimous. I have never heard a dissenting voice yet in regard to it.

Q. What other legislation do you think would be desirable for the benefit of the working classes?—A. Well, I could not suggest anything more just now. There have been so many suggested that if we could carry even a few of them into effect it would do great good.

Q. I am asking now only about those which have assumed a definite

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form in your association—those measures that have been talked about and agreed upon as something that it would be desirable to have done as a means of affording relief from the evils that the workingmen now suffer. Do you think that those measures that you have suggested are all that your association at present think desirable?—A. As far as they have gone in that line they are satisfactory; but certainly they desire to have improvements made in other directions if they see a chance of having the laws properly carried out. The great trouble is that when there is a law there is no one to enforce it in many cases, and the working classes generally cannot enforce it themselves, and consequently the law is often evaded.

Q. How would you remedy that?—A. By labor organizing and educating the members of the organizations up to that point, so that when a law is evaded they can act in harmony to secure its enforcement.

Q. That is a very wise mode of action—by bringing an intelligent public opinion to bear upon the tribunals charged with the execution of the law; that is the idea, is it not?—A. Yes, sir.

Q. Then there is no form of legislative action which you desire in connection with that?—A. No, sir.

Q. In other words, you mean that you want an organization which will createa public opinion which will enable you to hold a judge responsible for any unreasonable judgment or for failing to execute or carry out the law?

### LAWS FOR THE BENEFIT OF THE WORKINGMEN NOT EXECUTED.

A. Yes, sir. You see there is a certain class of unskilled workingmen who never have any power to have laws enforced which concern them, and they are the people that are generally most imposed upon. Laws have been passed for the benefit of the working people, but they have not been generally carried out, and, as I have said, very often the workingmen have no means of having them enforced.

Q. We shall be glad to hear any other suggestions that you may have to make on this general subject.—A. Well, as I have said before, the things that have been suggested here already are perfectly in harmony with our views generally, and we would like to see them carried out, and to see whether by such means the working classes would not be put in a better position than they are in now. At the same time, of course, we cannot go to extremes, and we don't want to do so.

### THE IMPORTATION OF LABOR CONDEMNED.

Q. Have you any suggestions to make in regard to the importation of labor from abroad under contract—skilled or unskilled labor?—A. We have no objection to labor coming here, but we do object to its being *imported* to take the places of citizens of this country. We do not think it is right to import labor from foreign countries to supersede the American workingman.

Q. What is the difference in effect between importing labor and its coming voluntarily?—A. Oh, there is a great difference.

Q. I know there is a difference in fact in the manner of its coming; but in effect, does not a man who comes here voluntarily as much supersede an American laborer as does a man who is imported?—A. But when they are brought here they are brought for that purpose; while on the other hand, when they come voluntarily, you can do something with them; you can educate them. But when they are brought here in

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the way that has been described to you by other witnesses you cannot educate them until a considerable time has elapsed, and in the mean while the American workingman has suffered a great deal from their competition.

Q. Those whom you represent, as I understand you, have no objection to the voluntary immigration here of people from any country.—A. No, sir.

Q. I have no other special questions to ask you, unless you can give us some additional facts in regard to the general condition of the people engaged in the different trades, their mode of life, and the sufficiency or insufficiency of their wages to give them a comfortable support.—A. Outside of the branches that I have worked in I could not say very much, because I have not given much attention to any of the other trades.

Q. You live in Pittsburgh?—A. Yes, sir.

Q. Do you consider the general condition of the people engaged in the trades and working in the factories there as favorable and comfortable ones?—A. In some branches it may be so regarded. The unskilled laborers of Pittsburgh often are not employed all the year round, and of course their condition is not so good as that of those who receive steady employment.

Q. Well is their condition positively bad?—A. In the winter months it is.

Q. Generally, or in exceptional cases?—A. It depends on the condition of the market generally.

Q. Putting aside the question of the condition of the market, is there or has there been a good deal of want and destitution among those people at any season of the year during the last seven years?—A. Well, I could not say exactly that there was a great deal of want among them.

Q. You think, then, that as a general rule they are not in absolute want at any season of the year?—A. Not in that section.

## CHILD LABOR.

Q. In respect to child labor, is there any particular evil that requires examination and the application of a remedy?—A. Oh, yes. I do not think that children should be introduced into any works until they reach a certain age, say from twelve to fourteen.

Q. What is the practice in that respect now?—A. They bring them there into the glass-houses at eight, nine and ten years of age.

Q. And you think there should be legislation to prohibit those children working in factories before the age of twelve years?—A. Something like that.

Q. How would you do in cases where they have nothing to eat unless they work?—A. Well, if the parents were placed in such a position that they could have a fair remuneration for their own labor they would be glad to provide for their children.

Q. Yes, but would you let the children starve until the parents got placed in that position?—A. No, sir. I would have the Government clothe them and provide for them where it was necessary.

Q. You think, then, that whenever a man is unable to provide for his children, instead of letting them go into a factory the public should educate them and take care of them?—A. Yes; and if those children were kept out of those factories up to a certain age you see there would be more employment for older people, and they would get better compensation and would generally be able to provide for their families.

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Q. Suppose that a man has a large family and says, "I cannot feed and clothe my children unless I put them into the factory," and you say that he shall not put them into the factory, and prevent it—that, you say, will increase your compensation and his compensation so much, but will it increase his compensation in proportion to the number of children he has?—A. Well, no, not in that case; but such instances are very few.

Q. You think that such a law would have a tendency to relieve your people generally of the evils of which they complain?—A. Yes, sir.

### THE HOURS OF LABOR SHOULD BE REDUCED.

Q. What have you to say in respect to the hours of labor?—A. Well, we think that the hours of labor should be reduced.

Q. How much?—A. Our members in the rolling-mills could not very well do it, but outside of that branch we believe that it might be so managed that the hours of labor could be curtailed.

Q. You think it impracticable in that branch because of the nature of the business, I suppose?—A. Yes, sir.

Q. Then your own idea is that different employments have different necessities in that respect, which cannot be evaded?—A. Yes, sir.

Q. I don't know of any other questions that I desire to ask, but if anything else occurs to you that you desire to submit you may state it.—A. I don't think of anything else just now.

### IMPORTED LABOR AGAIN.

By the CHAIRMAN:

Q. About this imported labor of which you speak, you make a distinction between that which is imported and that which comes here in the way of voluntary immigration?—A. Yes, sir. Generally this labor that is imported is of a bad quality, and good workingmen, I don't believe, will let themselves be imported. It is the scuff, the bad specimens of the working classes, that are usually selected to be imported.

Q. They are not selected, I suppose, because they are bad, but because they are poor and cheap?—A. Yes, sir; and because they probbly can be used for a purpose when they are brought here.

Q. Are those imported laborers, as you have seen them, as a rule, laborers that could have gotten here without assistance?—A. I don't believe they are; there may be some instances of a better class, but very few, I believe.

Q. And therefore, left to the natural laws governing immigration, they would not be here at all?—A. Not unless they came in the way they do.

Q. Those who come naturally, as you call it, must have some means to start with, of course?—A. Certainly. That is what makes me think that these men must be of the lowest grade, when they can be got together in the way they are and brought here in the manner they are. I don't believe that skilled workmen who looked to their own interests could be gathered up and brought over here in that way.

Q. To what extent is that imported labor brought to this country?—A. Well, when a strike occurs, the employers generally go over to Europe or send agents to bring over this labor.

Q. Have these laborers come in large numbers at any time?—A. They

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have. In 1867 the employers brought quite a number of Belgians over here.

Q. Have any others been brought there that you know of in that interest?—A. Not iron workers. These that I spoke of were iron workers.

Q. What was done with them?—A. There was a strike in the iron mills, and the manufacturers of that district sent agents to Europe and brought over these Belgians.

Q. How extensive was the strike?—A. At that time it was a strike for Pittsburgh only.

Q. How many workmen do you think were on strike at that time?—A. I suppose there were five or six thousand men thrown out of employment by the strike.

Q. How many laborers were imported at that time?—A. The number I could not state, but there was quite a number, perhaps 2,000.

Q. Enough to enable the manufacturers to get along without re-employing the American laborers?—A. For a while they did, but the foreigners did not prove a success.

Q. Why?—A. They were not swift workmen.

Q. Did their importation operate, though, to break down the strike?—A. To a certain extent it did. They were employed until it was found that they were not satisfactory, and then of course the best of the old hands were called upon to work again.

Q. But the average hands that had been in the strike lost their places, I suppose?—A. Yes, sir.

Q. Then they must have been deserted by their leaders, were they not?—A. Well, the organizations at that time were not as complete as they are now.

Q. Do those Belgians still remain in that employment there?—A. I believe there are very few of them there now.

Q. What became of them? Did they go into the iron works or did they go into other pursuits?—A. They went into other work, outdoor work, such as stone quarries and other things out through the country districts.

Q. Then they do not remain permanent competitors with the skilled workmen of Pittsburgh?—A. No; there may be a few of them there yet, but very few.

Q. What sort of men were they?—A. Some were young and some were old.

Q. How were they as to intelligence and as to having some means accumulated?—A. I don't believe they were an educated class of people at all.

Q. They were Belgians, you say?—A. They were Belgians.

Q. Were they a healthy and vigorous people?—A. On the average I think they were.

Q. Physically, where they about the equals of the men who were striking?—A. Oh, yes; physically they were.

Q. Did you ever understand from them or any of them how they got here?—A. I understood that they got here by being imported to take the places of the men who were out on strike.

Q. Who paid the expenses of bringing them here?—A. Of that I have no definite knowledge, but I know it was done.

Q. You only know that the employers got them here?—A. I know they got them here; whether they did it as a body or acting separately as individuals I could not say.

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Q. Have you known any other instances in Pittsburgh or that vicinity of such importations of foreign labor when American laborers have been on strike?—A. Not any since that time.

Q. Have there been any importations of foreign laborers who have been introduced into the mills in the ordinary course of the business, when there was no trouble among the workingmen?—A. No, sir.

Q. Have you known any other such cases of importation of laborers in any other pursuits or occupation?—A. I believe that at one time they brought some foreigners over to the mining region in Western Pennsylvania; that was six or seven years ago. I believe the men were Italians. Whether those men were imported direct, or whether the employers came to New York and got them I do not know, but at any rate they were brought there from some other place.

Q. Do you know anything of the condition of the miners?—A. Not very much.

### THE SMALL VICES OF THE WORKINGMEN.

Q. To what extent do the evils of drinking, smoking, and other small vices affect the workingmen, to your knowledge?—A. In our association we generally try to prohibit all that. We bring the subject up in the lodge-rooms and warn the men to avoid those things, and we have been successful in a great many instances in getting people who were in the habit of using stimulants to abandon the habit, or to use them to a much less extent than they had been doing before.

Q. Then, the general attitude of your order is favorable to temperance in such indulgences?—A. Yes, sir.

Q. Is your order made use of for the propagation of new and unusual theories regarding the tenure of property?—A. Well, they bring up all questions that pertain to the branches of labor that are engaged in the iron and steel mills.

Q. That is, you discuss those practical questions rather than questions relating to the ownership of land; changing the form of government, or introducing new and untried theories?—A. We do not take those up much; we have not yet at any rate.

Q. You are rather practical than otherwise in your objects and discussions?—A. Yes, sir.

Q. Have you made any statement in regard to the eight-hour law?—A. Yes; Senator Call questioned me on that; as I said before, Mr. Jarrett had gone over all those subjects very fully, and if I spoke of them I would be only going over the same ground.

Q. I understand that you assent to all that has been stated by him on this subject?—A. Yes, sir.

### A TARIFF NECESSARY TO PROTECT LABOR.

Q. What is your view as to the necessity of a tariff to American workingmen?—A. To protect them.

Q. Is a protective tariff necessary in this country, or would free trade be better for the workingman?—A. Oh, a protective tariff is necessary.

Q. Why?—A. To protect the industries of American workingmen.

Q. How many of those engaged in your industry would say that free trade would be better for the American workingman than a protective tariff?—A. I have never heard one that works in the iron or steel mills say but what a tariff is necessary.

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NEW YORK, *September* 7, 1883.

JOHN I. DAVIS sworn and examined.

By the CHAIRMAN:

Question. Where do you live?—Answer. At Sharon, Pennsylvania.

Q. What is your occupation?—A. I am a puddler, or a "boiler," as we are now called.

Q. Are you connected with the Amalgamated Association of Iron and Steel Workers?—A. Yes, sir; I am a member of that society.

Q. What position do you occupy in the association?—A. I am what is termed vice-president of the district.

Q. Are you one of the delegation appointed to appear before this committee to represent the association?—A. I am.

Q. Just go on and state any matters that you desire to lay before the committee.

THE OBJECT OF THE ASSOCIATION.

A. Well, sir, as a representative of the Amalgamated Association of Iron and Steel Workers, I am here to testify that the object of our association is the elevation of our membership, morally, mentally, and financially. Our cardinal principles are that we ask nothing unjust and submit to no injustice.

Q. You were delegated with others, I understand, to lay before this committee certain suggestions which may be of service to the laboring men engaged in your own occupation as well as to others, but before you do that I would like you to state what is the general condition of the working people in your vicinity and elsewhere in the country as far as you know it.—A. The condition of the members of our association generally, that is the iron workers, is fair; the wages we receive are remunerative according to the selling prices of iron and steel and the general state of trade. As has been stated here, we are governed by what we term a sliding scale; that is we are paid $5.50 a ton when iron sells at 2½ cents a pound, and we receive an advance of 10 cents a ton for every one-tenth of a cent advance in the price of iron per pound.

Q. That is arranged by a permanent agreement between your association and the employers?—A. Yes, sir; a yearly agreement entered into by our representatives with the representatives of the employers. The system has worked very harmoniously so far as wages are concerned after the agreement has been entered into every year. Of course there is some difference of opinion at the time when we are negotiating in regard to wages, but after the agreement is made everything is harmonious.

Q. And both sides observe the arrangement for the year?—A. Yes, sir; the arrangement is faithfully carried out; it has been so all along.

THE CONDITION OF THE MINERS IN PENNSYLVANIA.

Q. The general condition of those in your occupation is good. Now, how about the miners? Do you know anything about their condition?—A. I have some acquaintance among the miners surrounding our vicinity. Their condition is deplorable, to say the least. From the small pay they receive, the frequent lack of work, and the great abundance of labor, there is a great deal of suffering among them.

Q. Of what nationality are those miners usually?—A. They are of all nationalities nearly; in our section they are mostly English and Welsh.

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Q. Are there native-born Americans among them?—A. I know of none; there are also Scotch among them.

Q. What is their pay, generally?—A. I believe they are paid at the rate of 60 cents a ton for digging coal in that section.

Q. Do you know what wages per day that price gives them?—A. When they work a full day's work 3 tons a day, I guess, is about their average work.

Q. How much idle time do they have?—A. At present one-half.

Q. Has it been so for about a year?—A. It has been so for a long time; I could not state the length of time it has been so.

Q. They do the mining of coal for the heavy iron works, I suppose?—A. Yes, sir.

Q. And for the supply of fuel to the people at large?—A. Yes, sir.

Q. How as to those coal-miners being organized? Have they unions?—A. Not that I am aware of in our section. They are endeavoring to establish unions.

Q. In that effort do they receive assistance from the unions of other trades?—A. Not that I am aware of.

Q. I do not mean pecuniary assistance, but other assistance in the actual formation of their unions.—A. They do, to some extent. They are encouraged to form unions for the bettering of their condition.

Q. How about the privileges that they enjoy in the way of schooling for their children?—A. Well, they have their small school-houses in the sections of country where they are employed.

Q. Do you know anything about the condition of those schools?—A. I do not.

Q. Where the parents are foreigners from some of the continental nations, of course the children must have difficulty in acquiring our language?—A. Yes, sir; as a rule they do.

Q. In many instances the parents, I take it, are not familiar with our language?—A. The Welsh people are more or less familiar with the language before they come here.

### PRACTICAL OPERATION OF THE SLIDING SCALE.

Q. What can you say about the working of your system of agreement or arbitration at any time in the past? I think you suggested to me in conversation that it had helped you through what you called the "boom" in 1878?—A. Yes, sir.

Q. What do you mean by that term "boom"?—A. An advance in the price of iron.

Q. What caused that advance?—A. It appears that the demand advanced at that time and stimulated prices, and as the price of iron per pound rose we received a percentage of advance according to our agreement until we reached, I believe, $7.75 per ton.

Q. From what point did that start?—A. From $5.50.

Q. How long was it from the beginning of the boom until it reached the highest point?—A. If I recollect correctly it was about six or eight weeks.

Q. By reason of your agreement with the employers the advance was made without opposition by them?—A. Yes, sir; without any opposition at all—without question.

Q. When the highest point was reached how was it in that respect?—A. The price was paid as long as iron was selling at the corresponding price.

Q. It went down afterwards, did it?—A. It went down immediately.

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Q How was it as to your wages then; were they reduced by the same scale?—A. By the same system exactly.

Q. Was there acquiescence or were the men disposed to insist on the increased compensation?—A. There was perfect harmony—not a word, not a ripple. The reductions were accepted cheerfully, and according to the agreement.

Q. How low down did the price go?—A. The price went down to the point where it now is, $5.50 per ton.

Q. Do you remember how long it was in getting back to that point?—A. I cannot remember the time, but it was a very short time. I think six weeks would cover the whole period.

Q. How was it in other portions of the country when this "boom" took place?—A. Well, where our organization existed the same state of things existed; the advanced wages were given during the boom, and the reductions were accepted in the same spirit.

Q. Do you know anything about the state of the case where your organization did not exist—whether there were disturbances at such places?—A. Before the establishment of the organization there was not that equalization of prices—the different manufacturers paid different prices.

Q. I have been informed by Mr. Jarrett that while, under the operation of your agreement in Pittsburgh and that vicinity the advance was paid readily by the manufacturers and then the reduction made and accepted quietly by the workingmen, in other portions of the country (where the same boom was felt of course) there were difficulties between the employers and the employés; do you know anything about that?—A. No, sir.

Mr. JARRETT. I would state in the premises (as Mr. Davis is not fully acquainted with the facts) that the boom in prices covered a stretch of over five months. Iron remained at 4 cents a pound and 4½ cents a pound for two months and a half. On the 8th day of April it began to decline and on the 8th of May it had gone from the top to the bottom, from 4 cents to 2½ cents a pound. So that the advance occupied some five months and the reduction all took place in four weeks; and, as has been stated, there was never a word of complaint, not a ripple in our mills. On the other hand, in those mills not controlled by the organization the advance was in some of them 20 per cent. and in others less. They had not been advanced in proportion as our men were, and when the employers went to reduce those wages, strikes took place all round.

The CHAIRMAN. In how large a portion of the mills?

Mr. JARRETT. In no western mills. They were all in the eastern section of the country. I could name you mills which during that boom did not advance the wages of their men, although iron advanced from 2½ to 4 cents and over 4 cents a pound. When iron was sold at 4 cents in the market they did not advance wages one cent.

The CHAIRMAN. To what do you attribute that fact?

Mr. JARRETT. To the fact that there was no organization among the men.

The CHAIRMAN. So that the manufacturers took all the benefit of the advance?

Mr. JARRETT. They took it all. That was in some mills. Some other mills paid their men as high as 20 per cent. advance, and others as high as 10 per cent.; but some paid no advance.

The CHAIRMAN. What advance was paid where your agreement was operative?

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Mr. JARRETT. Forty-eight per cent. in some cases. If you will examine the scale you will find that it runs from 30 to 48 per cent. in the different branches; 48 is the highest and 30 is the lowest.

JOHN I. DAVIS, examination resumed.

NATIONAL BUREAU OF LABOR STATISTICS AND COMPULSORY EDUCATION.

By the CHAIRMAN:

Question. Are there any measures of legislation which you or your order would like to see adopted for the betterment of your condition or of the condition of other workingmen?—Answer. Yes, sir; there is one suggestion that our craft would like to see adopted by Congress, and that is the establishment of a national bureau of labor statistics for the encouragement and the education, as I may call it, of the laboring classes. We find to a considerable extent that we are not as enlightened or as intelligent as we would like to be, and for that reason we would wish to see such a national bureau established, and we would also like to see a system of compulsory education adopted. Also we would like to see measures adopted for the care of those who, on account of poverty, cannot educate their children. We feel that that is a necessity, because we feel that as a class we lack the education that we ought to have. Although we have workingmen among us that are men of advanced intelligence, yet as a rule we are not so, and we would like the adoption of some law that would compel men that would otherwise neglect their families to have them educated. Around some of our mills we find little boys employed when they should be at school getting an education. These are things that society should look after, we think, and we would like to have some means adopted to regulate them.

Q. Have the members of your association generally a feeling that there should be national legislation to assist in this matter of educating and disciplining the minds of the growing generation?—A. Yes, sir; as far as I am acquainted with their thoughts and feelings on the subject there is a desire that our people should receive a better education, and that the children should be better taken care of.

Q. I suppose that the local authorities where you live make provision so that the children could be educated if their parents were disposed to have them so?—A. There are in our vicinity good common schools, but the children don't all attend them.

Q. Is it not the fact that many of the parents feel obliged to put their children to work at a very tender age in order to get a support for the family?—A. It is so in some instances, but in others there is no necessity for that.

Q. Then you think that many parents send their children to work when they might have them attending school?—A. Exactly.

Q. Then the people themselves don't fully appreciate their needs?—A. Not in that respect.

Q. Do you know anything about the condition of workingmen in other pursuits, the common unskilled laborers?—A. No; except so far as they are connected with our mills. I know their wages are comparatively small, just bare living wages.

Q. But as a rule working people are better off in your section, I take it, than in other parts of the country?—A. Yes, sir; the circumstances surrounding a place have considerable to do with those matters. The little town in which I am located has some advantages that Pittsburgh

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has not got. The workingmen in Pittsburgh have to pay high rents, while in our town the rents are moderate, and to a considerable extent the workingmen dwell in their own houses.

Q. About what is the population of Sharon?—A. Between 6,000 and 7,000.

Q. The chief business there is iron working, I suppose?—A. Yes, sir.

Q. Do you know anything about the condition of agricultural labor in that part of the State?—A. I don't know much, sir; that is, to be intelligently acquainted with it.

Q. As a rule, I suppose, the farming population is the best off there?—A. I presume so.

Q. You don't hear anything to the contrary, do you?—A. No, sir.

Q. You have spoken of the desire for the establishment of a national bureau of labor statistics. That seems to be a general demand on the part of the laboring people of the country. Do you hear any discussions among them of the hours of labor—the eight-hour law?—A. I have heard it discussed.

### AN EIGHT-HOUR LAW WOULD NOT APPLY IN IRON WORKING.

Q. But there is no general demand, I suppose, for legislation in that regard?—A. Not in our immediate locality, from the fact that an eight-hour law could not apply to our business.

Q. Why not?—A. From the fact that we would have to quit either before the eight hours were consumed or else would have to work longer.

Q. How is that?—A. Our work is divided off into five heats or charges; each of those will sometimes take an hour and a half and sometimes two hours, just according as the material is at the time. Hence to adopt the eight-hour law in our business would often be to cut off the fifth of the day's work.

Q. You work by the hour?—A. Yes, sir.

Q. How many hours a day do you generally work?—A. We work from nine to eleven hours a day; we average about ten; that is, according to the quality of the material we have to work. Some iron takes longer than other iron.

Q. Is a day's work five charges?—A. Yes, sir.

Q. And each of those, you say, is longer or shorter, according to the quality of the material?—A. According to the quality of the iron.

Q. Your day's work ranges from nine hours to eleven hours, and the average, you say, is about ten hours?—A. That is about the average.

### THE TARIFF NECESSARY.

Q. What is the general feeling of your people in regard to the protective tariff?—A. They are unanimous on the question; that is the iron workers especially. Of course we have differences of opinion. In our society political questions are not discussed.

Q. But this one, I understand, you consider that so much a settled question that parties do not divide upon it at all in your association?—A. We do not divide upon it as iron workers. We deem it essential to the interests of our trade to have protection, and we would be very glad to have more of it, especially on the tin-plate, the cotton-tie and the wire-rod. Our business would then employ a great many men that are now a "surplus" on the labor market; it would employ men not only in the immediate manufacture of iron, but a great many more, also,

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in the coal regions and in the quarries producing those things that are required in the iron manufacture, so that it would have a beneficial effect upon a great number of men.

Q. Women and girls are not employed at all in your business?—A. Not in our vicinity.

Q. There cannot be much opportunity for female labor in that kind of work?—A. No, sir.

Q. What becomes of the women there?—A. Well, they work as domestics, in the stores, and wherever there is employment for them.

Q. You don't know anything about the wages they receive?—A. I do not.

Q. Are there any other suggestions you wish to make to the committee?

## POSTAL SAVINGS BANKS.

A. There is one suggestion that I heard a gentleman (Mr. Livinton), speak of yesterday in regard to the adoption of the postal savings bank system. I know a little about it from the experience that I had in England, and I believe it to be a great source of help to the people. The deposits that are received in those banks are very small, commencing at a shilling; and I remember how, when I was a boy, I deposited my first shilling in the post-office savings bank, and I remember that it was very gratifying to me the next day or so to receive a communication from London saying that my shilling had been received there. I believe the system is a great help and encouragement to the working classes to save their small earnings. The small deposits accumulate and encourage the working people to save their money. That is a system that I would like very much to see opened up here. It was in that way that I saved a little money to come this country on.

Q. How long ago was that?—A. It is now seventeen years ago.

Q. Then they have had those banks established a long while in England?—A. Yes, sir; twenty years, I think.

Q. Are there savings banks, private or national, in Sharon?—A. No, sir; there are national banks there. We had a savings bank there, but it failed, and a great many of the men lost their money.

Q. You think, I suppose, that there would be complete confidence in a Government institution such as the postal savings bank would be?—A. Yes, sir; I believe that the confidence that the people of England had in those banks was greater than they had in any other banks, from the fact that they felt that the Government was at the back of them and that their money was safe; and that feeling, of course, encouraged them to save.

Q. Do you know whether there have been any large accumulations made in that way by the working people of England?—A. Yes, sir; as I understand it, the accumulations have increased until they have now gone up into the millions.

Q. What does the Government do with the money?—A. That I cannot tell you.

Q. You don't know whether the money is invested in Government funds or appropriated to Government uses, or whether it goes into the hands of trustees who invest it under the direction of the government?—A. I cannot say what use they make of it; but I know that the people have perfect confidence that the money is safe.

Q. The Government guarantees the safety of the deposits?—A. Yes, sir. The interest they pay on the money is small, but still it is sure.

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Q. What is the rate of interest?—A. It was only 2½ per cent. when I was there. I don't know whether there has been any change.

Q. Do you think the working people of this country would care for the establishment of a system of postal savings banks where the interest would be so low as 2½ per cent.?—I could not say as to the percentage, but as to the security I know they would be satisfied.

Q. Have you ever heard any talk among the working people as to the rate of interest they would be willing to accept if they could make their deposits in a Government savings bank?—A. No, sir.

Q. Do you recollect what is the legal rate of interest in Pennsylvania?—A. Six per cent. is the legal interest in Pennsylvania, although the banks pay only four now.

Q. But the Government is getting on by paying only 3½ per cent. you know?—A. Yes, I know that.

Q. And I suppose the Government would not want to guarantee a much higher rate of interest than it has to pay on its own securities, would it?—A. I believe the working people, from the confidence they would have in the Government and the feeling they would have that their money would be safe in its keeping, would be satisfied with that percentage.

Q. You think that would be satisfactory to them and that they would be willing to take the same rate of interest that the "bloated bondholder" gets, and let it go at that?—A. Yes, sir.

## THE TARIFF AGAIN.

By Mr. CALL:

Q. You say that you and your associates are all in favor of a protective tariff; do you want any more protection on steel and iron than you get now?—A. Well, the people would be better satisfied if it was a little higher; that is, if it had remained at the point where it was previous to the last session of Congress.

Q. What other articles do you want protection on besides those?—A. The tin terne-plate, the cotton-tie, and the wire rod.

Q. Those are all Pennsylvania industries, are they not?—A. Not exclusively.

Q. Largely so. Do you want any more protection on sugar? Do you want to raise the price of sugar?—A. Well, if it would guarantee satisfaction to those that produce it and give them good wages, we would be willing to pay more for it in order that they should have that.

Q. How about clothing?—A. I believe that this country produces clothing good enough for us to wear; at least I find it so.

Q. How much advantage have you and your people if you simply increase the price of all these things? What would be the benefit to you of the tariff on iron if, at the same time, the more wages you got the more you would have to pay for your goods and for your provisions and for everything you consume?—A. Well, speaking from experience in regard to that, we find that when wages are high we can do better.

Q. I am not talking now about any experience. I am talking about just the condition of things that I have stated. Suppose you were to get $5 a day for your work now, but at the same time the prices of everything that you consumed were proportionately increased, how much benefit would the increase of wages be to you?

Mr. JARRETT. If there be no objection, I will answer the question.

Mr. CALL. You may answer it.

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Mr. JARRETT. When we worked under free trade in this country——

Mr. CALL. [Interposing.] That is not answering my question.

Mr. JARRETT. I will answer it. In 1850 the number of hands employed in our business was 22,370; the capital invested was $16,370,760; the wages paid was $7,165,248; the cost of the materials was $43,797,-854; the value of the products was $83,954,529. At that time you could buy flour, meat, and vegetables very cheaply, but clothing, sugar, coffee, and those articles that were not produced at home were real luxuries. By the census of 1880 it appears that the number of hands employed was 298,862; the capital invested, $416,041,646; the wages paid, $122,-648,191; the cost of materials, $380,304,990, and the value of the products, $604,553,460. Thus it will be seen that wages have increased in much greater proportion than the value of the products, and I claim that that has been largely brought about by protection. I will state further that while the wages given us by protection have increased more than 100 per cent. the cost of living has not increased 50 per cent.; hence there is an advantage to those working in the iron and steel trade of at least 50 per cent., and, as Mr. Davis was going to say, it is a significant fact that when wages are high the men can save a great deal more than when wages are low, even though the cost of living is lower at the same time.

Mr. CALL. When was it that we lived under free trade in this country?

Mr. JARRETT. From 1856 to 1860—free trade virtually.

Mr. CALL. What do you call free trade virtually?

Mr. JARRETT. There was no tariff on iron and steel or manufactures thereof at that time. Just as England to-day has free trade on iron because she produces three times more iron than she consumes; we are protectionists on iron because we consume more than we produce.

Mr. CALL. Well, of course, I do not wish to discuss the general theory of the tariff with you; I simply wanted an answer to my question, how much benefit the workingmen in that business would derive from a nominal increase of wages accompanied by a corresponding increase in cost of all articles of consumption.

Mr. JARRETT. The question put in that way would simply convey the idea that that was the fact in the premises, and that is not the fact.

Mr. CALL. Leave out of consideration the question whether it is the fact or not. There may be many other factors which enter into the question of the general aggregate which you state, and which it will not be necessary to discuss now. According to the theory of many economists these general propositions are liable to be influenced by other causes altogether. The point I wanted to get at was whether your people, the workingmen in your business, limited their idea of a protective tariff to a tariff on the manufactures produced in any one locality in this country; but I understand from what you gentlemen say that it is the idea of the workingmen you represent to have a high tariff generally.

Mr. JARRETT. Exactly. Our idea goes farther. Our idea is that if a farmer thirty years ago sold his wheat for 55 cents a bushel, and he is now getting $1.10 for it, that shows the advantages of the protective system.

Mr. CALL. You think that all that comes from the high protective tariff?

Mr. JARRETT. That would have a good deal to do with it. Another point is this: That what we pay in the markets for our commodities is



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not dependent altogether upon the question of tariff or no tariff, because speculations will, to a certain extent, govern the prices of these articles. Hence, I say, I do not believe in one man controlling too much, because, if he does, he can fix the price to the detriment of others.

Mr. CALL. I do not wish to discuss the general question. I simply wanted to know whether you entertained the idea that the higher the duties are the better off the country is generally, or whether your idea was that protection was required only for the industries in which you are yourselves engaged; but I understand you to say now that the higher the duties the better off we shall all be.

Mr. JARRETT. No; I did not say that. I said that as to things that we produce here as against those produced in any other country, we were protectionists. England was protectionist as long as she needed protection; but directly she got able to produce more than she could consume she changed to free trade.

Mr. CALL. What does it matter about England's motives? We are talking about present facts in this country, and about the future.

Mr. JARRETT. Certainly; but we believe that a tax on iron, which is paid by the foreigner who places his iron in our market for sale, will not increase the cost generally to the consumer in this country, because he does not pay that tax directly to the Government; it is paid by the foreigner.

Mr. CALL. Then your theory is that the fellow that consumes the iron that you make ought to be made to pay that tax?

Mr. JARRETT. No, sir; my theory is that as labor produces all wealth we ought to produce these very commodities here at home and increase our wealth thereby, rather than increase the wealth of other nations by importing their manufactures.

Mr. CALL. How about the man that makes wheat and pork and sells it to you; your idea is to take from him arbitrarily so much more of his wheat or pork or corn as will pay this tax?

Mr. JARRETT. Oh, not at all; because the price of his commodity will be largely governed by the law of supply and demand.

Mr. CALL. If that is so what do you want a tariff for?

Mr. JARRETT. The tariff is wanted as against other nations. I am in favor of free trade in our own country, but I am not in favor of free foreign trade.

Mr. CALL. I am not talking of free trade now. I don't know that I am in favor of free trade myself. I only want to get at your idea. You think it is a good thing to impose on some branches of industry an arbitrary tax for the benefit of some others?

Mr. JARRETT. I believe it is a good thing to tax commodities brought from other countries so that we may get to producing them here. It will reduce the price of the articles here in the future, and will at the same time place us in a position where other nations will not control our markets in that respect.

Mr. CALL. Then you want to make things cheaper instead of dearer. Now, how are you going to improve wages by making things cheaper?

(Not answered.)

The CHAIRMAN. [To the witness.] Is there anything further that you care to suggest?

The WITNESS. No, sir; nothing further.

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NEW YORK, *September* 7, 1883.

THOMAS M. MILLER sworn and examined.

By the CHAIRMAN:

Question. You are the general manager, I believe, of the Atlas Works in Pittsburgh?—Answer. I am.

Q. What do you manufacture there?—A. Rolling-mill machinery, glass-works machinery, and other kinds of heavy machinery.

Q. Do you have occasion to employ a good deal of labor, to deal pretty largely with the workingmen, and to observe their condition?—A. To a moderate extent.

Q. Have you been present here during this forenoon?—A. I have. Seeing that some of our Pittsburgh men were to testify, I felt interested in hearing what they had to say.

Q. You have heard the account given by these gentlemen of the relations between employers and employed there, and how they get on under the system they have described. Won't you give us the benefit of your observation and experience of the matter, from your standpoint?

THE IRON-WORKERS' UNION DETRIMENTAL TO THE MANUFACTURING INTEREST.

A. Well, I have not had experience directly in the manufacture of bar iron or steel for some time, though formerly I was proprietor of a large rolling-mill. I think the association of the men together for the improvement of their condition is a very good scheme in many respects, though in others it may not be quite so good. In the matter of making an arbitrary demand for wages, while the manufacturers generally concede to such demand, and as a rule would rather treat with the association than with individuals, still it seems to me to tend to the detriment of manufacture to some extent. I think that as a rule the manufacturers like to pay their men good wages if the state of the trade justifies it; though in some instances of course they do not. They are like other men in that respect, for human nature is about the same on the whole, and some of the manufacturers are liberal while some others of them are close. The liberal men get the best labor, pay the best prices for it. Some of the employers are continually disputing with their men, while others submit to their demands immediately on presentation. In our department of the business we are governed by the association of molders and machinists; they have an association of their own, and as a general rule we let them do as they please. We don't have much trouble, except that we sometimes cannot get our work into the Eastern market, to where labor is cheaper; we have to do without that market, and therefore the men have sometimes to do without work—go idle. The prices they demand do not seem to be extortionate as a rule. They seem to want to meet the market generally, but they do not know as the manufacturers know just what the state of the trade is, and how it is going, though they do seek to know it. I think the sympathy of the manufacturers is largely with their men all through the country, particularly in the iron and steel industries, and that they would like to see the men improve their condition by any legitimate means they can adopt, either by legislation or association, or any other way whereby they can do better for themselves and their families.

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### THE LAW OF SUPPLY AND DEMAND.

But the law of supply and demand is the great law that governs the whole business, and in the end all have to bow in obedience to it.

Q. If these unions were more general I suppose it would produce a uniformity in the wages demanded by the men in the same branches of trade, and that, I suppose, would be better for the manufacturers?—A. If the wages were uniform all over the country in any particular branch of business, that branch would be more prosperous for the men employed in it. Whether the people as a whole would be better served it would be difficult to say; but, at any rate, in order to be of any advantage to the manufacturers the rule ought to be universal.

Q. That is the point that I wish to have your opinion about—whether, if trades unions exist at all, it is better or worse for the manufacturers that they should be general throughout the country?—A. Oh, undoubtedly it would be better that they should be general.

Q. Finding them existing in your locality and in your business, you would prefer, if they must continue to exist there, that they should spread and become general?—A. It would be better for us if they were general. I have just come from Washington, where I went to bid upon a Government contract, but the work came East because labor is cheaper in the East. It is not necessarily dearer with us on account of the union, but it is dearer because labor becomes scarcer as you go West and prices are better.

Q. In what way, then, would the extension of the trades unions eastward be better for you as manufacturers?—A. If the men could arbitrarily, by association, make the prices in the East the same as in the west, it would be better for us.

Q. And you believe they would do that if the association were extended to the East?—A. They would try to do it, but whether they would succeed or not I don't know. I think they would fail, because labor is so much more abundant in the East in proportion to the demand for it than in the West.

### COMPARATIVE COST OF LIVING IN THE EAST AND IN THE WEST.

Q. Is the cost of living greater or less in the West than in the East?—A. It is less as regards articles of food, and greater as regards articles of clothing, and in some cases the rents are high in the West. The rents in Pittsburgh are quite high.

Q. Can you tell us whether, on the whole, living is cheaper or dearer in the West than in the East?—A. I think, on the whole, that living in the West is cheaper.

Q. Then, if that is so, the wages of labor, being made uniform by reason of the extensions of those trades unions, would not the tendency be rather to help the West, and would not labor naturally tend to go West, where it would get the same wages as at the East and could live cheaper?—A. There would be that tendency, just as immigration shows the same tendency at the present time. One of the advantages of our protective tariff, I think, is that it brings labor from abroad to this country to build it up. We have an immense amount of virgin soil untouched yet, and the protective tariff brings labor here from other countries—brings the people here to find homes and to help us to build up our country.

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THE FEELING BETWEEN EMPLOYERS AND EMPLOYÉS.

Q. I suppose that your situation as the general manager of a manufacturing establishment gives you opportunities to know a good deal about the relations between the workingmen and their employers, and to judge whether they are generally friendly or otherwise.—A. I don't think they have been so friendly since the unions have been established as they were before. The employers are inclined to treat the men as an organization and not as individuals. They do not have that personal sympathy that they had before with each individual workingman. That is my idea.

Q. Do you think that change has been the effect partially of the organization of the men, or do you attribute it wholly to that?—A. I think that has been the cause. The employers deal with the men now as a whole.

Q. Have you any doubt that the existence of these organizations of the workingmen gives them some advantage in fixing the prices which they shall receive for their labor?—A. There is no doubt of that, and I think it is proper that they should do all they can for the improvement of their condition, and should get as high wages as they can. Whether that is the best way of doing it, whether that plan will ultimately accomplish it, or whether the question will be determined by the law of supply and demand, I am not certain. The manufacturers don't find fault with the men on account of their organization. They only find fault with them when they cannot meet the market.

Q. A description has been given us of how they arrange their differences by a conference between committees representing the workingmen and the employers respectively. Are the results so attained generally satisfactory?—A. They are so generally, in the iron and steel branches of industry.

STRIKES.

Q. Don't you think that, on the whole, strikes are decreasing in that part of Pennsylvania?—A. Well, I cannot say exactly that they are. They come up every season for a short time, more or less. The coal miners are the most troublesome class in regard to strikes. The iron and steel men are a much more intelligent body, men of more education and better knowledge of affairs, so it is more among the coal miners than in the iron and steel industries that the trouble exists. Among the coal miners there is continual turmoil.

Q. Are there labor unions existing to any great extent among the coal miners?—A. There are.

Q. But the men, you say, are much less intelligent than the iron and steel men?—A. They are much less intelligent.

Q. Are you able to state whether on the whole the coal miners are improving or not?—A. I think they are. I think all the workingmen are improving in this country.

Q. There is not such an infusion of ignorant foreign labor as to keep them at their former level or prevent their improving?—A. No; but I think the greater part of our trouble comes from foreign labor that has come to this country. Foreign labor, as a rule, has more of a tendency to organize into trades unions than native labor has.

Q. Do you find native labor employed to any considerable extent in the manufacturing regions, or to as great an extent as foreign labor?—A. The native labor that is employed there is more prominent among the iron and steel men than among the coal miners. As a rule, the coal miners are foreigners.

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EDUCATION.

Q. What can you say as to the inclination of those foreigners to educate their children?—A. They have a great desire in that direction. Laborers as a rule have.

CHILD LABOR.

Q. Perhaps you have heard the testimony which has been given here that oftentimes the children of the working people are put to labor at a tender age in order to help to support the family; have you observed anything of that?—A. Yes, sir.

Q. Have you observed that that evil exists to any great extent?—A. It is not so prevalent in the West as it is in the East; in the glass-houses, in the light work there, a great many girls are employed, and it is so in a good many other occupations; but I think they are generally girls who have got a common-school education and feel like working.

Q. They are generally those who have got beyond the age before which it is injurious to work?—A. Yes, sir; I think so; there is not a very large number of them in proportion to the whole number of working people, and then the labor is light.

THE CONDITION OF THE COAL MINERS.

Q. Have you any personal knowledge of the condition of the coal miners?—A. I have not been much among them. I was director in a coal mining company at Castle Shannon, where the men had their homes near the mines, and it seemed to me that they could live well if they wished to. They earned large wages, those who worked steadily.

Q. Can they have an opportunity to work steadily, those who wish to?—A. In some mines they can work all the year round unless they strike. It is a question of health and strength and of the condition of the trade. When trade is dull the men have to be thrown out of employment in those mines that are hard to work, on account of the quality of the coal or the distance from the river. Near the river, with good coal, the men have employment all the time.

Q. What wages do they receive?—A. Three and a quarter cents a bushel now, I believe.

Q. What will that enable a man to make in a day's work of 10 hours?—A. Some miners can mine 100 bushels, and I have heard of men doing as much as 125. I think, however, that on an average they don't mine over 75.

Q. That would give $2.25 a day or over for a fair day's work, I suppose.—A. Yes, sir; I think so.

Q. Is that work that boys can do?—A. No, sir; it requires strong, hardy men to do it right.

Q. Are children worked to any extent in the mines?—A. Oh, no; there are very few of them working there; some boys drive mules—boys of fourteen or fifteen years of age; but it is very rarely that small children are employed; there may be some, but generally they are quite large boys that are employed there.

Q. What mines do you speak of particularly?—A. These are what are called reef mines; the veins along the hillside near the Pittsburgh bottoms.

Q. Operated by large companies?—A. By individuals and companies. There are several companies there at Castle Shannon, and there are a great many along the river. The largest is the New York and Cleveland Gas Coal Company.

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Q. How many workmen do they employ?—A. I suppose they employ 400 or 500 miners, possibly more.

Q. Of what nationality are those miners that you speak of?—A. The main body of them are Welsh. They are Welsh, Scotch, and English. Americans mine occasionally; when farm work is dull they go in and mine, those who understand it, and it is not a very difficult business to learn.

Q. How continuous is the employment of those miners?—A. I think they work on an average two-thirds of the year.

Q. At $2 or $2.25 a day?—A. Yes, sir. Sometimes they get much higher wages than that and sometimes lower; it depends on the market. They have got as high as 5 cents a bushel, and probably higher.

Q. You observed awhile ago that it seemed to you that they might do well if they saved their wages, or worked industriously, or something of that kind.—A. Yes, sir.

Q. What are the personal habits of the miners with reference to thrift and economy?—A. They are not a thrifty set of people. They spend their money largely for drink.

Q. Do they contract that habit out there, or do they bring it with them from their homes in the old countries?—A. I think it is imported largely.

Q. Does it increase upon them or does it seem to be lessening?—A. I think it is tending to diminish, though the procession that we had the other day in our city would not so indicate. There was a procession of the beer-sellers, which contained about 150 carriages and from 75 to 100 wagons, showing the number of "foreign" beer-sellers in our town.

Q. In Pittsburgh?—A. Yes, sir.

Q. They do manufacture a little beer there, then?—A. This "foreign" beer, as they term it, is Milwaukee and Cincinnati beer. Those beers are in great demand, and the men who sell them and our home beer manufacturers have rival processions, and this one that I speak of was a procession of the "foreign" beer men.

Q. How did the "foreigners" come to be in Pittsburgh?—A. They sent money there to their retail dealers to get up the procession.

Q. Then it was a procession of dealers?—A. Yes, sir.

Q. Do the rival beer-sellers also muster their drinkers respectively?—A. They have the beer on the ground soon after the procession is over.

Q. To be serious about it, what is the origin or meaning of that institution? What is it for?—A. There are brewers of beer in Milwaukee, in Cincinnati, and in Cleveland, and they send their beer to Pittsburgh to be sold. They have established such a reputation for their beer as to sell it very extensively in Pittsburgh. The local brewers some time ago gave a demonstration of their strength and had a procession, in which they had an immense caravan of wagons with their drivers and the parties who sell their beer. The "foreign" brewers determined to imitate and rival that demonstration, and they employed all the carriages and wagons they could get in the city, and had a procession of their own to show the strength with which they were holding onto the Pittsburgh people in the drinking haunts and selling them this "foreign" beer.

Q. How formidable a procession was it?—A. There were about one hundred and fifty two-horse carriages and an immense string of wagons. It occupied the street for nearly an hour in passing.

Q. Are there any further suggestions that occur to you that would be of value to the committee?

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THE INTERESTS OF ALL THE WORKINGMEN SHOULD BE CONSIDERED.

A. I don't know that I could make you any valuable suggestions. I think the legislative wisdom of the country will take up these questions in their proper light and deal with them. I would like to see anything done that would advance the interests of the American workingmen as a whole—the whole body of them in the country, and not merely the interests of any particular class. I think there is no country where the interests of the workingmen are as well taken care of as they are in this country—naturally so from the nature of the country itself and its necessities. The demand for labor in this country is always as a rule greater than the supply. That is the cause of immigration here. The agricultural interests of the country require to be taken care of as well as the manufacturing interests.

THE TARIFF.

I am a manufacturer, and I believe in the tariff, but I believe only in such a tariff as will properly develop the country without making any class of capitalists too wealthy. I think our tariff on steel rails is about right; the tariff on iron is about right, but not properly placed. There should be a tariff on tin-plate and cotton-ties if there is a tariff on iron at all, because large industries have been built up in those trades which are now idle as a result of the modification of the tariff. I think the time is coming very rapidly when we can do without a tariff and can defy foreign competition; we probably could do it largely now.

THE HOURS OF LABOR.

Q. I would like to have you give your ideas about legislation in regard to the hours of labor?—A. Well, I think that all legislation on that point will be futile. While it might be directory and might indicate to humane employers that ten hours or eight hours a day would be enough, still I think the question should be left to be dealt with by the business people of the country. I don't think that legislation in that line will effect anything substantial, except in a directory manner. Men will work longer hours where they can earn more. Molders get done work now at 4 o'clock and machinists at 6 o'clock. Sometimes, however, the molders have to work until 7 o'clock—they have to work until their day's work is done. But we aim generally at the ten-hour system. I think ten hours a day is about right for a day's labor. I wish the working day were shorter in winter, but for six months in the year ten hours a day, I think, is a fair day's labor. It does seem too hard in winter, however.

Q. From your observation among other classes of people, those in professional life and those engaged in rendering service to the public in the general employments of society, what do you think is the average time per day that they work?—A. It is very hard to tell, sir. When I was a boy I worked from 7 o'clock in the morning until midnight for four or five months in the year.

Q. What were you doing?—A. Manifesting. I was a shipping-clerk. As I advanced my hours of labor were shortened by my securing better positions, but when I quit working for a salary I think I was working about ten hours a day.

Q. You are in business yourself now?—A. Yes, sir.

Q. How many hours do you work daily now, do you think?—A. I am

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at my work, as a rule, when the men commence work in the morning and I often stay long after they have gone home. I suppose, though, that, as a rule, I work about ten hours a day.

Q. Do you find yourself under the necessity of giving more or less attention to your business outside of office hours?—A. Oh, yes; very often. Once or twice a week I am in at night, meeting parties at the hotels and making contracts, sometimes as late as midnight. It all depends on circumstances.

Q. As a rule, do you think that the working people devote more time to labor or less time than the employers?—A. Less, I think.

Q. On the other hand, I suppose, the working people have less to hope for from the results of their labor?—A. That is true, unless they are skilled and ambitious. I find, at least in our city, that nearly all the men who are now capitalists have been workingmen.

Q. How have they come to be capitalists?—A. By evolution, development, according to capacity and opportunity.

Q. It is the result of thrift and hard work?—A. Thrift, hard work, and economy. As an illustration of that, the present manager of the Edgar Thomson Steel Works, Mr. Jones, was an ordinary workman, and he has now control of those works as general manager, and is receiving a very large salary—$20,000 a year. He grew up from being an ordinary roller. Being more skilled and ambitious than others, he commanded better wages when he was a workingman, and finally he reached the highest position in the trade.

Q. I suppose, however, you would not present such a case as illustrations of what the mass of the workmen can do, because the condition of the mass of the men must be regulated by different considerations. They cannot all expect to be superintendents.—A. No. That is the reason that I think the regulation of the hours of labor will operate against the men themselves instead of being a benefit to them, except where they may have been required to work excessive hours.

Q. Do you think there would be any difficulty in enforcing a law regulating the hours of labor by reason of the unwillingness of the workingman himself to be restricted in that regard?—A. I think there would be. I think such a law could not be enforced. Ultimately I think it would be a dead letter, like the law of 1798 in regard to the observation of the Sabbath in our State. It might be well enough in the abstract, but it would be impossible to carry it out in all cases.

Q. You speak of its beneficial influence being directory; you mean as an indication of the judgment of the community that eight hours is long enough for a day's work?—A. Yes, sir. For instance, in the cotton factories the girls who were working there years ago worked fourteen hours a day. The ten-hour law was passed, and the hours of labor were reduced to ten a day, but, if I am not incorrect (and I don't think I am), they work twelve hours now. While the sentiment is against it, and had the hours reduced from fourteen to ten a day, they have gone up again to twelve.

Q. There has been some testimony before us that in some sections, even where there is no such law, the workingmen, by reason of their having become organized, have been able to establish the ten-hour rule by refusing to work any longer.—A. Well, I think that is very proper if they take that view. They should be the judges of that themselves. I think that is a sufficient length of time. With the modern improvements and inventions and the present advanced state of the arts, I think that ten hours' work a day would give everybody in this country a good, fair living, that is, those who are strong and hearty. The poor

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and the weak have to go to the wall to some extent, of course. That is one of the natural laws that we cannot get over except by providing for them by charity.

A NATIONAL BUREAU OF STATISTICS.

Q. Have you in view the establishment of such a national bureau of statistics which has been spoken of here?—A. I should think that would be a very desirable institution to establish. Any information that could be obtained that would tend to advance the interests of the workingmen as a mass, as a class, not as individuals, not as iron and steel workers, nor as any one particular class of laborers, but the whole mass of workingmen, the men who dig with the pick, who dig on the roads at 75 cents a day (as they do in many parts of the country) as well as the others—anything that would furnish aid toward the improvement of the condition of labor generally would certainly be very valuable to the people.

THE DIVISION OF THE JOINT PRODUCT OF CAPITAL AND LABOR.

Q. Take those men that work at 75 cents a day, for instance, what occurs to you as a measure that might be adopted to increase the wages of that class of labor?—A. I don't think anything could be done in that way. The lowest class of labor will get the lowest pay inevitably. The law of the "survival of the fittest" governs that. Where labor is very scarce that same kind of labor will sometimes get $2 a day, as it does in some places in the West; but where it is superabundant it will have to accept 75 cents a day, or less. I don't think any kind of legislation will apply to such cases. The best thing that kind of labor can do is to go West, where there is need and demand for it.

Q. If those laborers were organized and in a position to say whether they would or would not work for a given price how would that operate?—A. Then the people must pay more for the products of their labor, and in return must charge more for what they sell. The great mass of the people of the country are laboring men, you know. They can only get a certain amount of food to eat. If crops are poor they will have to subsist on short rations; if crops are abundant it will be otherwise.

Q. But, over and above it all, the country accumulates from year to year, and what is accumulated is invested in business. Now if this lower grade of labor got better pay, and all grades above that at the same time were elevated in proportion, might not the result be that the accumulation of capital would be distributed at the time instead of being saved up for the future?—A. It might be; but the result of the accumulation of capital is new and further developments of industry. Mr. Vanderbilt is building a new road through our State from Harrisburg to Pittsburgh, to which he has subscribed $25,000,000. That capital, which has been accumulated, will give employment to a large number of people, and be redistributed among them, no matter what per cent. the capitalist gets. It might be better if capital got a less per cent. and the balance went directly to the people, but I don't know how that could be accomplished by legislation.

Q. I don't know that it could be done by legislation, but let it be done by whatever means might be found practicable. Don't you think that the more intelligent as a class the workingmen are the more wages they can command?—A. I do. I think the common school system in educating the children of the laboring people will improve their wages, because the difference between common labor and skilled labor, so

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termed, is really much less than the common laborer thinks. The common laborers are kept by these associations out of many branches which they could go into and in which they could earn large wages.

Q. Do you think that an increase in the wages of the common laborer would necessarily imply an increase in the wages of the classes above him?—A. Unless it were taken off the classes above, which would have to be done in order to benefit the lower classes, I think it could could result in nothing, except increased prices.

Q. But might not some of that increase of wages come from the proportion which capital takes of the joint product, thus lessening the accumulation of capital for the future and distributing it immediately, so as to satisfy the wants of the wage-laborers?—A. If that could be done it would be better. If the parties controlling capital were employed simply as superintendents, simply to distribute the product of labor, it would be better, and probably would be right. But you must have some incentive to action, and unless capital can get a remuneration of 4, or 6, or 10, or 20, or 100 per cent., as the case may be, we shall not have any industrial progress.

Q. No; but don't you think that if the laborers, without whom capital would not be employed at all, were able to make a general demand for more wages and to refuse to work unless the demand was complied with, the result would be that capital would be just as eager for investment at 6 per cent. as it is now at 8; that is, when it was once satisfied that it could do nothing unless it agreed to pay the increased wages?—A. It might be so; but I think the result of the accumulation of capital is industrial development.

Q. Then, in what way do you think that the education of the masses is to be of any advantage to them in giving them higher wages?—A. In the distribution of the wages among the laborers. For instance, the rollers in the rolling-mills, some of them make from $20 to $30 a day; whereas the laborer, his "helper," makes only $2 or $3 a day. There is great complaint amongst them on account of the roller making so much more wages. Now if you could break up that and bring up the general average it would be a good thing. It is not that capitalists live so much better than the workingmen, but it is that some of the workingmen as compared with others live so much better than their neighbors.

Q. My idea is not intended to be confined to any one class of labor, agricultural, mechanical, or any one kind, but is designed to apply to all labor that produces anything. Now, if you improve the condition of the common people, they who are at the bottom will get better pay, will they not?—A. Yes, sir; I think so. I think the common laborer will get better wages when he is better educated.

Q. Then will not the result be that, of the price realized for the joint production of labor and capital combined, labor will be able to take a larger share than it now gets; thus lessening, it may be, the accumulation of capital?—A. Yes, that is true; but they would have to put it in the savings bank. Or else, if the Government debt was paid off, it would have to be invested in development in some way.

Q. I grant you that, if it was accumulated in banks; but I am only thinking of wages increased to such an extent as to be expended in the improvement of the condition of the laborers themselves, giving them better homes, better food, better clothing, and better conditions generally. It would seem that there are vast numbers of laborers who are not able to provide from their wages the comforts or even the necessaries of life.—A. That is true. The fact is that the common laborers of the land are the sufferers from all these organizations of skilled labor.

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The puddler gets $3.50 a day, whereas the man who works under him gets only $1.25. There is no tendency whatever in the unions to advance the condition of *those* men. The unions are combinations among certain classes of the workingmen to advance their own peculiar interests and wages, and the result is disaster to those laborers who are not so able to combine. In certain callings, like men, that is, men engaged in the same business and in the same branch of the business, get different rates of wages according to their skill; but in rolling iron it is the same as in digging coal, a man gets so much a ton whether he is a good workman or a bad workman. But a good workman will make more than a bad one, by not burning his iron and in other ways.

The CHAIRMAN. We are very glad to have your views on these questions.

The WITNESS. Well, I wish it understood that I did not come here voluntarily as a witness.

The CHAIRMAN. No; you took the stand at the request of the committee because, after conversing with you, I thought you were a very intelligent gentleman who could make some valuable suggestions.

Adjourned.

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NEW YORK, *Monday, September* 10, 1883.

The committee met at 10 o'clock a. m.

## RELATION OF LABOR TO LAND.

J. K. INGALLS sworn and examined.

By the CHAIRMAN:

Question. Where do you reside?—Answer. In the city of New York.

Q. How long have you lived here?—A. I have lived here off and on for the last thirty years.

Q. You present a written memorial or statement to the committee at some length?—A. Yes, sir.

Q. To what does it relate?—A. It relates to the question of the relation of labor to the land.

Q. You may state in brief terms your general views and the substance of the paper you desire to file.—A. We start with the proposition that all sustenance to human life and the satisfaction of all human wants are derived from labor upon the land and the spontaneous productions of the earth; that all social wealth is the product of labor upon land and the opportunities which occupancy of the land affords; that without the land labor is simply an abstraction and can produce nothing; that ownership of the land carries with it the ownership of the persons who must live upon the land; that labor has been burdened and despoiled in all ages of the world; in barbaric times through ownership of the person of the laborer, in more civilized times through the ownership of the land. We deprecate the idea of private property in the land which is not limited to occupation and improvement, and especially such ownership of the land as enables the owner to exclude from access to that which he does not want those who do need it. We regard this question of conflict between labor and its employers as far deeper than the mere struggle between them. That is the point merely on which the friction of our system of trade and industry comes. Monopoly of the land gives power to exclude men from the land and compels men to

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sell their labor, which is only an abstraction, and in which there can be no freedom of contract, because there is no liberty on the part of the workman to combine his labor with the land or with these elements which enable him to produce. This, of course, involves rent, and by its relationship to money and the circulating medium involves interest. Both of these in this country amount to hundreds of millions of dollars each year, which are abstracted from the productions of labor, and for which no return whatever is made and for which no service is rendered.

We have dealt very unfairly with the public land question in this country; we have taken that which was given to us as a trust for the unborn generations to come, and given it over to rapacious and greedy corporations and speculators and to States. Not only are vast tracts in States held by our own people, but the moneyed nobility of Europe are founding in this country large estates, upon which American citizens cannot enter without the privilege of the foreign, and perhaps the absentee landlord.

Q. What evidence have you of that assertion?—A. I have no positive evidence in regard to the last statement, because I have taken it merely from the reports which I have seen in the papers.

Q. What reports have you seen?—A. That there was a party composed of Lord Dufferin and a number of others, whose names I do not remember, in this country prospecting and taking up lands.

Q. An item that we have seen in circulation in the papers recently?—A. Yes; and also some time ago—some months ago.

Q. Go on.—A. There are many large estates in this country. I would say that there seems to be a sort of superstition that these large estates break up and fall ultimately into the hands of the people; but that is not true at all. Such cases are only the exceptions. The rule is that these large estates are continued and increase in growth constantly.

Q. What illustrations or evidences are there of that assertion?—A. The evidence of the large estates in this city, as the Astor estate, the Lorillard estate.

Q. Those are not agricultural in their character?—A. Not agricultural, but it depends upon their power to monopolize the land.

Q. Do you consider the monopolization of land in the city the same?—A. The same precisely.

Q. The same as the monopolization of agricultural tracts? Which is more hurtful or injurious?—A. I do not think you can distinguish between them—they are parts of the same system.

Q. It depends upon the absorption of values rather than of surfaces?—A. Yes, it depends upon their ability to control what I think Stuart Mill terms the unearned increment, which means the increment that has been robbed from labor.

Q. What instances of such absorption of large unearned increments are there in this city?—A. I was going to mention the Astor estate, the Lorillard estate, the Rhinelander estate, and a large number of others.

Q. How extensive and hurtful do you take these absorptions of the land in this city to be that you have mentioned?—A. I am not able to give you statistics with regard to these estates.

Q. What hurt has the Astor absorption, for instance, done, or what harm does it do; where is the evil?—A. It prevents the workingman from obtaining a home without renting.

Q. Does it? The workingman obtains his home by buying it, does he not? Would not this land have been just as valuable at any given time

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when the workingman or any other man wanted to purchase it if the ownership had been out of the Astors as in the Astors?—A. With the same system, yes.

Q. I do not mean with the same system; but suppose the Astors had owned only the houses they lived in, would not the concentration of commerce and wealth at this point, which is the result of great events, the development of the whole continent and world-wide changes, have given the same value to the land without reference to the ownership, whether in the Astors or somebody else?—A. No, sir; I think not.

Q. Do you not suppose that to-day all the land in this city would be just as valuable if it was equally divided among all the inhabitants of the city as it is now vested in large tracts in single individuals?—A. That is not the point I make, that it should be equally divided. There are large numbers of lots even in this city which are unoccupied, and they would be occupied but for the power to monopolize them.

Q. You do not contemplate an arrangement by which a man can get a piece of land without buying and paying for it?—A. No, sir.

Q. You say that the fact that the Astors own so much land is an injury to working people in getting houses. I am not trying to controvert your idea, but to see what it is based upon.—A. Without rent.

Q. And your reply is that the Astors have come to hold this unearned increment. That is a value which increases as time goes on, is it not?—A. That depends on circumstances.

Q. It is doing so in this city?—A. Yes.

Q. Now, suppose at any particular time a workingman wants to get a home in New York City, can he buy it just as cheaply of the Astors or of these other large owners as he could if the Astor estate and these other large estates did not exist at all under a single owner?—A. I think none of these estates sell any houses.

Q. If they did not own this land would it not be just as valuable in the hands of anybody else?—A. I think not, because then it would be in the market.

Q. What ground have you for saying it would be in the market at any lower price?—A. It is not in the market at any price now.

Q. I do not know in regard to that?—A. The lands are withheld.

Q. That is the reason you suppose they will not sell the land at that market price which other or smaller holders would be willing to take. Do you say that?—A. Yes, sir.

Q. How do you know that? Do you know individual owners would sell the land any cheaper?—A. I know that from the general law of trade, supply, and demand; where a part of a thing is withheld the price is raised.

Q. Now, assuming that what you state is correct, is it not a fact that the Astors, the Lorillards, and the Rhinelander family own, comparatively, but very small portions of the land of this city?—A. No; the Astor's own a very large share.

Q. Do you mean very large in regard to its surface or only large in value?—A. I mean a large extent of surface.

Q. Do they own one-twentieth part of the surface of Manhattan Island?—A. Yes, sir; far more than that.

Q. Combined, what proportion of the entire surface of this island do those estates you have named own?—A. I have not examined carefully.

Q. Do you feel confident they hold one-eighth?—A. I say I have not examined that carefully.

Q. If they do not hold more than one-eighth part of the surface of the island they cannot do great harm, can they?—A. I think the with-

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drawal of one-eighth of any commodity from the market would create disturbance.

Q. Here is Brooklyn, with communication by ferry for a great many years and now by the Brooklyn bridge, and here are ferries to the Jersey shore and the opposite side of the Hudson, and even if the Astors and Rhinelanders and other families did not own land here in New York, would it not be the better way for working people to avail themselves of these means of transit and get homes very much cheaper a little further off?—A. That they have done for the last fifty years, and as fast as they have done it the land around them is bought up by speculators and they are shut in again.

Q Through speculators?—A. Nearly fifty years ago the price of land on Long Island was as high as it is now.

Q. That is a fact that you know about, that fifty years ago the price of real estate on Long Island was as high substantially as it now is?—A. In some parts accessible.

Q. What parts do you mean?—A. The parts now occupied.

Q. Of course the thickly settled parts were valuable then as they are now, but how was it as to the suburban parts and the cheaper portions?—A. The price of the land in the suburban parts was about the same as it is now.

Q. Do you mean that the same identical land was as valuable then as now?—A. The same land.

Q. Is not any of the land more valuable now than it was then?—A. Oh, yes; much more valuable where it is built up, of course.

Q. Then it follows that the same land, or some of the same land, was less valuable at that time than it is now?—A. Some of the land was held then at a price equal to what it would now bring.

Q. I suppose the growth of Brooklyn has gone in another direction, and left that land about as it was?—A. No; it is entirely built up now.

Q. Then unoccupied land, or land that was unoccupied twenty years ago, was then held at as high prices as it now brings? Some unoccupied land was then held at as high a price as the same land now will bring, although occupied and improved by city buildings?—A. I do not mean the improvements. I mean the land.

Q. Although the land is occupied?—A. Yes.

Q. But the ground rent would have been the same then as now. How extensive is that fact?—A. I wish to say that that was connected with the line of speculation of 1835.

Q. It was an abnormal state of things?—A. It was probably an abnormal state of things.

Q. And during fifty years the same land has been very much cheaper?—A. At times it has fluctuated up and down.

Q. I was speaking of a permanent state of things fifty years ago as compared with the permanent condition of the present time?—A. There is no permanent condition of the price of land any more than there is of commodities.

Q. You wish to develop the fact that these large ownerships really do mischief?—A. Yes.

Q. If they do not do any substantial mischief the public ought not to get that impression. You may go on further with the other points you had in mind. You were speaking of the absorption of the land in single ownerships, and its injurious effects in city and in agricultural regions alike.—A. The evil lies in the nature of real estate as property.

Q. Is your theory this, that individuals should not own real estate,

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but that the community should own it?—A. No; my theory is that the individual should own that which he needs; that the use of land belongs to the man.

Q. Would you give him what is called in the law the fee-simple, the title absolute in himself and heirs, according to the rules of inheritance?—A. No; not according to the rules of inheritance.

Q. You would not give him the chance to dispose of it by will?—A. No; I would state in regard to these large estates that some of them are substantially entailed, as far as I am informed (though I do not know of my own knowledge), by this process, by the father deeding to the son while he is yet living, and through family tradition and parental influence insisting that that shall be done again it can be perpetuated to the latest generations.

Q. Assuming that the fathers continue to produce sons, and that the sons continue to do as the fathers have done; but is it not the general fact that real estate, like personal property, under the natural operation of the laws of inheritance and of devise, breaks up and is redistributed?—A. No, sir; those are the exceptions to the rule.

Q. Are you able to mention a great many instances, aside from the Astors and those you have given here, taking the whole country together?—A. I can mention a number in many parts of the country.

Q. Do you suppose you could mention a hundred?—A. Yes, sir.

Q. Or that you could mention a thousand?—A. Yes, sir.

Q. What relative proportion would those thousand ownerships bear to the great mass of real estate in the country?—A. I would say that in cases where those estates are broken up they do not pass into the hands of the people, they pass into the hands of the class to which they belong; they pass into the hands of those with capital and means enough to absorb them into another estate. That is what I mean to say.

Q. What would you do with a man's estate when he dies?—A. I would have his executors given a certain length of time to dispose of that land to those who need it for occupation, of course to be divided among the heirs and legatees, without exceeding the limit.

Q. What would the executors do with the proceeds?—A. The proceeds I should not object to going to the heirs.

Q. Suppose they take those proceeds and buy up more land?—A. They cannot do that under the limitations which I propose. I propose limitations which will not allow that to be done. The difference between real estate and personal property is well known, I suppose, generally. In the first place, land is not property in any such sense as we own personal property; it is not the product of any labor; it is not a subject which can be increased as productions of industry can be increased on demand being made, but is limited, absolutely limited. The domain of every town, city, and country is limited; it is a limited extent which cannot be added to.

Q. But is its productiveness limited?—A. Its productiveness is not.

Q. In the same sense you might say that the size of a piece of personal property is limited; it can occupy only so much space.—A. I do not mean that.

Q. Go right on with your explanation.—A. I meant that there could be no increase of supply, as in commodities. When there is an excessive demand it produces an excessive supply in response.

Q. If you can increase the productiveness of land do you not increase the supply of land, in one sense?—A. The supply that comes from land.

Q. If you make an acre produce twice as much as before you have two acres of land, practically.—A. In that sense it can be increased.

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Q. Is not that the precise sense in which you can increase personal property?—A. No, sir; you can add another thing of the same size and shape every way.

Q. Precisely; but then you have got two. Have you not got two acres of land by making the one twice as valuable as it was before; and that you can do by combining labor with it?—A. Well, it may be done, but I have not seen it done.

Q. It is a very common thing. They have done it up in New Hampshire by putting manure on the ground, and plowing it in.—A. If that fact, that a man can double his land would prevent his wanting more, or would induce him to part with one-half of it——

Q. That may be, if he had not the means of improving the whole of it—A. In that sense it might be said to be increased.

Q. But suppose that man you speak of, whose estate you are dispersing, sells the land, as you wish to have him or his executors do, when you consider this power to increase the value of the land, should he not be allowed to reinvest in land, buy manure and put it on land that is worthless, it may be?—A. I see no objection to that. I do not propose a limit of that kind.

Q. I thought you proposed a limit on the amount of land a man should occupy. You do not object to the reinvestment in real estate, then, if a man makes it valuable?—A. Not where it is upon the same extent of surface.

Q. Why is it not just as well for him to keep his property in that same piece of land as to sell that piece of land and buy another?—A. It is a great deal better, so far as the public interest is concerned.

Q. Then why is it necessary or right, if you are to allow the reinvestment of the estate in land, to compel the estate to sell that which it already has?—A. Only on a question of public policy.

Q. That is just what I am asking you; why as a question of public policy ought it to be done?—A. It ought to be done because while there are people who need land and have not land, there should be some provision of our public policy by which it could be obtained.

Q. But the same parties who are to buy this estate on sale may just as well take their money and put it into the other land in which the property of the estate will be invested after the sale is made. Unless this is to be a gratuitous distribution or a vesting of the land in the public and renting it out by the public I do not see that anything is gained; but there may be. You can explain it, perhaps. You would have the lands of the estates sold within a limited time. What else would you do in the distribution of a man's property that is different from the present order of things?—A. I would put real estate upon the same basis as personal property is held.

Q. Is it not now?—A. No, sir.

Q. Why not?—A. It requires a certain process of law to be gone through.

Q. Very slightly different?—A. The recording of deeds.

Q. But is there any substantial difference?—A. There is. It is assumed that a man is in possession of that of which he is not in possession.

Q. Is not a man in possession of the land that he occupies?—A. Not unless he occupies it.

Q. Is he not just as much as a man is in possession of a horse he owns but that another man is using and paying hire for?—A. No, sir.

Q. Why not?—A. It is in the nature of the thing itself. The horse is a value which has been produced by labor, by care, by exertion, the



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putting forth of human efforts. The land is a thing which has not been so produced.

Q. Is there much substance to that distinction?—A. I think there is.

Q. What is the land worth before labor, human effort, has been put on it?—A. It is worth in some places $10 or $15 an acre.

Q. That is because labor has been put on land somewhere else close by?—A. Yes; but it has not been put by the owner who claims the land.

Q. Is it essential who puts it there?—A. Yes; I think it should belong to the one who puts it there.

Q. That may be; but the fact that the value is there does not depend on who did the labor. That is combined with the land. In other words, why is not labor, human effort, just as necessary to make land of any value as it is to make a hoe handle or a plowshare or a domestic animal of value?—A. It is undoubtedly, but the price which land will bring does not involve that, but involves another thing entirely, which is the privilege of exclusion, of excluding the land from occupancy by the people.

Q. It may be easier to avoid the effects of exclusion from the use of personal property because other people can produce like personal property more readily, but in the principle itself is there any difference?—A. I do not see any in the principle itself, only in its application.

Q. Then it is a difference in degree and not in principle, and that is what I was asking you about. We have occasion to use different policies in reference to the one from those in reference to the other, it may be, and our laws recognize it to some extent, but it is a matter of detail rather than of principle. Now, had you other points in your mind that may not be touched upon in your paper?—A. No; I think not. I wish to say that we regard it as possible for Congress to revoke the lands which have been squandered upon the railroads, especially where they have been forfeited by non-compliance with the terms.

Q. But where the grantees have complied with the terms of the grant, do you understand that there is any practicable way of recovering them to the public?—A. Only where these grants were not in good faith to the public.

Q. Where by the statutes that are upon the records of the country, and in accordance with those statutes, the companies have entered into possession and have complied with the conditions imposed, do you underderstand that there is any way to get the lands from them again?—A. I am not a constitutional lawyer, still I suppose that the right of eminent domain would include that—anything which was in the line of equity and justice.

Q. But you know that the right of eminent domain is never exercised but by compensation to the private owner whose land or property is taken for public use. Now, is it any advantage to the public?—A. I understand that, and where these lands are in the hands of innocent parties they cannot be reached, of course.

Q. Suppose that there was fraud in the original grant, which, as a matter of fact, would have to be established, of course, and suppose that the public should have known of the fraud since the statute was passed, and have slept upon the fraud, and meanwhile allowed the Union Pacific Railroad Company to mortgage its lands to other parties, who have advanced their capital in good faith, is there any way of getting those lands but by paying off the innocent mortgagees or holders?—A. No, perhaps not; still, if the principle of limitation could be applied it would remedy these results.

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Q. It might be applied to all lands which have been forfeited and to all lands remaining in the public.—A. Yes. Our point is specially that the unsquandered lands should be placed under the homestead act wholly. We have petitioned for the last thirty or forty years regularly to Congress, and even when these railroad grants were passed to have the railroads required to sell only to actual settlers, but the whole thing was ignored.

Q We will examine your paper carefully and give it consideration?—A. Thanks.

The memorial presented by Mr. Ingalls is as follows:

87 HUDSON STREET, NEW YORK,
*September* 10, 1883.

*To the Senatorial Committee:*

GENTLEMEN: I am requested by the executive committee of the National Land Reform Association to submit to your attention the following propositions and suggestions:

(1.)—The sustenance of human life and the satisfaction of material wants are wholly supplied by human labor from the land and its natural productions.

(2.)—All social wealth is the product of labor, intelligently directed; but deprived of land and the opportunities which occupancy of the land affords man's exertions can produce nothing or even be put forth.

(3.)—As a necessary deduction from the above axioms, the right of any and every human being to life depends, ultimately, upon his right to occupy the land and to enjoy the opportunities to labor thereon It also necessarily follows that whoever lives without labor of his own lives from off the labor of others.

From the earliest times productive labor has been burdened and despoiled; ownership of the laborer was the method in barbaric days by which the dominant class appropriated to itself the greater share of all industrial production. With the disappearance of that form of servitude, however, the appropriation of the products of labor by those who do no labor has not ceased. For the man who owns the land eventually owns those who live and labor upon it, and is able by reason of his exclusive ownership to appropriate as large a share of the production as if he owned their persons. From our laws of private property in land grows the lordly privilege to exclude all other persons and to prohibit the application of labor except upon such terms as shall please the owner.

The founders of our Government supposed they had remedied the evils attending British landlordism when they prohibited titles of nobility and abolished the right of primogeniture and entail; but the potency of all these still adhere to the system of private property in land, which we have retained, but which is subject to none of the restraints or responsibilities which characterized the feudal system. There are numerous estates in this country of great magnitude, and which are growing larger each year. They date back for a century or more. I may mention as an instance one in this city, which has steadily advanced for three-quarters of a century. It is now in the possession of the fourth generation, and is virtually entailed in the family through a tradition which requires the possessor to deed, in his lifetime, the estate to his eldest or favorite son.

Private monopoly of land enforces rent, and which at the start takes from labor more than twenty-five per cent. of the earnings of labor. Aside from what is usually embraced in rent, taxes, repairs, and improvements, the annual rental is counted by hundreds of millions, and for which no labor or reciprocal service whatever is given in return.

Through laws for enforcing payment of debts, exaction of usury, and a manipulated currency, quite as large sums are constantly absorbed as interest, profits of corners, in trade, stock gambling, &c. These have all to be abstracted from the annual production, often absorbing the whole plant upon which important industries depend, and thus, as in a crisis, throwing much labor out of employment altogether. Then there is the share which falls to the employer and owner of the plant, before it can be determined what wages shall be paid the laborer.

The friction of this whole system falls just here—between the employer and wage worker. The pressure under which both at times suffer, and which begets the antagonism between them, lies far deeper than any disparity of compensation which they respectively receive; for unless the employer is also capitalist or landlord, or combined with them, he cannot, however disposed, greatly wrong the other. The worker could not be seriously oppressed but that he is landless and homeless, because the only recourse for self-employment, the land, is monopolized. This alone produces the constant increase of the class of wage-workers for which there is no corresponding in-

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crease of the demand. I have found, from some observation, that the employer of a few men obtains just about as much income to himself as he pays in wages to his workmen; but I am satisfied that this disparity in their remuneration alone would not cause the dissatisfaction and depression which exist.

I have thus briefly sketched the causes which operate to produce the poverty and distress of the disinherited toilers, who by patient effort develop from our common patrimony the necessaries and luxuries of life. That personal indolence and improvidence contribute largely to the destitution and suffering which exist I do not deny; but there can be no doubt these are mainly induced by the very system of wages itself, which divorces the worker from any personal interest in that which he produces, and also by the spectacle which our society presents, wherein honest labor is despised and luxury is the reward, not of toil, but of idleness and vice.

I deem it useless to devise schemes to remedy these evils. No league between employed and employer, however cordial and faithfully carried out, could be of more than temporary benefit. Only a return to natural law, a scientific adjustment of the two primal agents in production, land and labor, and the restoration of man to his normal environment, and freedom of action therein, can effect any salutary change.

The domain of our nation is already well-nigh given over to monopoly. Enough to form seven States of the size of New York has been bestowed upon corporations, for no legitimate consideration, and the nations right of eminent domain has been nearly abdicated by our Congress. The roads sell these lands to settlers, it is true, but they also sell to speculators in large blocks. They sell on time at interest, which will keep the settler in bondage from generation to generation. The lands are often taken back with improvements on foreclosure, and when only a part of the purchase-money remains due the entire property, as in times of depression, is taken to satisfy the mortgage.

But in addition to the home aristocracy, who affect land monopoly, we have the titled nobility of Europe founding vast estates, from which the American citizen is to be forever debarred, except as a tenant or serf of a foreign and perhaps absentee landlord.

I hold this tendency even more dangerous to our national well-being than the wild speculations which seized our men of wealth at the close of the last century, and occurred often in the early half of this. Those efforts were intended mostly as commercial speculations and failed, as they were quite sure to do. This, however, is a maturer purpose to establish large family estates, with a general system of rentals, or of bonanza farming or stock raising, and which makes the cultivator necessarily a tenant or wage-worker, with precarious employment and uncertain wages. So far has the system already proceeded to reduce the status of the laborer that our corporation magnates, and even your committee seem to think it worthy of remark, if found that labor is better paid in this country than in the tax-ridden and ill-governed countries of Europe.

That lands may remain cheap in certain localities gives no relief or refutation to our theory. The privilege to occupy land is what makes price. Supply and demand operate here to make that price "all the traffic will bear," and whether the price is high or low makes little difference. The needy are excluded just the same; and it should also be born in mind that the cheaper the lands the more easily are they monopolized by capital, and are usually sold only in large blocks, so that it is almost impossible to buy a small farm at a cheap rate even in the South, where titles are often found defective.

The only legislation we would suggest is the repeal of all land laws which give protection to titles to land not based on personal occupancy. The principle of limitation to private property in land, or its reduction to the same status as personal property, can be realized without any derangement to business or individual distress. It can be made prospective. After a certain date let no title be recorded which does not specify that the said tract is within the prescribed limits, and only required for occupancy and cultivation by the owner. Let this repeal not operate during the lifetime of any present owner as to land already in possession, and let him have the power to transfer his land to others under the prescribed limit. Let the executors, on the death of large landholders, have one or more years to dispose of the surplus, after heirs and legatees have received their proportions under the limitation.

By such a change in the system of land tenure no wrong would be wrought to any. It would secure the greatest benefit to all who are desirous of making for themselves and families independent homes, are capable of self-employment, and are willing to work.

It may be a question how far the reform indicated could be inaugurated by the General Government, but it can, as indeed it already has, recognized the principle of limitation to the acquirement of the public lands, as under the homestead act. Had that act been framed in accordance with our recommendation and been carried out in good faith, the interest of the country and the condition of labor would have been greatly improved The lands would have been taken up consecutively, so that the

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patient and industrious settler would have been near to markets and all social and educational facilities. Railroads would have been built as fast as needed, without subsidies and without the revolting spectacles of corruption we now behold.

Congress can at least undo some of its unfortunate work. It can put what land yet remains unsquandered wholly under the homestead act. The grants made in betrayal of that trust which committed the patrimony of the coming generations to their care can all be declared forfeited, especially where strict compliance with the terms of the grants have not been complied with, and where the land has not passed into the hands of innocent parties.

In view of the past, however, the outlook is not encouraging, that under the sway of party politics Congress will do anything but foster giant corporations, grant subsidies, and shape legislation generally to favor capitalistic adventurers, who flock to the lobby and cry "give! give!!" but who are first to volunteer the advice that no legislation is required to protect or inform the workingman that he has liberty of making contracts and full freedom to work and lay up his earnings and become a millionaire, and ought to ask nothing more, and that the only way in which he can be possibly benefited is to have the Government secure capitalists and large corporations in their monopolies by high protective tariffs, steamship subsidies, railroad grants and franchises, and privilege to bankers to furnish a circulating medium to the people, &c., while keeping open the doors of the nation to the wholesale importation of the impoverished and demoralized laborers of all other countries, to compete with our own.

It will be well for us to reflect that we are rapidly pursuing the same course which through absorption of the lands debased the citizenship of the Roman republic, and paved the way for the empire under the Cæsars, nineteen hundred years ago. Unless this course is changed the indications are that this country will not pass away before an organized oligarchy will control our Government wholly, or conspire for its overthrow. The heart sickens to contemplate in anticipation the struggle which the misled people are certain to make to regain their sovereignty when they once clearly apprehend the peril to which it is exposed.

All of which is respectfully submitted.

J. K. INGALLS,
*Corresponding Secretary N. L. R. Association.*

## LABOR ORGANIZATIONS.

GEORGE BLAIR sworn and examined.

By the CHAIRMAN:

Question. You reside in this city?—Answer. Yes, sir.

Q. What is your business?—A. I am a manufacturer of packing boxes.

Q. How long have you resided in New York and how long has that been your business?—A. I have resided in this city thirty-five years.

Q. Is that your whole life?—A. No, I am in my thirty-eighth year. I have been in business since 1874.

Q. The same business?—A. Yes, sir. I have prepared a statement that I should like to make in view of the fact that you requested me to call.

Q. You may either read it to us or give us the substance in your own way, as you choose.—A. I thought it was better to cover the ground, as I might not think of all the things here.

Q. Perhaps your better way will be to take your time and glance along and read or state verbally, as you please, the points, as I may want to break in upon you with questions now and then. State preliminarily your connection with labor organizations and with labor movements, and your identification with them as fully as you see fit to give it, and what you may have done from time to time which is calculated to give you a knowledge of the labor system and of the laboring people, the relations between capital and labor, wages and the distribution of wages, strikes, their causes and their remedies, and the like. Give us a full statement in that regard before you proceed with your paper.—A. I have partly covered that in this statement.

Q. Very well, then; go on.—A. I entered the labor movement when

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I was eighteen years of age, in 1863, or thereabouts. I was made secretary of the Box-makers and Sawyers' Union at the very first meeting, in 1863, or in that neighborhood. I afterwards became president; was delegated to the Trades' Council of this city from 1871 to 1874, and I represented the organized workingmen of this city in the national convention at Rochester in 1873. I joined the Knights of Labor when first organized in 1874 in this city; believe the Knights of Labor is the only movement that can unite all elements seeking the same end. The merchant and manufacturer have the same opportunity to join the order as the mechanic and laborer. I started business on my own account in 1874, and, unlike nearly all who have advanced themselves from the work-bench, I remain active in the work of labor organizations. I employ and paid last pay-day sixty men, my weekly pay-roll being about $800. The average yearly earnings of my employés is about $700. I am now the chairman of the New York State Committee of the Labor Party, which shows about how well I stand in the movement throughout this State.

INCOME TAX.

I recognize that the National Government can do a great deal towards improving the condition of its people. I look upon the legislative branch of the Government as the source from which measures in the interest of the people should spring. You can give us an income tax; it is popular in England; and if the rich refuse to aid in praiseworthy efforts to improve the condition of struggling labor, they should be compelled by law to take from the shoulders of those who can bear the least taxation and place it upon the shoulders of those who can. I would exempt all under $10,000 income; above that, I would graduate the tax, and he or she whose income would be over $100,000 per annum, I would tax so heavily that millionaires would be impossible. I maintain that a person can go through this life with an income of $25,000 per annum very comfortably. Increased wealth tends to aristocracy. Ninety per cent. of those who inherit the same ape the style of the aristocracy, and they despise the laborer, the mechanic, and in some cases the manufacturer and merchant.

Q. I want to ask you if you have in mind and if you treat of it further on, some way to reach the income of corporations. Individuals you deal with, and there is a way we can reach them probably, but take the income of corporations.—A. The individuals who make up these corporations would be reached.

Q. You would not probably make any effort to collect its income tax directly from the treasury of the corporation beyond what ought to go in a fair dividend?—A. I would not interfere with that because that is an institution like any other that is employing labor and distributing money throughout the community, but those who earn so much from those corporations as individuals should be taxed.

Q. You treat what comes from corporate property like any other and as contributing to the personal income of the stockholders?—A. Yes, sir; especially if a corporation is a *bona fide* institution and not sustained by any special privileges obtained from a legislature.

Q. Very well, go on.—A. The reason I referred to the fact that those who inherit wealth despise the manufacturer and the mechanic is that it is well known that the aristocracy of Europe in a great measure refuse to associate even with a manufacturer.

I can see no reason why Government bonds should not be taxed like other property. People who hold these bonds have the protection of

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police and fire and other departments, to sustain which they contribute nothing. Legitimate business suffers to some extent. Much of these funds are locked up, owners preferring to draw interest instead of investing in business that would employ labor.

### EDUCATION IN DUTIES OF CITIZENSHIP.

You can institute a system of education which would serve to instruct the masses in their political duties and rights. The present school system is silent on educating the future citizen. Neglect upon this subject is now apparent. The man who enters public life has very little encouragement. It requires a man of strong will power to stand the abuse and misrepresentations made daily about his motives. The general opinion is that the man going into public life does it for personal gain. He receives very little credit for patriotism, and his near friends tell him if he is a patriot and an honest man he had better leave politics alone, as it is monopolized by men who would betray him at every turn who are in politics for all they can make. Sometimes I am forced to believe the statement—when it is a notorious fact that many men in public life are rich to-day who were poor when they started in. There are many cases in this city where men spend a great deal more than their salary amounts to to secure their election, and yet take a solemn oath when sworn in that they never spent a dollar. Education will cure this if the aim be to enlighten the citizen as to his responsibilities. The National Government can do little with the question of convict contract labor.

Q. In regard to education, the States, of course, as we all know, are supplied more or less fully with a common school system already. You speak of national help or a national system of education, and, of course, you recognize the intellectual convictions of a great part of our country that the matter of education is a State matter properly; but I see that you hold what I believe, that the nation is responsible, if no one else educates the child, for its education itself. Now, do you think it would be, or not, a proper thing and a good thing to do for the National Government to make appropriations from national funds to assist in the enlargement and extension and improvement of the State systems of common-school education wherever they seem to want it?—A. I believe that would be a very good scheme. Beside, the Government has established the precedent of helping States by giving them land for school purposes. The point I make here is that the schools neglect to tell the boy and the girl that they are a part of a great community, and that when they become of age they have certain responsibilities, and if these responsibilities are not looked after it is apt to react upon the individuals that compose the community, and my point is that through the National Government the State governments might be urged to do something in this direction. It would be simply adding a branch to the existing system. Our school system, with that exception, is excellent, and I consider that it is the great safety for our institutions. They should be encouraged and developed, and especially in the South.

Q. You mentioned the fact that you were chairman of the labor organization of this State. That matter of national aid to education is pending in Congress now; it will be acted upon favorably or unfavorably by the present Congress; and would it not be within the desire, at least, certainly within the power of your organization to make itself felt directly upon Congress with reference to that thing?—A. If I could get the control of the scheme my idea is that there should be some manda-

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tory provision that would compel the school system to turn its attention to educating the future citizen—not alone an appropriation for school purposes, but that it should also help to educate the citizen in the direction that he has not yet been educated.

Q. Go on.

CONVICT LABOR.

A. The National Government can do little with the question of convict contract labor, as these matters are regulated by the States; yet the Government pays for its convicts in the Albany prison and the same are let out again by contract. Some effort should be made to learn to what extent the laborers or convicts of the South are disposed of. I have it from unofficial sources that the convict labor of several of the Southern States is let out by contract for a nominal sum and that judges sentence prisoners for trivial offenses for long terms in the interest of contractors. I might add here that contract work is in the interest of cheap labor—the lowest man gets the job; hence our opposition to contract work by the Government. Prison contracts give the contractor an advantage over outside manufacturers, and to the extent of the number of convicts employed injures outside labor in lowering wages. We claim that the prisons can be made self-sustaining by doing the work on State account and giving each convict an allowance for his labor and selling the goods made at the same price outside manufacturers charge.

Q. In regard to that matter I would say that I introduced in the last Congress a bill bearing on that subject, and I should like you to look it up and see how its provisions suit you

HOURS OF LABOR.

A. Hours of labor should be reduced to meet the increased power of machinery. No one State can do this. It must be done at one time by the whole country. The buildings trades of this city enjoyed the eight-hour system up to the panic. Since then ten hours has been the rule, except Saturdays. The stone-cutters have maintained the eight-hour system up to the present. These trades have an advantage over manufactures. Just as soon as men engaged in manufactures asked and struck for the eight hours other States secured the trade where ten and twelve hours per day prevailed. No one manufacturer can reduce the hours of labor unless it becomes general, for such man might as well go out of business under the present sharp competition. We have in this State over 50,000 operatives who work nearly twelve hours per day—67 hours per week or eleven hours more per week than the factory operatives of the large cotton districts of England.

Q. From your knowledge of the subject, has there been any difficulty arising in the administration of laws fixing a shorter period of labor than previously obtained, by reason of the inclination of the workers, the laborers themselves, to be employed to some extent beyond the limitation?—A. You mean that some of the men want to work longer hours?

Q. Yes.—A. Well, all reformers know that human nature is selfish, and there is always a certain percentage of men who do not recognize movements for their own benefit. We in this city in 1873 had a Congressional investigation of the work on this building. There was a direct violation of the eight-hour law. We drew out the testimony. The Congressional committee staid here but about eight hours and we had not time to get out all our witnesses, but we drew out at that time a confession on the part of one of the contractors that he charged the Government for eight hours' work and his men worked ten hours. In

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other words, he got the advantage of two hours. The point we made then was that the Government should not make any contracts that violated the law, but up to the present we have had that difficulty with the Government right through. Wherever the Government gave out contracts they made no provision in the contracts that the eight-hour law should be recognized and sustained. They allowed the contractor to work his men just as many hours as he pleased, and in that way the Government avoided the enforcement of the eight-hour law. There is no reason why the Government cannot do the work on its own account, and then the men would have the benefit of the eight hours, but the very moment the eight-hour system was introduced contracts increased, and possibly the Government had the work done for a little less. Somehow or other it seems to be a fact that Government work done direct by the Government is more costly than contract work and more expensive to the people, but it is largely because men who are employed by the Government are more or less under the control of political organizations, and men who spend their time and money to maintain political organizations and get political place in that way generally make the job last as long as they can. I think there is a radical change needed in that direction before the Government work could be made profitable; yet the Government should recognize the fact that it has passed this law and it should enforce it, and no contract scheme should be resorted to. It is a mean, hypocritical method, to my mind, of evading the eight-hour law.

Q. If the Government finds it an advantage to do its work by contract rather than by itself directly, for the reasons you have mentioned, would it reach the point for the Government still to employ contractors but to make an express provision in the contracts that labor should not work more than eight hours?—A. There would not be any serious objection to that, but on general principles I am opposed to contract work. I have in my own business carried out the day's work system, and mine is the only shop in this city that is run on that system. I do not suppose it could be made to pay unless it was I that conducted it.

Q. State fully, then, your system and your experience of its results. You apply the eight-hour or ten-hour law?—A. I apply the day's work system, whereas all other shops in my line work piece-work.

Q. How many hours a day do your men work?—A. Ten hours. That is the system here, and, of course, the competition of other manufacturers has to be met.

Q. It has been claimed, or at least the opinion has been expressed by many, that eight hours' work gave as much production as ten hours' work. Is that true at the present time, do you think?—A. That was demonstrated some years ago, when that question was up, by the work done in the Government armory, that at certain kinds of work men do as much work in eight hours as they formerly did in ten; but I do not think that that would hold good; in fact it should not, because the aim of the reduction of the hours of labor is to give more employment, and if a man can do as much in eight hours as he formerly did in ten there is no real benefit. The design of the reduction of the hours of labor was to meet the increased production of machinery, in order that the men who are thrown out of employment by machinery can be employed, and if the man who works eight hours does as much as he formerly did in ten, there is no real benefit, excepting to give him two hours more leisure, which, of course is a redeeming feature, and yet the design of the agitation for the reduction of the hours of labor is to meet the increased production of machinery.

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Q. That, you think, is the principle?—A. That is the principle.

Q. Then, until the rule is general, no individual employer can expect to maintain himself in competition with others who work their labor beyond the eight hours?—A. I would have to go out of business if I worked only eight hours.

Q. I see the point. Go on.

### TRADE ORGANIZATIONS.

A. Trade organizations should be allowed to incorporate under the National Government. I regard them as the most useful institutions in our land, an agency through which the workingmen and workingwomen can make their wants known, and they should receive the same encouragement here as is given them in England. I know they often make mistakes, but men do not drop their tools and the chance of providing themselves and families with the necessaries of life for mere sentiment. They are often carried away by some pretended friend who has a command of language, but has nothing to lose. Such are soon found out, and the movements among the workingmen who succeed are no longer carried away by spread-eagleism. To get a correct idea of the usefulness of unionism you must study the growth and progress of the English trades union, from which the labor movement in this country sprang. There they have been the subject of parliamentary inquiry. The British Government has conceded to organized labor much that is yet to be obtained from this Government, and I question whether there is a public man in England of any prominence but what will agree with me that labor organizations have contributed largely to the well being and prosperity of that country. Labor organizations prevent pauperism and crime; they tend to make patriots of their members by urging legislation in their interest, and such legislation as tends to improve the condition of labor tends to improve the prosperity of the whole people. They help the sick, bury the dead, provide out-of-work relief, and a pension for old age; they abhor strikes, except as a last resort, and I believe that method of settling labor disputes will soon pass away. The point to be reached is to stop competition as to the price of labor. When manufacturers will come down a little in their dignity and recognize that labor is human, and not a commodity like the raw material, there will be few strikes.

Q You are very familiar with the operation of trades unions in this State and in the country, I suppose?—A. Yes, sir; I do not think there is any man more familiar with them.

Q. You know the complaints of employers in regard to them—that they interfere with business, break up private contracts, and ruin those who have entered into them; and there is considerable complaint in this city at the present time. Just how far do you think an organized trades unions has a right or ought to go in the regulation of the price of labor and the control of the contracts or agreements which may have been entered into by employers with those who are directly employed in carrying out their contracts?—A. In the first place, an employer, when he enters into a contract, should take into consideration the men who perform the labor of getting the article on the market; if the contract is of any magnitude, or running into length of time, they should be consulted, especially where the manufacturer happens to be a man who is continually in trouble with his men. If he is a man who is disposed to do that which is reasonable and right to his men, and he makes a contract, he can safely go on without fearing trouble, in nine cases

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out of ten. The only men in my experience who have ever had any trouble with their men are those who recognize workingmen and workingwomen as mere machines, who have no regard for their feelings, and who say in substance, "I buy my labor in the cheapest market in the same way as I buy my raw material." Those men, when they enter into contracts that are of long duration, and have men working at a very low rate of wages, must expect, if business is lively and they have plenty of it for three, four, or five months, that the men who are getting starvation wages will ask a certain advance; and my experience has been, and I can name you manufacturers all through this State, that it is not so much the question of wages as it is the question of treatment and the question of recognizing the rights of the man who performs labor. Most of the strikes have grown out of certain circumstances that the employer refuses to recognize. There are some exceptions. I know that there are some very good men who sometimes have trouble with their employés, but such generally reacts upon the men and in a little while they learn to appreciate a good man. That often is the case; but the cry against the trade organizations is raised by men who do not desire to develop a sentiment in favor of doing justice by labor. To create a sentiment just the other way is the design of the labor movement in this country, because it tends to prosperity as between them. The more a man receives, the more money he can spend, the larger the number of articles that are manufactured, and the more of the wants of labor supplied; but you reduce wages and you reduce the value of every property in the country.

Q. What interference do the trades unions actually exercise with the business of contractors?—A. The building trades really are the most aggressive, and sometimes make a great deal of trouble for contractors. I think the greatest complaint comes from that direction. A man makes a contract for a building and his estimates are given in and accepted. The architect says "Go ahead." He starts his building, and before it is half-way finished he finds that through troubles with his men his expense is increased by having met a strong organization, and he comes out on the wrong end of the horn. Then, of course, the contractor complains—finds fault with the trades union. If the contractor before making his arrangements had consulted the men, knowing full well that the men in the building trades are the most aggressive trades unionists that we have, there would not be so much trouble; but if you have been in business you must know that the competition among contractors and business men is even greater than among workingmen in cutting down figures. They get the figures down so low that sometimes they are unable to pay even what is reasonable and fair. My experience, and I believe the experience of nearly all in the building trades, is that they have learned a lesson. The building trades have made reductions in the past, and I believe, from what I learned at the last national convention, they propose to make a move next year, and they have already notified their employers as early as this time that next year at a certain time they propose to do certain things, so that the men engaged in the building trades who are making contracts can be governed accordingly.

Q. They will have notice in advance what wages they will have to pay in order to avoid trouble?—A. Yes, sir, and of the hours of labor.

Q. That would give them a reduction in hours without legislation probably, would it not?—A. Oh, yes. The men in the building trades here have more or less secured a reduction even after the revival in business. They have the eight hours on Saturday all through the

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building trades; but the building trades are altogether different from others. In a manufacturing town, if the two hours are taken off the expense of labor would be increased and another city could manufacture the goods under a ten or eleven hour system and the trade of the town would go away. They cannot bring buildings here. A building that is wanted here cannot be built in Jersey or in Ohio as manufactured articles can be.

Q. The building trades really work upon real estate?—A. Yes.

Q. Is there a tendency among all trades to this unification and general or national action that you speak of as already taken by the building trades?—A. Yes, the Knights of Labor are filling that bill by taking in all trades and operating under one head.

Q. Do they include agricultural laborers also?—A. Yes, and white and black, too.

Q. And yellow?—A. Not exactly.

Q. I understood you to say that they include employers also?—A. Yes, sir.

Q. All classes of employers?—A. Yes, sir, except rum-sellers and lawyers.

Q. Do you consider them employers? There is one other class you have not named.—A. Doctors and bankers. We may gratify them some of these days, but the way we look at things now we think those people have got all the legislation.

Q. The point I want to get at is, the lawyers can take care of themselves.—A. Excuse me for interrupting you. The lawyer generally has his fee fixed by law.

Q. He cannot always collect it. I have noticed that myself. But the point I want to get at is, how in this Knights of Labor organization the employers get on? Do they come in willingly, and are they recognizing it as a good thing for them?—A. In the small towns they do, in the West especially, but here in the East the men look upon employers with suspicion and there is a kind of feeling developed—it is not real or genuine, yet certain individuals are afraid that if some employers get in they will inject some good common sense and their little influence would be wiped out; but we urge that the aim of the order is to get the two together as soon as possible, because we recognize that the interests of both are identical.

Q. Do you think that the Knights of Labor will accomplish that object and secure something like unity of action between employers and employés?—A. It may not in the near future, but it certainly is a step in the right direction, and it is best to go up the hill the right road than to go up the wrong road.

### EFFECT OF MACHINERY.

Q. You may go on with your statement.—A. Machinery has a tendency to cheapen labor. I recollect when men in my trade of box-making received three dollars per hundred making oil cases. To-day, with the aid of machinery, the manufacturer gets one hundred cases made for twenty-two cents. Formerly, ten or twelve years ago, they were paid three dollars per hundred for nailing the cases together. Now, with the aid of a nail machine, they are made for twenty-two cents a hundred. This serves to show that the same influences are at work in other trades. Hence the average earnings of labor are about $400 per year. Men work but half time. I know it is difficult to apply a remedy here, but if the Government was justified in freeing the slaves of the

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South upon the same ground it should come to the relief of labor. These agencies are more powerful to enslave labor than the slave driver's whip. The machine eats nothing, wears no clothes, yet it does the work almost as good as if made by human hands.

Q. You do not oppose these improvements in machinery?—A. We do not oppose them.

Q. What would you do to enable the laborer to get his increased proportion of the production of the labor of the machine with the employer?—A. Reduce the hours of labor all over this country on a certain day by a national act.

Q. All classes of labor alike?—A. Everything.

Q. If you could make that measure as you think it should be to accomplish the end, to what point would you make the reduction?—A. To just that point that the department of manufactures or labor that I refer to afterwards would be able to designate by a collection of facts to be necessary to give employment to the people of this country.

Q. I suppose as a part of such a law you would introduce a provision that no single laborer should work more than that time?—A. Exactly. I took the ground during the war that the people of the South had no right to buy slaves. It was a radical proposition, yet the people of this country determined that it should be. I know that this is a radical proposition, and there are lots of people who would want to work twelve, thirteen, fourteen, and sixteen hours a day, and if they were prevented by this law those people who are in favor of the free agency of the individual, and all that sort of thing, would protest against it; but it can be demonstrated by an investigation that machinery is displacing labor, and it is the duty of the Government, based upon the principle on which this Government is based, to step in and take care of those people who are thrown out of work. There are other ways of reaching it, but I think that is the most practical way. I recognize that it is a very radical way, however.

Q. You think it the same thing in effect to the laborer to compel him to work and do what labor there is for nothing, that it is to take the labor itself away so that there is but very little for him to do?—A. Yes, sir.

Q. If the improvements in machinery should go on, it would be necessary from time to time to make still further reduction of the hours of labor, would it not?—A. Exactly, and the more leisure the average citizen would have the better citizen he would become by having an opportunity to educate himself.

Q. I believe Dr. Franklin held that four hours was enough time for a man to work if every man did work; but the result would be, if improvements go on, that the period would have to be reduced to six hours and perhaps still lower, would it not?—A. Yes, sir; but I am willing to see something in my life-time. I will let people who come after me fight for what more can be had.

Q. You think they can contrive ways to get on according to their own condition?—A. Yes, sir.

By Mr. CALL:

Q. Suppose we had your idea carried out and we had brought machinery to such a state of perfection that no manual work at all was required, that the production of the country was sufficient for even the comfortable and luxurious support of every man in it, then we should have a question of the distribution of it, how much each man could have or get, should we not? How and by what process would you

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regulate that? Of course logically it is very clear if these ideas are correct—and I do not dispute them—that the productiveness caused by invention is so great that there is not employment for the manual labor of the country. That is the proposition upon which all these theories are based. Let us suppose, as may very well be if that state of things is to continue until the amount of human labor requisite will be the minimum, there will be a vast number, as the argument now assumes, of unemployed people. The question then, of course, will occur as to the distribution of this production, will it not, so that everybody shall get his share?—A. I do not propose to interfere with the present system of production.

Q. Of course you do not, but your idea assumes and the very proposition you have made here is that machinery has improved so much that it has become a substitute for large amounts of unemployed labor; is it not?—A. Exactly.

Q. That is the foundation of all you say. If it has done so in the past, of course there is every reason to assume it will continue to do so, is there not? Machinery will continue to improve more and more hereafter, it being a substitute for labor?—A. I think it has reached its limit in some branches.

Q. Why and upon what data do you assume that it has reached its limit in any branch?—A. I speak from my own experience. We have a nail machine in our line of business, and they cannot nail the boxes together any faster.

Q. We shall not discuss that; but why could you not nail them any faster?—A. Because the handling is reduced to the minimum and the nailing is just as fast as the machines can be driven.

Q. Is it not possible it might be improved so that you would not have to do any handling at all? For instance, I saw a machine the other day by which you put a blank piece of paper in a press and it came out all beautifully engraved and printed—a new postal note; and the machine is capable of being substituted for the work of thirty people.—A. I presume there is a chance of reducing the handling, but that, I think, has got down to the minimum. If it goes in raw and comes out all right for delivery, I think that has reached its limit.

Q. I do not know; of course we cannot tell about that. I merely mention that as a new thing. I would not like to say that even that had reached its maximum. We might find one perhaps that would make the paper and do this work too. There is a new issue of Government work. A man has invented a machine by which what was put in a blank piece of paper comes out at the rate of twenty sheets of these every minute. [Exhibiting a postal note.] A. It dispenses with several machines.

Q. It is a substitute for thirty hands. I only say suppose it was reduced to a minimum—it does not matter how much—so that there was a vast amount of surplus labor, as you say there is now, and we will assume it to go on, the question will be what to do with that production, how to get it into everybody's hands?—A. I can answer that.

Q. That is what I want to know.—A. If 25 per cent. of the people are out of work, and, under the reduction of the hours of labor, that 25 per cent. get to work and earn wages, they consume that which you claim.

Q. But suppose they are all out of employment?—A. I do not assume that.

Q. It only tends to show the force and correctness of your ideas. The question of distribution, whether there are one-half the people employed or one-third or one-fourth, the question how to get this vast product

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equally distributed so that every man shall get his reasonable share, is what you are after, is it not?—A. Yes, sir.

Q. You say do it by one hour, two hours, three hours, six hours, or eight hours. If you can get that done it is what you want?—A. We would not disturb the existing methods of distribution; we would simply put more men to work, so that the surplus could be distributed and consumed.

Q. You recognize the fact that it is a question not of production, but of the distribution of production, how to get it so distributed that each man shall have a good house, a good coat, and his wife and children the necessaries and comforts of living. Is not that the idea?—A. But there would be more produced under the eight-hour system.

POWERS OF GOVERNMENT.

Q. I merely wanted to see whether or not the same economics, regulating the distribution, are not the essential part of the problem at last. Now, you recognize the fact that your theory of national legislation, reducing the hours of labor in all private employments throughout the whole country, requires a radical change in our form of government, do you not? You are aware of the fact that if Congress to-day passed such a law as you speak of, it would be utterly nugatory?—A. Unless it came in the shape of a constitutional amendment.

Q. Precisely; a change by constitutional amendment of the existing form of government. Well, do I understand you that you and the opinion that you represent—which, of course, is a very valuable body of public opinion, and ought to be considered and consulted—are in favor of a radical change in the existing form of government between State and Federal power?—A. Under the existing form of government.

Q. You know our existing form of government deprives the National Government of these powers and remits them to the States?—A. We start out with this proposition, that this Government is based on the principle that it is formed in the interest of the people, and that the law under which we live to-day may be so amended as to satisfy the wishes of the people of to-morrow.

Q. I understand that you think that would be best, but I am asking specifically do you think that the public opinion you represent now demands an entire change in the form and structure of this Government?—A. I do not assume that we insist on the immediate step being taken, but we lead up to that point and hope in time to develop a strong enough public sentiment to reach that end. We have sense enough to know that we cannot revolutionize the world in a day or in a month.

Q. I understand; I am only asking as to the opinion. You think then the opinion is growing that a national consolidated and centralized republican government should be created in place of the existing one?—A. That is another question.

Q. What I understand to be a consolidated or centralized national government is a government that has power to legislate in regard to all the relations of the people throughout the whole territory of States. That is the ordinary meaning we give to such a government?—A. But that is not the meaning I desire to convey. I desire to convey the meaning that the people are the power in this country, and that if the Government is centralized under this scheme, as you assume, it would be the wish of the people.

Q. Undoubtedly, but still the idea remains. The people now govern, but they govern in a different way. They govern through States and

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they govern through a Federal Government. Now, we are talking about a respect in which you propose to change the power of government and confer it on the National Congress and President, to make a law regulating the contracts which shall be made between two individuals. Under our present form of government that power is in your State of New York, if it exists at all; if it is not prohibited by your State bill of rights it is in your immediate legislature. The reason I asked you the question was to know whether or not the opinion that you represent is looking forward to a change of our form of government in that respect?—A. In that respect we claim that the States could pass such laws. We have one in our State, but it is virtually nullified. It is impracticable to make or to compel any State to make this law. It must be a national law, because our interests all over the country are identical. The manufactures of New York and the manufactures of other large cities go all over the country, and it must be a national law. There is no other way to reach it.

Q. You think there is such an opinion growing up favorable to such form of government as will be able to exert that result?—A. Favorable to that proposition. You are trying to get me committed to a centralized government.

Q. No, I do not want to commit you to anything. I am not discussing your ideas. We will use another phrase; we will say "favorable to the exercise of such a power by the National Government as will do that"; you may call it centralized or republican, or anything you please.—A. If the national legislature should pass an act asking the legislatures of the States to vote for an amendment to the Constitution, I would consider that the act of the people, and not the act of a centralized government.

Q. We will not discuss about that. Of course it is the act of the people. We are only questioning how the people choose to bring it about. I am asking what is your idea as to the manner in which the people shall choose to bring about this result?—A. I have just stated.

Q. That, I understand you, would be by the exercise of authority by the National Government?—A. That the national legislature shall say to the various States that a constitutional amendment shall be adopted designating that the hours of labor all over this country shall be so much, or the hours of labor shall be reduced from time to time as a certain department, which would be charged with the duty of investigating the amount of production and the manner of its distribution, should be able to designate. If this department discovered that there was a great deal of poverty and a great many men and women out of employment, it would be in the power of this department to recommend to Congress that the hours of labor should be further reduced, so that the people could be always employed and be comfortable and prosperous.

Q. I go as far as you do, and I sympathize as much as you or any other man to that end, and I am willing to go for anything in the world that will practically bring that about, to wit, the general comfort of every man, woman, and child in the country. Now, I want to show you that I do not mean by this question to discuss or oppose your idea; I only want to find out what the theory is. Would you be entirely willing to commit the welfare of your family and your business to the decision of the commissioner of some bureau as to the amount of work that ought to be done by each man? As an economic matter, would you feel safe?—A. If you were to put that question in another way I might answer it.

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Q. I understand you are a builder; that is your business. You contract for building, do you not?—A. No; I am a box manufacturer.

Q. Would you be willing to trust any other man but yourself, say a commissioner of the National Government, to say how many boxes you should manufacture, or how much work you should do or should not do? Would you feel satisfied that your business could be conducted with safety by substituting his judgment for yours in regard to that?—A. If I were to be singled out, of course I would object; but if the proposition were general and everybody would be put on the same level with myself, I would not object.

Q. What security would you have that the proposition would be any better generally than it would be individually?—A. By the law declaring it.

[At this point the examination was suspended for the present in consequence of the engagements of another witness, who had been summoned and was in attendance.]

## TELEGRAPH OPERATORS' STRIKE.

DAVID H. BATES sworn and examined.

By the CHAIRMAN:

Question. You are the assistant general manager of the Western Union Telegraph Company?—Answer. Yes, sir.

Q. How long have you held that position?—A. Two years and a half.

Q. State your connection with telegraphy previous to that time.—A. I entered the telegraph business in 1859, and have occupied various positions in it since then, from that of operator to my present position of acting vice-president and assistant general manager of the Western Union Telegraph Company. During the war I was in charge of the War Department telegraph office under Secretary Stanton, with General Eckert as my superior, and I have remained with him practically as his assistant ever since.

Q. With what other companies have you been connected?—A. With the Pennsylvania Railroad Company, the Atlantic and Pacific Telegraph Company, and the American Union Telegraph Company. I have also been connected with various local organizations—for instance, the American District Telegraph Company of this city, of which I am now the vice-president, and also the Holmes Electric Protective Company of this city, a company organized for protection against burglars.

Q. You were with the Western Union Company in the discharge of the duties of your office during the late strike, I suppose?—A. I was.

Q. Give us a history of the strike from your standpoint, in your own way. That is a question calling for as minute a statement as you may see fit to make. You can commence with the origin of the strike and give us its full history, with the causes which led to it, as well as the actual occurrences while the strike was pending.—A. For several years the Western Union Telegraph Company became cognizant of efforts being made by some of its employés to organize themselves with employés of other companies into what is known as the Knights of Labor, the telegraphers' branch being called the Brotherhood of Telegraphers of the United States and Canada, which appears to have been organized as District Assembly No. 45 of the Knights of Labor. It would be difficult for me to make any statement of the causes of the strike, except, perhaps, to relate as briefly as may be the history of the strike as I am aware of it.



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During May of this year, in the discharge of my duties as vice-president of the American District Telegraph Company of this city, I learned of difficulties that were growing up amongst the men in the discharge of their duties in the line service. In the case of one of the men, William Sullivan, who had been employed by the American District Telegraph Company a number of years ago to perform services as carpenter, he was gradually transferred to regular duty as repair-man or line-man, the carpenter work not taking all of his time. His salary, $75 per month, was greater by $5 or $10 than the regular salary of other line-men in the District Company's service. During the month of May he was called upon to perform duty as carpenter in one of the offices of the company in an emergency. He refused to comply with the order. Upon being asked for his reasons, he stated that he was now in the line service of the company and he did not propose to do any more work for the company excepting in that particular department. Inquiry developed the fact that he was a member of the Brotherhood of Telegraphers, and that one of the principles of that organization was to confine the duties of the respective members to a particular line of duty in their employment. Another of their principles was not to teach others the business so far as they could prevent. Upon being informed that unless he obeyed the order to do carpenter work, for doing which his pay had been fixed at $75 per month, in connection with his other duties he would be reduced to line pay, $5 or $10 per month less, he tendered his resignation, which was at once accepted. In attempting to fill his place by assigning a growing sergeant in the company, who had had some little experience in the business of line work, the foreman in charge of the particular department, Mr. Swanson, declined to give the apprentice any information about wires or the duties of his proposed position, and informed the company that he did not propose to teach anybody anything in regard to line work. Inquiry developed the fact in this case also that Swanson was a member of the Telegraphers' Brotherhood, and upon his absolutely refusing to obey orders he was discharged.

A copy of the constitution and by-laws of the Brotherhood of Telegraphers came into my possession about this time, and in explanation of Sullivan's and Swanson's refusal to obey orders, a reference was made to the by-laws referred to, article 15, section 1 of which says:

No member of this organization shall instruct any person in the art of telegraphy until the local assembly of which he is a member shall have first granted permission to do so, and until said permission shall have been ratified by the executive board of the district assembly.

It was evident that the business of the company could not be carried on if we yielded to the dictation of such absurd and arbitrary regulations, and within a few days after Swanson's discharge, almost the entire line force of the American District Company left their posts of duty without notice, without any application for the redressing of any supposed grievances, and, as was afterwards learned, in obedience to a secret order from the Brotherhood of Telegraphers.

Q. How large a force was this?—A. It numbered from twenty-five to forty men.

Q. Where was the scope of their work?—A. Within the city of New York, and their work pertained to the keeping in order of the American District Company's wires connecting with the offices, houses, and factories of the subscribers to the number of about 12,000. So that it was a very important matter to the company to keep its wires in operation, as you may understand.

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Q. These subscribers were business men largely?—A. Business men, hotels, exchanges, private houses, all classes and departments of business and society made use of the district service to call messenger boys and policemen, announce a fire, or call for a doctor, or use the signals for innumerable necessities.

After the linemen of the company had left their posts of duty every effort was of course made to fill their places, first by the employment of experienced linemen from other cities, it having been ascertained that the repair men of New York City employed by the various companies and numbering in all three or four hundred men were also members of the Telegraphers' Brotherhood. Almost immediately there ensued a systematic cutting and crossing of our district wires.

Q. What is the effect of the crossing of wires?—A. The crossing of two wires causes the electric current to be diverted from one to the other at the point of crossing so as to either neutralize or confuse the signals. This cutting of wires became a most serious matter to us, and, as stated before, we were compelled to employ a large number of men from other companies, and practically succeeded in overcoming most of the difficulty; whereupon, about the 1st of July, a communication was received from John Campbell, representing the Telegraphers' Brotherhood, addressed to General Eckert, of the Western Union Company, and stating that—

The Brotherhood of Telegraphers look upon the interference of officers of your company in the difficulty happening between the American District Telegraph Company and its employés, the linemen of New York, as unwarranted and unjust. Western Union linemen have been brought from abroad [meaning other cities in the United States] and compelled to take the places of faithful men who are engaged in a struggle to resist an unnecessary reduction of wages.

The only reduction of wages that we had any knowledge of was that of the five or ten dollars per month in the case of the carpenter and lineman, Sullivan, at the time when he refused to do the work for which he was originally paid the larger amount.

Q. Was it distinctly understood with him in his employment that this other duty was included if you chose to devolve it upon him?—A. I should hardly like to answer that affirmatively; but the fact that he was originally employed as carpenter and afterwards assigned to line duty temporarily, and later on permanently, with no reduction of wages, would seem to be sufficient.

Q. Was he receiving more than he naturally or ordinarily would have received as a lineman performing the same work as he did before?—A. Yes, sir.

Q. The five dollars in excess that you speak of?—A. Five or ten dollars. In some cases the linemen were getting $60; in other cases $65 or $70.

Q. What was he receiving as carpenter?—A. Seventy-five dollars, as already stated. Of course, in making that statement, it should be remarked that while he was employed as a carpenter he was not employed regularly at carpenter work at any time. His skill as a carpenter was only called into requisition in making changes or fitting up counters and partitions and benches in our various district offices, and while doubtless for a long time he did little but carpenter work, still there were many hours of many days that he did not do any work at all, but his pay ran along by the month regularly.

Q. At the time of this reduction he had been permanently assigned to duty as a lineman?—A. Not by any formal order, but as a matter of fact.

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Q. As he understood probably?—A. I cannot tell whether he understood it or not.

Q. He was understood by the company to be permanently assigned to lineman's duty?—A. No; I should not say that.

Q. The point I wish to arrive at is this: Do you think that the lineman himself understood when the reduction was made or proposed, of $5 or $10, that he was then receiving compensation for other than lineman's duty, and was he receiving any more than some class of linemen who performed the same service substantially that he did?—A. I can answer that best by stating that so long as there was no question between him and the company as to the service he performed he was continued at the higher rate of pay. The moment he indicated an unwillingness to do work outside of the mere routine of the line department, then he was informed that he would have to be reduced to the standard of pay given to linemen.

Q. I understand you to say that some linemen received $75, and that he was receiving $75?—A. He was receiving $75 at the time spoken of.

Q. At the time of the proposed reduction?—A. Yes, sir.

Q. And at the time he declined to do other than lineman's duty; and at the same time were other linemen receiving $75?—A. Some of them may have been. I am not informed as to that, but linemen of his class were receiving $5, $10, or $15 per month less.

Q. That is the point; linemen of his class were receiving less?—A. Yes, sir.

Q. Go on.—A. Leaving the difficulty between the District Company and the linemen and the Telegraphers' Brotherhood for the time being, I would add that rumors of an impending strike of the Western Union Company's employés became more and more frequent towards the last of June and early in July, and on the 16th day of July a committee consisting of seven men of the executive board of the Brotherhood of Telegraphers called at the office of the Western Union Telegraph Company in this city, and presented what they termed a "memorial."

Q. Have you a copy of it?—A. A copy of it I will hand you.

Q. Please state the substance of it and then leave the copy with us.—A. This memorial calls for the total abolition of Sunday work as a compulsory duty unless compensated as extra service; demands that eight hours shall constitute a day's work, and seven hours a night's work; that both sexes shall receive equal pay for equal work, and a universal increase of 15 per cent. on all salaries; that linemen shall be allowed two days' extra pay for Sunday work; that the lowest salary paid a regular lineman shall be $65 per month, and helpers $50; that linemen's duties shall be confined solely to their legitimate work; that the salaries of Wheatstone operators shall be increased in the case of first-class men to $75 per month; second-class, $60 per month; and in addition the 15 per cent. increase asked for in the general service. I now present a copy of the "memorial" itself.

CENTRAL OFFICE, BROTHERHOOD OF TELEGRAPHERS OF THE UNITED STATES AND CANADA.

THOS. T. ECKERT, Esq.,
*General Manager and Acting President Western Union Telegraph Company,*
*New York City:*

SIR: The undersigned, the Executive Board of the Brotherhood of Telegraphers of the United States and Canada, acting in accordance with instructions from that body, respectfully petition your favorable consideration of the following memorial embodying the desires of all classes of employés in the service of the Western Union Telegraph Company:

SECTION 1. Believing that man's physical and mental welfare requires that at least

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one day in seven be accorded him for rest and recreation, we request the total abolition of Sunday work as a compulsory duty, unless compensated as extra service.

SECTION 2. That eight hours shall constitute a day's work, and seven hours a night's work.

SECTION 3. Both sexes shall receive equal pay for equal work.

SECTION 4. That a universal increase of 15 per cent. on all salaries now paid be granted.

LINEMEN'S INTERESTS.

SECTION 1. That eight hours shall constitute a regular day's work, and that compensation at the rate of two days' pay be allowed for all Sunday work; that the lowest salary paid a regular lineman shall be $65 per month, and for helpers $50; that the duties of linemen be confined solely to their legitimate work.

WHEATSTONE INSTRUMENTS.

SECTION 1. That the salaries of first-class Wheatstone operators be increased to $75 per month, and second-class operators to $60 per month, and that they receive in addition the 15 per cent. increase asked for Morse operators.

SECTION 2. That the working hours of Wheatstone operators be the same as Morse operators.

A reply at the earliest possible moment solicited.

Very respectfully,

EUGENE J. O'CONNOR, *Chairman.*
MORTIMER D. SHAW, *Secretary.*
JOHN CAMPBELL,
ROBERT EWING,
HARRY W. ORR,
ROGER J. MULLEN,
JOSEPH H. FORD,
*Executive Board.*

MANHATTAN HOTEL, CORNER BROADWAY AND CANAL STREETS,
*New York City, Monday, July* 16, 1883.

As best explaining the position of the company with reference to this memorial, I have before me a copy of General Eckert's telegram to the general superintendents of the company, dated New York, July 17, the substance of which is that the executive committee of the Telegraphers' Brotherhood, which had called upon him the day before, had been asked if they represented the employés of the company, and, upon replying affirmatively, they were asked to furnish a list of such employés. They were told that the company did not know the members of the committee personally, or whether its members had authority from the Western Union employés to present any demand, and that we could not deal with outside parties.

This is a copy of General Eckert's telegram:

NEW YORK, *July* 17, 1883.

Col. R. C. CLOWRY, *General Superintendent, Chicago, Ill.:*
G. W. TRABUE, *General Superintendent, Nashville, Tenn.:*
C. A. TINKER, *General Superintendent, New York.:*

A committee of six persons called upon me yesterday and presented a memorial addressed to the Western Union Telegraph Company, and signed by themselves as members of the executive committee of the Brotherhood of Telegraphers of the United States and Canada. This memorial calls upon the company for certain concessions in regard to hours and rates of pay, substantially in accordance with the programme with which you have been familiar since their March meeting in Chicago. The parties were asked if they represented employés of this company, and upon replying affirmatively, they were requested to furnish a list of such employés. This they said they were not able to do, stating that it would require a long time to prepare a list, and they were here on expense. They were told that the company did not know the committee, or whether its members had authority from Western Union employés to present any demand, and that we could not deal with outside parties.

Aside from the questionable manner of presenting such memorial, the following remarks upon its terms are sent for your considerat on and suggestions:

One demand is that "both sexes shall receive equal pay for equal work," and another for 15 per cent. increase on all salaries. An operator now receiving a salary of $50 would by this plan get a smaller increase than one receiving $80 or $90, thus widening the differences now existing.

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An $80 operator at present works nine hours daily, twenty-six days per month, equal to 34.18 cents per hour. Under the schedule in the memorial the same operator would receive $92 per month for eight hours daily, equal to about 30 per cent. increase, in addition to the Sunday allowance just granted under the new rule. This is the smallest increase demanded. In case of a Wheatstone operator now receiving $50 per month for twenty-six working days, equal to 21.36 cents per hour, the proposed schedule would give him 41.46 cents per hour, an increase of over 94 per cent.

Another demand is that linemen shall be allowed two days' pay for Sunday work, and that $65 shall be the lowest rate of pay, regardless of location or importance of service, and that the duties of linemen shall be confined to "legitimate work." Nothing is mentioned about the duties of other classes of employés being restricted to their particular line of employment, but if such concession were allowed one class there is no reason for withholding it from others, and why linemen should have "helpers" is not understood. Again, double pay for Sunday work would offer temptation to the men to slight their Saturday duty to create necessity for Sunday work.

The demand that both sexes shall be paid the same for like service looks to the driving of woman labor from the ranks, as were the company to concede it, it would be to its interest to prefer men operators, who can be availed of for a greater variety of service than women operators who may be equally capable for general duty.

In a published interview with a member of the committee, he stated that since the organization of the Brotherhood petty wire troubles and mistakes in messages have practically ceased, and that business has been greatly facilitated, these results being attributed directly to the fact of the organization. The reverse is the case. Operators declining to join the league have been interferred with in their duties, wires have been thrown out of working condition, and in numerous cases the official business of the officers of the company has been mutilated and seriously delayed.

A strike of A. D. T. linemen, members of the Brotherhood, took place in this city recently, since which time the strikers have been engaged in cutting wires daily, one man now being under arrest and indictment for such lawless work. With thousands of able-bodied men out of employment all over the country, many of them applying to us for work, such a demand is remarkable.

It is known that a large proportion of operators have been led to join the league under compulsion, and others under the belief that the organization was co-operative for legitimate and benevolent purposes, many of whom have stated they will repudiate any arbitrary action of the striking element.

THOS. T. ECKERT,
*General Manager.*

On the 19th day of July a further communication was received from John Campbell, of the Telegraphers' Brotherhood, calling attention to the memorial which had been presented on the 16th, and in terms threatening a strike of our employés. This communication was received at 10 o'clock on the date named, and two hours later the signal was given, in response to which several thousand operators and linemen employed by the Western Union Company, and a large number employed by other companies, left their posts of duty.

This is a copy of Campbell's communication:

On Monday, the 16th, a committee of telegraph operators submitted to your consideration a petition intrusted to them for presentation to you by the Brotherhood of Telegraphers. You expressed your doubts as to the authority of that committee to speak for the employés of your company, and have failed to respond to that petition. Your letter to R. C. Clowry, general superintendent, discloses to the public the fact that you were informed of the nature of your employés' grievances before they were presented. Under ordinary circumstances it would require but a short time to arrive at a conclusion as to what steps you would take. But knowing as we did that this matter had been thoroughly discussed long before we waited on you, it was not unreasonable to expect an early reply. It is due to the interests you represent, to our organization, and particularly to the general public, that this matter be speedily adjusted, and that the responsibility of any future action may rest where it properly belongs. It is with an earnest desire for the harmonious settlement of difficulties and regard for the social and business interests of the people that we send this appeal for the recognition of the rights and redress of the grievances of your employés.

Very respectfully,

JOHN CAMPBELL,
*District Master Workman.*

To THOMAS T. ECKERT,
*General Manager and Acting President of Western Union Telegraph Company.*

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Q. Where were the men employed who left their posts?—A. In the various offices of the company, here and in other cities of the land, in many cases leaving messages partly sent or recorded with no information by which the company could determine which particular messages had been fully completed before the men left their desks. In the case of the linemen, almost without exception diagrams of the company's wires and poles on the various streets of the cities and along the various routes traversed by the company's lines were taken by the men, leaving the company in the position of being required to instruct new hands and make new diagrams, a labor involving several days, or, in some cases, a week. In the mean time, inexperienced linemen had to be employed to make necessary repairs.

Q. About how many linemen had struck?—A. Probably about eight to ten hundred in the entire country.

Q. About what proportion of them were in the cities?—A. Almost the entire number of those who struck were employed in the various large cities.

Q. Relatively, how embarrassing to the company was this strike of the linemen? To what extent was the cessation of the service of linemen?—A. The effect of the linemen's strike was very small upon the company's business, because we were enabled to employ riggers, house-painters, roofers, tinners, and other men from various lines of business, somewhat familiar with the climbing of poles or buildings, and we were thus enabled to keep our work moving with very little difficulty, especially when taken in connection with this fact, that, for some time prior to the strike, in consequence, as we are informed and believe, of the connection of the linemen with the Telegraphers' Brotherhood, efforts were made by the men to restrict the amount of work to be done by them during any particular time, so that it was found that the company had employed a considerably larger force of men to keep its lines in order than would have been necessary had each man done a fair share of work. In New York City alone, for instance, forty-eight linemen of the Western Union Company stationed in the city joined the strikers, not one of whom has since been re-employed in the city, not more than one-half or two-thirds of as many men having been put on duty to do the work.

Q. Is the work as well done now?—A. We believe it is better done. Leaving out of the question the large amount of trouble caused the company by the cutting of its wires in the city of New York and vicinity, which for several days caused a great loss to the business interests of the country, the wires of the company during the strike and since its close have worked as a rule better than before. Much the same effect, but in a different direction, was caused by the operators belonging to the Telegraphers' Brotherhood, many of whom, according to the best information we have, obstructed our business, declined in numerous instances to work in connection with a non-member of their league, or, if not declining practically, boycotted him, so that our business in very many instances was delayed, badly done, and in some cases mutilated. Since the strike ended, our business has reached and exceeded its former volume, and we are handling it better than ever before, and with a much smaller supply of operators.

Q. You are referring now to operators as well as linemen?—A. Yes.

Q. Can you state about what the reduction in the number of employés, operators, and linemen is with which you now perform the same or a larger business?—A. I cannot definitely. Statistics are being pre-

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pared in that connection, and I would hardly like to make any statement in advance of their completion.

Q. Very well, proceed.—A. Immediately on the occasion of the strike on July 19, an order was issued by the company authorizing to the faithful employés, both operators and linemen, extra pay for all work rendered, their regular pay being continued as a bonus. This had the effect of drawing into our service from other lines of business a large number of operators who had formerly been in the telegraph business, but had left it to go into business for themselves, or to act as confidential clerks, stenographers, or agents of companies or firms, many of whom have remained permanently with us since the strike closed. The number of these volunteers in the aggregate was very large, and a great disappointment to the leaders of the strike, as well as a gratifying surprise to the officers of the company. For several days after the strike the business of the company between its principal offices was considerably delayed on account of the short force on duty, but by working the faithful men in some cases more than double time, paying them amply and liberally, and furnishing, in many cases, meals and lodgings, we were enabled after a while to handle business as before the strike. One of the efforts of the leaders of the strike was to induce railroad operators to join their ranks.

Q. Please state right there the numbers of those two classes of operators as nearly as you can; those properly known as the operators of the company, and the railroad operators, and about how they are distributed throughout the country.—A. Statistics are being prepared in that connection.

Q. Cannot you give a general notion of it? I want to get an idea of it as we go along.—A. I suppose that more than two-thirds of the operators of the Western Union Company to-day are paid by railroad companies wholly.

Q. In what class of offices; what locations are their posts of duty?—A. In various railroad stations throughout the country.

Q. In thickly settled places, or rather in the rural districts and sparsely settled portions of the country?—A. In both. Take the line of the New York Central Railroad, for instance. All of the operators at the stations on that road between here and Buffalo are paid by the railroad company; so the New York, Lake Erie and Western Road, the Delaware, Lackawanna and Western, and many others, have operators at each of their depots, or station houses, who receive, transmit, and deliver public or commercial telegraph business, the receipts of which accrue to the Western Union Company, the salaries of the operators being paid in almost every case by the railroad companies under our contracts with those companies. The same is true of 95 per cent., I should think, of all the railroads of the United States.

Q. Do you have also operators paid by the company at the same stations in many instances, or is the service exclusively rendered by the railroad companies where railroad operators render any of it?—A. In some few cases the Western Union Company employs separate operators, the terms of contract varying in accordance with the requirements of the business generally. At some stations where the telegraph business largely exceeds that of the railroad company, the Western Union Company employs an additional operator.

Q. Give some instances of stations or offices where that is the case, where the Western Union business largely exceeds the railroad business, if any points occur to you.—A. The Newark, N. J., depot of the Delaware, Lackawanna and Western Railroad Company is one.

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Q. What circumstances lead to that fact?—A. The passage through that office of a very large number of cross-connecting Western Union wires.

Q. And that is the reason which leads to this fact wherever it exists, I suppose?—A. Generally speaking, yes. I have a copy before me received from President Sloan, of the Delaware, Lackawanna and Western Railroad Company, of the memorial presented to him on August 4 by the Telegraphers' Brotherhood, asking for a general increase of $10 per month on the salaries of all the operators of that railroad company, and that no salary shall be less than $50 per month. This is it:

BROTHERHOOD OF TELEGRAPHERS OF THE UNITED STATES AND CANADA.

MANHATTAN HOTEL, CORNER BROADWAY AND CANAL STREET,
*New York City, August* 4, 1883.

SAMUEL SLOAN, Esq.,
*President Delaware, Lackawanna and Western Railroad:*

The telegraph operators in your employ have instructed us to make the following requests:

(1) That a general increase of $10 per month on all salaries now paid be granted.
(2) That no salary shall be less than $50 per month.
(3) That the above changes take effect beginning Monday noon, August 6, 1883.

A prompt reply is desired.

Respectfully,

EUGENE J. O'CONNOR,
*Chairman.*
J. CAMPBELL,
H. W. ORR,
*District Executive Board.*

Q. As far as you know, was that the first demand made by the operators in the service of railroad companies for any redress of grievances or increase of pay?—A. I do not know definitely. It is the only formal copy of a memorial I have seen, although at the time it was announced in the newspapers that demands had been made upon various Western railroads. I believe such demands were made about this time.

Q. Was there any claim set up by this committee, or by any committee or individuals who claimed to represent the operators of your company, that they also, to a certain extent, represented the operators of railroad companies, or who were paid by railroad companies?—A. I do not know that I get the drift of your question.

Q. Was any representation made to your company by the committee of the Telegraphers' Brotherhood, Mr. Campbell and his associates, that they also represented operators who were employed by the railroad companies?—A. The memorial presented by Campbell's committee on the 19th of July is before you, and, I think, does not mention that fact; but it was generally understood that many railroad operators belonged to the Brotherhood, and that demands upon the railroad companies would be made from time to time as occasion warranted, in the judgment of the executive committee of the Telegraphers' Brotherhood, for increased pay, decreased hours of labor, and other concessions.

Q. Up to the 4th of August, the date of this memorial, do you know whether any such demands had been made upon railroad companies of a like character to the demands made upon your company?—A. I can state generally, yes; such demands were made upon the Chicago and Alton Railroad Company, upon the Missouri Pacific Railway Company and its controlled roads, upon the Chesapeake and Ohio Railroad Company, and upon a number of others whose names I cannot now recall.

Q. And up to that time do you know whether any such concessions as requested were made by the companies?—A. In no case were any concessions made.

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Q. Before or after that time?—A. Before or after, in compliance with their demands.

Q. I mean before the termination of the telegraphers' strike, so called?—A. No concessions that I know of have been made in any case to any of them.

Q. Either by railroad or other companies?—A. With the exception of one telegraph company.

Q. Which was that?—A. That was the American Rapid Telegraph Company.

Q. With the exception of that company, then, you can make the statement general, as I understand you, that no concessions were made by railroad or telegraph companies to the demands of the strikers before the termination of the strike of your employés?—A. Yes, sir; that is true, and the result in the case of the American Rapid Company, I think, shows the folly or absurdity of their having made any concessions at all.

Q. Were you designing to make some statement in regard to that?—A. No, sir.

Q. Then, perhaps, you may as well give your reasons for this opinion, the facts that influence you to a formation of this opinion, now?—A. Before answering that, and as having it in proper order, I should like to present the reply of President Sloan to the letter of the committee before mentioned, declining their demands.

Q. You can do so.—A. This is a copy of Mr. Sloan's reply:

DELAWARE, LACKAWANNA AND WESTERN RAILROAD CO.,
PRESIDENT'S OFFICE,
*New York City, August* 6, 1883.

SIRS: Your letter of the 4th instant was left at my office on the day it was written. The peremptory tone of the "request" seems to imply consequences which I cannot fail to understand and appreciate, asking for a prompt reply, and that the changes proposed may take effect at noon to-day.

I am not aware that our operators are dissatisfied with their salaries or hours of labor. No demand, so far as I am informed, has been made for any change in either. Knowing as I do many of our operators, I hesitate to believe you fairly represent them all in your letter. Many, if not most of them, have been years in the service of the company, their pay increased, and promotions made without solicitation. An operator has become our superintendent of our telegraph system. In all branches of the service ability and devotion to the interests of the company are recognized. The master mechanics of our shops have risen from foremen and engineers. The general superintendent of the company has risen from a brakeman. Men look forward to promotion, and are not disappointed.

Having for more than thirty years been actively employed, working hard as an executive officer, closely watching all these great interests, sympathizing in the varied changes of labor and capital, I feel the communication you have sent me a mistake on your part. I therefore promptly reply, and decline to accede to your request stated in your letter referred to.

Yours, &c.

SAMUEL SLOAN.

Messrs. O'CONOR, CAMPBELL, and ORR,
*Committee.*

[At this point the examination of the witness was suspended, to be resumed at a convenient time subsequently.]

The committee took a recess for one hour.

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TELEGRAPH OPERATORS' STRIKE.

The following letter, subsequently received, was ordered to be added to the testimony relative to the strike of the telegraph operators:

[Executive office, Western Union Telegraph Company, Norvin Green, president.]

NEW YORK, *January* 10, 1884.

MY DEAR SENATOR: In response to yours of 5th instant, I have had the data you asked for gotten up, as nearly as we can estimate, to show the damage done to this company by the strike of its operators last summer.

A singular and rather unexpected feature of the exhibit is that the loss was greater in increased expenses than in reduced revenue.

The strike commenced by the operators' quitting work on the 19th of July, and terminated by their application for re-employment on the 18th of August.

The loss of revenue in July, as compared with the corresponding month last year, was $117,500, and in August $158,800, making together an actual falling off of $276,300. By the same comparison the expenses were increased $197,300 in July, and $235,700 in August, making an increased expenditure of $433,000, which, added to the loss of revenue, makes the total loss $709,300.

There would naturally have been some increase of expenditures with the growth of the company, which cannot well be estimated, and against this would naturally have been some increase of revenues for the same reason; so that the actual loss was probably greater than the figures given in revenues, and less than the figures given in expenditures. But the damage suffered was about $700,000. This was partially made up in the quarter's returns by largely increased dividends accruing to the company from its stocks in telephone and other corporations.

It may appear singular that having considerably less than a full corps of operators in service the expenses should show such considerable increase; but the men in service were paid handsomely for extra hours of service, and in most large offices, in order to get the most possible hours of service, we had to provide to feed and lodge the men in the buildings.

I beg you will consider that this information is for the use of your committee, and not for newspaper publication, except as it may transpire in legislative proceedings.

I am, respectfully and truly yours,

NORVIN GREEN,
*President.*

Hon. H. W. BLAIR,
*United States Senate, Washington, D. C.*

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NEW YORK, *Monday, September* 10, 1883—2 p. m.

GEORGE BLAIR'S examination resumed.

By Mr. CALL:

Question. Have you anything further to suggest?—Answer. Yes, sir.

Q. Go on with your own statement connectedly.

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HOURS OF LABOR.

A. I have divided the subject, so that you may question me as I go along. The last point I was on was as to the hours of labor.

Q. I understand your theory to be that a reduction in the hours of labor by any authority, no matter whether State or national, would be efficacious in bringing about a result that would produce a general increase in the comfort of the laboring classes. Now, I should like to know in detail how that would produce that effect. What is your idea? Suppose there was a law to-day by which every man should be required to work only eight, six, or four, or any other number of hours, how would you expect that to influence the amount of compensation that he would receive for those four, six, or eight hours of labor?—A. I hold that by the reduction of the hours of labor a large percentage of those out of employment would obtain employment, and in obtaining employment they would secure the means to purchase those things that we all like to enjoy more or less, the necessaries of life, and as much of them as we possibly can. In that way a large percentage of those out of employment would be benefited directly, and with the department that I speak of afterwards, to ascertain how many hours would be required to keep the people constantly employed at such wages as would tend to improve their condition, it would be a matter to be reached very easily as to the improvement of their condition. If the reduction of the hours of labor to eight would not contribute to giving all employment that are out of employment, you would have to go still lower.

Q. And keep on going lower?—A. Keep on going until you would have the community employed. These may sound rather like queer notions.

Mr. CALL. We want to have all ideas on the subject. That is the only way we can arrive at conclusions.

By the CHAIRMAN:

Q. The practical difficulty, as it seems to me, is this: Eight hours constitute, we will say, a day's work; a man is allowed to work eight hours; but how is it to be arranged that when he steps out the unemployed portion are to step in for that particular day. Take factory work. It might not be so difficult to take work on buildings. Take your own trade; take employment on a farm, and so on?—A. The only seeming obstacle there would be those engaged in the transportation business and in agriculture. Of course both those classes could be taken care of. That is a matter of detail. The general principle of reducing the hours of labor is what I am getting at. The railroad employé is engaged in a concern that must run day and night. Instead of compelling a man to work ten, twelve, fourteen, or sixteen hours, as is the case in this city in many instances, if the day fixed were eight hours there would be a chance for another man to come in; two men would be used where one man is used now, where sixteen hours is the rule.

Q. There would be a much greater production?—A. This extra man who would have employment would receive wages, and consequently be enabled to purchase productions, and that would be money given circulation; and as the number increased all that class who are out of employment would secure employment through the reduction of the hours of labor; it would tend to increased production to that extent. It is as simple as A B C. When a person is getting $3 a day he can buy more than when he is getting two, and he buys with that extra dollar articles that he could not purchase when he was receiving only

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$2, and those articles are products that could not find a market until he was able by his increased wages to purchase them. Consequently it stimulates industry, and gives increased employment, and circulates money.

By Mr. CALL:

Q. Would you be willing to trust the support of your family to that theory that where a man was getting $3 a day, instead of $2 before, he would have a dollar to spare from his expenses?—A. I do not understand you exactly.

Q. You say that if a man is getting $3 a day where he was only getting $2 before, by virtue of that fact he has a dollar more to spend than he had before in buying what he wants to buy?—A. Yes.

Q. Now, suppose there were enacted some legislation, either State or Federal, to day that every man should get $3 for two, four, six, or eight hours' labor?—A. I do not think such legislation would be practicable.

Q. I do not know that it would, either, but does not that illustrate the idea?—A. We expect the wages question to regulate itself by the reduction of the hours of labor.

Q. We want to know exactly why you think so. We want to hear the details of it.—A. Because it takes so many men out of competition with the men who are at work. It is like an article on the market in competition with something else of the same kind; when there is too much of it, it falls in price. It is the same with labor, and if the article is on the market a long while it depreciates sometimes below its actual cost.

Q. That is what I want to find out exactly, whether it is true in your idea, absolutely true, that because there is too much of a thing on the market, therefore alone it is going to fall in price. Suppose there is not any more of it going to be produced, what then? In other words, do you not have to consider not only the quantity of a thing there is on hand, but the future means and probabilities of production?—A. That sometimes is taken into consideration.

Q. For instance, if there was a vast surplus quantity of wheat upon the market to-day, and it became an ascertained fact that no more wheat would be produced next year, do you think the present surplus production alone would create a difference in the price of the commodity?—A. Yes; but you do not make any distinction between the raw material and human labor.

Q. What is the distinction? I thought you were treating it as a commodity in the market?—A. I was comparing the effect on an article that is on the market and there is a large quantity of it manufactured, which sometimes, by reason of there being no demand for, it falls in price and sometimes below cost. But I did not cite that illustration for the purpose of connecting it with the efforts of the workingmen to protect their interest and to destroy the competition as much as possible by the reduction of the hours of labor. I claim that by reducing the hours of labor you take out of competition so much labor that is competing with that already employed, and in making that statement I desire to be distinctly understood that I do not place labor on the same level as an article manufactured and put upon the market; or, in other words, I do not put labor on the same level as raw material.

Q. You need have no sensitiveness about that. There is nobody in the world who has any sense at all who does not know that a man as a man has faculties and properties that a brick or a piece of cotton has not got. Of course everybody that is not an idiot knows that. The

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laborer is a man, a human being, and, under our system of government, has a right to all legislation that may benefit him; but in considering the question of economic law which you propose to consider here, of course the question arises whether or not a superabundance of labor in one or another direction can be remedied by this, that, or the other specific means. In all aspects of this question, every reasoning man must assume that a laborer is not a brick, or a stone, or a piece of wood, but a human being with faculties to be improved and educated, and enjoyments to be provided for. Now, the question is, how are we going to do that. I understand you to say that you propose to do it by giving employment to every man in the world, or every man in your own country, or in any community. Now, suppose your ideas are carried out and we have provided by a general law, a change of the government, that nobody shall work more than two, four, six, or eight hours a day, or any other number you see fit to provide; we have a law to that effect that there shall be only that much work done. I ask you to say how that law is going to regulate the price of that labor, the amount that a man shall get for two, four, or six hours' work?—A. That is not the point in this proposition. We expect that the question of wages will regulate itself.

Q. I want to know why you expect so.—A. Because we take that much labor out of competition. We find employment for it by taking that number of hours out of those already employed.

Q. Do you understand it to be a rule of economy that the price of a man's labor increases just in proportion to the quantity of additional labor you give?—A. Somewhat.

Q. These are mere questions for consideration. We all want some practical way of improving the quantity of the comforts of this life that every laboring man shall get. We want him to have better houses, better clothes for himself and family, more healthy conditions of life, better and more abundant food, and to get all these with just as little work as possible. That I understand to be the object that all people of beneficence and with philanthropic ideas have in view. Now, you propose to achieve that result by providing that every man shall work only six or eight or some other number of hours per day. We have got that law in force, we will suppose, and all the people of the United States are subject to it. Now, who is to decide how much of that labor shall be in agriculture, how much in cotton manufactures, how much in iron manufactures, how we shall distribute it?—A. Every man and woman shall be his or her free agent.

Q. Supposing it to be so that every man and woman shall be a free agent and no man shall work more than six or eight hours a day, and every trade shall be open to every man who wants to go into it, how are you going to find out that six hours' or two hours' work, or four hours' work, will be sufficient to fill the needs and give employment to every man who has not got it in these different trades?—A. By such a department of industry as I shall indicate before I get through, whose special business it shall be.

Q. I understand that your idea is to give to some authority somewhere, either a bureau or an individual, or a collection of individuals, the authority to say how many men shall work in this trade, how many in the other, how many cotton manufacturers there shall be, how many spinners?—A. Oh, no.

Q. I would like to know how you are going to regulate that question. Suppose these two laws be carried out, how shall we apportion the labor and distribute it?—A. We shall expect that that will regulate itself

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largely. If this department learns by the collection of facts and statistics, thorough and complete, no one-sided story, but a complete investigation, that the reduction of the hours of labor to eight is not sufficient to keep the people of this country employed, it shall recommend that they be further reduced.

Q. Now, let us examine that and see how that will come out. An old philosopher said that error always lurked in general assertions, but if you want to find out the truth of a thing you must come down to particulars. Now, take the manufacture of goods out of cotton. Suppose that there are in that pursuit 100,000 artisans—for that will do as well as any other number—and a bureau of industry ascertains that in order to give them work it will be necessary to reduce the hours of labor down to two or four apiece, do you think that those two or four hours each would give a man exactly the same amount of compensation in respect to other industries as if he worked six or eight?—A. If they are all fully employed, there is no reason why they should not be comfortable. That is the point.

Q. Here is a man that is engaged in the hardware industry, and there are just enough men at work to have employment, the bureau of industry decides, at eight hours of labor per day. You are going to have some institution by which you will say that the man who works only two hours a day in a pursuit where there are 100,000 men engaged shall get precisely the same pay, or the same amount of goods, clothes, &c., as the man who works eight hours in the hardware business. How would he like that?—A. We would not do anything like that.

Q How would you regulate it?—A. We would say everybody should work a certain number of hours. We would not single out any particular trade.

Q. But I understand you to say that the bureau of industry, when it found there were more men in one trade than eight hours a day would give employment to, must reduce the number of hours down to six if necessary?—A. No, sir; if those people could not find employment in their trade, let them try their hand at something else. We want to preserve the individual right as much as possible. That is the way I look at it.

Q. You would give that bureau then the authority to say, "You have too many men in the cotton trade; now we will put so many more in the iron trade?"—A. Oh, no; nothing of the kind.

Q. I am only asking how would you regulate that matter?—A. If this department of industry found after a few years that there was a certain discontent and misery, and other difficulty, connected with bad times, that so many people were out of employment, and they had continued out of employment for a reasonable length of time, then there should be some remedy applied to give employment to that element out of employment. I do not mean that because we should have dull times for five or six weeks, and by necessity a large number of people were thrown out of employment, the department should take as much notice of that as if they found that for three or four years men were out of employment, a large number of them, and that wages were so low that they could not buy all the necessaries of life and live as they ought to live, then I say this bureau should step in and recommend that the hours be further reduced.

Q. Would you not have any apprehension that men engaged in the cotton manufacture that might be doing well, and where there were not more employed than were needed, and who were getting rich at the business, would use some influence with that bureau to make it dis-

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criminate against other industries and in favor of their own?—A. We should have to take a little chance on that, but if we ever succeed in accomplishing this idea, there will be such a high standard of patriotism in the community that it will be impossible for any clerk, or any chief of bureau, or any combination of individuals to do other than that which the people wish.

Q. Does it not occur to you that that kind of autocratic power in any bureau, composed either of one man or many men, is precisely the form of a despotic government, such as has existed for the last two thousand years in many instances?—A. Not if created by the will of the people.

Q. The will of the people created Napoleon the First, you know?—A. Not under our system of government.

Q. He took a vote of all the people and they elected him, and Napoleon the Third professed to do the same thing.—A. I take exception to that. I do not think our people would ever consent to that. As I said previously, if we got to that point where we could have legislation of this kind carried out successfully, I would consider the standard of patriotism so high in the community that it would be impossible for any board to be purchased.

Q. I understand you would be willing to trust your wife and your children and your means of support to the decision of a national bureau over a vast country of 100,000,000 people, saying how many men should work in one trade, and how many in another, and you would have perfect confidence in its just and beneficent discharge of that duty?—A. I do not concede anything of the kind. You are trying to draw me into something that I do not understand.

Q. No; I only want to get your idea.—A. I say the people should be free agents as much as possible.

Q. How much do you say is possible?—A. This bureau would be overstepping its duties if it should dictate to me or my family what I should do; that is, single me out.

Q. No; not single you out.—A. That is the way you put it.

Q. No; I will suppose that this bureau would say: "In the cotton manufacture there are 100,000 employés; 50,000 must get out, and you draw lots; only 50,000 can be supported, working at six, eight, or two hours a day?"—A. That is not the point.

Q. I should like to know what is the point?—A. I have explained it more than once. This bureau, after it discovers that men are out of employment for a long while, and discovers that it is necessary to recommend a further reduction of the hours of labor, should do so, and it should be done. It should not affect any particular trade, and if there are more cotton-spinners, or more men in the hardware line than those particular industries can take care of, it is expected that those people will have good sense enough to go into some other business.

Q. It is to be a voluntary action on their part whenever the bureau recommends that so many shall get out?—A. They do not say "get out," but they say "get in," by reducing the hours of labor.

Q. But suppose the hours of labor are reduced, they will not affect to any extent the demand for so much cotton goods; there may be a market, or there may not be?—A. If the men out of employment get employment, have they not an opportunity to buy more?

Q. Suppose it increases them, it will not diminish the demand?—A. It will increase the demand.

Q. Suppose it increases the demand, still it does not necessarily follow that there might be too much of cotton goods or iron goods or any other sort of goods made for the present. You think, then, that simple

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thing would measure the quantity of production that would be needed in any kind of manufacture?—A. To a large extent.

By the CHAIRMAN:

Q. You think that their earnings would be equivalent to what they would consume; they would make a market for at least as large an amount of goods as their wages would represent?—A. The more employment the more opportunity to purchase the goods that are manufactured.

Q. If the people that are unemployed earn $100, they take that $100 to apply to their necessities or to consume something?—A. Certainly.

By Mr. CALL:

Q. I may be very dull about it, but I am trying to get at your idea. Suppose you had your law passed to-day, and every man and every woman in the United States was allowed to work only eight hours or six hours, whatever the number might be, would it follow from that fact that the quantity of cotton manufactures made to-day in this country would be decreased?—A. It would increase it.

Q. How would it increase it?—A. By giving so many more men employment.

Q. How would it be to-day? It might in the future. Of course the present supply would be the same?—A. As soon as these men would get money and spend it, they would have the goods.

Q. Now, we will suppose that your bureau of industry says "there are 100,000 men engaged in the cotton manufacture; they were in it at the time this law passed; we produce of cotton goods a very considerable surplus more than the market requires." Your men have not got the cotton goods yet, but now to begin, there having been a reduction to eight hours' labor your bureau says, "the men who are now in these manufactories are sufficient to produce all that is needed and the quantity has not decreased so sensibly as to affect the market; so you have got to reduce the hours of labor still more; there is too much produced; more than we want." Then you must do that in order to give employment to these other men who are out of employment?—A. We cannot produce too much when everybody is not employed.

Q. All are not employed yet. There is a period when they have got to be employed. A man does not become a cotton-spinner right away; he has got to be prepared for it. Do I not understand you to mean that your bureau of industry shall say to these people, "there is too much cotton goods produced; these other men have not learned their trade yet; you must make room for them; you must not work but four hours a day." Is not that so?—A. You mean to single that trade out?

Q. No, I mean it of any trade.—A. I do not propose that any one trade shall be singled out, but it shall be made general; if there is a reduction it shall be general.

By the CHAIRMAN:

Q. The day's work now is ten hours?—A. Pretty generally.

Q. I am assuming that the day's work is ten hours. You would shorten those hours to eight, and allow one man to work eight hours per day. Somebody else comes in and works the other two?—A. We would not have that.

Q. How would you arrange that?—A. Eight hours should be the day's work.

Q. The other man would work eight hours, also?—A. Yes, sir.

Q. Then you would keep the machinery employed sixteen hours in-



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stead of ten, as now?—A. No; eight hours should be a day's work with the exception of businesses that are extra pushed in busy seasons or transportation, or there might be an exception made of agriculture in certain seasons of the year. They could work a little longer, or average their work the year through at eight hours. I do not think they work more than eight hours the year through, considering the amount of machinery introduced.

Q. Do you mean that you would have the machinery idle all but eight hours of each day? In what way do you give employment to more persons if each man is to work eight hours, or would you change that?—A. By the eight-hour system, by fixing the limit at eight hours, 20 per cent., or certainly 15 per cent., more men would be put to work.

Q. They would be at work during those same eight hours?—A. Yes.

Q. The machinery, then, would run only eight hours of the twenty-four?—A. Eight hours; it runs ten now, except in exceptionally busy seasons. We have seasons here when for four or five months in the year there is hardly anything doing, while in the months of September and October and a part of August they have to work sometimes to 10 or 11 o'clock at night.

Q. If the machinery is worked to its capacity, already working ten hours, how can you work a greater number of hands during eight hours?—A. By the method I indicated.

Q. You would have to put in more machinery?—A. The present machinery would give employment to more men, because we have times in the year when that machinery is standing idle sometimes for two or three days, three-fourths time, one-half time, and so on.

Q. That presupposes then that the time is not now fully occupied. You would work on Saturdays, you would work on holidays, and work all days when by reason of depression in business and the like there is now a suspension?—A. I would not work holidays.

Q. I did not know but that your idea was that by shortening the hours of labor you would work relays of hands; one working eight hours and then another comiing on and working two, four, or six longer, and by keeping the machinery at work double, or a considerably longer time, you would largely increase production. give employment to everybody who wanted employment, reduce the price of goods, and make the necessaries and comforts of life the more abundant. I did not know but that you had that idea, but I see now that your plan is the other way?—A. Eight hours should be the limit.

Q. For machinery as well as men?—A. Everything except in exceptional cases, and I maintain that 15 per cent. more people can be put to work. In the cotton-mills of this State and Massachusetts it would cut into them fearfully—not so much in Massachusetts as in this State. We have 50,000 operatives, largely children, in this State that work twelve hours a day, or near ten hours a week more than the factory operatives of England.

Q. It would liberate those children and give employment to grown people?—A. Yes, sir.

By Mr. CALL:

Q. Would you have the children out to-day?—A. We are trying to do that now in this State. We succeeded in getting a bill ordered to a third reading, and then the manufacturers got to work and brought their little influence to bear.

Q. Suppose you had a law and took them all out of the factories, would not that produce a difference? Have you the skilled labor to

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step in their places right away? Suppose you take them all out to-morrow, have you got the skilled labor ready to step in their places, grown adult labor?—A. With the reduction of the hours of labor we would, and in a very little while there would be sufficient.

Q. If you reduced the hours of labor, and reduced the quantity and number of the laborers at the same time, does it follow that the proportion can be kept up so as to keep up the status of supply of manufactured goods just the same?—A. Oh, yes.

Q. Suppose the labor of children makes 15 per cent.?—A. It is more than that in this State.

Q. What is it, 20 per cent.?—A. In some lines of goods more.

Q. Twenty-five or 30?—A. More.

Q. Forty?—A. Yes, over 40; between 40 and 50.

Q. Say 50?—A. I speak of children fourteen years old and under.

Q. The proportion of children's labor then is 50 per cent.?—A. I would be safe in saying 40 per cent.

Q. Say 40. To-morrow we take out 40 per cent. from the labor that produces the present gross amount of manufactured articles. Now, we will take out in addition to that two or three hours of labor, or one hour per day, or any quantity you choose, from the adult laborer; does it follow that the status of production, the quantity of manufactured goods of that industry will be the same after that great reduction that it is now?—A. Yes; the reduction of the hours would offset what you would take out in child labor, and we would not object to half time as they have in England for children of a certain age and that would meet that reduction, and still the factories make the same amount of goods. I do not say they could make the same amount of goods in the short hours as they could in the long hours, by taking the children out, but it would eventually come to that by their being compelled to employ adult labor. The capacity of the mills would be only temporarily affected.

Q. You think, then, in the course of time it would come to that result, but what will you do in the mean time with these people until that comes about?—A. All great changes involve some little suffering. I think we could provide for that without any very serious misfortune. It is a matter of detail. This is only a general principle that I am asserting. The matter of carrying it out and providing for details, is a matter that will be necessary to consider in carrying the measure into effect.

Q. Does any further way suggest itself to you of providing the additional adult labor for that particular branch of business, and also of taking care of those that are thrown out of employment, the children?—A. I would do as we have done in the suppression of the cigar tenement factories in this city; I would fix a certain time, and after a certain time have the law take effect. Then the manufacturer could shape his arrangements accordingly,

Q. But who is going to support these people?—A. The mills go right on until that day.

Q. How are you going to support these children?—A. You are speaking of the child-labor question. We want to get the condition of the working people in that shape that a father and mother can take care of their children without sending them to work. I find that is the greatest opposition with me in this child-labor agitation, that the father and mother want the labor of the child.

Q. We are agreed about that; but the question is, if to-morrow the law took them out, or a year hence, or two years hence, they are without any present means of support; these children who have been earn-

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ing their own living have no longer that means; they cannot labor. Now, do you contemplate that their fathers and mothers would of necessity in that time be in a condition simply by virtue of a change in the hours of labor to take care of them and support them without any other assistance?—A. I think by the fact that the competition with outside laborers would be removed to a large extent; their wages would be increased; they would be in a position to take care of their children where they are not now.

Q. Do you propose to prevent competition with labor?—A. That is our point. I do not hesitate to say it.

Q. Of course you do not propose to prevent it in one trade only, but in all, clothes-making and everything else?—A. Everything.

Q. So that the price of clothes, and the price of provisions, and the price of everything shall be regulated in some way you do not explain?—A. That will regulate itself.

Q. But in which competition shall have nothing to do?—A. No. I mean to destroy competition in human flesh; that is the point.

Q. We will call it "human flesh" then?—A. In clothing, let that regulate itself by the market value.

Q. If we can get at facts it does not matter by what name we call them. I understand the fact that you propose in this new society is that there shall be no competition in respect to labor?—A. We want to destroy that competition as much as possible. We do not say that in periods of depression the law may step in and furnish a remedy immediately, but if that depression were continued, and certain influences were continually at work to keep a large number of workmen out of employment, and thus render them competitors of those that are at work, we say some power should step in to take care of that competition.

Q. That is all very good; and I say so, too, if we can find out the power. Now, let us suppose the law adopted, and there is no competition in respect to labor or the things made by labor, and we have the things all made. Here a man has a clothing store, and he says, "I have managed, by being a little sharper in trading and dealing than other people, to get a pretty good stock of these things on hand; I will sell these things a little cheaper than anybody else."—A. That is his business.

Q. Here is a fellow over here who says, "You forbid competition; I have got a lot of these goods; I have not worked my hands but two or three hours, and I have paid them their wages under the law."—A. We do not fix wages.

Q. "This fellow is sharper than I am, and he has beaten me trading." You fix the number of hours he has to work, and you say, "That is a day's work." I do not see what good it will be unless you fix the wages and say they shall be the same for six hours' work as for eight. But leave that out of view; this fellow says, "The other fellow has undertraded me; he is sharper, and has broken me up." Has not the fellow who has broken him up a monopoly of the market, and can he not charge what he pleases?—A. We do not want to interfere with that kind of competition. Any one can sell at a loss if he pleases.

Q. Then the competition you propose to destroy relates only to the hours of labor?—A. That is so.

By the CHAIRMAN:

Q. I understand, then, that your position is this: that before capital is allowed to accumulate, as a primary condition labor shall be reasonably cared for.—A. That is the point.

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Q. First, there shall be a reasonable provision for the laborer and his family, distributed in the form of wages, before there shall be an accumulation for capital.

Mr. CALL. He does not mean that; he means there shall not be competition in hiring.

The CHAIRMAN. I think that position involves what I say, that the laborer shall be taken care of; that the human being who has sense, and body, and soul, shall have a chance before there is an accumulation beyond.

Mr. CALL. Why not have a law, then, saying that every laborer shall have a good house to live in, good clothes to wear, and good food to eat, and whatever amount of money represents that.

The WITNESS. This proposition is the most direct way to reach that result in my mind.

Mr. CALL. If you can make such a law, and make it work, it ought to be passed, but that has nothing to do with the means you speak of, preventing competition, to bring about that result. If you employ a laborer you shall give him enough money to buy him a good house to live in, good clothes to wear, good food to eat for himself and his family, and his house shall be a healthy one; it shall not be surrounded with bad air or any of the concomitants that produce pestilence and ill health. If you could have a law directly to affirm that, of course we should have that question settled without relying on economical and political questions as to competition, or supply and demand.

The WITNESS. I want to make a correction there. You assume that I stated that I was in favor of regulating the price of clothing and the price of everything.

Mr. CALL. Oh, no; I do not. I do not assume that you are in favor of anything.

The WITNESS. You made the statement in such a way as if I was responsible for it.

Mr. CALL. Not at all.

The WITNESS. I do not want it to go down in that way.

Mr. CALL. I am not looking at you as an individual; I am asking you as to these ideas which you think are afloat and are influential amongst the working people.

PUBLIC TELEGRAPHS AND RAILROADS.

The CHAIRMAN. Proceed with your statement.

The WITNESS. The tendency to monopoly in all branches of trade is growing more rapidly here than in any country in the world. I question whether there are men in the Old World, with all their accumulations, that possess the powers which our chiefs of railroads and telegraphs possess, yet some people are willing that such power be continued. I believe the great majority of our people would favor the building of independent telegraph lines and railroads, while the objection to this comes mainly from those who fear an extension of public patronage, yet I can see no reason why that should be an objection as the people could better control a responsible rather than an irresponsible institution, especially when the cost of service would be largely reduced without reducing the pay of the employé.

By the CHAIRMAN:

Q. You propose to invest an additional amount of capital equivalent to that already invested in transportation, telegraphy, and the like, to be owned by the public, and operated by the public?—A. Yes, sir.

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Q. That would be equivalent then, would it not, to the destruction of the existing facilities?—A. No; I would not interfere with the present roads or with the existing telegraphs.

Q. If those facilities for transportation, telegraphy, and the like, are now sufficient to transact the public business, would it not be better, instead of investing as much more which all comes out of labor in the end, for the public to take possession of existing facilities, making fair compensation for them and run them in behalf of the public, or to, by legislation, limit the fares and the freights, the taxes, which these private agencies may impose on the public for their service in such way as to reach the result which you have in view?—A. I would have no objection to that if the Government would pay for the actual cost, considering wear and tear, &c.; and it strikes me, taking the broad view of this question, and the manner in which these institutions have possession to a more or less extent of legislation, or the means of legislation, that it would pay better in the end for the Government to build these roads and these telegraph lines, from the fact that a price would be put upon the existing companies that would be, in my opinion, five times greater than the original cost.

Q. Do you not understand that the Government, if it can legislate on the subject at all, may condemn this property, and pay what it is reasonably worth?—A. I believe it has that right.

Q. But suppose it is thought best to let these agencies continue in private hands; would you not reach the same result by limiting the charges by law which may be taken from the public for service?—A. I think it would be better to make no half-way move in that direction, but to either take possession on paying what the roads and telegraphs originally cost or to build them by the Government direct.

Q. Do you think the Government could operate the lines of transportation by land and water, telegraphy, and the like as cheaply as private corporations can do it?—A. I have not taken in the water-ways.

Q. Well, I will leave those out then.—A. I consider that the Government could do it much cheaper.

Q. Not much cheaper than these companies actually render the service for. It might be reduced by law, but do you not understand that as a rule a private individual can do a certain piece of work more cheaply than it can be done by the public?—A. Yes; if it is a legitimate business, not deriving any special privileges; but when we take into consideration that these companies pay extravagant salaries, issue unlimited passes, and have fine, expensive buildings, and carry a large amount of stock that represents nothing, it strikes me that when they ask 5, 6, or 10 per cent. on that it would seem that the cost of service could be considerably reduced by the Government taking hold of the matter themselves and working a telegraph system or building a railroad that would cost about one-fourth or one-fifth of what these roads are represented to be worth.

## WAGES IN EUROPE.

I believe your committee should have a complete knowledge of the rate of wages paid in Europe as compared to this country, and its purchasing power. Much has been said that our work-people are no better off than the work-people of Europe. I was determined to find out if such was the case, and issued a circular to our consuls in Europe last July. I have received replies from nearly all the principal points whence our immigrants come, and find that the countries from which we receive the largest number of immigrants are those where the wages

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are lowest and population thickest. The factory operatives of England are better off than here, but it is the only exception. I am preparing a table upon this point. Mr. Joseph Nimmo, jr., chief of the Bureau of Statistics, acknowledged in a letter to me that Congressmen, Senators, and committees were continually asking him for information relating to rate of wages paid in Europe as compared to this country, and he confessed that the Government had no such information, never having appropriated a dollar for the purpose. I asked the State Department to urge the consuls to get the information I was after, and the Department replied that they were about to issue a circular covering the whole subject. Where the wages and purchasing power of money are equal there should be free trade, but no article should be put upon the free list manufactured in a country where the wages are so low that it would drive our goods out of our own market. Our own markets should be protected, and a number of articles now on the free list should have a duty high enough to keep out foreign-made goods. No agent should be allowed to bring immigrants unless they come of their own free will and pay their own passage. Germany, Italy, Sweden, Denmark, Switzerland, Austria, and England can all successfully compete with us with free trade, to the extent of their manufactures, unless wages are lowered here to the same level that they are in other countries, cotton goods excepted. Canada, since it has become a protectionist country, has grown wonderfully. Under free trade England supplied Canada largely with everything; now they supply themselves with nearly everything. The manufacturer, in many instances, takes the lion's share of the protection, but as fast as labor becomes educated it secures its share besides employment, which the American workman would not have if the goods were made on the other side.

Q. Did you get data of much value to you from the other side?—A. Yes, sir.

Q. You have not got them so that you can give them to us.—A. I have them not complete, but I find that England is the only country where the workingmen are reasonably well off, and you find by the immigration that there are not many coming direct from England.

Q. Could you give the committee, at a later time, the benefit of those data?—A. Yes, sir.

Q. Perhaps you desire to make use of them in some special way in the first instance?—A. I propose to make use of them, and very effectually, because I consider it as a labor question in which I am interested.

Q. When do you think they will be available to give to the public?—A. I have so little time, and I am receiving replies every day, that it may be two or three weeks yet.

Q. When you are able to give them to the public if you desire to give them in some form to your own organization first we have no objection, but we should like to place them on the records of the committee.—A. I find in Germany that the workingmen's agitation there has forced a pretty good system of statistics. They have issued there every month in some parts of Germany full and complete statistics of the condition of the working people, wages earned, cost of provisions, rent, and all those items which were forced, no doubt, by the agitation of the workingmen of that country. There are some special trades that are better off in Europe than here, but I have not had a chance to investigate; but I know the cotton operatives are better off in Europe than here.

Q. All classes of cotton operatives?—A. Nearly all classes; and especially as to children the law is very severe. Under a certain age no

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child is allowed to work in the factories, and between certain ages there is half-time. The factory inspection law is enforced pretty thoroughly, and the Government recognizes prominent men in the labor movement over there by appointing them factory inspectors, and in that way those who are interested in having the law enforced are placed in those positions, and that is the reason why I referred in my earlier statement here to-day to the fact that we have yet to receive from this Government many things that the British Government has conceded to labor organizations.

Q. Do you understand the condition of the factory operative to be better than in this country anywhere save in England?—A. Only in England.

Q. It is not better in France, or in Germany or Belgium?—A. No; I think there is a little better situation in France, but the fact that the men who bring labor over here in large numbers have gone to Sweden and to those countries indicates that they could not get English operatives. You will recollect that somewhere in the neighborhood of your home, or close by, they have had an importation from Sweden. We would like to strike at that system of immigration too.

Q. How extensive an evil do you understand contract immigration to be?—A. It is growing every day. Ever since the workingmen have been beginning to organize and become active, and business has stirred up a little in this country, the demand in some of those lines is such that they would not ship labor, and whenever there is any trouble with operatives they send over to Europe, or telegraph to some reliable party to get them people, and they are willing to advance the money to pay their fare and make contracts with them over there.

Q. Have you known that to be done in this State?—A. I do not know of my own knowledge in this State, but I presume if you would call some of the operatives in Cohoes, or in the Utica district, you would get some information on that point.

## EFFECTS OF A PROTECTIVE TARIFF.

Q. You made an allusion to protection as it has operated in Germany. What are your views, or the views of those you represent, on that subject in this country?—A. When I spoke of Germany I said that there was a system of statistics gathered there for the benefit of their own people.

Q. It was Canada as to which you spoke of benefits of protection. How is it in regard to that matter in this country?—A. I know manufacturers that cannot sell any goods in Canada since they have put duties upon several articles. Of course I did not inquire very fully, but it indicates that it is pretty general. Besides, trades organizations over there are growing very rapidly, and that always indicates that there is some prosperity. There are some towns there that had been doing hardly anything for over eighty years that are now growing up very rapidly since the protectionist policy has been introduced.

Q. You do not understand that Canadian goods are brought to this country to any extent?—A. No.

Q. What are your views as to the effect of the tariff upon our own industries and the interest especially of working people?—A. You mean a tariff on foreign-made goods?

Q. Yes; customs duties.—A. As I stated, where it is discovered that a certain manufactured article is made in another country that may be made here the duty should be so high as to keep that article out and

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give our own people employment. There are lots of articles on the free list now that could be manufactured here and would give employment to perhaps three or four hundred thousand men. The store-houses in this city are increasing every year where goods are put in bond and remain sometimes three or four months.

Q. Goods that might be manufactured in this country?—A. Yes, that might be manufactured here.

Q. You would not, of course, impose a tariff upon raw materials which cannot be produced in this country?—A. Oh, no.

Q. Go on.

LAND GRANTS AND LAND TAXES.

A. I believe the National Government should stop giving away any more land, except for actual settlers, and should recover all lands forfeited by the railroads. Unimproved property should be taxed the same as improved. This would drive the idle lands into the market.

Q. Do you mean that unimproved lands should be taxed so much per acre, or so much in proportion to the surface of each ownership?—A. Either it should be used by the owner or it should be put on the market for sale, so that people can use it.

Q. Or become vested in the Government? Do you not think that the operation of that would be to vest large tracts of land by tax sales in the Government itself?—A. So much the better; then the Government could dispose of the lands to parties who wanted them.

Q. Suppose that to be done; in what way would you have the Government dispose of the lands?—A. To actual settlers.

Q. By rent or sale?—A. Sale.

Q. Giving fee-simple titles, as we call them?—A. Yes, sir; I would not want the Government to sell more land to one individual than just enough to give him a chance to make a good living on it, and, if it is a city law and the city government is compelled to take it by reason of the tax not being paid, let it be sold to an individual for his use as a home. Let there not be a large accumulation of lots and acres of land in a few men's hands. We are growing to that pretty fast in the West.

Q. Have you any data on that subject of the increase of what one witness called bonanza farms, large ownerships in private hands?—A. I have read a good deal on that point, and we have some people who are pretty well posted on it, but I have not had the time excepting to notice that there is a great deal of land in the hands of a few men, and a great deal of land getting into the hands of foreigners, lords and dukes, the aristocracy.

Q. I have seen that statement, and have made some effort to ascertain whether it is true or not. I am not in possession of any very definite data of that kind.—A. I suppose the Land-Office Commissioner could tell.

Q. The land might not be patented to foreign owners, and probably would not be, and so the records would not show it?

DEPARTMENT OF MANUFACTURES AND LABOR.

A. In view of the fact that the product of manufactures is three times greater in value than that of agriculture a department of manufactures and labor should be created, if for no other reason than to furnish information not now in possession of the Government. The Department of Agriculture was formed for the same purpose. The department I propose would not be so expensive. I have referred to this department

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previously on the question of the hours of labor. It would have great influence in collecting facts and figures, and giving our people information, not only workingmen but manufacturers.

Q. Do you mean to include in that what other witnesses include in a statistical bureau?—A. Yes, sir; exactly.

## OVERCROWDING OF LARGE CITIES.

The overcrowding of large cities, especially the city of New York, should receive the attention of health boards. There is a splendid opportunity for rich men to do some good for mankind here. The labor problem must largely be settled by the people themselves. A disposition on the part of those who are better off to help their more unfortunate associates in building homes, rented, or sold at a small advance above cost, and exempt from taxation the home of the workingman, valued at $2,000 to $5,000, the same as in Massachusetts, would be, in my opinion, something that, while this committee has no power in the premises, its recommendation would, I presume, attract attention and help the cause.

Q. You would exempt the homestead to the amount of from $2,000 to $5,000?—A. Yes, sir.

Q. Would you exempt the personal property? I think you suggested earlier an income tax?—A. Yes, sir.

Q. To offset for the increase that the public treasury received in that way you would liberate the smaller properties of the poor?—A. Yes, sir.

Q. In personal as well as real estate?—A. Well, to that extent; efforts should always be made by men of influence to show that the workman is the greatest sufferer by bad laws. I have been told that, by laborers increasing their wages through organization, the result is to increase the cost of the article. Granted that that is so, does not that give the maker a chance to sell an article that he otherwise could not, and thus give employment to labor? The man with $2 per day can buy more than with a dollar, and if the wages of 1,000,000 workingmen are increased $1 per week, it increases the circulation, or the life-blood of the nation $52,000,000 per year; and if 5,000,000 secure an advance there is the same benefit to the country in the same ratio. Decrease wages as they were during the panic, under the contraction hard-money policy, and every property in the land feels the effect. I think there is more money in circulation to-day, growing out of increased wages, than at any time during the history of the country.

## POLITICAL PARTIES.

In conclusion, I desire to say that working men and women and the friends of such are organizing in this country very rapidly. Many years' experience has taught them a lesson. The policy of the future of these organizations will be to defeat their enemies and sustain their friends. They are beginning to learn that this Government was created for the benefit of the people, an issue the two great parties avoid except when they find that the sentimental cry will not work. The Republicans raised the cry of protection for labor at the last national campaign, yet placed on the free list many articles that could be manufactured here instead of in another country. The Democrats promised to wipe out convict contract labor in this State and failed to keep their promises. The organized movement will recognize no party, but strike at men who betray their pledges. In this wise we expect—not in the large cities—to

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bring out a class of men long ignored by the machine politicians, who will stand by the people's interests, who will legislate for the masses and not the few.

Q. Are you a member of the Knights of Labor?—A. Yes, sir.

Q. Have you any further statement to make, or any other suggestion to submit?—A. I think I have covered the ground pretty fully. I hope some good will result from investigations, and that my little effort will contribute in helping to solve this great problem. I realize that it is a great question, and one of the questions that must be met in the near future, and as I look at it it is the only live question that is before the people to-day.

Q. You consider, I suppose, that the trades unions, which represent the organization of working people, are your chief agency in bringing about results?—A. Yes, sir; I think that through the trade organizations and the Knights of Labor, properly handled, public sentiment can be developed in favor of many of these propositions. We all have our ideas, and I may entertain some that a practical test might upset altogether; yet I think I reflect very strongly the sentiment of most of the men who are associated with me and who have been in this movement for many years, and when we urge legislation in the interest of the people we expect to have the support of the people in whose behalf we labor, and as the labor movement aims to educate the masses it should be encouraged in every way possible instead of being discouraged. I stated in the beginning that among manufacturers and among business men there seems to be a deep-rooted prejudice against any effort that is being made by workingmen. I recollect in my own history very often a man goes among my customers and says, "Well, what is Blair driving at now? He ought to attend to his own business." The impression is that I am neglecting my business. The fact is I am always on hand and attending to business. About four or five years ago a mercantile agency of this city tried to suppress me, whether it was intentional or not I do not know—by exhibiting a statement about my efforts and saying, "Mr. Blair is a man who is a prominent man in the labor movement." I saw this report by one of the leading mercantile agencies four years ago. "Mr. Blair is a man who is prominent in the labor movement, neglects his business, and it suffers considerably on account of his activity in the movement;" and it wound up by saying that they did not consider I was a safe man to trust. At the same time I never asked any one for a dollar's worth of credit from the day I started to the present. This only indicates how deep a prejudice exists and how quick people assume certain things that refer to a man's conduct and action which are not true. If that agency would have taken any pains they could have found out from my neighbors that I am always in my shop and I am always attending to business; and perhaps I spend four or five days in a year, sometimes ten altogether, away from my business, distributed through the year, in this movement; and when I leave I leave my business in such shape that I am hardly missed I have a class of men, with one or two exceptions, that work harder when I am away than when I am around. I simply make this statement to show how deep-rooted a prejudice exists in the community; and sometimes it is done with a motive, too, to strike down a man who is aiming to organize a sentiment that they, in some way, do not care to recognize or appreciate. While I had a pretty hard struggle to lift myself up, considering the competition and my anxiety to treat men strictly in accordance with my views. To have an agency circulate lies about me made me feel pretty bad at the time, but I have managed to live through it, and

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I can say now that I am the second largest manufacturer in this town in my line, and I had all that to combat.

Q. You employ 60 men, I think you said?—A. Some 60 men.

## LAND TAXES AND RENTS.

EDWARD KING recalled.

By the CHAIRMAN:

Question. I think you were asked to prepare an answer to a certain question. What was the point?—Answer. It related to the land question. I was asked if a unified tax on land would not compel the producer of food to pay all the taxes. That, I believe, was the question put to me by one of the members of the committee.

Q. Which member; do you recollect?—A. I think it was Senator George. "Is it not a fact that the rent, which is now the heaviest tax on producers, is for city lands, mining lands, and lands used for manufactures; and would not the appropriation of all rent to public uses relieve actual producers of all kinds?" The question is put in the form of an argument in favor of Mr. Henry George's theory, which was being attacked at that time, I believe, by a member of the committee, a weak point in his theory being shown up. The gentleman who wrote the question desires me, I presume, to say what I think of that argument—would not that be the case? From my personal point of view I would say that it would be the case if it happened exactly as described, but it is a question which I regard as a purely relative question; and when I was speaking of the matter before the committee I was stating the views that I understood to be held, indeed that I know to be held, regarding Mr. George's theory, the progress it had made so far as it was accepted by organized workingmen with whom I acted, and was not then stating any individual views of my own. Therefore I will simply continue that. I find that Mr. George's views are making very rapid progress; that in the organized bodies of labor which are not regarded as strict conservative trades unions the ideas are accepted with very little discussion. It is a general sentiment simply, and so widespread is it that a public speaker in New York City—I have found it the case elsewhere—if he desired to stand well with his audience at the start, could not do better than to start with a quotation from Henry George's "Progress and Poverty." I am not prepared to state that the acceptation is based upon a thorough understanding and study of the book; but I do mean to say that the organization of the labor movement, in the broad sense which it has now assumed, is very much affected by the feelings and opinions of a large body of people in this country organized in the form of land leagues; that the increase in the perfection of that organization and the increase of the agitation is affecting a large part of the labor movement, and must be taken account of. Not only so, but I find that in the middle classes and in the occupations not generally acknowledged as laborers, the views of Mr. George are receiving a more thorough welcome than they are in the strict trades unions. Just let me say here that when we speak of the strict trades unions we mean organizations of labor which for purposes of stratagem exclude not only the land question but every question that is not specially connected with some branch of their labor or their special interest as a labor union. Therefore, the rejection by two bodies of workingmen in this country of what was called a land plank, with a resolution in favor of the land question, might lead to misunderstanding on that matter.

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It is simply the policy of all well organized trades unions to exclude as far as possible all questions upon which there is not a thorough understanding and some decision come to to take action upon. Therefore, for strategic reasons, it might appear that the organized workingmen, the trades-union men of this country, were not as much in favor of this idea of Henry George as the laborers are. Now, in England Mr. George's theories were accepted very rapidly, and are making very great progress, his book being published at the price of 9 cents, and selling like hot cakes in London. Its acceptance would be accelerated by the land agitation in Scotland, where there were so many evictions, and quite an enthusiasm created on the very same question as is touched by Mr. George's book. The general feeling within the last ten years in England amongst the working classes has been very much in favor of such broad remedies, and with a socialistic tendency; not socialistic in the specific sense of any party organized on a platform, but in the sense in which John Stuart Mill described himself as a socialist, who, nevertheless, believes in the value of competition and its power as an educator, and regards the advocate of any practical form of socialism as being somewhat in the distance, but yet always to be kept in mind and worked for. In that sense, within the last ten years, such has been the tendency there. Mr. Swinton, who was on this stand, has put on record his opinions and his observations in London. When I was in London there was nothing of the kind except one little hall in a public alley-way; I forget what they called themselves, but they were so very small in number and so insignificant that it would form an object of ridicule for any writer on the press who wanted a good subject and had nothing else to do. Now, I say that to-day, according to Mr. Swinton's testimony and that of others, and what I know from other sources, there has been a very rapid change of opinion, a very rapid change in the point of view, and that must be reckoned with because it affects opinion here to a very remarkable degree. The international spirit is abroad, and it cannot be laid at rest; it has got to be reckoned with.

Now, in relation to this particular aspect of the land question amongst the workmen that I associate with, I find that among all of them here, while not prepared to go the length of Henry George's unification of taxation, they still believe that some modified form of his doctrine must be put in force. For instance, some I have heard advocate at a meeting that the principle should be simply applied to a municipality, and that the city land, the land on which such high rent is paid, should be the land that should be covered by any such legislation. Then another view has been partially expressed by Mr. Blair in the same spirit; that is, that there should be a modification in the direction of relieving farms or land up to a certain valuation from taxation, in the same spirit in which the English Government relieves workmen with wages under a certain amount. I forget now what the amount is, but the income tax in England is of no force below a certain yearly income. I never knew any of my acquaintances to pay any income tax; it did not come down our length. In the same spirit as that I have found that that is a modification of Mr. George's views which is favorably received; but there is no use concealing the fact that those opinions are making very rapid progress, and that some men who are leaders and have responsibility do not desire to place themselves on record, because they do not desire to create division in the ranks of organized labor; but this desire, which is a very worthy one, to preserve the continuance and unity of all organizations so far as they exist, and to avoid the intrusion of questions that divide them or give a reason for pushing other questions into their

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organization—I say that while a good spirit must not be allowed to deceive any person as to the spread of those views of Mr. Henry George, I believe as a reason—one of the principal reasons—why they are so acceptable, according to a fact referred to here several times, is that a large part of the land of the United States is passing into the hands of foreigners. It is believed by large masses of the working class here that the following gentlemen possess the following amounts of land: that Sir Edward Reed, a member of Parliament, holds 2,000,000 acres of land in this country.

Q. Do you know that?—A. I do not know exactly that, but I saw it stated in the public press here, and, of course, the press never lies, as was said the other day; it has been copied in England, and is accepted in England, and it certainly would have been contradicted if it were not true. A very reputable English magazine copied the statement that Sir Edward Reed, M. P., has 2,000,000 acres of land; the Duke of Southerland 400,000 acres; Lord Dunmore 100,000 acres; Lord Dunraven 60,000; and a gentleman by the name of Dalrymple, not a foreigner, and I believe a lawyer, is charged with having 300,000 farms which have fallen to him by foreclosure and other means in Dakota.

Q. Three hundred thousand must be all the farms there, and probably more.—A. I understand that. He is supposed to be the largest land owner in the world.

Q. It must mean surface sufficient to make 300,000 farms, because it is a question whether there are as many as 300,000 people in Dakota, men, women, and children.—A. These foreclosures happen when people have left the land, and the improved land falls into the hands of somebody who can get it.

Q. It would be very difficult to suppose 300,000 farms had gone over to the sheriffs to be sold—A. If it is an error it should be corrected.

Q. The number stated would be several farms for every man who has been there with a family. It is doubtful whether they have 300,000 people in Dakota, including men, women, and children. I believe they claim 350,000 people in Dakota. Do you know where this Mr. Dalrymple lives?—A. No. I certainly would like to find out myself.

Q. He must be a prominent real estate lawyer. I should be glad to have him brought in here.—A. I know I have heard his name held up to execration in many places, and so many times that he would not feel comfortable.

Q. There has been testimony here in regard to a Dalrymple bonanza farm in Dakota or Minnesota. Mr. Moody testified in regard to it.—A. It is quite probable that he has acquired this property, and has acquired what originally were separate farms, simply making one large wholesale farming business of it.

Q. It is a great mistake, of course.—A. The simple fact is that when statements such as these, whether they are true or false, are made, they are believed.

Q. Do you think that the last statement is believed?—A. Oh, yes; the gentlemen who told me believed it very much; thought he could prove it, too.

Q. If he is able to produce the proof, we shall be glad to receive it.—A. The importance of the statement is this, especially regarding the foreign class of whom it is believed; no refutation has been made of these statements publicly, and when anything of that kind gets abroad it is copied all over the press of the United States; it is copied in Europe, and it has its effect, false or true. The influence of foreign capital on corporations in America and on land is one of the features, one of the

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points, in which agitation mainly dwells on the land question in this country, and successfully. I do not think it needs much speaking on my part to show how in the present state of opinion and the condition of the laboring class all over, an agitation of the land question which utilizes facts like these or statements such as these is apt to make very great progress indeed, and to arouse that kind of sentiment which is necessary for the adoption of any distinct views on a question like the land question. As for the correctness of these statements of course I have no knowledge myself. I simply testify that they are widely believed, that they are reiterated over and over again, week after week, and month after month.

Q. Do you not think that those who make the statements and those who reiterate them ought to take some pains to verify them?—A. Yes; I should think so; but they are trained in the habits of political agitation, and up to this period there has been very little conscience on such matters. In agitation in politics the people are imitating all the time. Our greatest trouble in organizing the working classes is to break them off their bad habits learned in political agitation. Of course I hold that the labor movement is not responsible for anything they catch like a disease.

Q. Why do you say that you do not hold men who are concerned in the labor movement responsible for statements they make like other people? They have been here and they seem to be as intelligent—you appear to be as intelligent a man as any one who has been on the stand; and do you not hold men responsible for anything you assert as a fact?—A. Oh, I never was in politics in this country.

Q. You think anybody who has been in politics and does that thing is not responsible?—A. I believe the influence of political life in this country has a most corrupting effect on the moral character of all men engaged in it, and where a good man is in it his reputation is utilized by a hundred villains and traded upon, and I say in the labor movement we have the greatest struggle to antagonize habits of exaggeration, gross exagergation.

Q. Do you find any tendency among those who lead the movement to correct that habit in their own cases?—A. Undoubtedly.

Q. Then the folks who make these statements and repeat them, on your own theory, should take some pains to verify them, should they not?—A. Undoubtedly.

Q. Do the leaders in the labor movement give currency to these statements without taking any pains to ascertain whether they are true or not?—A. No.

Q. Do not your followers believe in their leaders?—A. Not entirely.

Q. Why should they not?—A. Because they would throw a so-called leader over in a week.

Q. Would they throw over a leader who should try to verify these statements and say they were false if they were?—A. If he were able to prove it.

Q. Do you mean that they believe the statements he makes, and if they are exaggerations they believe the exaggerations too, but they would not believe him if he made a contrary statement?—A. Undoubtedly.

Q. They are inclined to believe exaggerations?—A. If they go with their feelings. For instance, you have an intense antipathy just now abroad on this land question. I am only testifying to the existence of a most intense antipathy.

Q. And tendencies of mind.—A. Yes, sir; as I find them. I find

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that facts like these are repeated in magazines of such reputation as the North American Review.

Q. Was that statement in regard to Mr. Dalrymple in the North American Review?—A. Not that, but similar facts which at first glance I would myself regard as gross exaggerations. I should have to make very strict inquiry before I would assert them as facts, but then what I claim is that men who are supposed to be leading men in the labor movement have not the time to make the investigation necessary to find out that this Sir Edward Reed, M. P., does not possess two million acres of land.

Q. It might be very difficult for them to learn that was not the case, and the assertion does not seem to be so unreasonable. I am only speaking of the Dalrymple assertion which seems to be one of its own kind altogether.—A. And he being a native, of course the objection to his possessing so much land is not so great. I speak of it simply as an example of the concentration of power and wealth and swallowing up the land, the land being regarded as the source of all our subsistence. If I were to read to you the platform of the Socialistic Labor Center, the platform of the Knights of Labor, and the platform of the Central Labor Union, you would find that there is a recognition of the doctrine, fundamentally a doctrine, that the Government or the people, the whole people, own the land. That is an idea which may be safely said to be accepted very widely.

Q. You may put those platforms in evidence, if you please, without reading them.—A. Here is a copy of the Socialistic Labor Center's platform.

Q. I think that was given us.—A. And I think the platform of the Knights of Labor was put in evidence by Mr. McClelland. I do not think you have that of the Central Labor Union, but you are to have the secretary before you, Mr. Matthew Maguire.

Q. You can go on with your statement.—A. In relation to the labor movement, and the press, and the pulpit, I have already stated that the middle classes are now falling in with the anti-monopoly movement, and that very large class of ideas is finding great acceptance amongst the middle classes. Quite recently a labor paper was started, and it was asserted by the editor of that paper in this city that the paper was supported not by the trades unionists and the so-called workingmen so much as by professional and middle-class people. The paper advocated very largely the views of Henry George, and gave great prominence to the land question, and to the attack upon the power of concentrated wealth, monopolies, &c. This has a very great encouraging effect upon the strict labor movement, and has to be taken account of. The strictly Irish movement in this country is also of the same kind. It trains men in organization; trains them to habits of discipline and by the logic implied in the principles which are accepted by respectable people and people who are regarded as sober-minded people, as the middle classes and professions, generally are regarded by the working classes, there will be and there is a very great disposition now amongst people who have held back from any association with those broader and deeper questions—quite a disposition now to favor them and take part in the movement. That, of course, has to be taken account of also in dealing with the labor movement, strictly so called.

### RELATIONS OF THE PRESS TO LABOR MOVEMENTS.

The relation of the press to the labor movement of course is a very bitter one. The laboring classes, as has been already testified here,

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have great antipathy to the newspapers, and not only those of New York City, but I interrogated several of those who were present at the labor conference in the city here to see if the same spirit was in the other cities, and I found it was the very same. The view that the course of the press is deliberately the result of purchase money, I believe myself to be an exaggeration, and I think also that it is perhaps an exaggerated form of that opinion. The general belief is that it is the result of prejudice, that the interests of newspaper proprietors are against favoring any kind of organization which may put them in the same place some of these days as it places some of the manufacturers and employers who are not in the newspaper business. It is also a very widespread belief among the working classes that you should not believe anything you read in the newspapers. The want of that faith in the veracity and truthfulness of literary men is one of the phases of the labor movement that I consider very remarkable indeed. The feeling is away beyond what could be accounted for by anything else than very gross cases of misrepresentation, and very exaggerated cases of opposition, and the laboring men transfer a state of feeling which belongs to a past period of newspaper attack to the present. I believe that at present the newspaper press, as it has for some time back, is taking quite an advanced position on the labor question, and that it is only in some signal cases of misunderstanding or misrepresentation in the press that the working classes will resolve to boycot a newspaper, as they frequently do.

Q. What is done when they boycot a newspaper?—A. They organize committees in every district of the city, exercise their influence as purchasers upon news stands—the men who own news stands—and they also resolve not to purchase such papers as are boycotted, but resolve to read them without purchasing them. It is believed, I know by the workingmen in this city, that they have brought newspapers to terms once or twice by that process; that is, they have brought them from blackguarding them in the most disgraceful and ridiculous wa around to a state of mind where they evidently fished for their pennies or their influence, whichever it was, and that state of mind amongst the working class causes them, of course, to take very strong opposition now and again against the press. It is very natural that the press should adopt the same spirit; it is quite natural that they should be irritated by what they regard as a gross misrepresentation of the case; but I say that it is a most unhealthy state of things that a power such as the press should be believed by the working classes to be warring with them and against their interests.

Q. To what extent is the labor movement developing a press of its own?—A. One newspaper lost 24,000 subscribers.

Q. Is that a well-authenticated statement?—A. I think it comes from one of the men who did it, and I think that is pretty good authority.

Q. Has your informant any objection to the paper being mentioned?—A. I do not know; I believe not; I believe they are rather proud of it.

Q. What paper was it?—A. The Staats-Zeitung was the paper that lost the 24,000, and the organization of a socialistic newspaper might never have taken place if there had been a decent, what one might call a strategic, recognition of the labor movement. I have myself had very great difficulty in keeping a moderate tone and holding a Christian state of feeling regarding newspapers. The general mistake is that it supposed that the thing is done from malice, whereas I believe that it is caused by the exigencies of space, which is an important thing on a newspaper; by the fact also that reporters sometimes make out as long a report as possible in the hope that it may be accepted, and their pay



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for a day's labor may be something decent; but "the fiend with the blue pencil" who presides in nearly every newspaper office cuts it down considerably, and not being present on the occasion when the sentiments are reported, cannot be expected to know the general drift of what a speaker may have been saying, and when the abbreviated report of the reporter has been handed in "the fiend" naturally makes some errors when he reduces that to a still less compass. I believe, however, that there is a certain element of opposition in the press, and it comes from the business part of the concern. The influence of capital upon the fourth estate I regard as most corrupt and fatal, and a thing very much to be regretted, because when you recognize the fact that these influences have not that hold they once had on the formation of the opinions of the people, and when you remember that the press is rapidly taking the place of what the pulpit once did, I think it is a matter of very grave concern that any large body of the people should lose faith in the veracity and justice of a power like the press.

Q. To what extent has labor a press of its own, and what is the tendency in regard to its providing itself with organs?—A. The tendency is that they must do it. The fact is that they cannot do it to any decent extent. It demands now co operation. At one time it would have been possible for a single man well known in the labor movement so to be befriended by some benevolent capitalist as to be furnished with funds for starting such a newspaper; it might have been floated, and it might have succeeded; but several newspapers have been started and stolen, at least that is what the working class who started them believe, and the tendency now amongst the people is to believe that all efforts in that way must be failures except co-operative, under a law which prevents the capture of the paper by the shareholders, and prohibits any person from having more than one share, &c. Such a law is held as guaranteeing that if in a co-operative way any body of working people can start a newspaper and keep it going for a certain length of time, they believe it will succeed; but unfortunately they cannot keep it going for that certain length of time with the exception of one or two very signal cases. The Volks-Zeitung, of course, appeals to a special nationality; it is printed in a foreign language, and that nationality are distinguished for their cohesiveness, distinguished for their disposition to gather together and hold together; and workingmen who desire a labor newspaper acknowledge that they do not see how it is to be got. When you mention the success of the Volks-Zeitung to them they state as its cause that the paper had peculiar circumstances in its start, and also has peculiar circumstances in favor of its being sustained. Now I believe beyond question that the working class believe they must have papers of their own.

Q. To what extent have they papers of their own?—A. I have not the statistics and am not very well posted. A gentleman who is connected with the Volks-Zeitung states that there are thirty-five papers altogether that may be regarded as workingmen's papers in this country. It is a sample of the disposition to frown on any effort except a co-operative effort in the newspaper line.

Q. Have they any daily newspapers?—A. The Volks-Zeitung is a daily paper. In Chicago I think there are one or two dailies, and in Saint Louis there are several daily papers.

Q. One of those papers it seems is in the German language.—A. Yes.

Q. Are there any English dailies?—A. I am not aware of any myself.

Q. Can your friend state?—A. I am told there is; the Albany Union, also the Utica Daily Press.

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Q. Do you know anything of the extent of the daily circulation of any of them?—A. The Volks-Zeitung, I am told, has 30,000; the Philadelphia Tageblatt has 22,000; the Chicago Arbeiter Zeitung, 20,000.

Q. These are in the German language?—A. Yes, sir.

Q. Have the trades unions organs as a rule?—A. There is a trades union organ in Paterson, printed in English. There are a great many workingmen who do not take any stock in it. Still it must be assumed to be an organ of trades unionism of a certain phase of opinion.

Q. With the exception of the papers mentioned, I suppose most of the remaining thirty-five are in the English language.—A. The Germans out West are very strong, and I think you will find that the English-speaking papers are in the minority, and that a case where they are able to hold up a daily is a very rare case indeed. It must be apparent that the working classes want the news and you cannot find the news in a paper just started. It is not easy to get into the Asssociated Press, as has been testified here already. While the working classes want their trade news, want a labor paper, still they have a burning desire to know what has happened connected with other affairs besides trades affairs, and workingmen cannot be counted upon as willing to throw over their interest in everything else for the sake of a trade paper. The want of capital sufficient to advertise a daily labor paper is the point at which the effort generally fails.

Then the influence of the other organs of public opinion, such as the pulpit and lecture platform, literature, magazines, &c., will probably be very great. I believe myself that in the agitation of recent years there were very extraordinary socialistic sentiments expressed by clergymen. Within she last five years there have been works published with such tendencies. Dr. Rylance, of this city, an Episcopalian minister, has a book on communism and socialism; also Heber Newton, another Episcopalian minister. Dr. McGlynn, of St. Stephen's, has taken part in various public meetings and pronounced himself a disciple of Henry George out and out, and has expresed himself on the labor question in such a way as to encourage other clergymen of less caliber so far as standing in the church is concerned; and there are indications that a large section of the working classes who have held aloof from organized efforts at the labor movement, very sober, very conservative, religious men, are now being inoculated; and the phenomenon appeared in this city quite recently of a clergyman appearing before a large body of workingmen and inviting them to go to church as he was going to preach on the short-hour movement; and he himself happened to put in a few months every year as a machinist and the rest of the time as a preacher, combining in his own character the two functions. That was commented upon and its example must be counted upon. I believe myself that the moment the labor movement in its organized condition solves the problem of co-operation without compromise, that is solves the problem of recognizing the differences of opinion amongst the various sections of the working classes, arranging some method by which those who actually do agree upon anything can act upon that without being compromised in any other respect, there will be a large accession, and a religious element will enter into the movement that I regard of very great value, although it is not so regarded by the vast majority of people in the labor movement. I believe that if you desire to ascertain the real depth and extent of the antipathy felt to capital, the antipathy to the upper classes, so called, and discontent with their condition, it is perhaps better mirrored in its effect upon religious organizations than in any other way. The belief amongst many, many large masses of men

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who nominally belong to different Christian denominations, of the power of money as a corrupting influence upon their church is very wide indeed; and the faith in the, I would not say veracity, but in the courage of the belief, is at a very low ebb. I regard that as of very great importance myself, although it is not so regarded by workingmen generally.

Q. Do you understand that that extends to both Catholic and Protestant organizations?—A. Yes.

Q. In about the same degree to each?—A. No.

Q. Does it dominate in one more than in the other?—A. I believe the charge against the Methodist, Congregational, and what were once regarded as democratic religious bodies, democratic form of religious organization, is that the influence of wealth is disappointing in its relation to those denominations, and, as you might observe, there is a great effort being made by the highly organized Christians, such as the Episcopal Church and the Catholic Church, to place themselves on the side of the people. In an Episcopalian convocation last year, I think, or the year before last, the question of socialism and the labor question was a matter up for discussion legitimately before the convocation, and in England, when Henry George went over there, his great address was made before a convocation of Episcopalian clergymen.

Q. At what place?—A. In London.

Q. Do you know whether it was a sympathetic audience or otherwise?—A. I understand it was. I understand that Mr. George was highly delighted with the reception he met. It might be that he was oversanguine, as authors generally are.

Q. You have in your remarks on the press and pulpit used the expression of "labor movement" many times. What is the labor movement? I should like you to define it as you understand it.—A. I believe the labor movement includes all these forces in society which are first of a religious kind and which publicly place themselves on record on all occasions of a crisis and a combat between labor and capital as modifying the power of capital, or seeking to help labor to combat capital.

Q. To combat capital in what way, and for what end?—A. For the end of obtaining economic justice.

Q. What do you mean by that?—A. A sample of that will be taken from a sermon preached by the Rev. Dr. Pullman, of the Universalist Church in this city, on the telegraphic strike, who stated that the telegraphers' strike was sympathized in, that the strikers were sympathized with, by a large number of individual capitalists with whom he had taken the trouble to speak during the week. The ground on which they sympathized with the strikers was that the struggle of the telegraphers was with a corporation, and that as individual employers of labor, as manufacturers, they regarded themselves as in another category altogether, and they sympathized with labor when it was combating the corporate power of wealth, but that it was a different matter altogether when they were united, as they held the interests of the employé and the employer as the same. This reverend gentleman stood up on that occasion for what he regarded as justice to the laboring man, that he should have a fair day's wage for a fair day's work.

Q. And that he was not getting it now?—A. In the case of the telegraphers the reverned gentlemen did not state what a fair day's wage was, and they never do. As a general rule they are very careful to avoid stating anything like that, because that of course would place them too definitely on record; but they have courage enough to say this

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much in the face of the wealth represented in their pews, and churches mainly depend on it, for they have to be run now on business principles; at least so we are told. I say that the courage implied in a statement like that by a clergyman I regard as a very great advance indeed upon what might have been expected some twenty-five years ago.

Q. Have the working people an impression that there is more money put into churches than there need be; I mean into the edifices and devoted to the maintenance of the ordinances of religion administered there?—A. Of course, they have that impression. The impression generally, as I believe in a most exaggerated degee, is opposed to the power of wealth in the management of churches. I believe that in the present state of affairs religious organizations are of great value.

Q. What proportion of the people in New York City, in your judgment, attend religious services on the Sabbath?—A. I have not the slightest idea.

Q. Of the working people what proportion?—A. I have not the slightest idea. The working people that are active in the labor movement may be fairly charged, I think, with being very bad church attendants.

Q. Why is that?—A. As far as I have investigated the matter, I believe it is because they consider that the pulpit is not free to state the truth on the labor question.

Q. Do you think there are such accommodations in the way of houses and pews and so on as they desire?—A. Oh, yes.

Q. Plenty of them?—A. There are plenty of churches where you can put your umbrella, and your hat and your coat, in a separate pew, and have room left. There are only a few churches where clergymen have talent for drawing crowds.

Q. There is not any lack of church accommodations, in your opinion?—A. No.

Q. Is the lack of attendance because there is any unpleasant comparison in the costumes?—A. There is a great deal of it owing to that I believe. I think the fact is that the working classes are getting new ideas and getting a more independent spirit, and if they go anywhere where they are compared to other people they desire to be just as well fixed and look as well as other people. I think that has a great influence, especially on women and children. You will observe that that must be true when you take into consideration the progress of the Sabbath-school movement in the city as compared with the progress of the churches, so far as they are attended by the working classes. Some of the churches have very popular Sabbath-schools, and the parents lavish all they can on the children who attend them; they like to be dressed as well as other children, and they go to Sunday-school, and every effort that can be spared is made to have the children so that they can go to Sunday-school. Large numbers of men and women who never go to church at all and who are opposed to it, are still in favor of the Sunday-school and like their children to go to Sunday-school. They believe it has a very good influence and that it is justice to a child.

Q. You mean that they find their means adequate to send their children, but do not feel able to clothe themselves in such a way that they would feel at home in church?—A. Yes; and then there is the desire for taking a day's rest. You must not leave out of account the large decay of belief in the theological conceptions underlying those church organizations. That has a very great deal to do with it also.

Q. What, in your opinion, leads to that decay of faith in the ordinary tenets of the evangelical churches?—A. I believe the newspapers have had more to do with it than anything else. I believe that the publica-

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tion of extracts from scientists and from men of philosophical repute and learning on the various questions that lie at the bottom of church dogmas, that the wide-spread system of quotation and the cheap reprints of all the works bearing on these matters have had a great deal to do with creating something more than mere skepticism—in fact, I think a decided unbelief—in the fundamental ideas upon which evangelical churches rest.

Q. How largely do these ideas of affirmative unbelief, if I may so express myself, prevail; how extensive is that getting to be?—A. I do not think that it is so extensive as appearances would indicate. I regard myself as not a competent witness on that question.

(The examination of the witness was suspended at this point to be resumed hereafter.)

The committee adjourned until Wednesday morning next at 10 o'clock.

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WEDNESDAY, *September* 12, 1883.

The committee met at 10 o'clock a. m.

JOHN ROACH recalled.

By the CHAIRMAN:

Question. Please resume your testimony and go on in your own way. If there are any misapprehensions of your statements the other day which you would like to correct, you can do so first.

MISAPPREHENSIONS CORRECTED.

Answer. After giving testimony before your committee last week, I found, on taking up the morning papers the next day, many incorrect statements made. Among those statements was one that I had said ships could be built in this country as cheap as they could in any country of the world. I did not say that. What I did say was that the coal, the ore, the limestone in the mine, and the timber in the forest were as cheap in this country before labor was applied to them as in any other country in the world, and that no country had opportunities better than we had for the building up and development of an interest of that kind; but this raw material of which I spoke, while in the mine and the forest, only formed 10 per cent. of the value of the ship complete, and 90 per cent. had to be added to that, which was entirely labor; that while you gave from 60 to 70 per cent. more for that 90 per cent. of labor than was paid in any other country, the finished ship cost more. When we pay 70 per cent. more for 90 per cent. of what composes the value of the ship that is a difficulty we encounter; but from the fact that our labor is better paid, better fed, better clothed, more intelligent, and that there is less of combination here than exists in other countries, each man is ambitious, and is willing to perform a fair day's work for a fair day's pay; and the intelligent workingman knows that; he has come from all parts of the earth to better his condition here; he is conscientiously willing to perform more for the compensation he receives than he does in other countries. By that and by means of improved machinery we reduce the cost of the finished ship down to the point where the difference between the first cost of the ship when complete, in this country and in Europe, only forms 20 per cent. So much for the improved condition of labor from its ambition and its hopes of the future.

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Then it is not the first cost of the ship that prevents us from being ship-owners. It is the increased cost of capital in the investment; it is that during the construction of the ship, from the mine to the finished ship, the number of days' labor is only three times the amount of one year's labor in running it. Yet we are twenty-five years running the ship and paying American labor on the same conditions, and, therefore, the cost of operating the ship after she is built, in the labor question alone, is what weighs us down. Unless you reduce American labor on the sea to the same condition that it occupies in other countries, it is impossible for you to run the ship. The ship, after she is built and put into commission to do her work, is a factory to all intents and purposes. The manufacturer here cannot go to work and take a factory, if you give it to him for nothing, and fill that factory up with American-paid labor, and run it in competition with a man who pays for his factory and gets his labor for half the price. That is my correction there.

## PROTECTION.

To speak now of protection, to encourage labor to that development of natural resources of which I have spoken, a law comes into existence which has been used and applied by almost all civilized nations—the law of protection. Protecting what? Protecting labor. The most plausible and fit manner to put that in at first was to put on a tax by which a revenue for the support of the Government might be collected, and apply that as a protection for the development of industry. That system of protection was applied by almost all the civilized nations, until they were in a position where they could meet competition. We have tried that, and the simple question then is, will that protect American labor in the condition that it occupies? I say no; and let me give you my reasons.

I do not wish to intrude on the committee, and I do not wish to have it understood that I am here as the advocate of any mere theory or any individual interest. I come here taking a broad view of this whole subject, looking at all labor, and I will not make a single statement in my testimony that has been taken from any visionary ideas of mine, but will keep to the actual record of what is taking place every day.

## IMPORTATIONS OF FOREIGN GOODS.

There has been testimony given here that there was a great deal of depression in the country at present, that labor was depressed, men were out of employment, a surplus product of manufactured goods was in the country, that there were more goods manufactured than our own people could consume, and that our only opportunity or chance was to seek a foreign market. I have taken three industries, so as not to burden the committee by going over all, to show what has taken place in those industries, and why men are idle.

In 1880 we imported of cotton goods into this country $29,929,336; of woolen goods, $33,911,093; and of iron, $53,714,008, under our present law. In 1881 we imported $31,219,329 of cotton goods; of woolen goods, $31,156,426; of iron and steel, $46,439,747. In 1883 we imported $36,853,689 of cotton goods; $44,274,952 of woolen goods; and of iron, $40,000,000.

There are three industries, and for the past ten years we have imported something like $11,000,000. Here were millions of money sent out of this country to purchase what I might call clothing to clothe the

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American people. Would you consider that there was an overproduction if we required twelve millions' worth of grain here to feed our people and only raised ten and had to buy two? Would that be overproduction? What, then, would you think of the condition of things, whether we were doing what we ought to do in that great interest of bread, if we had the most fertile prairies, and yet something or other was transpiring by which we did not raise our own bread? Can you say that there is overproduction when we raise the cotton in the American cotton-field, when we cut the wool from the American sheep? Can you complain, then, that there is overproduction when we have been buying these millions of dollars' worth of clothing to clothe our own people? This money went to employ foreign labor, while you are complaining to-day that your own labor is idle; and you are talking of what? You are talking of "revenue reform"; you are talking about cutting down. Why was not this made at home? Where is the monopoly when $1,000,000,000 of merchantable articles have to be imported where God had given you all the raw material to make it, where you had the clearest heads and the brightest mechanics in the world to produce it? Why, then, are you complaining that there is a monopoly? Money was seeking an investment at 5 and 6 per cent. and a lower rate of interest. Why did it not go into this investment? Simply because there has been a terrorism—and I will trace where that comes from—that held the ax to cut down. Every year the ax was held over the enterprising capitalist and workman and he was threatened with "revenue reform." Reform, indeed! If you reduce the tariff you would only bring more money into an already overflowing Treasury and make more idle workingmen at home, because you would import more. When away from conditions called a monopoly, that he was laboring under, he could not keep that foreign article out of the market, and labor was given to other men. The whole cry of this "monopoly" to-day is to hold up a monopoly that I will state. The workingmen are divided; they do not see their own interest. That policy, which is ready to be sprung upon him, is what the workman has to fear, and to-day it robs him of his labor, because they think he is too well paid. A man leaves his home abroad if he can get the money to come to this great country where he is paid, and then he gives his money to purchase the products of labor brought in here from abroad!

### NO MONOPOLY.

I deny that there is any monopoly. What is this monopoly of the manufacturing interest? From the very foundation the law is that these industries are open for all. Are not the mine, the forest, the workshop as free to day for capitalists to enter as are the prairie and the cotton-field? It is only a matter of choice, and there is no more monopoly in one than there is in the other. The difficulty to-day is that in one we have the advantage: we raise enough to feed our own people, but we do not clothe them.

### WHAT THE WORKINGMAN SHOULD FEAR.

I am now going to point out what, in my view, the workingman has to fear. There is a blow to be struck at him that he does not understand; and the eight-hour law, which I will call attention to, and all these things are kept up as a bugbear before him. The great monopoly that is going to slaughter him is hid by directing his attention to that. There is a great upheaving of the labor question all over the civilized world to-day, and the light that is thrown out by this country, unfortunately, I may say, is not quite as brilliant as it should be.

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I have made it my business to see many of the letters written by immigrants, and to see thousands of immigrants who have come here, and who describe the advanced condition they occupy here over that which they held abroad; and that great light, the position the laboring man of America is holding, is revolutionizing the whole outside world, more particularly those nations where civilization is most advanced. This revolution is going on quietly, and this great country is the light of the workingman of all nations.

### FREE-TRADE ARGUMENTS.

Now, my own convictions are that we should do nothing that would lower the condition of the laboring man here. I shall hold up both arms for free trade with any nation that first established a form of government similar to our own in the interest of labor, and that will raise the laboring man straight up and give him the same pay he gets here, feed him as he is fed here, educate his children as they are educated here. I shall be willing, then, to go into that fight, certain that the American man will win; but I am not willing to see the American workingman and the enterprising men who venture out to give employment to that workingman brought in competition with what? With an aristocracy of the older nations who are the owners of the forest, the owners of the soil, the owners of everything.

The workingman has there no voice in the law that is made, but yet, from the influence of this great country, he is rising and pressing forward and making his demand; but we are estopped. This aristocracy will never give him an iota; they will try all other plans first to elevate his condition before they give up any of their own wealth. What is their plan? To-day, whoever will watch the progress of things and watch the mighty movement that is on foot, will find that there is war, the most fierce war that ever took place; but it is a war of diplomacy, it is a war from the pulpit, it is a war of false preaching, it is a war by which fortunes are spent to give tone to a condition of things which suits them. Each of the nations is making a desperate struggle to preserve its own market for its own labor, and they are all reaching out with all that diplomacy of which I spoke, with all their skill to grapple and get hold of as much of their neighbors' market as they can; but this is the great market, the battle-ground of all. The great attack is made in the interest of all foreign labor, and for its elevation attack is made on this great republic and the position that we occupy. It is made in a thousand ways that you cannot understand. They buy our cotton, our bread, our petroleum; they buy those things which they cannot produce themselves, and which man cannot exist without. Necessity compels them to buy such articles; but we hear the very flimsy argument given in some of our New York papers occasionally, "If we do not buy from them, they will not buy from us." Will any man of common sense believe for one moment that the produce merchant of Liverpool who buys our bread, our meat, our butter, our cheese, and our petroleum will go to the iron-maker of Great Britain, and say to him, "If they do not buy your iron in the United States, I will not buy their bread from them"? Do you believe, gentlemen, that is the rule of trade? What sense is there in such an argument? Do you believe they will go to the man who supplies the cotton factory, and say to the cotton manufacturer, "Unless the American people buy your cotton goods, I will not buy any bread from them"? Gentlemen, they have got to have our bread, and we do not thank them for buying it; they have got to have our food;

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they cannot live without it, they cannot raise it themselves, and they cannot to-day produce their own cotton, and they must have ours. We do not want their woolen or cotton goods, or iron; we want their gold, until we get such a surplus in the country that money will be as cheap here as it is in England; then the workingman will get cheaper rent and clothing, and can afford a reduction of wages.

A very significant thing took place the other day, when France was on the point of getting into trouble in China, and the English Government came forward and said, "What effect will this have on our cotton business? We must look into that."

England's great purpose now may be expressed in this way: "We would like to pay you back for all the bread and all the products we buy of you in the products of our factories; take them in exchange;" that tells it all. England is overstocked with these products to-day. That is the policy to get them into this market, and there is a powerful influence brought to bear on this country in that direction. This influence it is that floods the country with free-trade documents, Cobden Club pamphlets, &c. Free-trade clubs abroad and advocates at home have spent more money every year than would be needed to organize a company to put up a cotton factory in Alabama or any other State where abundance of coal and water power could be had, and the raw cotton, all free of duty, with a home market at hand. The greatest argument these free-traders could get would be to subscribe enough to start such a factory, pay American wages, and at the end of the year report their profit and loss. But these men will not risk their money. It is cheaper to talk nonsense. Coming down to our present condition, I believe this doctrine; it may be an extreme one, but I am as satisfied as that I am sitting in this chair that if the experiment is tried it will come to what I am going to say—that if a syndicate of capitalists were to come together, and out of pure gratitude for the wonderful wealth they had accumulated within this republic, were to buy and store up the Government bonds, so as to give them as a donation to the working-people of the United States; if they should pile up enough capital to pay all the revenue we are talking of, and the expenses of this whole Government, in order that no man should be taxed, and should say, "This meets all the demands of all your revenue laws; we will blot out the idea of a tax for revenue or anything else for all time;" if this were done, I believe that inside of two years from that day a powerful cry would come from the farmer, the cotton-grower, and the whole mass of the people, "We cannot live under those conditions; our country will be flooded with the products of cheaper nations, and our own labor has got to be reduced, and we will not go into the American mines." What would be the result? It would bring forth a calamity that would be worse than all the plagues or wars the world ever saw; it would drive this great mass of people back to the prairie and to the cotton-field, and we should be reduced to such a condition as I have spoken of before, a nation of cotton and corn growers and an overproductive agricultural nation that would be robbed of all its wealth in gold taken out of the soil, and by and by our whole development would stop.

### COST OF COTTON MANUFACTURE HERE AND ABROAD.

Here we are to-day complaining that we have idle workmen. Some man said to me not long since, "Why, if we only had free trade in wool we could make this woolen business so that it would be a great benefit." "But," said I, "you have free trade in cotton, and you have imported

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more cotton goods during the last year than you did woolen goods, and it took about the same labor to produce them. That has nothing to do with the question." "But," a man says, "we ought to be able to compete with all nations in the product of articles made from cotton because we have the cotton at home." That looks very plausible on the surface; but this is a question that is of great importance to the nation, and every man who offers an opinion on it should go way down to the bottom and get the bottom facts. I have not got a dollar in the cotton business; but what is the advantage to the American manufacturer that the cotton is grown at home? One advantage is that in peace or war he has his supply at home; and that is about all. All the other advantages do not amount to anything. Why? When that question came up I took the pains to weigh a yard of cotton goods to find its actual weight, and I found that a yard of ordinary cotton goods weighed three ounces and a fraction, or at least it took five yards of cotton goods to make one pound. A bale of cotton is 560 pounds, and it would make 2,800 yards of cotton goods. The cotton grower in the South produces the cotton; it is brought to New York for distribution, and it costs the American cotton-weaver something to take it from New York to New England, and it costs the English manufacturer something to take it across the ocean. That cost is about $5 a bale. Deduct from that the cost of transporting it up to New England, and the New England manufacturer has got an advantage over the English cotton-weaver of about $3 a bale. Divide the 2,800 yards of cotton made by the bale of cotton and look what a small fraction the manufacturer at home has got by reason of the cotton being grown in this country, outside of the positive knowledge that he can have it in peace and war. It is an item that would not begin to make up the difference between capital invested in this country and in England, without taking at all into account the higher cost of labor.

Now let us take up the subject of a "tariff for revenue only," and apply it to those industries. I have shown you under the present law the enormous amount of money sent out of the country to give employment to foreign labor. I have shown that there is no law to prevent capital being invested in those products at home, but it is found that it is not profitable. I will take for the basis of an argument, which is very near correct, that there is about the same amount of capital invested in the manufacturing interest in the United States that there is in Great Britain, and I will take the figures according to the last census, which are very near correct. There are $4,000,000,000 invested in the plant and working capital of the manufacturing interests of Great Britain, and say a similar amount in the United States. Now I am talking not for one particular State, nor for any one particular location, but I am talking for the interests of all the States, and more particularly for the development of our undeveloped States. I wrote to the sections of the country where some of these articles that I speak of could be profitably manufactured, and I found that there was a disposition to pay almost any fair rate of interest for the capital required, 8 or 10 per cent., if necessary, in the South and younger States, and those are the States we have to take care of. Others have grown up so that they are a power in themselves—I refer now to the Eastern and Middle States—but we must take care of the South; we must take care of that section of the country which is yet undeveloped, and if we can get along with less here, we must take care that we give them a chance equal to the chance we had in our early effort to develop. That four thousand millions of capital would be worth in this country on the

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average in those States 7 per cent., which would make an interest annually of two hundred and eighty millions of money. Two hundred and eighty millions of money would be the interest at 7 per cent. paid upon a capital of four thousand millions invested in our factories both in capital and plant. It may be a great deal more than that. I am speaking within the figures; four thousand millions of money in the old developed country of England, that has accumulated this enormous wealth and has no outlets for it, would cost 3 per cent., or $120,000,000. Deduct the $120,000,000 from the $280,000,000, and you have the sum of $160,000,000 a year in the rate of interest alone against the American manufacturer on the capital invested.

Take, then, the amount of money that is necessary to pay the expenses of the Government, $130,000,000 a year; raise this $130,000,000 a year from the articles that you import, put that as a duty upon the manufactured article, to be paid before it enters our market; add that to the $120,000,000 they pay in interest, and you have $250,000,000 as the duty and interest on the English article according to the notions of a tariff for revenue; yet there is on the item of interest alone $30,000,000 a year against the American manufacturer, and the workman, whose condition you are trying to elevate to-day, is entirely left out. It might be said that in that tax some discrimination should be used, and it should be applied to certain articles which would need protection; but whoever investigates the great articles which we need and import will find that there are very few of them where 90 per cent. of their value when produced is not labor, and it shows that it is impossible to have competition under these conditions of which I speak; yet the workman whose case is brought up here to-day is left out in the cold and receives no consideration in that calculation at all. The mere interest on capital alone disposes of the whole subject. A tariff for revenue only would make competition with foreign producers impossible.

### CONTRAST AS TO LABOR.

Now, I will look at the workman's side of the question. Take those three articles I have named, which are woolen goods, cotton goods, and iron goods. Suppose that three establishments under this law are started in this country and in England, with the amount of protection afforded by a tariff for revenue only. One is started without taking into consideration the difference, as I have shown before, in the interest and the plant, but the mere actual pay of the workmen. From all the testimony that I have seen here the average pay of the skilled labor of this country has been about $2, and 1,000 men employed in a woolen factory or cotton factory, a ship-yard or an iron establishment, would get $12,000 a week. The average pay for the same class of labor in Sheffield or any part of Europe would be, say, ten shillings a day. That is the largest average that I understand they are able to earn. This would make $7,200. So that in the American factory there would be paid to the same number of men $4,800 more per week than would be paid on the other side of the water for doing the same thing.

Q. How much difference?—A. A difference of $4,800 in one week. At the end of the year the account in each factory would stand thus: $249,600 a year more paid in the American factory for labor than was paid in the foreign factory. If the American factory has got to live, what has to be done? You have got to meet this labor question square in the face; and if my convictions were that the workingman's position ought to be no better here than in any other country of the world, I

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would go manfully before him, call a meeting in the Cooper Institute or elsewhere, and say to him, "God has given us all the great advantages he has given any people on earth; all the raw materials that are necessary to give us all the comforts of life; but you occupy a position that does not belong to you as a workingman, a position not occupied by any man of your profession elsewhere; and in order that we should make use of the field of open competition with the nations of the world, you have got to come down to their condition. God has given us all this material to do with, but your false notions and ideas are in the way; you have too many of the good things of life, your children spend too many days in the school-house, your wife is too well dressed, and you eat too good food; you have got to come down to the condition of the men of other nations of your class, and then we can compete." I am not talking here in the interest of any particular class, creed, or political party, by advocating these principles. The man who publicly advocates these principles, which I speak for, let him be a Democrat or Republican or what not, is the man for me, because I believe he is the man for the country. Time will prove these principles to be right, and when this whole thing is unveiled all public men will have to come to them.

If free trade is to prevail and the American factory to remain open, the workman has to come down to the condition of and take the same pay as the foreign workman. I have looked at this subject with an unprejudiced mind, and there is not a single instance in all my life where I belonged to the party that the man belongs to who advocates that doctrine of crushing down labor.

I have shown by figures why men are idle. I suppose it comes within the scope of the resolution under which you are acting, that wherever development can take place by which labor can be employed in place of being idle, it is proper for you to hear the testimony which points it out. The figures I have given dispose of that subject as to three great industries.

### SHIPPING—STEAM MARINE.

Of all interests that call for the greatest amount of labor and bring the greatest amount of wealth to a country without impoverishing its soil, the shipping interest stands first. I am going to be careful; whatever testimony I may give here to-day, I have been careful to get the official facts to sustain me, so that there shall be no doubt about the assertions I make. The last census shows that Great Britain had one thousand millions of money invested in her shipping; and to show you the wonderful wisdom of her policy looking away off into the future, and seeing the true way to occupy her proper position, I will give you the official figures. In 1850 she had 142,730 men employed in sailing-ships; the same year she had only 8,700 in steam—142,730 men in sailing-ships and 8,700 in steam! I will jump figures for the sake of saving time. In 1882 she had 166,000 men in steamships. Look at the wonderful stride, the great revolution, and England was the only nation in the world that foresaw that steam was going to do the work.

The single question, then, is, what was her policy in making that mighty revolution, changing the steam from 8,700 men in 1850 to 166,000 in 1882? She has, as I have stated, $1,000,000,000 of capital invested in her shipping; and, first, what is this $1,000,000,000 of capital composed of? That brings us down to the labor question again. All that was in that $1,000,000,000 of wealth was not taken from her corn-fields, her cotton-fields, or her grain-fields; she impoverished not one acre of her

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soil to produce it; she went away down into the earth, where the sun never shone, but where the clear-headed men of Great Britain pierced, and she brought out the material to produce this with, and from the knowledge I have of this material in the State of our friend from Alabama to-day, Great Britain has nothing at all to compare with it. There that wealth lies buried away down, and until very recently men scarcely knew that it existed. Then, to put that $1,000,000,000 into ships—all that this mineral was worth was probably from 5 to 10 per cent.—it required $995,000,000 of labor. Look at it! $995,000,000 of labor produced for the workingmen of Great Britain out of that one idea alone—$995,000,000 of labor! Who, then, will reckon up the profits of producing that thing at home and selling it to other nations or using it herself? She has used it herself principally. Who can tell the school-houses and churches and public buildings and other things that have been created out of the profit and the expenditure of that $995,000,000? That constitutes the profit. There, after man is fed and clothed, is what constitutes the wealth of a nation, and the nation that tries to keep that at home is the nation that is rich; and the nation that tries to send its money abroad and will not produce is the nation that is always a beggar and a borrower. It is a good deal like a man. The man who does not help himself, but always looks to somebody else for help, is always poor and a beggar of money or something else. England's shipbuilding gives employment in the construction, and altogether it gives permanent employment to 240,000 men regularly in connection with the running of the ship after she is built.

Again, in 1880 the gross earnings of that fleet were $350,000,000 of money—$350,000,000 of money earned without impoverishing the soil, in doing the business of her own and of other nations. In 1881 the gross earnings were $376,000,000, and in 1882 $400,000,000—$400,000,000 of money earned by that one industry. Out of that whole $400,000,000 of money, less the dividends paid to capitalists, all went back to labor or the products of labor; it went into the oil factory, it went into the coal mine, it went into every industry. It was all expended with the exception of the dividend and went back to labor again. What a wonderful idea that is that these people have conceived!

Further than that. What next? Under the usual customs of commercial nations and safe business people, those ships are insured, and for what? On an average the insurance is 5 per cent., and if they were all insured the insurance would be 5 per cent. on $1,000,000,000, or $50,000,000 insurance alone. This insurance is charged to the people of other nations which she does business for, and all that capital comes home to England. It makes English capital cheap, and cheap capital enables the undeveloped country to develop itself.

What is the next great advantage? The necessity of reconstructing and keeping this fleet in operation every year, to make up for vessels that are lost, to keep up with the modern improvements and the expense of repairs, requires an expenditure of 10 per cent. more, every bit of which goes back to labor except 10 per cent., the value of the material in the mine, and to supply it, to feed all that labor, and to keep it in employment, and to bring home to that one country this enormous wealth is the policy of England.

### ENGLISH AND AMERICAN ADVANTAGES CONTRASTED.

The question then comes up, What were her advantages over other nations in doing that? What were the advantages that she had over

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all other nations in producing that result? None whatsoever. Her advantages are less than those we have. There are only two advantages she had, cheaper labor and cheaper capital; but that cheap capital is produced by the very policy of which I have spoken.

Our advantages are superior to hers; we have the coal, the ore, the forest, the cotton, the bread, and the intelligence. We have not only the things to build the ship, but the freights to load it. Why, then, has England accomplished this wonderful result while we are as we are? Where are we? A few years ago we were a nation, the proudest on the earth, the second upon the sea, and rapidly aspiring to be the first. To-day in the foreign trade, comparatively speaking, we are nowhere. What is our policy? Somehow I do not understand it, and I never could understand why the press of this country has not done its duty in this respect, more particularly the press of New York, which ought to be the guardian of the nation, looking out and showing where advantage is to be taken for our own country and its development and the support of our own labor. The course the press does take must be taken because it has not investigated the subject. We have had dust thrown in our eyes; all the little shilly-shally means have been adopted to try to deceive the people when they ask, "How did England accomplish this great result?" When a man by long study and perseverance, giving a life to it, risking his life, doing everything to accomplish an object, reaches and gets fast within his clutch the power he has been after, you must mark that man, and if you want to get your share of the riches he has laid up by unscrupulous means and taking advantage of you, you must allow that you have got to prepare yourself, and no shilly-shally, small, twopenny idea will make him surrender to you.

First, to accomplish the result I speak of, history tells the tale. For two hundred years English statesmen have watched the world. It has been their dream, their ambition, their aim to control the sea. They have made war upon other nations for that purpose. They tried it on us—and no man will deny that they tried it—in 1812. It was the issue here; it was the position that we were rapidly gaining upon her, and whoever will look upon history will find that her statesmen saw that and told the plain truth, that they must not let that young giant rise and crush them out on the ocean, and all pretexts were put out for the purpose of making a case to make war upon the young republic. England sacrificed her millions in that war, and yet she accomplished nothing. What is most humiliating to this great country is the fact that we have sacrificed our lives and our millions, too, rather than surrender to her what she has complete control of to-day—the ocean—and there it is. To-day history and the facts tell you that she marches forth and says, "Under my flag is one-half the commerce of the whole world carried." She has been reaching out and trying to establish a policy in this country, telling a nation that has all the genius to build ships, that has better material than hereself, "To my workshops must any nation come to get the tools if it intends to occupy God's ocean and participate in it with me."

Dust is thrown in our eyes here. If any vital or any great pressure is brought to bear in wrenching that commerce from her, who will contradict me in saying that she is going to make a desperate fight for it? One hundred millions of money will make itself felt. I can go within ten minutes' time from the place where I am now sitting and walk into offices and count where $100,000,000 of money are invested in that interest, while scarcely anything is invested in our own by Americans. Who will tell me that that $100,000,000 of money where it sees fit to

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be felt cannot make itself felt? Who will tell me that when you strike at that $100,000,000 of money and undertake to depreciate its value by competition, there will not be a powerful interest brought to bear on the community on that subject? The easiest way of all to deceive the American people is to feed up their ideas with small trifling things to catch the mind of the man who has not investigated the subject.

We are told that the right to purchase ships in the cheapest market will do all that is needed to regain us our place as carriers on the sea. I have shown you conclusively that the man who pays 7 per cent. for his capital cannot enter into competition with the man who pays 3 per cent., and that the man who hires labor, where it is required, at 60 per cent. more than the man who pays that much less, cannot enter into this competition.

ENGLAND'S POLICY.

Now, what did England do when she had 8,700 seamen in her steamships? England could build an iron steamship cheaper than any other nation in the world, and at that time she was the only nation that was building an iron ship. She had cheap capital and cheap labor to operate and run the ship, but she found that France had cheaper labor than she had; she found that Germany, Norway, and Sweden had cheaper labor to run the ship upon the water than she. She knew that it was not the first cost of the ship that had anything to do with it; it was the running of the ship for all time after, and she made her provisions to meet that contingency. She started out with the purpose, "I will rule the sea; I have tried it by armies, I have tried it by wars; they were the most costly experiments that could be tried; but I have never succeeded. I will try another policy." And she struck out that great policy of peace by instituting legislation which held out encouragement to her capitalists; which said to them, "You put the capital in there and I will give you such legislation as will guarantee you dividends that will pay so that you can cut the rates of freight and break down any opposition that comes; and I will give you such a policy that the civilized world and the merchants of all nations will distinctly understand that whoever fights Great Britain on the sea does not fight British merchants, but does fight the English treasury."

I have the papers containing those very identical laws, and proving that these things I have stated to you were the statute laws of Great Britain, and showing the spirit in which they were carried out. I will send the papers to any of you gentlemen who may wish to examine them.

The CHAIRMAN. File them with the committee, and we will make them a part of our record.

The WITNESS. All right, sir. At the commencement of her career with a steam marine, in 1850, England saw that that was the policy to pursue, and between the years 1850 and 1882 she has paid to subsidize—I use the word in the very language of the law, without fear of being contradicted; it was not for this service or that service, or the other service, but it was that we require you to do certain things and we will subsidize you and give you certain amounts of money to enable you to put ships upon the sea that will drive the ships of other nations off. That is what it meant—"subsidize"—and I can show you the figures of the amounts paid in order to accomplish that thing, because a revolution was going on between sail and steam, and men did not want to throw away the old-fashioned ship and take the new, and England wanted to get that new tool in possession of the British nation before other nations

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saw her policy. She actually did go to work, and year after year for the first twenty-five years, while that experiment was going on, she paid more than 25 per cent. out of the English treasury upon the capital invested in every iron steamship she had afloat. To get them afloat she paid it, and she used it with the same military discipline that she used her guns. Where the opposition was most fierce, there went the most money; where the opposition was least, there went the smallest sum, and where no opposition at all existed to her getting control, none went.

Not only that, but France began to see that the road for her manufactured goods to the markets of the world lay on the sea, and under this very argument used in the English Parliament, that France was going to outstrip England—I will send you a copy of the laws—a commission was appointed to investigate the condition of certain ports where English shipping was running, to get possession of their books, to inquire into what they got for freight, what they got for passage, what it cost to run the ships, and their earnings. "Strike the balance, and then we will give you a guarantee of 8 per cent. dividend on all the capital you invest, under a contract from the English treasury, and whenever the dividend is beyond 8 per cent. one-third of it has to go back to the treasury." That blow struck terror to the capitalists of the world about entering into competition in that trade.

Besides that, to show you the wisdom of the policy, between those years that I speak of alone she paid one hundred and sixty-three millions of money—from 1848 to 1882, $163,653,356. In addition to that, we paid to her for mail service, $6,000,000, making over $169,000,000. That $169,000,000 looks like an enormous sum to pay out of the English treasury for the encouragement of one branch of industry, but from the figures I have shown you that $169,000,000 of money is less than one-half the earnings in one year of that fleet which she has built up by that policy. In 30 years these $169,000,000 were paid in subsidies by a nation that could build the cheapest ship.

## AMERICAN IMPOLICY.

Now, the question is—and it ought to be looked at—what is the matter with us; where are we? A nation having more coal, more ore, more iron, more forest, more surplus products to send into the markets of the world than any other nation on earth, yet the whole surplus product of this nation is going abroad in foreign ships, and should a foreign war come up or a crisis occur, the very ships that are carrying these products are liable to be destroyed and you have no means of going to market yourself. When any man attempted to go to work and show how we were robbed of this, how by a policy after the war this business was wrenched from us, what was the opposition that he met with?

Let me picture what we have been doing while millions have been paid out on the other side. We are as though we never knew anything about trade; we have been loading down and crushing any enterprising man who undertook to do anything with this thing. We had first a series of laws by which the American ship was taxed by State laws 700 per cent. more than the tax upon any other ship that floats. The tax upon the American ship under our State laws was 2½ per cent., and that tax she had to pay whether she earned $1 or not. The State of New York repealed that tax the year before last; but it exists in other States. The repealing act should be a national law. While the American ship pays 2½ per cent., the English ship is only paying a tax of 1



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per cent. upon her dividend, if she earns one, and if she never earns a dividend she is free from all taxation. The American ship is loaded down under our system of measurement, which the other civilized nations blotted out long ago, by which the whole inside of the ship is measured, the space for machinery, coal bunks, the officers' quarters, and all, and the American ship was charged with that measurement and a tonnage tax laid on the whole size of the ship. To illustrate it more plainly, a 2,000 ton American ship was charged equal to the tax on a 3,000-ton English ship, the difference being 33⅓ per cent. That law was repealed last year, but we have been handicapped with it while England was getting all this advantage. When you sent your consul abroad he went there to represent the shoe trade; he went there to represent every American citizen and all interests, but his salary was paid and charged by our statute laws to the ship in the foreign trade; the little foreign trade we had, had to pay the consul fees. While Great Britain's foreign trade was 700 times larger than ours, her consul fees were less than one-third.

Then, when we desired and made an effort to establish trade with foreign countries where no communication existed, and capital was put into the shipping business, under one of our statute laws that ship engaged in the foreign trade was boarded at its wharf, before it could depart, by a Government officer; I might say the ship was seized. "You cannot get the protection of this Government and your ship cannot sail until you take the mail matter from the United States post-office and put it on board your ship, and at whatever port you may stop where there is an American consul you must take this mail," and you must take it for what? For three cents a letter. When you go to that port you cannot clear from it without the permission of the American consul, and you have got to take the mail again.

In my experience between here and Brazil, when I looked at the humiliating condition we were in, and saw the minister of the United States with his staff and baggage going on board an English ship to go to England in order to get back to America, because there was no communication between his own country and Brazil; and when I tried to establish a line by putting all I had into it to build it up; and when I tried the experiment and asked—I defy any man to say I ever asked this Government for a subsidy; I am opposed to that—that the law should be repealed which compelled me to do this thing; that if the Government and the people of the United States wanted that service they should throw it into competition; when I did this, who has not read the New York papers and seen me hounded down for it as a "subsidy beggar"? Was it a subsidy for me to ask that I should have the same right that the woman having a peanut stand has? Was it a subsidy that I should ask the repeal of this law which compelled me to do a service I did not want to do, and which it was a loss for me to do, as shown by the actual records of my own books which I produced? In the line I have now to Havana I am compelled to do the same thing—to take those mails, swear my captain that he will faithfully perform the service, and when the quarantine season comes I have gone to Washington and gone to the Post-Office Department, and I have laid the question before the Committee on Post-Offices and Post-Roads, and said, "There are my bills paid to a tug from New York to bring the mails from quarantine and deliver them in this post-office;" and my bills have been larger than the sum the United States Government has paid me for bringing the whole matter from Havana, and I have been the loser.

Is it not strange that this great press of New York, in the interest of

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building up this great commercial city, could not see that it was nothing more than fair play that communication should reach those countries? That was called "subsidy." At the same time I had capital invested in ships in the coastwise trade, and to show you the injustice that was done to my capital and my enterprise on one side, and the fair play that was done on the other, I may mention that when the ships in the coasting trade before the introduction of railroads and since then were required to carry the mail where postal communication was necessary in our country, immediately the service was advertised for and given to the lowest bidder, and a fair compensation was allowed for the service; but where a foreign country had to be reached and where American capital was in competition with foreign capital the right was denied and we were compelled to perform the service for nothing, though at the same time the very capital invested in the ships of other countries was subsidized by the postal contracts of which I have spoken.

I am interested probably in more ships in the foreign trade than any one man in America, and I think it is a great wrong to compel me to perform that service. While the law compels me to do this, it does not trouble the merchant. The merchant does not take any interest in it; he gets his mails carried; but repeal this law, and when the Government comes to me and says, "I want you to take this mail," I will answer, "I will not do it; put it up for competition to the whole United States and let the lowest bidder in the whole United States get it." Then the merchant will come forth and make his demand for the extension of the trade by fast mail. The Government must provide it. The compensation paid for that service has been a loss to every person who has performed it. England wisely went to work, and when she got the complete control of a trade like the North Atlantic, she said, "I do not want any more contracts; we can do away with the subsidy; the competition between Englishmen themselves will do." It is like our coasting business. They were expending their capital in competition with one another under the same law, under the same rates of taxation, interest, and labor.

## GROWTH OF COASTWISE TRADE.

There is no business to-day, not even the railroad business, for instance, or the manufacturing business, which has had any such growth in proportion as the shipping business on our coast, and I have something further to say to you with regard to the great advantage to the consumer the producer, and the merchant from the revolution that has taken place in the character of vessels put into our coasting business. To-day, though it is not generally known, we have more iron screw ships of great speed, more in number and tonnage, all fitted for ocean service, than any nation in the world outside of Great Britain. Take Galveston, Savannah, all the Southern points; look at the lines which have been built up here which have reduced the cost of transportation through American competition. A business was begun by me ten years ago that did scarcely exist before. When the ships that are in my yard (one of which I will launch to-morrow) are completed there will be 100 ships in that trade. Those vessels are making all the connections between the South and the Eastern cities, and to my own knowledge, by the competition they have brought out, the improvements made, the cost of transportation has been reduced in ten years over 200 per cent. When I began there, there were two or three little ships running that would carry about 1,500 bales of cotton each. Now there are ships running into Galveston that bring away 6,000 bales at one load.

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Everybody had an idea that with the wonderful growth of the South, with Texas multiplying, a powerful monopoly would grow up in the trade with the North, but to the surprise of everybody the monopoly has not grown up, but the improvements have been such that a great reduction has taken place of from 200 to 300 per cent. in the cost of transportation, and if ever that cost of transportation was completely solved it was by competition between the American people themselves. Whoever investigates that subject will find that there is no chance to sustain a monopoly for any time among these fifty millions of people. The moment it is found that there is money to be made in any particular business, capital will come forth and it will be done.

What is the result of what has been done? Ninety per cent. of these 100 ships and 100 more built by others is labor, taking it from the mine to the ship. The cry to-day is about building up a navy. A year ago when persons were brought before the Naval Committee and asked whether the proposed ships could be built in our navy-yards they answered, "No, they could not be built in our navy-yards very well without going into a large appropriation to get ready." Were it not for that start which was made ten years ago, when you wanted a navy a few years ago and started it, you would have had the streets on the Clyde placarded inviting men to come to this country, because the skilled labor did not exist here. Gentlemen, in ten years the skilled labor has been educated here. From my own single yard—and others can do nearly the same—last year there was one ship delivered in the city of New York nearly every month. The same will be done this year. We have now got the labor at home. This labor has been educated. We have got the forests and the mines, and we have to-day a power built up in this country in case of an emergency, in case of war, in the private workshops of this nation, which has cost the Government nothing, worth in skilled labor more than the whole one hundred millions you have invested in navy-yards. I ask the question if these school-houses for labor were not started, what would be the value of your navy-yards? Until you put labor into them you might as well have so many churches as to have these navy-yards, and where would the labor come from if these schools did not exist to educate it? Are they not, when the crisis comes, of as much importance to the nation as skilled soldiers for an army?

## THE EIGHT-HOUR LAW.

Then coming to the question of the eight-hour law, I think I solved that question with my workingmen 15 years ago to their entire satisfaction. I went into my workshop one morning and I saw a quarter of a million dollars' worth of tools and machinery standing idle. There was no more productive power in them than there was in so many tombstones. The idea struck me most forcibly, "Where did all this wealth come from, and what are all these tools and machinery worth without labor?" I went out of the shop with my head down, and I looked around the corner of the street and I saw from five to six hundred men sitting down. They might as well be the corpses buried under the tombstones, for they were not producing anything. There was the chasm—labor and capital at war, neither producing anything. It has been stated that I said labor must not antagonize capital. I say labor must not antagonize capital, and capital must not dare antagonize labor; each must have that right which belongs to it. I called a few of the leading men together. The issue was not wages; it was who had a right to rule;

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whether these men were to work for me ten hours or whether they were to work eight. I said, "I will adapt myself to suit your condition for an experiment." I found that the only way to get along with labor was to be kind and gentle and to discuss subjects without feeling or passion; discuss them with the idea that they might be right, and were certainly going to have fair play. "I shall, then, for an experiment, ring the bell for quitting work twice a day for the future. Go back to your work. I shall ring it at eight hours, so that you can quit at eight hours, and I shall ring it at ten hours, to give every man his choice who wishes to quit at the end of ten hours, but I shall pay by the hour. I shall give eight hours' pay to the eight-hour men and ten hours' pay to the ten-hour men." They would not accept that proposition; they must have the ten hours' pay for the eight hours' work. I explained to them, "You are only selling two hours of leisure time to increase the cost of your living 20 per cent.; you are only asking me to concede to you two hours more leisure time and adopt a policy that would make you pay 20 per cent. more for all your living." "How is that?" I took up a paper similar to that I showed you here, giving a statement of what was imported into this country—it was true 15 years ago as it is now—and I pointed out to them the hundreds of millions of dollars' worth of foreign manufactured goods, such as I and other manufacturers were making, that were coming into this country at that time under the then existing law. "If," said I, "by your eight-hour law you add 20 per cent. more to the cost of the home production, how much more will come in? The very idea of that eight-hour law, unless our revenue laws were changed, would close every factory in the land. It could not be otherwise. It would add to the cost of the article, and if you institute this eight-hour system, you must call for another law that will give you protection against the increased cost of what you are producing. If the carpenter, the mason, the laborer, the painter, the plumber, and the gas-fitter who do the work upon your house only work eight hours and demand ten hours' pay, will not your rent increase?" "Yes." "Will not the cost of the clothing on your back increase?" "Yes." "While you are talking of the wonderful improvements made by machinery, take into consideration that the farmer's man has as much of a right to this law as you. Can such a law be made expressly for a minority of labor, or shall it be made for all labor? Then suppose you demand that the man who cultivates and works on a farm shall be reduced to the eight-hour system, simply because the mowing-machine, the thrashing-machine, and the reaping-machine have done the work of lots of men, will not that increase the price of your food?" "Yes."

The question was left an open question with them, and after the matter was explained I had no more trouble of that kind, and have had none since. The men went to work and they preferred working ten hours, and the better class of them are very anxious to work twelve hours, if they can get twelve hours' pay for twelve hours' work.

Now, coming to the bottom of this subject—to the question of labor—the amount of labor that claims to be dissatisfied is only a small minority of the whole labor. I say now from my own experience, confining myself to the labor from the mine to the manufactured article, that all the men who are engaged in that occupation do not believe that it is well for them to have only eight hours. So that out of that class of labor alone there is only a small minority in favor of eight hours. Taking the labor class of the United States in 1880, there were on the farm, engaged in cultivation, 7,670,493 laborers, while in every manufacturing interest from the mine up to the cotton factory there were 3,837,112.

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Here was less than one-half of the whole laboring population engaged in manufacturing industries, and more than one-half of that minority to-day does not believe in this great outcry about making laws to suit labor. It is only in the end a small minority of the class supposed to be aggrieved that is asking for legislation on the question of labor, and then if you analyze and investigate and go through them as a class you will find that many of those who cry out against great land monopolies and all those things are the last people on earth who ever want to go and occupy the land anyhow. I would use all the influence I have got in urging the Senators and Representatives from this State to secure the passage of a law to appropriate and give 160 acres to men who would settle and work on the land; but my honest opinion is that the fewest of the men who would be found to take that land for nothing and work it would be from that class who cry out "land monopoly."

## THE WORKINGMAN'S DANGER.

The greatest danger the workingman of this country has to guard against is the wonderful war I spoke of that is now inaugurated all over the civilized world, the mighty uprising of labor, and the pressure that is brought to bear on the aristocracy of the older countries who own the mine, the forest, and the soil, and particularly among those nations where the people have no voice in the law. That influence is reaching hither, and is bringing about a mighty upheaval of labor, and something has got to be done. Foreign nations are reaching out with all their ingenuity, with all their diplomacy, with all their influence, to the different markets that are suitable for them to reach, and through the public press and otherwise they are getting up plausible arguments, which very often are honestly expressed publicly by our papers, that fall into the trap because the real motives are not understood. They are contending with one another; each nation is striving and struggling to control his own market for his own labor; he is using all manner of diplomacy to control that market for his labor; and this is the great battle ground, the market they would all like to get, and they would all like to pay for this enormous amount of raw material, of bread and cotton and other products, which they must have from us, in the goods of their own country, in place of sending us their gold.

## ENGLISH SHIPPING DRAWBACKS.

There is one thing more in regard to English shipping that I would like to suggest. To show you what England has done to establish her shipping, besides what I have already mentioned, she paid out in one year, 1867, over two and a half million dollars in drawbacks. Drawbacks have been talked of to aid our shipping. The drawbacks on imported goods obtained by the shipping of Great Britain in 1867 amounted to $2,638,762. This large sum was taken by England from her treasury and given as a special privilege to her shipping engaged in her trade with foreign countries. It was as much a system of protection against the nation she was running in competition with as our protection on the land. While she taxed her workman for the use of it, while she taxed everybody of her own population, yet to aid that shipping she gave out in that year alone $2,638,762 in the following articles: Cocoa, coffee, currants, raisins, rum, brandy, sugar (refined), molasses, tea, tobacco, &c. While the workman could not take his cup of coffee without paying a tax upon it, yet he cheerfully paid the coffee duty. That was

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in fact a law to aid the English ship-owner to feed his crew cheaper than the same number of men could be fed in any other occupation. She conceived the idea of maritime supremacy, and war and diplomacy were to be used, wealth and everything were to be sacrificed to accomplish that object. She left nothing undone to attain it; she has attained it, she has got it, and she will not let it go, and the shilly-shally talk of giving a little pig-iron, or angle-iron, or some other kind of iron to a man here duty free, to build a ship to enter into competition with her, is all nonsense. We cannot run the ship in competition with her cheap capital and cheap labor.

By Mr. CALL:

Q. What do you understand the meaning of the word "drawback" in the English law to be?—A. This is what was done under the "drawback" law: Goods required for ships engaged in the foreign trade on which there was a duty to the amount of $3,638,762, were taken from bond free of duty to enable the ship-owner in the foreign trade to feed the crew and passengers cheaper, and thus sail the English ship cheaper than other nations could sail their ships.

Q. Does it not mean for re-exportation? He was allowed to take it for re-exportation out of England, not for home consumption.—A. No; it was taken for the use of the crew of the ship. The ship presented its requisition that she wanted under proper guarantees given that amount for the use of the crew.

Q. But it could not be used for home consumption?—A. It would be no advantage for England to import that from a foreign country, bring it into her custom-house, take care of it, and reship it duty free.

Q. England would not allow her ship-owners to sell it in England?—A. Oh, no; of course not.

By the CHAIRMAN:

Q. It was to save so much of the running expenses of the ship?—A. It was actually a bonus given to aid in competition with other nations when they had all the advantages of which I have already spoken.

## COMPARATIVE COST OF SHIP-BUILDING.

By Mr. PUGH:

Q. It was not my good fortune to be present when you were first examined. I do not want to discuss with you the correctness of any of your opinions on these important subjects, but I desire to ask you a few questions to get the benefit of your opinion and of your information for public uses. I understood that you stated when you were first examined that you could build a ship in this country and put it afloat ready for the carrying trade as cheap as they could in Scotland. Did you make that statement?—A. No, sir.

Q. It was published that way?—A. I corrected that here to-day. What I stated was that we had the coal, the ore, the limestone, the forest, and all the materials to build the ship in their natural state as cheap as any other country in the world and of better quality, but that raw material before labor was applied to it was only 10 per cent. of the value of the completed ship, and that to make it a ship we had to add 90 per cent. of labor, and that 90 per cent. of labor cost us 70 per cent. more than it did any other country in the world; consequently, when the ship was complete and finished she cost more money here than in any other country of the world; but by the character of our labor and the

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disposition of our people, many of them coming from the other side of the water, I put it in this way, that they consider themselves better fed, better educated, and better clad, and they are willing to do what is called a square day's work for a square day's pay. As I showed here a few days ago, most of the men working for me own their own houses. They have that as an object. By the superiority of our labor we reduce the cost of the completed ship down to a margin, so that there is only from 15 to 20 per cent. difference, though paying these large wages, between the cost of the finished ship in this country and in Great Britain.

Mr. PUGH. That is as to the actual cost of the labor. Now, are there no credits growing out of American advantages that you are entitled to on that labor cost?

The WITNESS. No, sir; no more than the superior quality of the material when it is produced. Our iron is better. It might be well, however, for me to show you a disadvantage we labor under. I am satisfied that the people of your State (Alabama) will be very much interested in the explanation I will give you on that subject.

## COST OF IRON PRODUCTION.

Previous to the meeting of the Tariff Commission, in order that I might have accurate information on that subject, and that I might be able to give correct information, I sent a competent engineer abroad to investigate the iron interest, the location of the coal, the ore, the limestone, and the means of transportation, to see what advantages, if any, Great Britain had over us in the production of iron. I have taken a great interest in the production of iron, for the reason that I believe it is one of man's four great necessaries, and it is important to have the material at our own command and easy of access to us at all times. Man wants bread, he wants clothing, he wants fire and shelter, and the next thing he wants is iron; and it is an important question to ask what had iron to do with aiding him to shorten the hours of labor and to produce all these other things. Man, before the discovery and the application of steam and iron—I was living before that time—was a good deal of a slave to laboring and toiling, when he had only his old plow-share, and when his wife had to tread away all day at the spinning-wheel.

Well, I sent abroad to get those facts to see what the relations were, to see the advantages that country had over this in an article that was so important to the development of this great country, for iron has a great deal to do with the development of the country. I had that survey made; I had then the official geologists to certify to it. I found that the deposits of coal and iron and limestone in Great Britain were most remarkable, and the same condition of things does not exist, so far as has been developed, in any part of the world. It is in your State (Alabama) to some extent, but it is not developed. We have it here, but we have yet to reach it. What did that discovery result in? It showed the fact that the coal, the ore, and the limestone were found so closely piled together within a narrow section as though designed to be the corner-stone of England's wealth. If all the coal and iron of Great Britain to-day were piled up within the State of New Jersey, free of access to this town, what a wonderful place New Jersey would be! Taking seven of the largest iron-producing districts in Wales, Scotland, and England, I found that the average distance between where the coal, the ore, and the limestone were found to the tunnel-head of the furnaces where it was to be smelted was not over 7 miles. The furnace could always be located so that those three materials need never be hauled more than 7 miles.

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That was the average. Then the distance from where the pig was made to the factory where it was worked up to the muck-bar, and from the muck-bar to the plate or the rolled-bar for merchant use—from the tunnel-head of the furnace to where that was made was not over 5 or 6 miles; in fact the ore from the mine itself was converted into the watch-spring within 7 miles of where the ore was found. That I found one important thing to be observed in regard to this iron interest—the cost of transportation. It takes 2 tons of ore of the average quality, 1 ton of limestone, and a ton and a half of coal or coke, or 4½ tons altogether, to produce 1 ton of pig-iron. These 4½ tons have got to be hauled from where the material is found, and the average cost of that in Great Britain was only $2.50 to the 4½ tons. Then it was put into the furnace and smelted, and the average cost of transportation to the great market where it was consumed was not over 50 cents, so that the grand total for transportation from the mine to the furnace where the pig was made and from there to the ship-yard was only about $3. Making the same investigation in this country, and looking over my own books to ascertain the cost of these materials in my own blast-furnaces, I found from the manner in which these deposits are situated in the United States that the average distance they must be transported is from 30 to 40 miles, and the cost of bringing the 2 tons of ore, the ton of limestone, and the 1½ tons of coal to the furnaces in the United States was over $9.50, or nearly three times as much as in Great Britain. Deduct the cost of transportation in Great Britain from the cost of transportation in the United States and the whole protection on the pig, then, is only about equal to the difference in the cost of transportation.

Q. What is the cost in England of a ton of pig-iron?—A. About $13.50 to $14.

Q. Where is pig-iron made the cheapest in this country?—A. I have an interest in North Carolina where it can be made for $16 a ton. I have an interest in Virginia in a large enterprise started there a year or two ago, where they are going to be able to make it for $14 a ton.

Q. Do you think that is as cheap as it can be made anywhere in this country?—A. It cannot be made for less than that, and it cannot be made for that except in a very few places. If you had one acre of land producing 40 bushels of grain to the acre, and had another acre that only grew 30, it would never do to say we will cultivate only what produces 40 bushels. We must average it all around.

Q. You would be surprised to learn that they can make pig-iron in Birmingham, Ala., at $10 a ton, would you not—that they can do it? I do not know whether they do it or not.—A. That is discussed and talked of a great deal. There may be cases of that kind, and I am discussing that subject a great deal with Mr. Shelley. What are the advantages that point has got?

Mr. PUGH. The proximity of the ore and the limestone and the food and the cheapness of rents.

The WITNESS. What is the condition of labor there?

Mr. PUGH. I do not think there is much difference between the price of labor there and here; but I am not well enough informed as to the facts to state.

The WITNESS. Suppose I concede for argument's sake that we find a place in this country that has all the advantages of transportation and otherwise that Great Britain has in making iron; I will then reduce it down to the cost of labor; take it that I concede all but one thing. I will concede that you have the coal, the ore, and all the materials as closely together and have as cheap transportation to the furnace, I will

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concede that the cost of labor is the same, and then I will come to the disadvantages that you labor under in getting the plant. A modern furnace so built as to have all the economical advantages of labor to produce a large quantity of iron, cannot be built in Alabama or anywhere else under the present prices of our labor short of $250,000. I built one two years ago, and it cost that. This furnace in my location was composed of stone, iron, brick, and a little timber. Where lay this stone when I commenced to build my furnace; where lay this brick, this iron? The iron was in the mine; the stone was in the quarry; the brick was a mass of clay in the lot. Each had a merely nominal value of probably not over 5 or 10 per cent. of the cost of my furnace. I then began to apply labor to these materials, and I began to apply labor on the American principle. That labor first began with the commonest workingman to dig out the clay. It went from there to the brick-yard, from the brick-yard into the brick, and from there to be located in the furnace. The stone was a rock in the quarry, and the iron was in the mine. The whole production, like the ship, probably was 90 per cent. of labor. Where I am located—and I do hope that labor will rise to that dignity in Alabama, for I want to see the workingman come up, and you are going on very well there now—that is the condition, and when you come up to that condition the labor will be the same.

Q. We want you to come down there and help to instruct us.—A. I will. I am going to make you a visit. Ninety per cent. of this whole $25',000 was labor, and I ask you to-day would not your people in Alabama be glad to borrow money on the security of the furnace to construct and develop that iron and pay 7 per cent. for it?

Q. I suppose that would be a very cheap rate of interest in Alabama?—A. Then, on the $250,000 of capital in Alabama you would be willing to pay $17,500 a year, giving the furnace as security for the money. You want to enter into competition and have all the other things equal, except that, with the man on the other side of the water. There the same identical kind of furnace, owing to the cheapness of labor, costs him about $140,000, and he pay, 3 per cent. interest on that, or $4,200 a year. There you have a dividend on that capital alone of $13,000 against you in the mere matter of interest on capital. How, then, are you going to compete with him?

Q. You are speaking of borrowed capital, but suppose the owner of capital wants to invest in iron making, where had he better go to do it?—A. He had better go to Alabama.

Q. That is my opinion.—A. But unless he can go to work and get a remunerative interest for his capital he will not go to Alabama.

Q. What, in your judgment, would remunerate capital in that industry?—A. There is another question, then, that has to come in. Where is your market in Alabama for the iron you make? That you have got to take into consideration.

Q. The same as Pittsburgh?—A. How far is it from Pittsburgh to Alabama?

Q. To the mining region of Alabama I suppose it is about 500 miles.—A. It is safe to say that no man should complain of a transportation cost of $1 a ton for a hundred miles. That would be $5 for the transportation of a ton of pig-iron from Alabama, where you made it, to the market of consumption. The modern furnace that I spoke of has a capacity for making 100 tons a day, and say that the freight alone on the product of Alabama, sending it to this market, would be $500 a day against a freight in England of 50 cents a ton, which would be only $2.50. If you multiply the difference each day by the number of days in the

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year you will find where the Alabama man's profit would be at the end of the year.

Q. Can we not increase the lines of transportation and lessen the cost of it?—A. I never saw that question more thoroughly answered than by Andrew Jackson. First reading one thing that he said caused me to look into this matter. At a State fair in Tennessee, addressing his neighbors, he said: "Build your factories as close as you can to your plantations, supply your own wants to your own people, keep all the money you can within the circle of your own location, and you will confer a great blessing on the human race." That was spoken some fifty years ago. Now, to apply Andrew Jackson's idea to Alabama—never mind Pittsburgh—if you cannot build up a big furnace at first that makes 100 tons, build one large enough to make the iron for every railroad in Alabama; build one large enough to make every plowshare; build one large enough to make every wagon-tire; have all this done at home and save the $5 a ton to Pittsburgh.

Q. Is the difference between the cost of pig-iron in England and in this country owing entirely to the difference in the cost of labor?—A. Principally to the difference in the cost of labor and cost of capital.

Q. You say, then, that in England it is worth from $13 to $13.50 a ton?—A. And from that up to $15 a ton.

Q. You say it can be made for from $14 to $16 in this country?—A. In certain locations; but laboring under the difficulty I have spoken of, that there is no market for it in those very few locations where it is made so very cheap.

Q. You started out, I think, with the cost of ship-building in this country?—A. I did not take that up first, because I did not care to talk upon a subject that I was specially engaged in myself, but I took up the cotton goods and the woolen goods.

[The committe here took a recess for one hour, at the expiration of which the examination of Mr. Roach was resumed.]

## COST OF TRANSPORTATION.

By Mr. PUGH:

Q. Can you give us the general rates on a ton of pig-iron shipped by rail in this country?—A. I cannot positively give you that, though I pay a great deal. I suppose from Pittsburgh to New York it might be $3.50.

Q. Is it not about 75 cents for every hundred miles?—A. From that to a dollar; probably a dollar for every hundred miles.

Q. Where the transportation is by water is there any difference; and, if so, what is it?—A. I cannot say in regard to pig-iron, but I should judge that, with proper facilities, the cost of water transportation would be less than half.

Q. What would it cost to bring a ton of pig-iron from Mobile, Ala., to Wilmington, Del., by water?—A. That would depend a great deal on the amount of trade built up. If a vessel could be sure of a full cargo both ways the freight would be much reduced.

Q. Much less than half the cost by rail?—A. There has been in my own experience within the last twelve years a steady reduction in freights where a trade has been built up so that vessels can get cargo both ways.

Q. What is the difference between the cost of carrying a ton of iron ore and a ton of pig-iron, by rail, if there is any?—A. I do not know that there is any. I am a purchaser of ores, and if there is any man in

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my business that should be a free-trader I am the man. Last year I purchased over $2,000,000 worth of material of one kind and another, upon which our present tariff laws lay a heavy duty, which could have been purchased by me abroad much cheaper than in the United States, but I will give you my experience on that subject, showing why it is preferable to me as a consumer of large quantities of material to know that I can get it at home. I would not invest a dollar in a ship-yard to-day if I knew that I had to depend upon a foreign product for my material. I should be subject to the contingencies of war; I should be subject to the contingencies of the elements; I should require at least to double my capital for the reason that I can make use of my own credit at home to a better advantage than I can abroad, and I save commissions by purchasing here. To illustrate to you now what has taken place within the last two years I have lost over $60,000 by depending on a foreign market under certain circumstances for materials I wanted. I have a large mill for rolling rails. I made a contract with the Northern Pacific Railroad Company to furnish them 15,000 tons of steel rails; and that one transaction compelled me to put a plant where, if that circumstance ever took place again, I should know what I was going to pay at home. At that time I got the price of blooms in the English market, and I made my contract for 15,000 tons of blooms in England. I got the price before I made the contract, supposing I could always obtain them at that figure. I had a hope that I could get the blooms at home, in America, but the steel business is in its infancy and the bloom-makers of the country who have the facilities for making steel blooms had all their own mills going and could make no blooms for outside parties. At that time there was a deficiency in America in the capacity to make 15,000 tons of blooms. That was soon discovered by foreign agents here. I made my contract, and without any change in the English market, without any reason for it under heaven, only that they knew blooms were scarce in America, I had to pay for the 15,000 tons of blooms $4 a ton more than the price I was first offered them for. The blooms cost me $60,000 more than I could have got them for one month before. That led me to a further inquiry as to the cheapness of money in England. The making of iron is like the sowing of a crop of grain. You cannot bring forth the crop of iron in a day, or in a week, or in a month. You have got to go down into the mine and mine the ore, and you have got to mine the coal, and you have got to be sure that you have a stock on hand before you put your furnace in blast. This requires large capital. That capital we have not got. They have it on the other side. We go from hand to mouth mining what we want, both in coal and ore, and when the furnace blows out there is not ore on hand. The man who uses the ore has not the capital to buy it and store it up, and the man that mines it has not the capital to dig it out and have it ready for him. By and by, in a new country like this, full of vigor, when we get over a little panic we bring into play all our energies to build more railroads, and then comes a demand for iron and steel. It is not in hand. It takes a year to bring it up. England has studied that matter thoroughly, and there is no time that she has not a full supply on hand. When the market is flooded with iron, capital being plenty there, she can go to work digging out the ore, and the man who makes the iron can go on and make it because he can convert the ore into iron, and when the iron is made he can hypothecate that iron for three-quarters its value to a banking-house on his note, giving him time to sell, and he pays but 3 per cent. interest. Thus he is able to carry that iron until a demand for iron

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comes from America again. About 1873, to my own actual knowledge, the profit made by the English iron-master by having stock on hand to supply the American market, was over 30 per cent. About every seven years they make up in one year a dividend for the seven years, because of the increased price in consequence of the scarcity in the American market. This market is closely watched on everything, not only now, but before we got to be as strong as we are in the manufacturing interest. The English policy is to combine, and each mill-man puts forth a share of capital to send goods here, under our tariff laws, to sell them lower than they could possibly be produced here, and thus break our market. There is no end to the ingenuity of traders in trying to sustain their business.

Q. Going back to the cost of transportation, is it the same on pig-iron as on iron ore, and if so, how is it that the furnaces in the Northern States are able to bring a large quantity of iron ore from Alabama to their furnaces, make iron of it, and sell it?—A. I have not known of any large quantities coming from there. I have known of some quantities coming from there of a peculiar character, that is to say 10 or 15 per cent. of those ores was requisite to mix with some other ores that were very cheap at home to make a peculiar class of iron.

Q. Do you say it is limited to that sort of iron?—A. I think it is limited to that kind to make up a mixture.

## RESTORATION OF AMERICAN SHIPPING.

Q. Now I wish to come to ship-building, with which you are so familiar. You have thought a great deal about the legislation that would aid our ship-builders in restoring American shipping upon the seas?—A. Yes, sir.

Q. Congress has repealed the law in reference to ascertaining the tonnage of a ship by measurement, so that the tonnage is ascertained now by the same rules here as in England, and the State of New York has repealed the State tax upon ships. Now what proportion of the carrying trade of this country, in and out, is done by this city?—A. I should say probably more than half. I cannot speak positively, but I should judge about that.

Q. Then there can be a great benefit derived from the repeal of that tax in a State where more than one-half the shipping is owned?—A. Unquestionably, one-half the shipping is not owned in New York State, but one-half the shipping is done in New York; but I want to make a remark there. One thing you must observe, there is a great determination on the part of men who have possession of a trade to hold on to it. One of the great difficulties in getting capital to go into the foreign carrying trade is the fact that foreign capital, and especially English capital, already has so complete possession. Yet I believe capital could be found to make an entering wedge in the way of competition, even on the North Atlantic, if our Government were to pursue such a policy as England pursued toward her shipping when she aided the great steamship lines to establish themselves. Nor need that much be done. We do not want to subsidize lines, nor to guarantee a Government dividend. The French Government just this last year voted a subsidy of $500,000 a year to the Transatlantique line, to increase its ships on the North Atlantic, and that line is growing. If our Government were simply to pay a fair mail compensation, and give a mail contract for a term of years to a line that should come up to all the requirements of speed, safety, and accommodations that are met by any foreign lines, I believe capital would be ready to put a first-class line of American steamships on the North Atlantic; while the same just and wise policy would put

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American ships on the South Atlantic and the Pacific, to the great advantage of this country in every way. Stop making the American ship carry the mails except by voluntary contract, pay as fairly for service rendered on the sea as on the land, and that is all the legislation necessary. Then let it be known that the matter of "free ships" is settled for good, so that capital may feel the surety of a fixed policy, and American shipping will have a chance. To build the railroads and to build up the factories we have taxed the people. All we want is to protect capital and labor upon the sea as we have protected it upon the land. Would not our people willingly stand such a tax to secure us the safe carryings of our products to market and all the advantages accruing. The people would reap benefit a thousand fold from such an investment.

Q. Then that is your remedy in the line of legislation?—A. Yes; all things being equal the American citizen does not want any favor; he is willing to take his chance in the competition of the world. I have just received the official documents which show the policy that England has pursued to build up the shipping interest. If I see a man in my own business who is eclipsing all competitors, and I want to learn something that I do not know, the first thing I would do would be to study that man's course and I should get the practical information. Let us look at what free trade in England has done through her laws. I have here official copies of the actual laws.

The CHAIRMAN. We should like to have all that English legislation put at the service of the committee. If you cannot give us copies of it now let us have them later. We should like to have it go into the record, where it may be available to the country in permanent form.

The WITNESS. I will only give one quotation out of the whole, which will settle this question. England is a nation that has cheaper capital than we have, a nation far in advance of all nations in the world in the construction of ships, and that can produce them cheaper. Her labor was cheaper than our labor. And yet before she could gain that wonderful position which I have described, doing one-half the whole carrying trade of the world, what did she have to do? Somebody may tell you she built the ship a little cheaper, and that her people had the right to buy ships in the cheapest markets in the world, but they never bought any from the time she began to build iron ships. Before that she bought ships from us, and bought them from others for a brief period, and we were driving her from the sea under those conditions; but when she discovered that she could build a ship cheaper she discovered the grand secret of all, that she could not enter into competition with cheap labor to run the ship, and she knew the wonderful advantage of cheap labor in running the ship, and therefore she at once became the most determined protectionist of all nations on earth. No other nation ever went so far in protection as she went in the protection of her own ship after she built it cheaper than other nations could build it.

How was this? She first began by the system of subsidy. They were not afraid there of the word "subsidy." The language "subsidy" is used in the law. What else did she do? I will read:

By the terms of this contract concluded with the Peninsula and Oriental Steam Navigation Company on the 17th day of November, 1867—

At that time she had risen to her highest position; she had swallowed up all our trade during the war—

for the East India, China, and Japan mail service, of which copies are inclosed, the subsidy to be paid—

The subsidy is put down at £400,000 a year, or $2,000,000 to one

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company, or a sum equal to 22½ per cent. on the whole capital invested, with a stipulation on the one hand that whenever the annual income of the company from all sources, including this subsidy, does not admit of the payment of a dividend of 8 per cent. on the capital employed, the subsidy shall be increased by so much, subject, however, to a limit of £100,000, or $500,000 more; and when a commission appointed by Parliament shall examine the company's books and decide that there is a surplus over 8 per cent., one-third of that 8 per cent. goes back into the treasury.

When they found that all their laws did not answer, that capital would not go into the business, then they guaranteed a dividend on the capital that would go in, and it was a notice that struck terror into the capitalists of all other nations when they discovered that it was not the private enterprise of Great Britain they had to contend with, but it was the Government of Great Britain, with the treasury of Great Britain at the English capitalist's back.

I can show you in another part of these contracts that they actually paid so much a mile for the number of miles a steamship ran, and it amounted to over $400 a day, which was equal to the cost of running the ship; but under the conditions of that stipulation the ship had to run between certain longitudes and latitudes at certain seasons to move certain crops, so as to break up the trade of other nations.

That is the English policy. That is the policy of her every legislative act. With $1,000,000,000 of money, the invested annual earnings of this great fleet, with from $350,000,000 to $400,000,000 a year more given to labor than in all the other industries, how proud must the English workingman be to know that he had a press, that he had legislators who studied the subject and knew how to take care of him?

By Mr. PUGH:

Q. You say that by this system of governmental aid England has got possession of the ocean carrying trade?—A. Yes, sir.

Q. I understood you to say that the advantages which England has now in the number of ships, and in the possession of all these lines, and all the other advantages she has, enabled her to overcome the benefit to our shipping of a repeal of the State tax in New York?—A. Oh, yes, sir.

Q. You say that England has possession of the carrying trade on the ocean. Now suppose we entered upon that line or system of legislation which enabled her to attain it, what power would England have now to prevent the success of any aid we could furnish from the Government of the same character?—A. I will tell you what I think she would do. If she made open war upon you with her guns, and if she only had as many guns as you, and found she had not enough, she would most assuredly get more. That is about what she would do.

Q. How much aid has the British Government attempted to give by what is called subsidy legislation?—A. I will give you that to a fraction. From the commencement and introduction of steam on the ocean up to the present time, in that one item of subsidies alone, without any regard to the dividend contract, without any regard to the other great advantages she had, England has paid out from 1850 to the present time $163,653,356 in money.

Q. How many lines did she give it to?—A. She used it precisely as I stated before, the same as she used her military power. Wherever it was necessary to defeat opposition to English interests a large sum she paid there.

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Q. How much benefit did the general shipping interests get from the subsidies paid to given lines?—A. She paid subsidy until very recently on the North Atlantic until she got complete possession. Besides that, we have paid to her ships $6,000,000, making $169,000,000. Under these contracts, which I have tried to establish in this country, she sent out her enterprising men, her pioneers, who went into the countries of South America and there tried to establish trade and build up steamship lines. In every one of those countries which wanted communication with the outside world and had it not her enterprising people got contracts as in Brazil. Those lines were established. I tried the same plan, and supposed our country would do it. We have wonderful advantages in developing a trade of any kind. For instance, I am now interested where there is a line of steamers running from here to Havana, and we get nearly all that trade. The nearness helps us to send out our manufactured goods there in advance of England. I entered into an arrangement with the Government of Brazil for the purpose of establishing mail communication between the United States and Brazil. I got a conditional contract. I came to our own country, and if ever a man was vilified by the New York press and by speeches made in Congress—called "a jobber," called "a subsidy lobbyist"—I was that man. I put my money into that line to Brazil. started the line, and made it a success; but the very speeches made in the House of Representatives in Washington against me were translated into the Brazilian language and copied into the Brazilian papers, and when the appropriation bill came up to pay me my money it was laid on the table, and the contract was withdrawn, the supposition being that the American people wanted nothing to do with Brazil, though at the same time we were purchasing $60,000,000 worth of coffee from Brazil; and it is to the shame of this great nation that you cannot buy a single bill of exchange and send it to Brazil direct and get it cashed there. If you want to buy coffee from Brazil you must send your money to England and there draw a bill. The commissions paid and the exchange across the water would pay for the mail service five times over, but I was defeated. All difficulties possible were put in the way of legislation. So I withdrew my ships, sold them at a sacrifice, and dropped the enterprise. I made up my mind, how ver, that I would establish that trade yet. I took those ships and bonded them to myself at half what they were worth. My credit was attacked in this very city, because it was said I was engaged in a wild scheme that no man could succeed in. Finally, when the enterprise was withdrawn the old circular route was resorted to again, so that the American Minister had to go from New York to Liverpool and from Liverpool to Brazil. He had to go out of America to get to America, and our own Government was paying more by sending passengers connected with the Navy, and its supplies, across the ocean to go to the squadron in South American waters—paying double freight across the ocean—more than would pay for the whole mail service! Then a few slow steamers were put on, so that they took flour out there and nothing else, but in the time those slow steamers made a man of business could go to Liverpool and get to Brazil before he could reach there direct from here. The Brazilian people saw the mistake that was made, and I entered into new arrangements with them, got up a line, and that line is running to-day. I have seen many a man in Virginia in the flour business come up here with 5,000 to 10,000 barrels of flour, and if he had to put his flour on board a little sailing vessel, or to send it to Liverpool in order to go to Brazil, he would have been kept out of his money; but I have seen the advantage that that line is to him. He can

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bring his 5,000 barrels of flour to New York in three days, paying the freight up from Richmond to New York; here put it on board ship, get a receipt for it, and go back to Richmond in less than 48 hours with his $20,000 in money, getting an advance on his bill of lading! Now that the line is started and running again, look at the competition there is to break it down again, and to lessen the compensation that I with my associates get for bringing that freight. There are what is known as tramps put on the docks. I brought coffee to New York from Brazil for 25 cents a bag—$3.75 a ton for 5,000 miles—and a barrel of flour from New York, 5,000 miles, for $1! I am going to appeal to the American Congress. I do not ask for a subsidy, but I do ask them to repeal that obnoxious law which lets a United States officer come on board my ship and make me carry the mail, and say: "This ship cannot clear unless you take the mail at that pay which I choose to give you."

Q. Now suppose Congress should repeal that law; you say that the mail service ought to be put out to the lowest bidder?—A. Certainly.

Q. When the lowest bidder gets it there will be one line to each port that will carry the mail and get the benefit of this legislation. How will that benefit American shipping generally and aid the restoration of American shipping?—A. That is only actually a compensation for doing a service that the nation wants. I do not look upon it as any aid at all. The fast line is a means of communication necessary to facilitate trade, just as the lightning train on the land carries the orders and mail from New York to Chicago, by which the freight trains are loaded. Stop the mail train between two great cities and will you not stop trade?

Q. Suppose it is just compensation for actual service done, that service will be done by one line of ships to each port?—A. Probably if that service was compensated there would be two lines inside of a year.

Q. How would that affect the power of the line that carried the mail to root out the other ships?—A. It will affect it in this way: The four-horse wagon on the public road is done away with. The railroad does the business, and I believe nobody complains of that. Does the fast mail train on the land do away with the freight train? Some men seem to think we do not want fast mail and passenger accommodations for trade on the water, while the trade on the land cannot do without it. In 1850, before England fully commenced the introduction of steam, she, far-sighted, saw that steam was going to take the place of sail. She went on, and actually subsidized steam lines against her own sailing-ships. She had 142,730 men engaged in sailing-ships, but she saw that if she did not start a new policy some other nation would get ahead of her. Then she had only 8,700 men in steam vessels. Now, by the encouragement of steam, she has over 106,000 men employed in steam vessels and but a very small number in sailing-ships. She has actually legislated her own sailing-ships off the ocean, but the benefit has all come home to England in the end. What she lost on one side she gained on the other.

I remember once a man coming to me in a ship-yard and wanting more actual protection for the building of wooden ships, but he had a man in the saw-pit, and one man on top of the log, and another one running that saw up and down. I said to him, "Come and get a steam-engine and put it there." He said, "That will knock all the fellows that work up and down out of their work." That was his idea. So there is the cry, that if you encourage steam you will interfere with sailing-ships. There can be no monopoly here for certain reasons. The minute you make a thing profitable other people will step into it.



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The ship that carries the mail has to perform a service that an ordinary carrying ship does not. She has to have greater speed; she has to make stops at certain ports whether she has trade there or not, which might be required in giving a mail contract. You impose duties upon her that you do not upon the other ship. All great commercial houses have their traveling agents to drum up trade. The fast mail ship is the trade drummer of the nation. If the fast mail line was started the trade would increase, and the increased trade would increase the demand for ships.

Q. Now, suppose we restore our shipping, what are we going to carry on the seas to other countries; how are we going to freight the ships?—A. I will give you my experience. I am engaged now in this Brazil line, and I will give you a record of the cargoes back and forth. The cargoes out are composed of flour and general merchandise.

Q. What sort of merchandise?—A. Boots and shoes, dry-goods, iron work, &c.

Q. Are we exporting those things?—A. Yes. The Fairbanks Company, I believe, supplies almost all the scales used in Brazil and Buenos Ayres. We bring back coffee, rubber, dye-woods, and sugar. It would be an advantage to our country if we could pay for the $50,000,000 of coffee we buy in Brazil in flour and general merchandise. It would bring that much more money home; it would put so many more of our own people at work to produce these things, and eventually by that policy, carried out for a certain number of years, you would break down the great difficulty in the way of cheapening money.

## THE IRON AND STEEL INDUSTRY.

Q. You mentioned this morning three of our industries, the woolen, the cotton, and the iron and steel. You stated that it was very important to keep the money that was paid by the consumer for what he had to consume in this country by paying it to American producers. Now, take the iron and steel industry. What is our capacity to-day compared with the consumption? How do our production and our consumption compare?—A. We have facilities to produce what we should want if we did not import. There would be no over-production if we supplied our wants at home instead of buying iron and steel abroad.

Q. Why was the iron industry depressed much more from 1873 to 1879 than it is now, when there was in operation a tariff entirely satisfactory to the iron producers?—A. A business could not be depressed when its product increased 100 per cent. in the time you speak of.

Q. It went on and prospered up to 1880, when so many railroads were being built in this country?—A. I had the number of tons produced, and it increased in the period you speak of very nearly 100 per cent. A business could not have been in a very depressed condition when it grew up so as to increase 100 per cent., employing 100 per cent. more labor and more capital.

Q. What was the amount of iron and steel production in this country last year; do you know?—A. I have not the figures here, but I can get them.

Q. The statistics have been published lately, and the amount is 4,600,000 tons, and a little over, of pig-iron, say, of which over a million tons were unsold. There were a million tons more produced than were sold in the market last year?—A. I do not question your figures as to the over-production, but I do know this, that we imported last year 1,335,371 tons of iron in form of pig-iron, railroad bars, of iron and steel,

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steel ingots, &c. This represented a labor value on the other side the sea of above $67,000,000. The pig-iron is the basis from which all the other products come. If we had used our own pig-iron instead of having a million tons of over-production, we should have simply met the demand, and kept American labor well employed and regularly paid. It is better to have over-production than under-production, for surely there can be no monopoly where over-production prevails.

PRODUCTION AND CONSUMPTION AS AFFECTED BY TARIFFS.

Q. If it be true that our capacity to produce iron and steel excels the consumption, how would that affect the ability of the producer of iron and steel to pay the laborer?—A. The capacity to produce is greater than the capacity to consume, as long as you allow $67,000,000 worth to come in here, but why is it that $67,000,000 worth was not made at home? Simply because, under your present laws, it could not be made here with our rate of wages.

Q. Then you want the duty on it increased so as to prohibit the importation of the $67,000,000 worth?—A. No; but I do want some settled policy by which we can know what is to come, and keep a stock on hand from a falling to a rising market. Iron will not spoil. But what company will go to work to-day and make a million dollars' worth of iron if it thinks that Congress is going next year to reduce the tariff?

Q. The tariff that was revised by the last Congress, you say, is not high enough, and ought to be increased to enable the manufacturers to sustain these industries.—A. Yet the next Congress talks of taking up the tariff again for further revision. It is the uncertainty as to what the result of tariff tinkering will be that unsettles trade and weakens confidence.

Q. I want to know how the power to produce affects the ability of the manufacturer to pay even the present rate of wages. If this ability to produce goes on increasing by protection and by inducing investment, will not the production be increased so that it will run ahead of consumption more than it does now, and reduce the price of production and affect the power to pay wages?—A. There would be no over-production if we were not importing, as I said; capitalists do not want to invest capital in a thing that is going to be legislated about next year. On the tariff capitalists want some settled policy so as to know what they are doing. The growth of the country will more than keep up with the increased investment.

Q. Is it your opinion that the woolen and cotton and iron and steel industries of this country can prosper by being confined alone to American markets?—A. To meet that question we should at least be able to supply our own wants first. If you do something that will enable us to supply our home wants you will give labor to thousands of men who are complaining of idleness, and you will call forth thousands of capital for investment, and you will get it in Alabama—capital that is crowding itself to-day in Government bonds at a low rate of interest. If you will do something of that kind you will bring forth that condition of things; the millions' worth of iron, cotton, and woolen products imported last year would be made at home, and our idle labor be employed.

Q. Have we not power enough now in all these cotton, woolen, and iron and steel industries to produce abundantly all that we need?—A. No, sir; not if we do not import.

Q. You say then that the woolen-mills, the cotton-mills, and the iron and steel-mills, are not able to supply American consumption?—A. I

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have a statement, sent to me from the Treasury Department since I was here last, certifying that that condition of things has taken place. Taking the average for ten years on those three industries it would make an expenditure of $1,187,000,000 of money sent out of this country to buy iron and cotton and woolen goods to clothe the American people. If those $1,187,000,000 were spent at home how many churches, school-houses, towns, and cities, would they have built up, and in the building given employment to thousands of people? I cannot illustrate this any more forcibly than by pointing to two sections of the country, one where the policy I speak of was adopted as a policy, and comparing its wealth and the amount it has piled up with that section of the country which thought it was a better plan to buy in England the ploughshare that ploughed its own soil, rather than to encourage the making of it at home out of its own iron. There is a striking fact before us, and it comes down to the very first principles, that where you have the raw material if you do not apply labor to it there comes no wealth. In that section of the country called the South the more labor that is applied to what God has given it, and which is buried in the earth, the sooner it will become wealthy and rich, because labor applied to your natural resources is the foundation of your wealth. Your mountains of ore in Alabama are worth little or nothing to you unless something is done that will give labor with capital encouragement to go in and develop it.

POLICY AS TO SHIPPING.

By Mr. CALL:

Q. You will not let us have any ship-yards down there. You have taken away the only one we had at Pensacola?—A. How many ships did you ever build there? They gave you a fair chance and you did not do anything.

Q. You would not come down there and help us.—A. Oh, yes, I would; but I am too old a man to get replanted. I do not like to dig up old trees and replant them; I have tried it.

By Mr. PUGH:

Q. It is dangerous to transplant an old tree?—A. It is. Now I will make a suggestion. I would deal more with the shipping question, but I think I have said enough about it. But would it not be wise for our nation to look at what England has done; would it not be wise to look at other nations which have made the effort after they had studied her policy? France had the privilege of buying ships in England in the cheapest market. She bought them, brought them home, and tried the experiment of running them; she did not succeed; and England could not succeed in running them after they were built until she adopted the policy of protection to the ship on the sea. France then passed a law to meet the case. I do not want to see any law passed by which the ship-builder is going to get any bounty. He does not want it. You may give all the bounties in the world to ship-builders and ships will not be built. The demand has got to come for them first. The man who wants the aid is the man who owns and runs the ship, and who puts his capital into the ship for the twenty-five years of her life. The American ship is built with dear capital and operated with dear labor, and must be protected against cheap capital and cheap labor, the same as our factories.

France has passed a general law, leaving it open to all citizens offering to engage ships for a certain number of years to run in the foreign trade and develop foreign commerce for France, opening markets for

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French manufactured goods in South America and other countries, and bringing back their products, giving so much a mile. England went into this matter and taxed her own people, and she has paid out the $169,000,000 I have already spoken of within the last thirty years. It was not a bagatelle; it was only half what she earned last year. She paid $169,000,000 to build the trade up, and she brought back last year $300,000,000 of earnings to her working people. Look at it and see if you can adopt any policy wiser than that, according to the last year's statistics, encouraging capital to go into shipping, giving so much a year, paying in thirty years $169,000,000, and out of that policy has grown up a fleet that brought her back $300,000,000 last year. This is the result of England's radical protection to her capital and labor on the sea. When the question comes up with regard to cheap money there is the grand secret of it—$300,000,000 of money every year drained into England's treasury out of that one identical interest alone, whereby she does not impoverish her soil one iota for what produces it, and it gives employment to her own people. Suppose that England was paying out $100,000,000 of that for doing her carrying, as we are doing each year, would money be cheap in England? I know we often hear of money being cheap in England because England is free trade, and dear in America because America is protection. I will answer that. England was a protective country of the most rigid kind until she made money cheap. In 1680 she had a tax upon every ton of pig-iron that came into Great Britain of $20 a ton, which is now very near double what it costs. She followed that policy of high protection until 1857. She became a free-trade nation then. Why? She had her iron interest, which is the corner-stone of all her wealth, developed to such a condition by the advantages of which I have spoken, of low transportation, of convenient raw material, until she could produce cheaper iron than any nation in the world. Then she was for free trade in iron and free trade in ships when she could build ships cheaper than any other nation, and for free trade in bread when she could not raise enough to feed her own people and had no more soil to develop, and when a high price for bread would increase the cost of manufacturing. She was for free trade in bread and free trade in cotton when she had her countless millions invested in cotton mills, because she could not raise the cotton herself. It was a matter of necessity with her. She was for free trade in lumber when she could not produce lumber herself. She is for free trade in anything and everything that England cannot produce, and for free trade in all those things that she can produce cheaper than other people. She was for the most rigorous kind of protective policy in those things where she could not compete with the other nations. Her wealth has come from protection. She has guarded it by that policy. It is like sowing a crop of grain. A man carries around on his shoulder a half bushel and scatters it on the ground, but when he comes back on that same ground to thrash out his grain, look at the crop. The few millions England paid out to subsidize her ships was soon to be a productive crop. She never did a single thing in the interest of any country but England. When I sent to get the information to which I specially refer I obtained the most interesting information you could probably have. I went over the old statutes of Great Britain and her policy towards this country. I defy any man to say that she was not our deadliest enemy in all our struggles. I can produce to you a statute whereby it was a penal offense to send modern machinery to America; the machinery was confiscated from the owner and he was sent to jail under a penalty of 100 pounds for committing the crime. I could point

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out all manner of legislation that was instituted for the purpose of preventing this country from being able to supply its own wants. I can tell you to-day that this great hue and cry that is got up about "monopoly" in this country is part of the same policy. There is no monopoly here. The cry is got up to hide the great blow that is going to be struck at the industries of this country by the English policy. It was made a crime for an enterprising mechanic in England to put on board ship bound for America an improved machine for fear he would teach Americans to make it. I have seen in my own days the first little turning lathe and the first little planing machine brought to America, and we imported the man to run it, and that man came over and we paid him double pay for attention to the two machines. A schoolboy who comes out of the public schools to-day and goes into my workshop, with one or two years' experience can do as much as that man whom we imported at that time.

Q. You are a friend of the English system of protection, but you are an enemy of the English system of free trade?—A. The moment that England establishes a form of government whereby the workingman is brought up to the same plane that he is here, then I am ready to hold up both hands for free trade with England, but I do not approve of a policy that allows the products of that country, of which 90 per cent. is labor, produced by that ground-down labor, to enter into competition in this market with the products of our own workingmen.

Q. When will that condition of things cease; when will the necessity for this protection cease in this country?—A. That will cease when we hold firm just where we are now and by the great light we have thrown out educate the great mass of the people all over the world till they come up to that standard where they will demand the same rights as the workingman has here. The time will come then.

## PRICE OF MANUFACTURING LABOR.

Q. I will trouble you with a few more inquiries on another matter. I understood you to state that in the woolen mills the price of labor paid was $2 a day?—A. No, sir. I spoke of the average price of labor in about that proportion in the iron interest.

Q. Do you say that in the woolen mills the average wage is $2 per day?—A. No, I do not think that is so in the woolen trade, because there are many females at work there. The average in the iron industry I said was $2 a day here as against $1.25 in England. The average would hold good in the cotton factories in the same proportion. It may not be as high as the highest.

Q. I happened in a very large woolen mill the other day at Woonsocket, and I think you will find that they pay there for weavers and spinners about a dollar and a quarter a day.—A. That is correct, but the same class of workers in Europe work for 60 cents a day.

Q. And it was not more than a dollar and a quarter a day in the silk manufactory of the Cheneys in Connecticut.—A. The same class of labor is working in Europe for 60 cents.

Q. You say that the operators getting $2 a day in the iron and steel industry and running it, out into woolen and cotton industries, and there getting $2 a day enables them to have better houses, better clothing, to be better fed, and to have more comforts than similar laborers get in England. Now will $2 a day in this city enable a man to live outside of the tenement houses?—A. A man does not work for $2 a day

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here. I produced my pay-roll here last week, and the average wages of a mechanic here, taking the whole scale, is from $4 down to $2.50.

Q. If you have read what they state, they all say that they are not able to live on the wages they get any better than they do live, and that is in tenement houses, with no ventilation, no comforts, no luxuries. They tell us that the absolute necessities of life cannot be procured in this market with what they get; that is what they all say.—A. With my experience I will try to explain that. I believe that a prudent, saving man can live more comfortably in this country than anywhere else in the world, and with care can save money. There is no better system of education in the world than is offered to the humblest man's child in this country free to all. To show you what an improvement our system is over and above what I got when I was a boy, I will tell you what is done in my workshop. When I went to learn my trade in New York I got 12 shillings a week till I was twenty-one, and I had to work overtime and otherwise to try to pay my board. I give now to an apprentice when he comes to work $3.50 a week. The idea was to establish such a policy as to allow the boy to be no burden on his parents during his apprenticeship, but a help. Then he receives an advance every year of $1 till he is twenty-one, from the time he is sixteen, so that really the average of his pay during the five years he is learning his trade is $5 or $6 a week. That enables him to pay all his own expenses, so as not to be a burden, and in fact it enables him to help his parents.

Then, here is an idea which it would be a wise thing to promote through the press and pulpit. This afternoon I suppose there will be 100,000 evening papers sold in the city for a penny each, mostly to the working-men. That press has a wonderful chance to do good. If in it the people could only read something like this: "At the age of sixteen every young man should make up his mind that he is going to be old; that old age must come on; that rainy days will come; that bad health will come, and he ought to think that he must accomplish something." Thousands of young men think of it. I know that many undertake to get an education beyond what our public schools give them. If that picture was drawn for them it might do a great deal of good. Before a man has to go to a tenement house to live he ought to have made some provision, he ought to have had something saved up. A great deal of the troubles that are complained of come from idleness and want of economy; and if you were to go among these men who make those complaints you speak of you would find out that there is one little extravagance and another little extravagance that ought not to exist. I will illustrate that by two boys, common shoe-blacks, coming across on the ferry-boat from Long Island. I met a little boy, a shoe-black. Of course he came up to seek employment. Said he, "Boss, a shine." I put out my foot and he laid down the traps that he had. He had a cigarette in his mouth smoking. While he was shining I asked him, "How old are you?" "Thirteen years of age." "Have you been to school?" "Yes, I was at school till I was twelve." I pulled out of my side-pocket a large white envelope and pencil, and said I, "How far have you advanced in your education?" Said he, "I have learned to figure." "Well, I want to put some questions to you; answer the questions." The boy thought he was losing too much time on that one shine, and so I said, "I will pay you and make it as profitable as any work you have done for a long time. Now, how many cigarettes do you smoke in a day?" "I smoke four." "What do you give for each cigarette?" "One cent." "Multiply that by 4 and that is 4 cents. Now, how many days are there in a week?" "Seven." "And

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you smoke Sundays too?" "Yes." "Multiply that by 7 and that is 28 cents. Now, how many weeks are there in a month?" "There are four weeks in a month." "That is $1.12 cents. How much are all the clothes you have got on your back worth? You are the poorest dressed boy almost I ever saw." He said, "Not over a dollar," hanging his head. "Then you smoke out a whole suit of clothes every four weeks?" "Yes." "Now," said I, "I want to enter into a contract with you." This is not the way with all the shoe-blacks; there are other clear-headed shoe-blacks, but I said to this one, "I want to enter into a contract with you," and I put my hand into my pocket and I fortunately had a big round dollar. I gave him the dollar and said, "Now, this is the condition, that you will smoke no more cigarettes. If you do not keep your contract I will see if there is not a law to put you in jail." He grabbed the dollar and went. Next morning I came along and I will show you what he learned, as young as he was. Next morning when I came on the boat again I saw him. While I was at one end of the boat he was at the other, but he had a cigarette in his mouth. I went to him and took him by the shoulder and said "I am going to look for an officer to send you to jail; you have committed a crime; you entered into a contract which you have not kept." "Well," said he, "I had some left." "Then I will let you go if you will promise me you will not buy any more." He went off. Next day I caught him again, and then I was determined to frighten him. Said he, "I do not know what to say." "Well," said I, "give me my dollar." "I have not got it; it is gone." "What did you do with it? If you made good use of it I do not know that I shall be very hard on you." Said he, "I went down to the minstrels and took two other boys, and I spent 50 cents, and gave the other 50 cents to my mother." "Then," said I, "I will only inflict one-half the punishment on you. Give me half a dollar and I will let you go." Of course he went. I have come over on that boat every morning regularly, and I asked the man on the boat if the boy was there as he had been before generally as a shoe-black. He said he had been all the summer, but now he had deserted the boat and gone away and sought another boat rather than face me or give up the cigarette. If he only has the constitution to stand it he is going to be a wonderful complainer about legislation after awhile.

Then, crossing the Jersey City ferry a year ago, to go down to the ship-yard where I go every week, I met a shoe-black there, an intelligent, bright-looking lad about sixteen years of age. He wanted a job to shine my boots. Of course I gave it to him, and he went to blacking them. While he was at work I asked, "How old are you?" Such an age. "You look better clothed than the most of shoe-blacks. Have you been to school?" "Yes." "Why do you follow this occupation?" "Because I can make more money out of this than I can out of anything else." "Why do you want this money?" "I have a poor mother and a little sister." "Well, how much do you make in a week?" "I average a dollar a day, and I cannot get a dollar a day at anything else, but I do not intend to stick to this all my life." "Now, tell me what your stock in trade is worth. This is a wonderfully profitable business, a dollar a day for a boy of your size. I want to see what capital you have invested in your stock." He sat down and put down his box, and gave me the price he paid for the box, and the price that he paid for his brush, and the price that he paid for blacking. I asked him then how many shines he made out of one box. He told me, and it showed the sharpness with which that boy watched the business he was engaged in. I am going to watch him. I am going to see him

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occupy a different position during life. He said, "I can make a hundred shines out of that box of blacking; that box will shine a hundred pairs of boots." Said I, "That is an enormous profit on a five-cent box of blacking; it is as profitable as a drug store." "But," the boy said, "I do not make that on all shines. Once in awhile, almost every day, some of these men from the interior that come here have a great big flat boot, that has not had a bit of blacking on it from the time I shined it last, if it was a month ago, and once in awhile it takes a whole box to get such a man right, and I do not make any profit on that."

Here were two boys in the same business in life. One was able to tell a lie and gave up the boat he was working on and went off somewhere else to avoid facing me. The other made a careful investigation of facts, studied out what he was making, knew all about the business he was in. Will you tell me that without any advantage on earth, with only a fair chance, that one boy will not get along, and will you tell me whether, with all the advantages you can pile up, this other boy is not going to be found in the very reverse condition, and at some future time be found calling for legislation and demanding a fair division of the profits?

Then, again, look at the test of honesty. The Evening News comes to our workshop every afternoon, and I get a deal of information by giving my attention to the newsboys. They generally come with twelve papers each. They start out with twelve papers. They give for those twelve papers, as they tell me, 10 cents. There is a profit of 2 cents on the twelve papers if they sell all out. I forgot to ask whether the surplus stock on hand was taken back. Once in awhile I buy the whole twelve and give the boy 12 cents. Then he has made his transaction, and I say to him, "Now, I want you to take these papers and sell them, and I want you to bring me back one-half my money and pay it to me, so that it will be a dead certainty that you have a sale for the whole stock at a profit." I have had boys come back and pay me the money, and I have had boys that did not come back, and never appeared there any more to sell any papers.

## NEEDED LEGISLATION.

Let there be some general law passed that will hold out encouragement to the shipping interest. Capital is cheap now to the capitalists of the nation who are desirous of using it. Give them a chance to develop trade. I ask no subsidies or privileges for any class. Pass some general law by which you can give capital and labor on the sea the same protection you do capital and labor on the land, and bring into requisition one hundred millions of capital to open to the country new markets; put everything up to competition; invite the whole nation to compete; and some of those people who are willing to invest their money in Government bonds at 3 or 4 per cent., which is not much of a profit, will be willing to embrace the opportunity that you will offer them by opening up and developing new markets if there is any kind of a fair chance given; and I can assure you that in one year, outside of the opening of trade, outside of giving employment to people, outside of bringing out from United States bonds millions of money that will open up mines and build up labor, there is another great saving that will be accomplished. You will create a power upon the sea that will in the hour of need and trouble be far superior to the Navy you have at present. If an individual enters into a mighty conflict in a branch of business, or in anything you may name with an opponent of great power, his first

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idea, if he is a wise man, is to study the power he is going to contest with. "I will not measure swords with you until I know I can hold my own." That is the idea. It is for this nation to show a power that will compel the nations of the world to look at it and say they will not dare strike it because it is prepared. Now the great question is to prepare, to put ourselves in that condition without a great cost to the Government.

I am not speaking this with the idea that there is going to be any war. I hope in God no blood will ever again be spilled in war, but I say it is wise to be prepared against such a time, and wise to be prepared with a condition of things that costs our people nothing. Take England to-day; all men who have read history know that she was a nation that was much involved in war up to a certain period. To-day she is the most peaceable nation on earth. With all her wonderful power, there is no nation that uses more influence to prevent any war in Europe that would draw her in, than she does. Why is all that? It is wise for us to see that we can protect ourselves against that wonderful power by knowing her weak position and at a small expense to ourselves protect us against her. She has a thousand million dollars' worth of ships on the ocean to-day. It is not so much the value of a thousand millions in ships, but it is her only road to market. Her road to market is on the great ocean that belongs to all nations. The bread that feeds her people has to come through that channel. The raw materials to give work to her factories must come through that road. The product to keep her thousands of artisans at work and keep her great factories in operation has to come over the same road. It is a dangerous position. She keeps up to-day 400 great war-ships to overawe other nations so that they shall never feel that it is safe for them to strike her trade. Our eyes are dazzled here because we see a few great steamships of great speed and great size and great magnitude. We see them all described in the press of New York, but 80 per cent. of that whole power which carries back and forth the products upon which her existence must depend, consists of ships that have not a speed of over eight or nine knots. If we had a merchant marine to-day, which might be called the "militia of the sea," what greater power could you want than to know that every week there was a departure and arrival of a number of ships manned and equipped, and that all you wanted was to put the guns on board them and say "go strike this commerce;" when you put yourself in that position nations will respect you.

If you will hold out encouragement you can create a power upon the sea. It costs you nothing, and through the little encouragement you give, the result is the opening up of new markets, digging out your mines, tearing up the raw material that is only worth 10 per cent., and, putting it by labor into a hundred per cent., giving employment to your people. It is only securing you against a terrible calamity that may strike you at any moment. The best authorities in Europe to-day, watching the tones of the highest statesmen in those lands, tell you of the numbers of millions of men that are paid for doing nothing but drawing swords and carrying muskets. There is only a military truce. You do not know when the day of action will come, and when it does come there may be a great European war, and you may see the navies of England the navies of France, and the navies of Germany knocking one another's ships to pieces. You may see them outside of Sandy Hook here on the great thoroughfare of the ocean where your merchandise is going.

You see now that your whole surplus product is carried in foreign ships; you see that your flag does not float at its mast-head; you see

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that you have no right to cry out for protection for your property, because you do not own the ships; and you may see the very ships in which your surplus product is carried, by the whim of European powers, to morrow rendered useless to you by a great war. Then I should like to know who is going to suffer. Then what will become of your immense crops of corn along the line of your roads? They will perish. Then what will become of your cotton? It may go down to the bottom of the sea. And yet you depend upon a sale for these surplus products in the markets of the world for the whole financial condition of your country to-day. Destroy this, break it up for one year, and what will happen? Men are talking about "subsidy," and talking about "bounty," and talking about this foolish thing and the other, and they do not take into consideration what that wonderful nation England has done. She has not cotton nor corn, but she has coal and iron. The policy that she has pursued with coal and iron is the policy for us to study.

I have often heard the suggestion thrown out that the men there are as well off as ours are here. What is meant by that? Is it meant that the foreign workman is as well off in his own country as here? If the English workman had not a Government at his head that stopped at nothing, that respected no rights, that had no regard for truth or anything else where England's interest was at stake, the workingman of England would be a poor man, for the last statistics show that England governed a population of 362,000,000 people. She went to work and conquered and took a hold on colonies that she might get a market for her products till she maintains a population of 362,000,000; and yet England, Wales, and Scotland together have only 27,000,000. I will not put Ireland in. God knows there is no colony governed worse than it has been. Take out the 27,000,000, and, with the exception of the colonies in America, where the Canadas have profited by the example we have set, the bulk of that whole population is ground down by her law to a condition of things where everything they had has been screwed out of them in order to keep the 27,000,000 population of Great Britain in its present condition. Three hundred and sixty-two millions of people are legislated for in the interest of 27,000,000. All these people are governed in the interest of Great Britain. There is free trade with all these nations, and vast lines of steamships are subsidized to make the communication between Great Britain and the colonies such as no other nation could confer—subsidies given to England's ships running to her own colonies, so that her ships may carry freight cheaper than those of any other nation can carry it there to control that market. Well may the manufacturers of England submit to a tax to subsidize ships to force their goods beyond the possibility of competition, almost equal to a prohibitory law, into those nations which she governs.

PROTECTION TO LABOR.

By Mr. CALL:

Q. I do not wish to intimate any opinion about what you have said, but you have made some points that there may be some inquiry in regard to. I understand you to maintain the opinion that there can be no adequate compensation to the American artisan or laborer without a system of protection; that is to say, you cannot pay him good wages without a tariff?—A. That is my belief.

Q. What is the precise effect which you consider the tariff to have upon the American laborer; is it to give more ability to the manufacturer or the employer to pay, by getting a higher price for his goods?—A. Yes.

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Q. How are you enabled to pay better wages to your laborer with a tariff than without it?—A. Because 90 per cent of the goods I make is labor; I pay that labor 60 per cent. more than is paid to the same class abroad; without a tariff the foreign maker could undersell me and there would not be a workshop in the land, and I should not be in the business at all.

Q. Do you mean to say that you could not make goods at all?—A. I could not make them at all and pay the present prices of labor. When 90 per cent. of an article is composed of one commodity and you want me to compete in that article where I have to pay for that 60 to 70 per cent. more than anybody else, how can I do it? That is the whole secret.

Q. You mean to say that you cannot make goods at the same price they make them abroad?—A. I cannot.

Q. Then the effect of a tariff is to enable you to get a better price for goods than they get abroad?—A. The general idea is that protection is in the interest of the workingman, and that the manufacturer, as a general thing, only receives fair compensation on his capital, because the minute he goes beyond that, unless there are patent rights or something else coming in, competition springs up, and there is no sharper competition in the world than there is between the American manufacturers themselves.

Q. Then the idea is that that protection will enable the American manufacturer to get a higher price for his goods than he could without?—A. The protection will enable him to get an enhanced price in proportion to the amount that he pays for the labor to produce the article.

Q. And thereby he is enabled to pay better wages?—A. He is enabled to pay a better price for labor.

Q. I understood you to say this morning that under the general economies of England her manufacturers were in a very prosperous condition and made a good deal of money—more than was made elsewhere; that money was low there, and they made iron so much cheaper than anywhere else because they could get capital cheaply and easily. Is not the Englishman, under a system of free trade, able to pay his workman better wages, even, than we are with a protective duty?—A. No, sir; now you are referring to the cheapness of capital.

Q. I am referring to the general condition of the economies of business in England, which make it the general manufacturing center of the world.—A. If you were to take from England the market which she controls by being the ruler of those colonies and compelling 200,000,000 of people in India to work for her at the rate of $3 a month in the interest of the Englishman, then you would take from her a large portion of her present manufacturing interest. She legislates for that interest. Take that away from her, take away that portion of shipping that she sends there, and you take from her a large portion of the position she occupies. If you were able to confine England to her own resources and the government of her own people proper, and make her treat all her people alike, as we do here, she would not be what she is to-day. She makes slaves of seven-eights of her population in the interest of the other eighth.

Q. Still, as a fact, I understand you to say that from some cause her ability to pay a high rate of wages is unquestionable?—A. No, sir; the average wages she pays, at least in ship-yards, is 70 per cent. less than I pay here; and I think it is safe to say that 50 to 60 per cent. is the difference in all other business. Therefore she does not do it.

Q. I am not asking about the fact, but about her ability. I under-

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stand you to want a system of protection here in order to increase the ability to pay good wages, and I ask you whether, under the present prosperous condition of English trade and manufactures, she is not able to pay any rate of wages that might be within the limits of profit?—A. No, sir.

Q. Why?—A. Under the present condition of things, I think if you were to advance the wages in Great Britain 20 or 30 per cent. above what they are to-day you would find that a great many of her factories would close. She would be shut out from many markets.

Q. I do not understand, then, why it is you insist upon it that there can be no competition between this country and her if that small margin of 20 per cent. is taken off?—A. I cannot understand really what you want to get out.

Q. I do not want to get out anything, I only wish to know your idea?—A. My idea is simply this, as far as protection is concerned, that the moment any nation changes her laws and institutions so as to bring her laborer to the same level that the workman occupies here, and to pay him as we pay him here, then I do not think we shall need any protection against that nation.

Q. Then I understand you to think that we are pretty nearly on an average with Great Britain in our ability to manufacture cheaply?—A. No, sir, by no means.

Q. What struck me was that you wanted a system of protection, in regard to which I have no opinion now to express, in order to enable manufacturers and others to pay a high rate or a reasonable rate of wages here, and then I wanted to know, if the ability to pay was all that was necessary, why the English people did not do it?—A. I will now put the question in the most practical way I can. Take two farmers, the soil being equal and all things the same, and they are both raising crops to go into the same market. If one man pays 70 per cent. more for labor on his farm than his neighbor, how long can he compete with him in the market?

Q. I only wanted to know if the two made the same profit, why one could not pay the same wages as the other?—A. Suppose the condition of law, the condition of society was such that there was a line drawn between the two farms?

Q. That is just what I want to know, how the condition of society is going to affect it.—A. If you will get Great Britain to encourage all her working people at home and in her colonies, and legislate in the interest of labor, and pay them the same as we do, we should want no protection.

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*APPENDICES TO MR. ROACH'S TESTIMONY.*

THE LAW OF FRANCE UPON SHIPPING.

[It will be noticed that France for sixteen years prior to the passage of this act had tried the policy of "free ships" and "free raw material," and found the policy to be a failure, although her labor is cheaper than ours.]

*Commercial. No.* 8 (1881). (*France.*) *Further correspondence with Her Majesty's Embassy at Paris relative to the French mercantile marine bill. Presented to both houses of Parliament by command of Her Majesty,* 1881.

[Translation.]

The Senate and the Chamber of Deputies have adopted,

The President of the Republic promulgates the law of which the text follows:

ARTICLE 1. The right of free pilotage is granted to all sailing vessels not measuring over 80 tons, and to steamers whose measurement does not exceed 100 tons, when-

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ever they run regularly between port and port, and habitually frequent the entrances to rivers.

Nevertheless, at the request of the chambers of commerce, and after an inquiry in the usual form has been made, public administrative regulations shall determine the modifications of the existing rules which may be considered necessary in the interest of navigation.

ART. 2. For foreign-going vessels the visit of inspection prescribed by article 225 of the commercial code for a fresh cargo loaded in France shall not be obligatory unless more than six months have elapsed since the last inspection, unless the vessels shall have sustained damage.

ART. 3. For the official documents or *procès-verbaux* showing the changes of owners of the ship, either total or partial, a fixed charge shall be made for registration of 3 francs. Article 5, No. 2, of the law of the 28th February, 1872, is repealed so far as it is contrary to the present provision.

ART. 4. To compensate ship-builders for the charges fixed by the custom-house tariff the following allowances shall be made to them:

For iron or steel vessels, 60 francs per ton, gross measurement.

For wooden vessels of 200 tons or more, 20 francs.

For wooden vessels of less than 200 tons, 10 francs.

For composite vessels, 40 francs.

For engines placed on board steamers, and for auxiliary apparatus, such as steam-pumps, donkey-engines, winches, ventilators worked by machinery, also their boilers and pipes, 12 francs per 100 kilograms.

Ships planked with timber, having beams and ribs of iron or steel, are to be considered as composite vessels.

ART. 5. Every change in a ship by which an increase in measurement is gained shall give right to a bounty, based on the above tariff, according to the increase of tonnage gained.

The bounty shall be granted for driving-engines and auxiliary apparatus placed on board after completion of the ship.

On change of boilers the owner shall be allowed a compensation allowance of 8 francs per 100 kilograms on new boilers, weighed without the tubes, if of French make.

ART. 6. The allowances granted by articles 4 and 5 shall be paid, on delivery of the French register, by the receiver of customs at the nearest place of construction.

ART. 7. The system of admission duty free, fixed by article 1 of the law of the 19th May, 1866, and by article 2 of the law of the 17th March, 1879, is abolished.

ART. 8. Ship-builders shall receive allowances for vessels on the stocks at the time when the present law shall come into force, as stipulated in Article 4, after deducting the amount of customs dues fixed by the conventional tariff on foreign imports which may have been entered free of duty for ship-building purposes.

ART. 9. As compensation for charges imposed on the mercantile navy for the recruitment and service of the military navy, a navigation bounty shall be granted, during ten years from the date of publication of this law, to all French vessels, sailing or steam.

This bounty is applicable only to foreign-going vessels.

It is fixed at 1 franc 50 centimes per register ton and per 1,000 miles' run for vessels of French construction fresh off the stocks, and decreases annually by 0.075 francs for wooden vessels, 0.075 francs for composite vessels, 0.05 francs for iron vessels.

For foreign-built vessels the bounty is reduced to one-half of the above assigned amount.

Vessels taking out French registers before the promulgation of the present law are assimilated for bounty purposes to vessels of French construction.

The bounty is increased by 15 per cent. for steamers built according to plans previously approved of by the Marine Department.

The number of miles run is calculated according to the distance from the point of departure to the point of arrival, measured on a direct maritime line.

In case of war merchant ships can be requisitioned by the state.

Vessels engaged in the foreign and home fisheries ("a grande et la petite pêche"), those belonging to subsidized lines and yachts are excepted from receiving the bounty.

ART. 10. Every master of a vessel receiving one of the bounties fixed by article 9 of the present law shall be obliged to carry, free of charge, mails put under his charge by the post-office authorities, or to be delivered to that administration, as prescribed in the consular decree of the 19th Germinal, year X.

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FRENCH MAIL CONTRACTS.*

| Service. | S. S. company. | Date of contract. | Number miles per year. | Subsidy per annum. | Rate per mile. | Rate per mile. | Subsidy per annum. |
|---|---|---|---|---|---|---|---|
| | | | | *Francs.* | *Francs.* | | |
| Japan, China, and India. | Cie. des Messageries Maritimes. | July 22, 1854, to July 21, 1888. | 225, 884⅓ | 8, 573, 024 | 37. 96 | $7 59½ | $1, 714, 604 80 |
| South America. | Cie. des Messageries Maritimes. | July 22, 1861, to July 22, 1888. | 99, 552 | 3, 644, 000 | 36. 60 | 7 32½ | 798, 800 00 |
| Mediterranean . | Cie. des Messageries Maritimes. | Oct. 1, 1851, to July 22, 1888. | 146, 553⅓ | 4, 382, 263 | 29. 90 | 5 98 | 876, 452 60 |
| Mediterranean . | A. & L. Fraissinet & Co. | Aug. 1, 1873, to July 31, 1883. | 36, 018⅔ | 375, 000 | 10. 40 | 2 08 | 75, 000 00 |
| West Indies, Mexico, &c. | Cie. Générale Transatlantique. | July 22, 1865, to July 21, 1885. | 138, 400 | 3, 953, 257 | *D*28. 56 | 5 71 | 790, 651 40 |
| United States.. | Cie. Générale Transatlantique. | July 22, 1865, to July 21, 1884. | 82, 666⅔ | 2, 361, 348 | *D*28. 56 | 5 71 | 472, 269 60 |
| English Channel. | Société Générale pour la développement du Commerce et de l'Industrie en France. | Oct. 1, 1872, to Sept. 30, 1884. | 5, 353⅓ | 100, 000 | 18. 68 | 3 73½ | 20, 000 00 |
| Total amount paid yearly by France, per contract. | | | 734, 388⅓ | 23, 888, 892 | †31. 85 | †6 37 | 4, 677, 778 40 |

*From official contracts, translated and compiled to September 1, 1877. †Average.
The French contract was renewed last year to New York; compensation per annum, $500,000.

## ENGLISH CONTRACTS.

Following are extracts from some of the laws passed by the British Government to establish its merchant marine, as referred to above. The laws were varied according to the conditions of the routes. Where the competition was great the aid was proportionately large. The quotations given from the laws are but characteristic samples of many that were passed.

The Oriental Steamship Company (English) owned thirty-seven ships and had a subsidy amounting to $2,250,000 a year, or 12 per cent. on their whole capital, but this was not sufficient to meet the French opposition. The company decided to withdraw their fleet and surrender the trade to France. The English Government at once ordered a commission to investigate the affairs of the company. This commission reported that to make the company's business pay a guarantee must be given to pay them 8 per cent. during the French opposition. The great line was saved and the company's ships kept in commission. This was a notice to the capitalists of the world that the English treasury was at the back of her ocean carrying.

Let us take the official documents in support of this. The one, for example, with the Peninsular and Oriental Company made with them in 1853 for an annual subsidy of $2,500,000 was to expire January 1, 1867. February 27, 1866, a new contract was made. Under the contract the company agreed to submit its plans to the Government commissioners, and to construct the hatchways and other parts of its ships as might be necessary to the carrying and firing of a heavy armament. That made the vessels immediately available for naval purposes and for defense, and they were at the Government's disposal in case of need, and were used in the Crimean war in a way that opened the eyes of the French to the great importance of the merchant marine manned and equipped and at the Government's disposal. This merchant marine, made a part of the Government as it actually was by the terms of contract, added a wonderful strength to its naval force in case of extremity.

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With the same company a new contract was made in 1870. In "articles of agreement made this 6th day of August, 1870, between the Right Hon. Spencer Compton Cavendish, commonly called the Marquis of Hartington, her Majesty's Postmaster-General, and the Peninsular and Oriental Steam Navigation Company," I find that for carrying the mails at a speed not exceeding 10 knots an hour "the Postmaster-General doth hereby covenant that there shall be paid to the company (out of such aids or supplies as may from time to time be provided and appropriated by Parliament for that purpose) the sum of £450,000 [$2,250,000] per annum." And in section 46 the contract of 1867 is declared annulled, "all claims of the company in respect to the subsidy therein mentioned having been fully satisfied by the payment of a subsidy after the rate of £500,000 [$2,500,000] per annum."

A DIVIDEND GUARANTEED.

In an official report, dated July 20, 1870, I find this significant passage:

By the terms of the contract concluded with the Peninsular and Oriental Steam Navigation Company on the 19th of November, 1867, the subsidy to be paid the company is set down as £400,000 [$2,000,000] a year, with a stipulation on the one hand that whenever the annual income of the company from all sources does not admit of the payment of a dividend of 8 per cent. on the capital employed the subsidy shall be increased by so much—subject to a limit of £100,000 [$500,000]—as is required to make up such a dividend; and, on the other, that whenever the income is sufficient to allow a dividend exceeding 8 per cent. to be declared the company shall pay to the Postmaster-General one-fourth of the excess.

NOT ONLY SUBSIDY BUT DIVIDEND.

Here is not only a subsidy but a Government guarantee of an 8 per cent. dividend to the company's stockholders. The company estimated that "the receipts from the passengers and cargo must, for a long time to come, be greatly below the expenditure absolutely necessary for the maintenance of the service" against the yet more highly subsidized French line; and the Government promptly raised the annual subsidy back to £450,000 ($2,250,000). How could the American Pacific Mail Line compete or increase its fleet against this line, which was guaranteed 8 per cent. by the English Government, while our Government compelled the Pacific Mail to carry the mail against its will for the postage, under the following statute:

[United States Revised Statutes, section 3976.]

The master of any vessel of the United States, bound from any port therein to any foreign port, or from any foreign port to any port in the United States, shall, before clearance, receive on board and securely convey all such mails as the Post-Office Department or any diplomatic or consular agent abroad shall offer; and he shall promptly deliver the same at the port of destination, to the proper officer, for which he shall receive *two cents* for every letter so delivered; and upon the entry of every such vessel returning from any foreign port the master thereof shall make oath that he has promptly delivered all the mail placed on board said vessel before clearance from the United States; and if he fail to make such oath the vessel shall not be entitled to the privileges of a vessel of the United States.

The case of the English Government's contract with the Royal Mail Steam Packet Company to Brazil, dated June 26, 1868, is still more striking. That contract guaranteed subsidies sufficient to yield 8 per cent. dividend on a capital of £900,000 ($4,500,000). An extension of the period of the contract was asked for, in consequence of serious loss

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to the company by hurricane, in order to enable it to get on its legs again. In view of the French competition, the Government readily granted it. The fact was frankly admitted by the company's secretary in 1867 that "during the American war, and before the competition of the highly subsidized French company, this company earned sufficient to yield a satisfactory dividend to its shareholders, but the case has been very different during the last two years."

I call your attention to a feature in the Royal Mail Steam Packet Company's contract, herewith submitted, ordered by the House of Commons in May, 1852, and executed by the Commissioners of Admiralty. It is for a term of eleven years, and calls for a payment to the company by the Government of a subsidy of $1,370,000 per annum. By the terms the company was compelled when called on to furnish steamers to travel between certain degrees of latitude, the pay for every mile so traveled to be $2.50 per mile besides the subsidy. At this rate if a vessel steamed 8½ knots an hour she would earn $500 a day, exclusive of subsidy or mercantile business. This contract was equal to 40 per cent. per annum on the capital invested. And when a serious disaster befell the company as the result of a hurricane, the contract was extended two years; also allowing $225,000 for insurance and working expenses. (See contract "West India and Brazil Mails," dated June 26, 1868.)

## SPECIMEN CONTRACTS.

### PENINSULAR AND ORIENTAL STEAM NAVIGATION COMPANY.

*Return to an order of the honorable the House of Commons, dated 13 February, 1879, for copy "of contract dated the 7th day of February, 1879, entered into with the Peninsular and Oriental Steam Navigation Company, for the conveyance of the mails between this country and India and China, together with copy of a Treasury minute dated the 12th day of February, 1879, thereon."*

TREASURY CHAMBERS, 13, FEBRUARY, 1879. HENRY SELWIN-IBBETSON.

PENINSULAR AND ORIENTAL STEAM NAVIGATION COMPANY.—CONTRACT OF 7TH FEBRUARY, 1879.

EAST INDIA AND CHINA MAILS.

ARTICLES OF AGREEMENT under Seal made and entered into this Seventh day of February 1879 between the Right Honourable John James Robert Manners (commonly called Lord John Manners) Her Majesty's Postmaster General for the time being on behalf of Her Majesty (the said Lord John Manners and his successors Her Majesty's Postmasters General for the time being being hereinafter included in the term the Postmaster General) of the one part and the Peninsular and Oriental Steam Navigation Company (hereinafter called the Company) of the other part. These presents witness that Her Majesty's Postmaster General for himself and his successors Her Majesty's Postmasters General for the time being (as to the covenants agreements and stipulations hereinafter contained on his and their parts) doth hereby covenant and agree with the Company and their successors and the Company for themselves their successors and assigns (as to the covenants agreements and stipulations hereinafter contained on their part) do hereby covenant and agree with the Postmaster General and his successors Her Majesty's Postmasters General for the time being in manner following (that is to say):—

1. For all the purposes of these presents the term "mails" shall be understood to comprehend all boxes bags or packets of letters newspapers books or printed papers and all other articles which under the regulations of the Post Office for the time being are transmissible by the post without regard either to the place to which they may be addressed or to that in which they may have originated and all empty bags empty boxes and other stores and articles used or to be used in carrying on the Post Office service which shall be sent by or to or from the Post Offices in any country or place to or from which mails are to be conveyed in pursuance of this Agreement.

2. The Company will at all times during the continuance of this Agreement convey on the several routes and between the several places specified in the Schedule here-



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under written and at an average rate of speed of 11 knots per hour between Brindisi and Alexandria and between Suez and Bombay and at an average rate of speed of 10½ knots per hour between Suez and Shanghai all mails which the Postmaster General or any of his officers or agents shall from time to time and at any time or times require to be conveyed in either direction between Brindisi and Bombay or between Brindisi and Shanghai and generally between any of the ports or places mentioned in the said Schedule by means of vessels of the Company plying between Brindisi and Alexandria and between Suez and Bombay and between Suez and Shanghai in connection with the land conveyance of mails through Egypt.

3. The Company will at all times during the continuance of this Agreement or so long as the whole or any part of the services hereby agreed to be performed ought to be performed in pursuance thereof provide keep seaworthy and in complete repair and readiness to the satisfaction of the Postmaster General for the purpose of conveying as hereinafter provided all mails which the Postmaster General or any of his officers or agents shall from time to time and at any time require to be conveyed as herein provided a sufficient number of good substantial and efficient steam vessels of adequate power and speed and supplied with first-rate appropriate steam engines and in all respects suited to the performance of the services herein agreed to be performed within the respective times herein stipulated.

4. The Company shall land and embark at Bombay all mails conveyed or intended to be conveyed by them in pursuance of this Agreement by means of a small steam vessel and accordingly the Company shall in addition to the vessels hereinbefore mentioned provide at Bombay a small steam vessel hereinafter called the Bombay subsidiary steamer which shall be so constructed as to be able at all states of the tide to land and embark the mails at Bombay and shall at all times keep such vessel in complete repair and ready for landing and embarking the mails accordingly.

5. The Company shall at their own costs land and embark all mails conveyed or intended to be conveyed by them in pursuance of this Agreement at all ports or places at which such mails are to be landed or embarked and shall accordingly at their own costs provide suitable means for landing and embarking the mails at all such ports or places.

6. The vessels to be provided under this agreement shall be always furnished with all necessary and proper tackle stores lamps oil tallow fuel provisions machinery engines anchors cables boats fire-pumps and all other proper and requisite means for extinguishing fire lightning conductors charts chronometers proper nautical instruments and all other furniture and apparel and whatsoever else may be requisite and necessary for equipping the said vessels and rendering them constantly efficient for the said services and shall be manned with legally qualified and competent officers with appropriate certificates granted pursuant to the Act or Acts in force for the time being relative to the granting certificates to officers in the Merchant Service and also with competent engineers and a sufficient crew of able seamen and other men and with a competent surgeon to be subject to the approval of the Postmaster General.

7. If the Postmaster General shall consider any of the Company's vessels unfit for the conveyance of mails he may by writing under his hand or under the hand of one of the Secretaries or Assistant Secretaries of the Post Office require the Company to show cause why such vessel should not be withdrawn from the service and unless within six weeks after such requisition the Company shall show cause to the contrary to the satisfaction of the Postmaster General he may at any time after the expiration of the said period of six weeks by writing under his hand or under the hand of one of the Secretaries or Assistant Secretaries of the Post Office declare such vessel to be unfit for the conveyance of mails and after such declaration shall have been made it shall not be lawful for the Company to employ such vessel in the performance of this Agreement and in order to determine whether the Postmaster General shall be justified in declaring any vessel unfit for the conveyance of mails or whether the Company shall be able to show cause to the contrary a special examination shall be made of the hull and machinery of any such vessel by such person or persons as may be selected for that purpose by the Postmaster General.

8. The equipments officers engineers and crew of each vessel when such vessel is in any British Port shall be subject at all times to the inspection of the Postmaster General or of such other person or persons as he shall at any time or times authorise to make such inspection.

9. All mails conveyed from Brindisi to Bombay in pursuance of this Agreement shall be conveyed by the Company from Brindisi to Alexandria and from Suez to Bombay and the voyage from Suez to Bombay shall be completed in 368 hours from the commencement of the voyage from Brindisi to Alexandria and the said period of 368 hours shall include 17 hours for the conveyance of such mails by land from Alexandria to Suez and 6 hours for the stoppage at Aden of the vessel by which the same shall be conveyed from Suez to Bombay.

10. All mails conveyed from Bombay to Brindisi in pursuance of this Agreement shall be conveyed by the Company from Bombay to Suez and from Alexandria to

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Brindisi and the voyage from Alexandria to Brindisi shall be completed in 423 hours (during the prevalence of the south-west monsoon) and in 375 hours at all other times from the commencement of the voyage from Bombay to Suez and the said periods of 423 hours and 375 hours shall include 6 hours for the stoppage at Aden of the vessel by which the same shall be conveyed from Bombay to Suez and 24 hours for the conveyance of such mails by land from Suez to Alexandria.

11. All mails conveyed from Brindisi to Shanghai in pursuance of this Agreement shall be conveyed by the Company from Brindisi to Alexandria and from Suez to Shanghai and the voyage from Suez to Shanghai shall be completed in 947 hours (during the prevalence of the north-east monsoon) and in 875 hours at all other times from the commencement of the voyage from Brindisi to Alexandria and the said periods of 947 hours and 875 hours shall include 17 hours for the conveyance of such mails by land from Alexandria to Suez and 6 hours for the stoppage at Aden 24 hours for the stoppage at Point de Galle or Colombo 6 hours for the stoppage at Penang 24 hours for the stoppage at Singapore and 24 hours for the stoppage at Hong Kong of the vessel by which the same shall be conveyed from Suez to Shanghai.

12. All mails conveyed from Shanghai to Brindisi in pursuance of this Agreement shall be conveyed by the Company from Shanghai to Suez and from Alexandria to Brindisi and the voyage from Alexandria to Brindisi shall be completed in 1,006 hours (during the prevalence of the south-west monsoon) in 910 hours at all other times from the commencement of the voyage from Shanghai to Suez and the said periods of 1,006 hours and 910 hours shall include 48 hours for the stoppage at Hong Kong 24 hours for the stoppage at Singapore 6 hours for the stoppage at Penang 24 hours for the stoppage at Point de Galle or Colombo 6 hours for the stoppage at Aden of the vessel by which the same shall be conveyed from Shanghai to Suez and 28 hours for the conveyance of such mails by land from Suez to Alexandria Provided always that three additional hours shall be allowed for the conveyance of the mails from Brindisi to Shanghai and from Shanghai to Brindisi respectively if and whenever Colombo shall be substituted as a port of call in lieu of Point de Galle.

13. The several periods of 368 hours 423 hours 375 hours 947 hours 875 hours 1,006 hours and 910 hours hereinbefore mentioned are hereinafter called periods of transit and shall in all cases be reckoned from the commencement of the voyage of the vessel by which the first part of the transit shall be performed to the completion of the voyage of the vessel by which the last part of the transit shall be performed and the times of the commencement and completion of every such voyage shall be ascertained and recorded by officers of the Postmaster General in pursuance of arrangements to be from time to time made by him for such purpose and the decision of the Postmaster General as to all questions relating to periods of transit shall be final and conclusive.

14. With respect to voyages commencing or terminating at Bombay a voyage commencing at Bombay shall be deemed to commence when the Bombay subsidiary steamer with the mails on board arrives alongside the vessel by which the voyage is intended to be performed and a voyage terminating at Bombay shall be deemed to be completed when the Bombay subsidiary steamer arrives alongside the vessel by which the voyage has been performed and with respect to voyages commencing or terminating at Brindisi or Shanghai a voyage commencing at Brindisi or Shanghai shall be deemed to commence so soon after the time appointed by the Postmaster General for the commencement thereof or after the completion of the embarkation of the mails on board the vessel by which the voyage is intended to be performed whichever shall last happen as (having regard to practical considerations) the anchor of the vessel can be weighed or the vessel can be loosed from its moorings and a voyage terminating at Brindisi or Shanghai shall be deemed to be completed when the vessel by which the voyage has been performed has arrived at a position in the port of final destination from which the mails can be conveniently delivered and has dropped its anchor or been attached to its moorings.

15. The conveyance by land between Alexandria and Suez of mails conveyed or intended to be conveyed in pursuance of this Agreement shall be under the direction of the Postmaster General and whenever the time occupied by such land conveyance shall exceed the time hereinbefore specified in that behalf an equivalent addition shall be made to the period of transit during which such excess shall have occurred.

16. One of the vessels to be provided under this Agreement shall at such intervals as are specified in the Schedule hereunder written and on such days of the week and at such hours as the Postmaster General shall appoint (either by a time table or time tables to be from time to time approved by him in accordance with the terms of this Agreement or otherwise as he shall think fit) and immediately after the mails are embarked put to sea from touch and arrive at the several ports or places respectively mentioned in the said Schedule and all the stipulations matters and things therein contained shall form part of this Agreement and be observed and performed by the Company accordingly And the Company shall convey in such vessels to and from and cause to be delivered and received at such of the ports or places mentioned in

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the said Schedule from or at which the said vessels are to start touch and arrive in the performance of this Agreement all such mails as shall or may be tendered or delivered to or received by the Company or any of their agents officers or servants by or from the Postmaster General or any of his officers or agents.

17. Should it be deemed by the Postmaster General his officers or agents requisite for the public service that any vessel to be employed under this Agreement should at any time or times delay her departure from any port from which the mails are to be conveyed under this Agreement beyond the period appointed for her departure therefrom the Postmaster General his officers or agents shall have power to order such delay (not however exceeding 24 hours) by letters addressed by him or them to the master of any such vessel or person acting as such and which shall be deemed a sufficient authority for such detention and in any such case an equivalent addition shall be made to the period of transit during which such detention shall take place.

18. If at any time or times the Postmaster General shall either on account of any alteration in the ports of call or for any other reason whatever desire to alter the particular days times or hours of departure from and arrival at any of the ports or places to or from which mails are for the time being to be conveyed under this Agreement he shall be at liberty so to do on giving to the Company three calendar months' notice in writing of such his desire provided such alterations do not necessitate a rate of speed beyond the rate of 11 knots per hour between Brindisi and Alexandria and between Suez and Bombay or beyond the rate of 10½ knots per hour between Suez and Shanghai.

19. If at any time or times the Postmaster General shall desire otherwise to modify the services hereby agreed to be performed (as for example to increase or decrease the frequency of the conveyance of mails between any of the ports or places to or from which such mails are to be conveyed under this Agreement or to extend the conveyance of such mails to any other ports or places not specified in this Agreement or to discontinue the conveyance of such mails to or from any port or place specified in this Agreement) he shall be at liberty so to do on giving reasonable notice to the Company and from and after the expiration of any such notice the subsidy hereinafter agreed to be paid as the consideration for the performance by the Company of the services hereby agreed to be performed shall cease to be payable and the Postmaster General shall thenceforth during the continuance of this Agreement pay to the Company in lieu thereof a subsidy in consideration of the performance by the Company of such modified services of such amount as shall be agreed upon between the Postmaster General and the Company or failing such Agreement of such amount as shall be determined by arbitration in manner hereinafter provided and this Agreement shall thenceforth operate and take effect in the same manner in all respects as if the amount of such altered subsidy had been inserted in this Agreement instead of the subsidy hereinafter agreed to be paid.

20. The particular days times and hours of departure from and arrival at any ports or places or of other services (if any) which may be appointed under the preceding clauses or any of them shall for the time being be deemed to be the days times and hours of departure and arrival of mails and other services under this Agreement and shall be observed and kept by the Company accordingly.

21. The Company shall receive and allow to remain on board of each of the said vessels while employed in the performance of this Agreement between Suez and Bombay and also while remaining at Suez and whether such vessel shall be with or without mails on board an officer of the Indian Post Office to take charge of and sort the said mails And the Company shall receive and allow to remain on board each of the said vessels while employed in the performance of this Agreement between Singapore and Hong Kong an officer of the Hong Kong Post Office to take charge of and sort the Hong Kong mails.

22. A suitable first class cabin with appropriate bed bedding and furniture shall at the cost of the Company be provided and appropriated by them for the exclusive use and accommodation of every such officer and every of the said officers shall be victualled by the Company as a chief cabin passenger without any charge either for his passage or victualling.

23. The Company shall also receive and allow to remain on board each of the said vessels while employed in the performance of this Agreement to the east of Suez and also while remaining at Suez or at any port or place east of Suez and whether such vessels shall be with or without mails on board in addition to the officer in charge of the mails such a number of officers in the service of the Post Office as shall be reasonably required for the purpose of sorting and making up the mails conveyed or to be conveyed by such vessel and shall without any charge provide suitable accommodation and victualling for such additional officers either as chief cabin passengers or as fore cabin passengers at the option of the said Postmaster General.

24. The Company shall at their own cost provide on each of the vessels to be employed under this Agreement a separate and convenient room for the convenient and secure deposit of the mails under lock and key and shall also at the like cost if and

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when they shall be required so to do by the Postmaster General erect and provide on each of the vessels to be employed under this Agreement between Suez and Bombay a separate and convenient room on the uppermost deck and on each of the vessels to be employed under this Agreement between Singapore and Hong Kong a separate and convenient room for sorting and making up the mails and shall provide in every such room all such furniture lamps fittings and other conveniences as shall be necessary or convenient for the purpose of sorting and making up mails and all such furniture lamps fittings and other conveniences shall be from time to time cleansed and kept in repair and the oil for the lamps supplied by the servants and at the cost of the Company and the services of the crew of every such vessel shall from time to time be given in the conveyance of the mails between the mail room and the sorting room.

25. At each port or place where mails are to be delivered and embarked the officer having charge of mails shall whenever and as often as by him shall be deemed necessary for the public service be conveyed on shore and also from the shore to the vessel employed for the time being in the performance of this Agreement together with or (if such officer shall consider it necessary for the purposes of this Agreement so to do) without mails in a suitable and seaworthy boat of not less than four oars to be furnished with effectual covering for the mails and properly provided manned and equipped by the Company.

26. The master or commander of each of the said vessels employed in the performance of this Agreement shall whenever required by the Postmaster General or his agents without any remuneration other than the subsidy herein provided to be paid to the Company take due care of and the Company shall be responsible for the embarkation and delivery of the mails.

27. Each of such masters or commanders shall make the usual declaration or declarations required or which may hereafter be required by the Postmaster General in such and similar cases and furnish such journals returns and information to and perform such services as the Postmaster General or his agents may require and every such master or commander or officer duly authorised by him having the charge of mails shall himself immediately on the arrival at any of the said ports or places of any such vessel deliver all mails for such port or place into the hands of the Postmaster or other person at such port or place whom the Postmaster General shall authorise to receive the same receiving in like manner all the return or other mails to be forwarded in due course.

28. The Company shall not nor shall any of the masters or commanders of any of the vessels employed or to be employed under this Agreement receive or permit to be received on board any of the vessels employed under this Agreement any letters for conveyance other than those contained in Her Majesty's mails and such letters as are not required by law to pass through the Post Office nor shall the Company or any such master or commander receive or permit to be received on board any of such vessels any mails for conveyance on behalf of any colony or foreign country without the consent of the Postmaster General.

29. The Company and all commanding and other officers of the vessels employed in the performance of this Agreement and all agents seamen and servants of the Company shall at all times punctually attend to the orders and directions of the Postmaster General his officers or agents as to the mode time and place of landing delivering and embarking mails.

30. The Company shall and will when and so often as they or the Masters or Commanders of their vessels shall be required in writing so to do by the Postmaster General or by any officers or agents acting under his authority (such writing to specify the rank or description of the person or persons to be conveyed and the accommodation to be provided for him or them) receive provide for victual and convey to from and between any of the ports or places to from and between which any of the said vessels are to proceed in the performance of this Agreement in addition to any officers of the Post Office employed in connection with the mails conveyed or to be conveyed under this Agreement any number of naval military or civil officers in the service of Her Majesty not exceeding eight in any one ship with or without their wives and children as chief cabin or first class cabin passengers and any number of non-commissioned and warrant officers not exceeding four in any one ship with or without their wives and children as fore cabin or second class passengers together with servants of both chief and fore cabin passengers and any number of seamen marines soldiers or artificers in Her Majesty's service not exceeding 10 in any one ship with or without their wives and children as deck or third class passengers to be always provided with effectual protection from rain sun and bad weather and not exposed on deck without such competent shelter and to have hammocks or bunks (subject to the approval of the Lords Commissioners of the Admiralty) placed between decks.

31. The passengers who shall be conveyed in pursuance of the last preceding clause (who are hereinafter designated Government passengers) with their families shall be treated in no respect whether as regards food cabin or other accommodation or aught else in a way inferior to that of ordinary passengers of the same class or that re-

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quired by the Regulations of Her Majesty's Transport Service. The messing of the first and second-class Government passengers shall include in each day an imperial pint of good sound bottled or draught ale or beer and that of the first-class in addition an imperial pint of good foreign wine. The several classes of passengers shall mess in separate places and medical attendance medicine and medical comforts mess utensils and fittings cooking utensils articles for table use and mess places fuel lights requisite articles of bedding and all other necessaries shall be provided for them in like manner as for ordinary passengers of the like classes respectively.

32. The passage-money for Government passengers and their families respectively shall be the same as that charged by the Company for ordinary passengers for the same class and shall include all the particulars mentioned in the last preceding clause and whenever any alteration of rates for ordinary passengers may be made the Postmaster General and the Lords Commissioners of the Admiralty shall be immediately appraised of such alteration.

33. Returns of the embarkation and disembarkation of all Government passengers shall be furnished to the Director of Transport Services immediately after the departure and arrival of each vessel.

34. Payments for passage-money for Government passengers shall be applied for by invoices according to a form to be obtained from the office of the Director of Transport Services and shall be made upon the production to such Director of the orders for the passage together with a certificate under the hand of the Commanding Officer specifying the number of the third-class passengers (men women and children) conveyed with the ages and sexes of the latter and stating the periods during which they have been respectively regularly supplied while on board with provisions and also of a certificate under the hand of each first and second class passenger of his or her having been landed at the place of destination and of having been properly accommodated and messed during the voyage and specifying the dates from and to which they were so messed computed from the first to the last dinner meal.

35. The Company shall convey for every Government passenger free of charge the quantity of baggage (whether such quantity shall be estimated or ascertained by bulk or weight) to which he is entitled under the Regulations of Her Majesty's Transport Service for the time being in force and freight shall be payable for any extra baggage of a Government passenger after the same rate as the freight payable according to the Regulations of the Company for the time being for extra baggage of an ordinary passenger of the same class.

36. The passage-money for the wives and families of commissioned and civil officers when not ordered to be conveyed at the public expense shall be paid to the Company by the officers themselves.

37. In all cases where an officer in the civil naval or military service of Her Majesty who may not be entitled to a passage at the public expense shall require a passage on board any of the vessels employed in the performance of this Agreement the Company shall be bound to provide a passage for such officer in preference to any private passenger and shall charge no higher rate for such passage than is chargeable for an ordinary passenger.

38. The Company shall receive on board each of the vessels employed in the performance of this Agreement and shall convey on behalf of the Lords Commissioners of the Admiralty any small packages which may be ordered for conveyance and also (on receiving from the Postmaster General or his officers or agents or from the British naval officers in command of any naval station two days previous notice) shall receive on board any naval or other stores not exceeding 10 tons weight or 15 tons of 40 cubic feet each in measurement at any one time in any one vessel and shall convey and deliver such small packages and stores at the lowest rate of freight charged by the Company for private goods of a similar character or description and the Company shall give immediate notice to the Postmaster General and the Lords Commissioners of the Admiralty of any alteration in such rate of freight and shall in all cases be responsible for the custody and safe and speedy delivery of such packages and stores.

39. It shall be lawful for the Postmaster General at any time and from time to time to delegate any of the powers vested in him by virtue of these presents to such person or persons as he shall think fit.

40. The Company shall not convey in any vessel employed by them in pursuance of this Agreement any nitro glycerine or any other article which shall have been legally declared specially dangerous.

41. The Company shall undertake for themselves all arrangements relative to quarantine.

GOVERNMENT POWER TO PURCHASE.

42. The Lord Commissioner of the Admiralty shall at any time during the continuance of this Agreement if they shall consider it necessary for the public interest so to do have power and be at liberty to purchase all or any of the vessels for the time being employed or intended to be employed under this Agreement at a valuation or

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to charter the same exclusively for Her Majesty's service at a rate of hire to be mutually fixed and agreed on by them and the Company or in case of difference be determined by arbitration and every or any difference as to the amount of valuation or rate of hire so to be paid shall be determined by arbitration in manner hereinafter provided And the said Commissioners in the case of hiring any such vessel shall return the same to the Company in the same state and condition as the same was in at the time of any such hiring reasonable wear and tear excepted And if any difference should arise upon that point the same shall be determined by arbitration in manner hereinafter provided And it is further agreed that in the case of such purchase or hire the services hereby contracted to be performed shall be performed by other vessels of the Company of a similar description to the vessel or vessels purchased or hired if they can in due and proper time furnish them And in the event of the Company being allowed by the Postmaster General to continue to perform only a portion of such services there shall be paid to the Company such annual sum of money as shall be agreed upon by the Postmaster General and the Company and in case of their differing as to the amount the difference shall be determined by arbitration in manner hereinafter provided.

THE RATE OF SUBSIDY.

43. In consideration of the due and faithful performance by the Company of the services hereby agreed to be performed by them there shall be payable to the Company during the continuance of this Agreement (out of such aids or supplies as may from time to time be appropriated by Parliament for that purpose) a yearly subsidy or sum after the rate of 370,000*l.* per annum or (in the event of any such default or failure as hereinafter mentioned) so much of the said subsidy or sum as shall remain payable in respect of any year after making such deductions therefrom (if any) as hereinafter in that behalf mentioned in respect of any such default or failure.

44. If at any time the Company shall fail to provide an efficient vessel at Brindisi Bombay or Shanghai ready to put to sea on and at the appointed day and hour then and so often as the same shall happen there shall be deducted from the subsidy which would in the absence of such default be payable to the Company for the current year the sum of 500*l.* and also the further sum of 100*l.* for every successive 24 hours which shall elapse until such vessel actually proceeds to sea on her voyage in pursuance of this Agreement Provided always that the total amount of the sums deducted as last aforesaid shall not in the aggregate exceed the part of the said subsidy of 370,000*l.* for the current year which shall be applicable to the voyage reckoned from the first port of departure to the last port of arrival in respect of which default shall have been made by a sum greater than the sum of 1,000*l.*

45. If at any time or times Her Majesty's mails shall not be conveyed from Brindisi to Bombay or from Brindisi to Shanghai within the respective periods of transit hereinbefore stipulated in that behalf then and so often as the same shall happen there shall be deducted from the subsidy which but for this provision would be payable to the Company for the current year a sum of 100*l.* for every complete period of 12 hours by which the time actually occupied in the conveyance of such mails from Brindisi to Bombay or from Brindisi to Shanghai as the case may be (reckoned from the commencement of the voyage from Brindisi to Alexandria to the completion of the voyage from Suez to Bombay and Shanghai as the case may be) shall have exceeded the period of transit hereinbefore stipulated in that behalf.

46. If at any time or times Her Majesty's mails shall not be conveyed from Bombay to Brindisi or from Shanghai to Brindisi within the respective periods of transit hereinbefore stipulated in that behalf then and so often as the same shall happen there shall be deducted from the subsidy which but for this provision would be payable to the Company for the current year a sum of 200*l.* for every complete period of 12 hours by which the time actually occupied in the conveyance of such mails from Bombay to Brindisi or from Shanghai to Brindisi as the case may be (reckoned from the commencement of the voyage from Bombay to Suez or from Shanghai to Suez as the case may be to the completion of the voyage from Alexandria to Brindisi) shall have exceeded the period of transit hereinbefore stipulated in that behalf Provided always that in the event of the late arrival of a vessel at Brindisi having on board mails conveyed from both Bombay and Shanghai one deduction only at the rate aforesaid shall be made under this clause although the times atcually occupied in the conveyance of such mails both from Bombay to Brindisi and from Shanghai to Brindisi may have been in excess of the respective periods of transit hereinbefore stipulated in that behalf and such deduction shall be calculated on the longer of such periods of excess.

47. Provided always that the total amount of the sums deducted in respect of any such default or failure as hereinbefore mentioned in the delivery of mails shall not exceed the part of the said subsidy of 370,000*l.* for the current year which shall be applicable to the voyages both east and west of Egypt which have or ought to have been performed in the conveyance of such mails.

48. Each of the deductions hereinbefore mentioned shall be made and the yearly

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subsidy of 370,000*l.* be reduced accordingly from whatever cause the default or failure in respect of which the same are made shall have arisen and although such default or failure shall have arisen wholly or in part from any cause or causes altogether beyond the control of the Company and although no damage or loss shall have been sustained by reason or in connection with such default and no such deduction shall in any case be waived or the payment thereof remitted by the Postmaster General or be deemed to be a penalty or in the nature of a penalty and the payment by the Postmaster General of what shall from time to time remain due in respect of the said subsidy of 370,000*l.* after making any such deduction as aforesaid shall in no case prejudice the right of the Postmaster General to treat the failure of the Company to provide an appropriate vessel at any appointed place or time or to perform any service at or within the appointed period as a breach of this Agreement.

49. All accounts in relation to the said subsidy and the deductions therefrom shall be made out and settled up to and on or as soon as conveniently may be after the 31st day of March the 30th day of June the 30th day of September and the 31st day of December in each year and the amount or balance if any which shall be justly due to the Company on each such quarterly account shall be paid by the Postmaster General out of such aids or supplies as aforesaid upon the settlement thereof and for the purposes of such accounts the said yearly subsidy of 370,000*l.* shall be deemed to accrue from day to day subject to the liability of the same to be reduced by such deductions as aforesaid.

50. The Postmaster General may at any time before the 1st day of February 1880 elect by notice in writing under the hand of one of the Secretaries or Assistant Secretaries of the Post Office to pay during the continuance of this Agreement a yearly subsidy after the rate of 360,000*l.* per annum only instead of the subsidy of 370,000*l.* hereinbefore mentioned or so much of such reduced subsidy as shall remain payable in respect of any year after maki g such deductions therefrom (if any) as hereinbefore in that behalf mentioned in respect of any such default or failure as aforesaid Provided always And it is hereby declared that in the event of the Postmaster General making such election as aforesaid no deduction shall be made from the said reduced subsidy by reason of any such default or failure as in Articles 45 46 and 47 respectively mentioned which is proved to the satisfaction of the Postmaster General to have arisen wholly or in part from any cause or causes altogether beyond the control of the Company.

51. This Agreement shall commence on or as from the 1st day of February 1880 and shall continue in force until the 31st day of January 1888 and shall then determine if the Postmaster General shall by writing under his hand or under the hand of one of the Secretaries or Assistant Secretaries for the time being of the Post Office have given to the Company or if the Company shall have given to the Postmaster General twenty four calendar months' notice that the Agreement shall so determine but if neither the Postmaster General nor the Company shall give any such notice this Agreement shall continue in force even after the said 31st day of January 1888 until the expiration of a twenty-four calendar months' notice in writing as aforesaid which may be given by either of the parties hereto to the other of them and which last-mentioned notice may be given on or at any time after the 31st day of January 1886.

52. If the Company shall fail to commence the performance of the services hereby agreed to be performed on the 1st day of February 1880 or on the first day thereafter which the Postmaster General shall fix as the day for the commencement of the performance of such services the Company shall pay to Her Majesty Her heirs or successors as stipulated or ascertained damages in respect of such default the sum of 100*l.* and also the further sum of 100*l.* for every successive period of 24 hours which shall elapse before the Company shall commence the performance of such services Provided always that the total amount which shall become payable by the Company in respect of such default as aforesaid shall not in the aggregate exceed the sum of 40,000*l.* Provided also that the payment by the Company of the aforesaid sums by way of stipulated or ascertained damages in respect of any default in the commencement of the performance of the said services shall not prejudice the right of the Postmaster General to insist on any deduction from the said subsidy of 370,000*l.* or 360,000*l.* as the case may be to which he may be entitled in respect of the same default under the provisions hereinbefore contained.

53. If on the determination of this Agreement any vessel or vessels shall have started or shall start on any voyage or voyages with the mails on board in conformity with this Agreement such voyage or voyages shall be continued and performed and the mails be delivered and embarked during and at the termination of the same as if this Agreement had remained in force with regard to any such vessels and services. And with respect to such vessels and services as last aforesaid respectively this Agreement shall be considered as having terminated when such respective vessels shall have reached their port or place of destination and such respective services shall have been performed but the Company shall not be entitled to receive any payment or compensation for the same.

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54. All notices or directions which the Postmaster General his officers agents or others are hereby authorized to give to the Company their officers servants or agents other than any notice of termination of this Agreement may at the option of the Postmaster General his officers agents or others either be delivered to the master of any of the said vessels or any other officer or agent of the Company in the charge or management of any vessel employed in the performance of this Agreement or left for the Company at their office or house of business in London or any other place and any notices or directions so given or left shall be binding on the Company Provided always that any notice of termination of this Agreement shall be served on the Company their officers servants or agents at their office or last known office in London.

55. The Company shall not assign underlet or dispose of this Agreement or any part thereof without the consent of the Postmaster General signified in writing under his hand or under the hand of one of the Secretaries or Assistant Secretaries of the Post Office and in case of the same or any part thereof being assigned underlet or otherwise disposed of or of any great or habitual breach of this Agreement or any covenant matter or thing herein contained on the part of the Company their officers agents or servants it shall be lawful for the Postmaster General if he shall think fit and notwithstanding there may or may not have been any former breach of this Agreement by writing under his hand or under the hand of one of the Secretaries or Assistant Secretaries of the Post Office to determine this Agreement without any previous notice to the Company or their agents nor shall the Company be entitled to any compensation in respect of such determination and such determination shall not deprive the Postmaster General of any right or remedy to which he would otherwise be entitled by reason of such breach or any prior breach of this Agreement and in case any difference shall arise between the parties hereto as to the sufficiency of any such breach as aforesaid to justify the Postmaster General in determining this Agreement such difference shall be referred to and determined by arbitration in manner hereafter provided Provided always that in case within seven days after service on the Company of a notice determining this agreement on the ground of any great or habitual breach or breaches thereof the Company give a notice in writing to the Postmaster General (by delivering the same or sending the same by post to one of the Secretaries of the Post Office) that they dispute the sufficiency of such breach or breaches to justify the Postmaster General in determining this Agreement such dispute shall be referred to arbitration in manner hereinafter provided and in such case this Agreement shall notwithstanding such notice of determination continue in force unless and until an award shall be made to the effect that such breach or breaches was or were sufficient to justify the Postmaster General in giving such notice of determination as aforesaid.

56. All matters which in pursuance of the provisions hereinbefore contained are to be determined by arbitration shall be referred to two arbitrators or their umpire pursuant to and so as with regard to the mode and consequences of the reference and in all other respects to conform to the provisions in that behalf contained in the Common Law Procedure Act 1854 or any then subsisting statutory modification thereof and upon every or any such reference the arbitrators and umpire shall respectively have power to examine the parties and witnesses upon oath or affirmation and every or any such reference may be made a rule or order of any division of Her Majesty's High Court of Justice on the application of either party and such party may instruct counsel to consent thereto for the other party.

57. In pursuance of the provisions contained in an Act of Parliament passed in the 22nd year of the reign of King George the Third intituled "An Act for restraining any "person concerned in any Contract Commission or Agreement made for the public "service from being elected or sitting and voting as a Member of the House of Com-"mons" no Member of the House of Commons shall be admitted to any share or part of this Agreement or to any benefit to arise therefrom contrary to the true intent and meaning of the said Act.

58. This Agreement shall not be binding until it has been approved by a resolution of the House of Commons.

59. And lastly for the due and faithful performance of all and singular the covenants conditions provisos clauses articles and agreements hereinbefore contained which on the part and behalf of the Company are or ought to be observed performed fulfilled and kept the Company do hereby bind themselves and their successors unto our Sovereign Lady the Queen in the sum of 40,000*l.* of lawful money of the United Kingdom to be paid to our said Lady the Queen Her heirs and successors by way of stipulated or ascertained damages hereby agreed upon between the Postmaster General and the Company in case of the failure on the part of the Company in the due execution of this Agreement or any part thereof.

In witness whereof the said John James Robert Manners commonly called Lord John Manners Her Majesty's Postmaster General hath hereunto set his hand and seal and the Peninsular and Oriental Steam Navigation Company have caused their common seal to be hereunto affixed the day and year first above written.

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THE SCHEDULE ABOVE REFERRED TO.

ROUTE NO. 1.—*Once a week.*

From Brindisi to Alexandria and back from Alexandria to Brindisi.

ROUTE NO. 2.—*Once a week.*

From Suez to Bombay calling at Aden and back from Bombay to Suez calling at Aden.

ROUTE NO. 3.—*Once in every two weeks.*

From Suez to Shanghai calling at Aden Point de Galle (or at the option of the Postmaster General to be exercised at any time and from time to time at Colombo in lieu of Point de Galle) and calling also at Penang Singapore and Hong Kong and back from Shanghai to Suez calling at Hong Kong Singapore Penang Point de Galle (or at the option of the Postmaster General to be exercised at any time and from time to time at Colombo in lieu of Point de Galle) and Aden.

JOHN MANNERS. [L. S.]

Signed sealed and delivered by the said John James Robert Manners (commonly called Lord John Manners) Her Majesty's Postmaster General in the presence of—
HENRY J. L. GRAHAM
8 *Princes Gate S. W. Barrister-at-Law.*

The Common Seal of the Peninsular and Oriental Steam Navigation Company was hereunto affixed in the presence of—

{ THE SEAL OF THE PENINSULAR AND ORIENTAL STEAM NAVIGATION COMPANY. }

EDWARD THORNTON
THOS SUTHERLAND
J. R. ENGLEDUE
H. BAYLEY
*Directors.*

A. M. BETHUNE, *Secretary.*

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## MAIL CONTRACTS (INDIA, CHINA, AND JAPAN).

Guarantees a dividend of 8 per cent.

Subsidy, $2,500,000 per annum.

If the subsidy of $2,250,000 is not sufficient to pay a dividend of 8 per cent. a further allowance is made to the company.

Contract commenced first day of April 1869 and continued in force until first day of April 1880.

*RETURN to an Order of the Honourable The House of Commons, dated 8 August 1870; for copy "of New Contract with the Peninsular and Oriental Steam Navigation Company for the Conveyance of Mails between this Country and India, China, and Japan; together with Copy of Report from the Postmaster General relative thereto."*

EAST INDIA, CHINA, AND JAPAN MAILS.

ARTICLES OF AGREEMENT made this 6th day of August 1870 between the Right Honorable Spencer Compton Cavendish commonly called Marquis of Hartington Her Majesty's Postmaster General for the time being of the one part and the Peninsular and Oriental Steam Navigation Company of the other part Witness that the Company for themselves their successors and assigns hereby covenant with the Postmaster General his executors administrators successors and assigns Her Majesty's Postmasters General for the time being in manner following (that is to say):—

1. For all the purposes of these presents the term "mails" shall be understood to comprehend all boxes bags or packets of letters newspapers books or printed papers and all other articles which under the existing regulations of the Post Office are transmissible by the post without regard either to the place to which they may be addressed or to that in which they may have originated and all empty bags empty boxes and other stores and articles used or to be used in carrying on the Post Office service which shall be sent by or to or from the Post Office.

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2. If at any time the Postmaster General shall desire to modify the existing regulations as to articles transmissible by the post either by prohibiting the transmission by the post of the articles which are now transmissible thereby or by authorising the transmission by the post of articles which are not now transmissible thereby he shall be at liberty so to do on giving reasonable notice to the Company and in case the effect of such modification shall be to diminish the burden of the services hereinafter agreed to be performed a deduction shall be made from the annual subsidy hereinafter stipulated to be paid to the Company and in case the effect of such modification shall be to increase the burden of the services hereinafter agreed to be performed an addition shall be made to such subsidy and the amount of such deduction or addition as the case may be shall be settled by agreement between the Postmaster General and the Company or failing agreement by arbitration in manner hereinafter provided.

3. The Company will at all times during the continuance of this agreement or so long as the whole or any part of the services hereby agreed to be performed ought to be performed in pursuance thereof provide keep seaworthy and in complete repair and readiness for the purpose of conveying as hereinafter provided all Her Majesty's mails which shall at any time and from time to time by the Postmaster General or any of his officers or agents be required to be conveyed as hereinafter provided on all the routes specified in the first Schedule hereunder written a sufficient number of good substantial and efficient steam vessels of adequate power and speed and supplied with first rate appropriate steam engines and in all respects suited to the performance herein agreed to be performed within the respective times herein stipulated.

4. The vessels to be provided under this Agreement shall be always furnished with all necessary and proper tackle stores oil tallow fuel provisions machinery engines anchors cables boats fire pumps and all other proper and requisite means for extinguishing fire lightning conductors charts chronometers proper nautical instruments and all other furniture and apparel and whatsoever else may be requisite and necessary for equipping the said vessels and rendering them constantly efficient for the said services and manned with competent officers with appropriate certificates granted pursuant to the Act 17 & 18 Victoria cap. 104, or to the Act or Acts in force for the time being relative to the granting certificates to officers in the Merchant Service and also with competent engineers and a sufficient crew of able seamen and other men and with a competent surgeon to be subject to the approval of the Postmaster General.

5. The Company shall land and embark the mails at Bombay by means of a small steam vessel and accordingly the Company shall in addition to the vessels hereinbefore mentioned provide a small steamer which shall be kept at Bombay in complete repair and ready for landing and embarking the mails.

6. If Her Majesty's Postmaster General shall consider any of the Company's vessels unfit for the conveyance of mails he may by writing under his hand or under the hand of the Secretary or one of the Assistant Secretaries of the Post Office require the said Company to show cause why such vessel should not be withdrawn from the service and unless within six weeks after such requisition the said Company shall show cause to the contrary to the satisfaction of the said Postmaster General he may at any time after the expiration of said period of six weeks by writing under his hand or under the hand of the Secretary or one of the Assistant Secretaries of the Post Office declare such vessel to be unfit for the conveyance of mails and after such declaration shall have been made it shall not be lawful for the said Company to employ such vessel in the performance of this Contract And in order to determine whether the said Postmaster General shall be justified in declaring any vessel unfit for the conveyance of mails or whether the said Company shall be able to show cause to the contrary a special examination shall be made of the hull and machinery of any such vessel by such person or persons as may be selected for that purpose by the Postmaster General.

7. The equipments officers engineers and crew of each vessel when such vessel is in any British port shall be subject at all times to the inspection of the said Postmaster General or of such other person or persons as he shall at any time or times authorise to make such inspection.

8. The Company shall convey the said mails at a speed which on the average of each voyage of each vessel shall not be less than 10 knots per hour on the routes west of Alexandria and not less than nine and-a-half knots per hour on routes east of Suez.

9. One of such vessels shall on such days of the week and at such hours as the Postmaster General shall appoint and immediately after the mails are embarked put to sea from touch and arrive at the several ports or places respectively mentioned in the said first Schedule hereunder written and all such vessels shall convey the said mails as mentioned in such Schedule and all the stipulations matters and things therein contained shall form part of this Agreement and be observed and performed by the

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Company accordingly And the Company shall convey in such vessels to and from and caused to be delivered and received at such of the ports or places mentioned in the said first Schedule from or at which the said vessels are to start touch and arrive in the performance of this Agreement all such mails as shall or may be tendered or delivered to or received by the Company or any of their agents officers or servants by or from the Postmaster General or any of his officers or agents.

10. Should it be deemed by the Postmaster General his officers or agents requisite for the public service that any vessel to be employed under this Agreement should at any time or times delay her departure from any port from which the mails are to be conveyed under this Agreement beyond the period appointed for her departure therefrom the Postmaster General his officers and agents shall have power to order such delay (not however exceeding 24 hours) by letter addressed by him or them to the master of any such vessel or person acting as such and which shall be deemed a sufficient authority for such detention.

11. If at any time the Company shall desire to modify the services hereby agreed to be performed by substituting Liverpool for Southampton as one of the ports to and from which mails are to be conveyed under this Agreement they shall be at liberty so to do on giving three calendar months' notice in writing of such their desire and in such case and from and after the time named for that purpose in such notice the services specified under the head route No. 1 in the first Schedule hereunder written shall no longer be performed and in lieu of such services there shall be substituted the services specified in the second Schedule hereunder written and except as herein otherwise expressly provided all the provisions of this Agreement shall thereafter apply to the last-mentioned services in the same manner in all respects as if the services specified in route No. 1 of the said first Schedule had been omitted therefrom and the services specified in the said second Schedule had been inserted in the place thereof Provided always that the amount of the consideration or subsidy to be paid to the Company as hereinafter provided shall not be increased or diminished by reason of the substitution aforesaid.

12. If at any time the Postmaster General shall desire to modify the services hereby agreed to be performed by substituting Brindisi for Marseilles as one of the ports to and from which mails are to be conveyed under this Agreement he shall be at liberty so to do on giving three calendar months' notice in writing of such his desire and in such case and from and after the time named for that purpose in such notice the services specified under the head route No. 2 in the first Schedule hereunder written shall no longer be performed and in lieu of such services there shall be substituted the services specified in the third Schedule hereunder written and except as herein otherwise expressly provided all the provisions of this Agreement shall thereafter apply to the last-mentioned services in the same manner in all respects as if the services specified in route No. 2 of the said first Schedule had been omitted therefrom and the services specified in the said third Schedule had been inserted in the place thereof Provided always that the Company shall not by virtue of any such notice as aforesaid be bound to substitute the services between Brindisi and Alexandria for the services between Marseilles and Alexandria as hereinbefore provided until the Mont Cenis Tunnel is completed and the railway through such tunnel is available for the conveyance of Her Majesty's mails Provided also that the amount of the consideration or subsidy to be paid to the Company as hereinafter provided shall not be increased or diminished by reason of the substitution aforesaid Provided also that after such substitution as aforesaid the Company shall convey the said mails between Brindisi and Alexandria in each direction at a speed which on the average of each voyage of each vessel shall be not less than 11 knots per hour.

13. If at any time or times the Postmaster General shall desire to alter the particular days times or hours of departure from and arrival at any of the ports or places to or from which Her Majesty's mails are for the time being to be conveyed under this Agreement he shall be at liberty so to do on giving three calendar months' notice in writing of such his desire to the Company provided such alterations do not necessitate an increase of speed.

14. If at any time or times the Postmaster General shall desire otherwise to modify the services hereby agreed to be performed (as for example to increase or decrease the frequency of the conveyance of mails between any of the ports or places to or from which such mails are to be conveyed under this Agreement or to extend the conveyance of such mails to any other ports or places not specified in this Agreement or to discontinue the conveyance of such mails to or from any port or place specified in this Agreement) he shall be at liberty so to do on giving reasonable notice to the Company and on paying to them for such increased or extended services such further consideration and in the event of the services hereby agreed to be performed being reduced on his paying to them such reduced consideration as may in either of such cases be mutually agreed upon between the Company and the Postmaster General or failing such mutual agreement by arbitration in the manner hereinafter provided.

15. The particular days times and hours of departure from and arrival at any of

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such ports or places or other services (if any) which may be appointed by any alteration under the two preceding clauses or either of them shall for the time being be deemed to be the days times and hours of departure and arrival of mails and other services under this Agreement and shall be observed and kept by the Company accordingly.

16. If on any voyage in either direction between Brindisi and Alexandria the Company shall fail to deliver Her Majesty's mails at the port of destination (whether the same be Brindisi or Alexandria) for 12 hours or more after the time at which the same ought to be delivered according to the provisions of this Contract which shall for the time being be in force then and in every such case the Company shall forfeit and pay to Her Majesty Her heirs and successors the sum of 50*l.* for every complete period of 12 hours during which the delivery of such mails shall be delayed beyond the time at which the same ought to be delivered as aforesaid Provided always that the payment of any such penalty as aforesaid shall not be enforced against the Company if it be shown by them to the satisfaction of the Postmaster General that the delay has arisen from causes over which they the Company had not and could not have had any control.

17. If in any case not hereinbefore provided for the Company shall fail to deliver Her Majesty's mails at any port at which the same ought to be delivered in pursuance of this Contract for 24 hours or more after the time at which the same ought to be delivered according to the provisions of this Contract which shall for the time being be in force then and in every such case the Company shall forfeit and pay to Her Majesty Her heirs and successors the sum of 50*l.* for every complete period of 24 hours during which the delivery of such mails shall be delayed beyond the time at which the same ought to be delivered as aforesaid Provided always that the payment of any such penalty as aforesaid shall not be enforced against the Company if it be shown by them to the satisfaction of the Postmaster General that the delay has arisen from causes over which they the Company had not and could not have had any control.

18. If the Company shall deliver Her Majesty's mails at any port at which the same ought to be delivered in pursuance of this Contract 24 hours or more before the time at which the Company is bound to deliver the same according to the provisions of this Contract which shall for the time being be in force then and in every such case Her Majesty's Postmaster General shall pay to the Company a premium of 25*l.* for every complete period of 24 hours by which the delivery of such mails shall have been accelerated as aforesaid.

19. Provided always and it is hereby declared that any extra time to be allowed during the seasons of the south-west and north-east monsoons shall be taken into account in all questions relating to penalties but shall not be taken into account in any question relating to premiums.

20. If the Company fail to provide an efficient vessel at any of the several ports or places at which such vessel ought to be provided in accordance with the terms of this Agreement ready to put to sea on and at the appointed day and hour then and so often as the same shall happen the Company shall forfeit and pay unto Her Majesty Her heirs and successors the sum of 500*l.* and also the further sum of 100*l.* for every successive 24 hours which shall elapse until such vessel actually proceeds to sea on her voyage in pursuance of this Agreement provided always that the total amount of the penalties last aforesaid shall not in the aggregate exceed the part of the subsidy of 450,000*l.* hereinafter made payable to the Company which shall be applicable to the voyage in respect of which default shall have been made by a sum greater than the sum of 1,000*l.*

21. The Company shall whenever required by the Postmaster General so to do receive and allow to remain on board of each of the said vessels while employed in the performance of this Agreement on any route east of Suez and also while remaining at Suez or any port or place east of Suez and whether such vessel shall be with or without mails on board an Officer in her Majesty's Navy to be appointed by the Postmaster General to take charge of the said mails and also a servant of such officer (if required) and every such officer shall be recognised and considered by the Company their officers agents and seamen as the agent of the Postmaster General in charge of mails and as having full authority in all cases to require a due and strict performance of this Agreement on the part of the Company their officers servants and agents and to determine (so far as relates to the levying of penalties) every question whenever arising relative to proceeding to sea or putting into harbour or the necessity of stopping to assist any vessel in distress or to save human life and the decision of such officer as aforesaid shall in every such case be final and binding on the Company unless the Postmaster General on appeal by the Company thinks proper to decide otherwise provided however that the words "to determine every question" shall not confer upon such officer the power of control over the commander of the vessel conveying the said mails.

22. If the Postmaster General at any time or times thinks fit so to do he shall be at

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liberty to substitute for such naval officer a civil officer in the service of the Post Office to have charge of the said mails and thereupon and in every case in which a civil officer shall be appointed to be in charge of mails such last-mentioned officer shall be received and be allowed to remain on board each of the said vessels as hereinbefore provided with respect to any such naval officer but when any civil officer in the service of the Post Office shall be in charge of the said mails his duties shall be confined to the Post Office business.

23. A suitable first-class cabin with appropriate bed bedding and furniture shall at the cost of the Company be provided and appropriated by them for the exclusive use and accommodation of every such naval or civil officer and every of the said officers shall be victualled by the Company as a chief cabin passenger without any charge either for his passage or victualling.

24. The Company shall also receive and allow to remain on board of the said vessels while employed in the performance of this Agreement on any route east of Suez and also while remaining at Suez or any port or place east of Suez and whether such vessels shall be with or without mails on board in addition to the officer in charge of the mails such a number of officers in the service of the Post Office as shall be reasonably required for the purpose of sorting and making up the mails conveyed or to be conveyed by such vessel and shall provide suitable accommodation and victualling for such additional officers either as chief cabin passengers or as fore cabin passengers at the option of the said Postmaster General.

25. The Company shall at their own cost provide on each of the vessels to be employed under this Agreement a separate and convenient room for the convenient and secure deposit of the mails under lock and key and shall also at the like cost (if and when they shall be required so to do by the said Postmaster General) erect and provide on each of such vessels employed under this Agreement on any route east of Suez a separate and convenient room for sorting and making up the said mails and shall provide in such room all such furniture lamps fittings and other conveniences as shall be necessary or convenient for the purpose of sorting and making up the said mails and all such furniture lamps fittings and other conveniences shall be from time to time cleansed and kept in repair and the oil for the lamps supplied by the servants and at the cost of the Company and the services of the crew of every such vessel shall from time to time be given in the conveyance of the mails between the mail room and the sorting room.

26. At each port or place where the said mails are to be delivered and received the officer having charge of mails shall whenever and as often as by him shall be deemed necessary for the public service and either with or without his assistant or servant be conveyed on shore and also from the shore to the vessel employed for the time being in the performance of this Agreement together with or (if such officer shall consider it necessary for the purposes of this Agreement so to do) without mails in a suitable and seaworthy boat of not less than four oars to be furnished with effectual covering for the mails and properly provided manned and equipped by the Company.

27. The master or commander of each of the said vessels employed in the performance of this Agreement on any route west of Suez and in all cases where the officer or other person appointed to have charge of the mails shall be absent the master or commander of each of the said vessels employed in the performance of this Agreement on any route east of Suez shall without any remuneration (other than the sum herein provided to be paid to the Company) take due care of and the Company shall be responsible for the receipt and delivery of the said mails and each of such masters or commanders shall make the usual declaration or declarations required or which may hereafter be required by the Postmaster General in such and similar cases and furnish such journals returns and information to and perform such services as the Postmaster General or his agents may require and every such master or commander or officer duly authorised by him having the charge of mails shall himself immediately on the arrival at any of the said ports or places of any such vessels deliver all mails for such port or place into the hands of the Postmaster or other person at such port or place whom the Postmaster General shall authorise to receive the same receiving in like manner all the return or other mails to be forwarded in due course.

28. The Company shall not nor shall any of the masters of any of the vessels employed or to be employed under this Agreement receive or permit to be received on board any of the vessels employed under this Agreement any letters for conveyance other than those duly in charge of the said naval officer or other person authorised to have charge of the said mails or which are or may be privileged by law nor any mails for conveyance on behalf of any colony or foreign country without the consent of the Postmaster General and in case of any such default respectively the Company shall be liable to be proceeded against for breach of this Agreement.

29. The Company and all commanding and other officers of the vessels employed in the performance of this Agreement and all agents seamen and servants of the Company shall at all times punctually attend to the orders and directions of the Postmaster General his officers or agents as to the mode time and place of landing delivering and receiving mails.

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30. The Company shall and will when and as often as in writing they or the masters of their respective vessels shall be required so to do by the said Postmaster General or by any naval or other officers or agents acting under his authority (such writing to specify the rank or description of the person or persons to be conveyed and the accommodation to be provided for him or them) receive provide for victual and convey to and from and between any of the places to which any of the said vessels are to proceed in the performance of this Contract (in addition to the naval officer authorised to have charge of the said mails and to officers of the Post Office employed in connection with the mails conveyed by such vessel) any number of naval military and civil officers in the service of Her Majesty not exceeding eight in any one ship with or without their wives and children as chief cabin or first-class passengers and any number of non-commissioned and warrant officers not exceeding four in any one ship with or without their wives and children as fore cabin or second-class passengers together with servants of both chief and fore cabin passengers and any number of seamen marines soldiers or artificers in Her Majesty's service not exceeding 10 in any one ship with or without their wives and children as deck or third-class passengers to be always provided with effectual protection from rain sun and bad weather and not exposed on deck without such competent shelter and to have hammocks or bunks (subject to the approval of the Lords Commissioners of the Admiralty) placed between decks.

31. The passengers who shall be conveyed in pursuance of the last preceding clause (who are hereinafter designated Government passengers) with their families shall be treated in no respect whether as regards food cabin or other accommodation or aught else in a way inferior to that of ordinary passengers of the same class or that required by the Regulations of Her Majesty's Transport Service. The messing of the first and second class Government passengers shall include in each day an imperial pint of good sound bottled or draught ale or beer and that of the first class in addition an imperial pint of good foreign wine either port or white. The several classes of passengers shall mess in separate places and medical attendance medicine and medical comforts mess utensils and fittings cooking utensils articles for table use and mess places fuel lights requisite articles of bedding and all other necessaries shall be provided for them in like manner as for ordinary passengers of the like classes respectively.

32. The passage money for Government passengers and their families respectively shall be the same as that charged by the Company for ordinary passengers of a similar kind and shall include all the particulars mentioned in the last preceding clause and whenever any alterations of rates for ordinary passengers may be made the Postmaster General and the Lords Commissioners of the Admiralty shall be immediately apprised of such alterations.

33. Returns of the embarkation and disembarkation of all Government passengers shall be furnished to the Director of Transport Services immediately after the departure and arrival of each vessel.

34. Payments for passage money for government passengers shall be applied for by invoices according to a form to be obtained from the office of the Director of Transport Services and shall be made upon the production to such Director of the orders for the passages together with a certificate under the hand of the commanding officer specifying the number of the third-class passengers (men women and children) conveyed with the ages and sexes of the latter and stating the periods during which they have been respectively regularly supplied while on board with provisions and also of a certificate under the hand of each first and second class passenger of his or her having been landed at the place of destination and of having been properly accommodated and messed during the voyage and specifying the dates from and to which they were so messed computed from the first to the last dinner meal.

35. The Company shall convey for every Government passenger free of charge the same quantity of baggage (whether such quantity shall be estimated or ascertained by bulk or weight) which according to the regulations of the Company for the time being they convey free of charge for an ordinary passenger of the same class and freight shall be payable for any extra baggage of a Government passenger after the same rate as the freight payable according to the same regulations for extra baggage of an ordinary passenger of the same class.

36. The passage money for the wives and families of commissioned and civil officers when not ordered to be conveyed at the public expense shall be paid to the Company by the officers themselves.

37. In all cases where an officer in the civil naval or military service of Her Majesty who may not be entitled to a passage at the public expense shall require a passage on board any of the vessels employed in the performance of this Contract the Company shall be bound when they have room to provide a passage for such officer in preference to private passengers and shall charge no higher rate for such passage than is chargeable for an ordinary passenger.

38. The Company shall receive on board each of the vessels employed in the performance of this Contract and shall convey on behalf of the Lords Commissioners of the Admiralty any small packages which may be ordered for conveyance and also (on receiving from the Postmaster General or his officers or agents or from the British naval

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officer in command of the station two days' previous notice) shall receive on board any naval or other stores not exceeding 10 tons weight or 15 tons of 40 cubic feet each in measurement at any one time in any one vessel (packages and stores of a dangerous or damaging nature excepted in accordance with the general regulations of the Company) and shall convey and deliver such small packages and stores at the lowest rate of freight charged by the Company for private goods of a similar character or description and the Company shall give immediate notice to the Postmaster General and the Lords Commissioners of the Admiralty of any alteration in such rate of freight and shall in all cases be responsible for the custody and safe and speedy delivery of such packages and stores.

THE AMOUNT OF SUBSIDY.

39. And in consideration of the due and faithful performance by the Company of all the services hereby contracted to be by them performed the Postmaster General doth hereby covenant that there shall be paid to the Company (out of such aids or supplies as may from time to time be provided and appropriated by Parliament for that purpose) so long as they perform the whole of such services in manner and with such vessels as hereinbefore respectively provided the sum of 450,000 *l.* per annum by equal quarterly payments on the 1st day of January the 1st day of April the 1st day of July and the 1st day of October in every year and so in proportion for any less period than a quarter.

40. On or as soon as conveniently may be after the 1st day of April and the 1st day of October in every year during the continuance of this Agreement an account shall be made out of the amount payable to the Company or to the Postmaster General on account of premiums earned or penalties incurred by the Company and if it shall appear by such account that any further sum is due from the Postmaster General to the Company the same shall be paid forthwith to the Company by the Postmaster General out of such aids or supplies as aforesaid and on the other hand if it shall appear that any sum is due from the Company to the Postmaster General the same shall be forthwith paid by the Company the Postmaster General or at his option may be deducted from the next quarterly payment due to the Company.

41. Except where otherwise expressly provided none of the services performed or to be performed by the Company under this Contract shall entitle them to any remuneration beyond the said subsidy of 450,000 *l.* per annum and such other sum or sums of money (if any) as are hereinbefore expressly made payable.

And it is hereby further agreed and declared between and by the parties hereto as follows: (that is to say)

42. It shall be lawful for the Postmaster General at any time and from time to time to delegate any of the powers vested in him by virtue of these presents to such person or persons as he shall think fit.

43. The Company shall undertake for themselves all arrangements relative to quarantine as connected with the due and regular performance of the conditions of this Contract.

44. The Lords Commissioners of the Admiralty shall at any time during the continuance of this Contract if they shall consider it necessary for the public interest have power and be at liberty to purchase all or any of the said vessels at a valuation or to charter the same exclusively for Her Majesty's service at a rate of hire to be mutually fixed and agreed on by them and the said Company but if any difference should at any time or times arise as to the amount of valuation or hire so to be paid such difference shall be settled by arbitration in manner hereinafter provided and the said Commissioners in the case of hiring any such vessel shall return the same to the said Company in the same state and condition as she was in at the time of any such hiring reasonable wear and tear excepted and if any difference should arise upon that point the same shall be settled in the same manner as the amount for the hiring is to be settled in case of difference And it is further agreed that in case of such purchase or hire the service hereby contracted to be performed shall be performed by other vessels of the Company of a similar description to the vessel or vessels purchased or hired if they can in due and proper time furnish them and in the event of the said Company being allowed by the Postmaster General to continue to perform only a portion of the service there shall be paid to the said Company such annual sum of money as shall be agreed upon by the Postmaster General and the said Company and in case of their differing as to the amount the difference to be settled by two arbitrators or an umpire to be chosen respectively as aforesaid.

45. This Contract shall commence on or as from the 1st day of April 1869 and shall continue in force until the 1st day of February 1880 and shall then determine if the Postmaster General shall by writing under his hand or under the hand of the Secretary or one of the Assistant Secretaries for the time being of the Post Office have given to the Company or if the Company shall have given to the Postmaster General 24 calendar months' notice that this Contract shall so determine but if neither the Postmaster General nor the Company shall give any such notice this Contract shall continue in force even after the said 1st day of February 1880 until the expiration of a 24 calendar months' notice in writing as aforesaid which may be given by either of the parties here-

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to to the other of them and which last-mentioned notice may be given at any time after the 1st day of February 1878.

46. The Contract dated the 19th day of November 1867 and made between the Postmaster General of the one part and the Company of the other part shall be deemed and considered to have remained in force until the said 1st day of April 1869 and no longer and as from the last-mentioned date the same is hereby terminated and annulled all claims of the Company in respect of the subsidy therein mentioned having been fully satisfied and discharged up to the said 1st day of April 1869 by the payment up to that date of a subsidy after the rate of 500,000*l.* per annum as the Company do hereby acknowledge.

47. If on the determination of this Agreement any vessel or vessels shall have started or shall start with the mails in conformity with this Agreement such voyage or voyages shall be continued and performed and the mails be delivered and received during the same as if this Agreement had remained in force with regard to any such vessels and services. And with respect to such vessels and services as last aforesaid this Agreement shall be considered as having terminated when such vessels shall have reached their port or place of destination and such services shall have been performed but the said Company shall not be entitled to receive any payment or compensation for the same.

48. All and every the sums of money hereby stipulated to be paid by the Company unto Her Majesty Her heirs and successors shall be considered as stipulated or ascertained damages whether any damage or loss has or has not been sustained and shall and may be retained by the Postmaster General out of any moneys payable or which may thereafter become payable to the Company or the payment may be enforced as a debt due to Her Majesty with full cost of suit at the discretion of the Postmaster General Provided however that the payment by the Company of any sums of money (by way of penalties) shall not in any manner prejudice the right of the Postmaster General to treat the failure (if any) on the part of the Company to provide a proper vessel or to perform any voyage at or within the time for the time being appointed for the performance thereof as a breach of this Agreement.

49. All notices or directions which the Postmaster General his officers agents or others are hereby authorised to give to the Company their officers servants or agents other than any notice of termination of this Contract may at the option of the Postmaster General his officers agents or others either be delivered to the master of any of the said vessels or other officer or agent of the Company in the charge or management of any vessel employed in the performance of this Agreement or left for the Company at their office or house of business in London or any other place and any notices or directions so given or left shall be binding on the Company Provided always that any notice of termination of this Contract shall be served on the Company their officers servants or agents at their office or last known office in London.

50. The Company shall not assign underlet or dispose of this Agreement or any part thereof without the consent of the Postmaster General signified in writing under his hand or under the hand of the Secretary or one of the Assistant Secretaries of the Post Office and in case of the same or any part thereof being assigned underlet or otherwise disposed of or of any great or habitual breach of this Agreement or any covenant matter or thing herein contained on the part of the Company their officers agents or servants and whether there be or be not any penalty or sum of money payable by the Company for any breach it shall be lawful for the Postmaster General if he shall think fit (and notwithstanding there may or may not have been any former breach of this Contract) by writing under his hand or under the hand of the Secretary or one of the Assistant Secretaries of the Post Office to determine this Agreement without any previous notice to the Company or their agents nor shall the Company be entitled to any compensation in respect of such determination and such determination shall not deprive the Postmaster General of any right or remedy to which he would otherwise be entitled by reason of such breach or any prior breach of this Contract.

51. If at any time during the continuance of this Agreement or after the determination thereof any dispute shall arise between the parties hereto or their successors respectively concerning any breach or alleged breach by or on the part of the Company of this Agreement or the sufficiency of any such breach to justify the Postmaster General in putting an end to the same or concerning the amount of consideration to be paid to or allowed by the Company as the case may be for such altered services as hereinbefore in that behalf mentioned or concerning any of the covenants matters or things herein contained or in anywise relating thereto and notwithstanding the power herein contained to determine this Agreement and any execution or attempted execution of such power such dispute shall be referred to two arbitrators one to be chosen from time to time by the Postmaster General and the other by the Company and if such arbitrators should at any time or times not agree in the matter or question referred to them then such question in difference shall be referred by them to an umpire to be chosen by such arbitrators before they proceed with the reference to them and the joint and concurrent award of the said arbitrators or the separate award of the



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said umpire when the said arbitrators cannot agree shall be binding and conclusive upon both parties.

52. Any submission to arbitration in pursuance to this Agreement may be made a rule of any of Her Majesty's courts of record pursuant to the statute in that case made and provided on the application of either party.

53. In pursuance of the provisions contained in the Act of Parliament passed in the 22nd year of the reign of King George the Third intituled "An Act for restraining any "Person concerned in any Contract Commission or Agreement made for the Public "Service from being elected or sitting and voting as a Member of the House of "Commons" no Member of the House of Commons shall be admitted to any share or part of this Agreement or to any benefit to arise therefrom contrary to the true intent and meaning of the said Act.

54. This agreement shall not be binding until it has lain upon the Table of the House of Commons for one month without disapproval unless it be previously approved by a resolution of the said House of Commons.

55. And lastly for the due and faithful performance of all and singular the covenants conditions provisoes clauses articles and agreements hereinbefore contained which on the part and behalf of the said Company are or ought to be observed performed fulfilled and kept the said Company do hereby bind themselves and their successors unto our Sovereign Lady the Queen in the sum of 45,000*l.* of lawful money of the United Kingdom to be paid to our said Lady the Queen Her heirs and successors by way of stipulated or ascertained damages hereby agreed upon between the Postmaster General and the Company in case of the failure on the part of the Company in the due execution of this Contract or any part thereof.

In witness whereof the said Spencer Compton Cavendish Marquis of Hartington Her Majesty's Postmaster General hath hereunto set his hand and seal and the said Peninsular and Oriental Steam Navigation Company have caused their common seal to be hereunto affixed the day and year first above written.

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## The Dividend Clause.

*Report of the Postmaster General.*

General Post Office, 20 *July* 1870.

My Lords: By the terms of the contract concluded with the Peninsular and Oriental Steam Navigation Company on the 19th of November 1867, for the East India, China, and Japan Mail Service, of which a copy is enclosed, the subsidy to be paid to the Company is set down at 400,000*l.* a year, with a stipulation, on the one hand, that whenever the annual income of the Company from all sources does not admit of the payment of a dividend of 8 per cent. on the capital employed, the subsidy shall be increased by so much, subject, however, to a limit of 100,000*l.*, as is required to make up such a dividend; and, on the other, that whenever the income is sufficient to allow a dividend exceeding 8 per cent. to be declared, the Company shall pay to the Postmaster General one-fourth of the excess.

Any hope of benefiting by this last proviso has, I regret to say, been necessarily abandoned, and, more than this, it has for some time appeared that the Department would probably be called upon to pay a sum more nearly approaching the maximum than the minimum amount of subsidy.

In fact, for the fourteen months ended the 31st of March 1869, payment at the full rate of 500,000*l.* a year, is admittedly due to the Company, even if certain claims which the Department has set up, are decided in its favour.

Owing to stagnation of trade, and to severe competition on the part of the French Mail Packet Company, the financial position of the Peninsular and Oriental Company, since the contract was entered into, has not been so flourishing as was anticipated, and the opening of the Suez Canal, the success of which was by no means considered certain in 1867, has still further disturbed their prospects by the encouragement it has given to British and other ship owners to compete with the Company for the conveyance of cargo.

It is true that the contract has several years to run, and that a Company so well managed and so prudent as the Peninsular and Oriental Steam Navigation Company are not likely to let any opportunity of recovering their position escape. Still, taking the most favourable view of their prospects, I think it would be over sanguine to expect that the hopes which were entertained when the present contract was concluded are likely to be realised.

To enable the Department to ascertain what payment should be made, it was necessary, as stipulated by the contract, that its officers should inspect the books of the Company, and this inspection has given rise to complicated questions with respect to profits derived from insurance; to the mode in which the amounts set apart for depreciation are to be applied; and to the right of the Company to increase their general reserve fund, which are described somewhat at length in the enclosed corre-

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spondence, and the settlement of which, by arbitration, the mode appointed by the contract, would involve serious delay.

Under these circumstances I took advantage of an interview which I had recently with a deputation of directors of the Company to intimate to the chairman that if he was desirous of making a contract on a fixed basis, and could see his way to propose one, the adoption of which I should be justified in recommending, I would consider it.

This suggestion having been acted upon, negotiations have taken place, which have resulted in the enclosed Memorandum proposing a basis for a new contract, which will not only settle the conflicting views of the two parties on the several questions raised, but will determine another point of great importance to this Department, and one which must at a very early date have been brought forward, viz., the price to be paid for substituting a mail service between Alexandria and Brindisi for the present service between Alexandria and Marseilles.

The Company are willing, provided they are allowed, on giving sufficient notice, to embark and disembark the heavy portion of the Indian, &c., mails at Liverpool instead of at Southampton, to accept from the 1st of April 1869 a commuted payment of 450,000*l.* a year; such payment to include a weekly line to and from Brindisi, as soon as the tunnel through Mont Cenis is completed, and arrangements can be made for sending the mails by that route.

This will probably be before the end of next year.

The sum of 450,000*l.* will also include calling at Penang, for which service an additional payment of 4,000*l.* a year is now made to the Company.

Looking at all the circumstances of the case, at the difficulty of estimating the probable future receipts of the Company for the conveyance of passengers and cargo, and at the uncertainty which must attend a reference to arbitration on points in dispute, I have come to the conclusion, after personal communication with the Receiver and Accountant General, by whom the books of the Company have been examined, and with the Post Office counsel, who happens to have a great facility in dealing with figures, that the offer is one which is favourable to the Department, and that its acceptance will relieve both the Department and the Company from much embarrassment.

I do not hesitate, therefore, to recommend your Lordships to sanction such acceptance, and to authorise me to enter into a new Contract accordingly.

I have, &c.

(Signed) HARTINGTON.

The LORDS COMMISSIONERS OF THE TREASURY, *&c. &c. &c.*

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## WEST INDIA AND BRAZIL MAILS.

*Return to an Order of the Honourable The House of Commons, dated 29 June* 1868, *for Copies "of a Contract, dated the 26th day of June* 1868, *entered into between the Postmaster General and the Royal Mail Steam Packet Company, extending their Contracts for the Conveyance of the West India and Brazil Mails for a further Period:" "And, of Correspondence relating thereto."*

TREASURY CHAMBERS, 29 JUNE 1868. G. SCLATER-BOOTH.

(An extra allowance besides dividend.)

Ordered, by The House of Commons, to be printed, 29 June 1868.

[Commence at page 1. See report of Commissioners appointed by Parliament to examine the Company's books, and with the subsidies could not pay a dividend. The report recommended a guarantee of a dividend to the Company by the Government or the line could not go on.]

### I.

*Copy of Contract, dated 26th June* 1868, *entered into between the Postmaster General and the Royal Mail Steam Packet Company, extending their Contracts for the conveyance of the West India and Brazil Mails for a further Period; with the Treasury Minute thereon.*

No. 1.

COPY OF CONTRACT.

WEST INDIA AND BRAZIL MAILS.

ARTICLES OF AGREEMENT made this 26th day of June in the year 1868 between the Most Noble James Duke of Montrose Her Majesty's Postmaster General of the one part and the Royal Mail Steam Packet Company (hereinafter called the Company) of the other part:—

Whereas by Articles of Agreement under Seal dated the 13th day of July 1863 a Contract was entered into between the Postmaster General and the Company (herein-

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after referred to as the Brazil Contract) for the conveyance by the Company of Her Majesty's Mails between Southampton and Rio de Janeiro and Buenos Ayres and for the performance of other services upon the terms therein mentioned and it was by the articles now in recital provided that the said Contract should commence on the 1st day of January 1864 and should continue in force for seven years and then determine if the Postmaster General should by writing under his hand or under the hand of the Secretary or one of the Assistant Secretaries of the Post Office for the time being have given to the Company or if the Company should have given to the Postmaster General 24 calendar months' previous notice in writing that such Contract should so determine but if neither party should give any such notice that such Contract should continue in force even after the said term of seven years until the expiration of a 24 calendar months' notice in writing as aforesaid given at any time by either of the parties thereto to the other of them: And whereas by articles of agreement under seal dated the 22nd day of July 1863 a Contract was entered into between the said Postmaster General and the Company (hereinafter referred to as the West India Contract) for the conveyance by the Company of Her Majesty's Mails between Southampton and the Island of St. Thomas and divers other places in the West Indies and for the performance of other services upon the terms therein mentioned and it was by the articles now in recital provided that the said Contract should commence on the 1st day of January 1864 and should continue in force for six years and then determine if the Postmaster General should by writing under his hand or under the hand of the Secretary or one of the Assistant Secretaries of the Post Office for the time being have given to the Company or if the Company should have given to the Postmaster General 24 calendar months' previous notice in writing that such Contract should so determine but if neither the Postmaster General nor the Company should have given any such notice that such Contract should continue in force even after the said term of six years until the expiration of a 24 calendar months' notice in writing as aforesaid given at any time after the expiration of the first five years from the 31st day of December 1863 by either of the parties thereto to the other of them: And whereas the principal and central packet station and establishment of the Company in the West Indies in connection with the last-mentioned Contract is at present at the Island and Port of St. Thomas and it is apprehended that by reason of the unhealthiness of the said island or of the port thereof it may become desirable to remove the said central station and establishment to some other island and port: And whereas it has been agreed between the parties hereto that the said Contracts shall be modified in manner hereinafter appearing: Now these presents witness: And it is hereby agreed and declared between and by the parties hereto as follows (that is to say):—

1. With respect to each of the hereinbefore mentioned Contracts it is hereby agreed and declared that the same shall continue in force until the 31st day of December 1874 inclusive and shall then determine if the Postmaster General shall by writing under his hands or under the hand of the secretary or one of the assistant secretaries for the time being of the Post Office have given to the Company or if the Company shall have given to the Postmaster General 24 calendar months' notice in writing that such Contract shall so determine but if neither party shall have given any such notice such Contract shall continue in force after the 31st day of December 1874 until the expiration of a 24 calendar months' notice in writing as aforesaid given at any time by either of the parties hereto to the other of them.

2. If in any year during the continuance of the hereinbefore-mentioned Contracts or either of them the entire fund arising from the subsidies or subsidy payable thereunder to the Company and from traffic receipts earned by the Company in connection directly or indirectly with voyages made or ships' depôts or establishments used in the performance of such Contracts or Contract and from interest on any reserved fund which shall accrue after the date of these presents and from any balance that may have been left available for future dividends after the last declaration of a dividend shall after deducting working expenses incurred during such year including the usual allowance for depreciation and repairs and renewal exceed the sum necessary for the payment of a dividend of 8 per cent. on the capital employed by the Company in the performance of the said Contracts or Contract then and in every such case the Company shall pay to the Postmaster General a sum equal to one-half of such excess.

3. For the purposes of the last preceding clause the capital employed by the Company in the performance of the hereinbefore mentioned Contracts shall be taken to be the sum of 900,000 *l.*

4. The Company shall be at liberty to include in their working expenses any sum not exceeding the yearly sum of 45,000 *l.* (whether the sum shall be actually paid or merely set apart as an insurance fund) in respect of the insurance of ships employed under the hereinbefore mentioned Contracts and the Postmaster General shall not be entitled in any case to participate in any profits accruing from any insurance fund set apart in conformity with the provisions of this clause.

5. During the continuance of the said Contracts or either of them the Company shall keep their accounts and books of account and statements of capital revenue and ex-

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penditure in the manner in which the said books accounts and statements are kept at the date of these presents.

6. The Postmaster General and his officers and agents shall at all reasonable times have access to the books of account and accounts of the Company in the same manner and to the same extent as if he and they were directors of the Company and if at any time any questions shall arise between the Postmaster General or his officers and agents and the Company as to the amount (if any) to be paid to the Postmaster General under the preceding clauses of this contract such question shall be referred to arbitration in manner provided by the 27th clause of the West India Contract.

7. On or as soon as conveniently may be after the 1st day of April in every year during the continuance of the said contracts or either of them an account shall be made out of the amount (if any) payable to the Postmaster General under this Contract and such amount (if any) shall be deducted from the next quarterly payment due to the Company.

8. The Company shall upon the requisition of the Postmaster General at any time during the continuance of the West India Contract remove their principal and central packet station and establishment from the island and port of St. Thomas aforesaid to such other island and port as the Postmaster General shall direct and shall effect and complete such removal within a reasonable time after the Postmaster General shall have given them notice in writing requiring them so to do, and any such notice may be under the hand either of the Postmaster General or of the secretary or one of the assistant secretaries of the time being of the Post Office.

9. In the event of such removal it shall be lawful for the Postmaster General to make such reasonable modifications of the services agreed to be performed by the West India Contract as he shall consider necessary or expedient by such removal and the Company shall not be entitled to any increased subsidy or remuneration in respect of any such modification. Provided always that the Postmaster General shall by notice signed as aforesaid give at least three calendar months' notice to the Company of any such intended modification as aforesaid. Provided also that if the Company and the Postmaster General shall differ as to the reasonableness of any such proposed modification such difference shall be settled by arbitration in manner provided by the 27th clause of the said Contract.

10. If any such removal shall take place during the continuance of the said Contract and if by reason thereof the said Company shall incur any additional outlay of capital the Postmaster General shall after such removal shall have taken place grant to the Company such further extension of the term of the the said Contract as shall afford them a fair compensation for such outlay and in case of difference the term of such extended Contract shall be settled by arbitration in the manner provided by the 27th clause of the said Contract.

In witness whereof the said Postmaster General hath hereunto set his hand and seal and the said Royal Mail Steam Packet Company have caused their common seal to be hereunto affixed the day and year first above written.

MONTROSE. [POSTMASTER GENERAL'S SEAL.]

Signed sealed and delivered by the within-named James Duke of Montrose Her Majesty's Postmaster General in the presence of—

J. L. DU PLAT TAYLOR,
*Private Secretary, General Post Office.*

The common seal of the within-named Royal Mail Steam Packet Company was hereunto affixed in the presence of—

J. M. LLOYD, *Secretary,* [COMPANY'S SEAL.]
Z. BROOKE, *Solicitor's Department, General Post Office, London.*

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No. 2.

*Copy of Treasury Minute, dated 29th June* 1868.

Let a copy of the above Contract and of the correspondence relating thereto, which sufficiently sets forth the grounds upon which their Lordships have authorised the Contract. be laid upon the Table of the House of Commons.

Inform Postmaster General of the date when the Contract, &c. is laid upon the Table of the House of Commons.

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II.

COPY OF CORRESPONDENCE RELATIVE TO THE EXTENDING OF THE CONTRACTS OF THE ROYAL MAIL STEAM PACKET COMPANY FOR THE CONVEYANCE OF THE WEST INDIA AND BRAZIL MAILS, FOR A FURTHER PERIOD.

No. 1.

*The Secretary to the Royal Mail Steam Packet Company to the Secretary to the Treasury.*

ROYAL MAIL STEAM PACKET COMPANY, 55, MOORGATE-STREET,
*London, E. C. 20 November* 1867.

SIR: Her Majesty's Government have, without doubt, become aware of the serious disaster and consequent heavy loss which has befallen this Company through the results of the recent hurricane at and near St. Thomas.

Full particulars of this event have not yet reached the Directors of this Company, but they know that four ships, which originally cost 181,926 *l.*, have been wrecked, and that two others have been dismasted, and a large amount of stores, buildings, and other property in the harbour and on shore destroyed.

To replace properly these vessels and property, an expenditure of not much less than 250,000 *l.* will be requisite.

The Court of Directors have had under their most anxious consideration the course which, under these circumstances, they ought, both in the interest of the public service and of their proprietary, to take; and it will be manifest to Her Majesty's Government that, with Contracts only having two (and, to a smaller extent, three) years to run, it would be unwise in the Court to incur a large capital expenditure, especially in the way of construction of new ships. Such new vessels could not be placed on the station for at least a year to come, and thus might only be employed for a little more than 12 months.

The only course, therefore, available for the Directors, in view of the termination of the present Contract, would be the expensive and unsatisfactory one of chartering vessels for the service.

Under these circumstances, and feeling that the severe blow which has fallen on a Company distinguished for the punctuality of its service, and its readiness to meet the wishes of Her Majesty's Government at all times, will give it a valid claim for consideration, the Court of Directors have resolved to ask Her Majesty's Government to grant the Company a five year's extension of its present Contract, *i. e.*, to the end of 1872 certain, and thenceforward to be at two years' notice. For a portion of the service this would be only four years' extension, but the Directors conceive that it would be more convenient to the Government and to the Company that the contract for the whole service should become terminable simultaneously.

I am desired to add that the Court of Directors have felt some hesitation in making this proposal in view of the present state of the Company's income. Although, during the American War, and before the competition of the highly subsidized French Company, this Company earned sufficient to yield a satisfactory dividend for its shareholders, the case has been very different during the last two years. In 1866, the aggregate profit after writing off the customary per centages for depreciation and insurance, was only 79,689 *l.* 7 *s.* 3 *d.*, and the dividend was, with the cognizance of the shareholders, increased by bringing to its aid part of a fund created to provide against loss on the sale of old ships. In the first half of the current year the profits were only 1,244 *l.* 5 *s.* 5 *d.*, and a similar operation was effected in aid of dividend, a reduction also being made in the amount written off for depreciation. The income of the subsequent quarter, viz., May to September last, shows a still further reduction of receipts. But the directors trust that such a general improvement in commercial affairs will succeed to the present to depression, as will, if a five years' extension be secured to the Company, afford to the proprietary the prospect of a moderate rate of profit.

In order that their statement of the present position of the Company may be verified, the Directors will be most happy to submit the books to the Government on the understanding that the investigation is made in view of an extension of the contracts.

I have, &c.,
(Signed) J. M. LLOYD,
*Secretary.*

G. W. HUNT, Esq., M. P.,
*Secretary, Her Majesty's Treasury, Whitehall.*

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## VIEWS OF DEXTER A. HAWKINS.

The CHAIRMAN presented the following communication from Col. Dexter A. Hawkins, which was read and ordered to be printed with the testimony:

111 BROADWAY, NEW YORK,
*September* 10, 1883.

*To the honorable Senate Committee on Education and Labor:*

In compliance with your invitation I submit the following facts and views:

Every person who performs a reasonable amount of daily labor during the period that he is competent to work is entitled, as the fruits of that labor, to a reasonable support for life for himself and for those who cannot labor that are dependent upon him. Those who can labor but won't are not entitled to any support at all out of the fruits of the labor of their fellows.

Whenever the natural conditions in a country are such that it will not produce this support when intelligently worked that fact may safely be taken as a hint from Providence to emigrate. But whenever the laws or social organism in a country is such that their legitimate effect is to prevent any portion of society from obtaining such support from such labor it is clear proof that the laws or social organism should be modified. In the end they are modified always in such cases, either peaceably and wisely, through such investigations as your committee is making, or blindly and by violence.

The face of the earth is not a dead level; rivers are not of equal size; trees are not of a uniform height or bigness, and men are no exception to this universal law of nature; they differ in capacity, physical and intellectual. Under any just and equal laws some must become and will become rich and others poor, but the poorest, to the extent that they are willing to work, are entitled to food, clothing, shelter, and education—a livelihood; and the wealthiest, so far as they comply with the laws, are entitled to the full and complete protection and enjoyment of all their possessions.

The function of human laws in this regard is fully performed when they enable the individual, if he makes the best use of his faculties, to acquire and enjoy the same proportion of the goods of this world, in relation to his fellows, that his faculties and the use he makes of them bear to those of his fellows. All beyond this is outside of the function of human laws. This necessarily gives the fullest and widest scope for the legitimate exercise of individual powers of acquisition, possession, enjoyment, and disposition.

Thirty years ago I made a careful study of the condition of labor in the various countries of Europe and of the British Kingdom. Food there was no cheaper than at that time in this country. Clothing was about thirty per cent. cheaper. Shelter was about twenty-five per cent. cheaper. But wages were not more than one-half what they were here, and the education of the laborers was far below that of those in our then free States. (Our slave labor was far more ignorant than their labor.)

But a social organism existed there, the offspring of the feudal system, that imposed heavy burdens upon labor, and made it abnormally difficult for labor to improve its condition; hence "labor organizations" or "unions" and a social war between these organizations on the one side and capital and the ruling classes on the other.

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The condition of free labor in this country then was, on the whole, nearly twice as good as there. The great emigration from Europe in the last thirty years, and the addition in that period of some thirty per cent. from the mines to the stock of silver and gold money in the world, has raised the rate of wages all over Europe. But the price of food, of clothing and of shelter has risen there almost equally as much, so that the condition of the laborer there is not much improved in those three items. But in the education of the laborer there it has greatly advanced. England, Scotland, Ireland, Wales, France and Italy then did not recognize the duty of the property in the State, whoever owned the property, to provide for the education of all children in the state, no matter to whom the children belonged. Those countries do now each recognize this duty, and have provided by law for its performance; and in the interest of society they require every child to be educated at least in the elementary branches of both knowledge and industry. This has improved and is fast improving and elevating the character and condition of labor in those countries.

The vast immigration to this country of the last thirty years would have tended to reduce wages and lower the condition of labor here, had not the addition of 90,000 miles to our railways in that time opened up, as it were, a new continent to labor, nearly as large as the whole of Europe; and had not the stimulus of a protective tariff in the last twenty years, by giving our own market to our own people instead of to Europeans, doubled the product of our manufacturers.

These two things have in this country as a whole made the demand for labor keep pace with the supply, though increased from abroad now at the rate of three-quarters of a million emigrants per year. The distribution by means of the railroads of this increase from without of two thousand a day speedily draws off any temporary excess of laborers in any locality. Aided by the above favorable conditions, the price of labor in this country instead of declining for the last thirty years has, as a whole, steadily advanced; while the price of nearly every thing that the laborer needs to consume or to use has, owing to the development of machinery and home manufactures, steadily declined. Scarcely anything except rum and tobacco has increased in price; and the laborer is on the whole better off without these than with them. Food products are cheaper in this country than in Great Britain, France and Germany, for of our surplus we export to them nearly five hundred million dollars' worth per year. Shoes and hats are cheaper, and also clothing of all kinds, except the finer and higher grades, which are not necessaries, but luxuries. Shelter is dearer, because we require new houses for at least two millions of people per year, and nineteen-twentieths of the cost of a house is in some form labor; and the price of labor is still on the average about double what it is in Great Britian, France, Germany, and Italy. The investigations made this year by Mr. Porter and reported from week to week in the Tribune demonstrate this.

It follows from the above facts that the relations of labor to capital are more favorable to labor in this country on the whole than in any other.

In many countries a laborer, discharged without a recommendation or certificate, cannot get employment from any other capitalist. Where such is the rule there would seem to be a propriety in allowing labor unions to dictate to some extent who should be discharged and who employed. But when, as in this country, capital does not possess, or exercise any such prerogative, such dictations are injurious to labor. In some countries no one can exercise a trade till he has served an apprenticeship and obtained his certificate as journeyman or master-workman.

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In those countries there would seem to be some reason in allowing trades unions to dictate the number of apprentices, so as not to have the trades overcrowded; but in this country as a rule no such apprenticeship or certificate is required. The only effect, then, here of trades unions dictating the number of apprentices a mechanic may take and instruct is to lower the grade and number of our skilled workmen and reduce the ability of labor to compete with capital and to gain a livelihood.

The trades unions were very proper and necessary in Europe under a state of society very different from ours. But in this country they are introducing and enforcing foreign and despotic rules and regulations not in harmony with the condition of affairs here, and that amount often to a positive tyranny over labor; and, besides, they deprive the laborer of a percentage of his earnings.

I will state an instance: The Cumberland coal miners a few years ago were induced to join one of these organizations, and each one paid a portion of his wages into its treasury. The managers, who were not themselves laborers, selecting a time when the companies had entered into large contracts to deliver coal, ordered the miners to strike unless an increase of 30 per cent. on their wages was granted. To save a greater loss from breach of contracts the companies yielded to this extortion; but as soon as their contracts were filled they explained to these managers that the price must go back to the former rate on a certain day or the mines would be closed, for every ton mined at the extortionate rate brought a loss. When the day arrived these managers ordered the whole three thousand miners to strike, and for nearly five months they did not mine a ton of coal, and they and their families were reduced to the greatest straits for their daily bread. Then the managers allowed them to go to work at the old rate all the time offered by the companies. Here was a positive immediate loss to the laborers of nearly a million dollars of wages, a large loss to the capitalists, and a driving away of business to other coal regions, which will decrease labor for many years in that region, thus bringing a large future loss upon these laborers.

This is but one of many similar cases that I could name. Labor unions frequently demand that the length of a day's work and the price of it should both be regulated by statute. This is the same thing in principle as fixing by law the price the laborer should pay for everything he consumes or uses, and the quantity he should consume or use each day, without any regard to his ability or needs. Such things are outside of and beyond the sphere and province of statute law. They are, and, from the very inherent nature of things, must be, regulated by supply and demand, and not by statute. To regulate both the length and price or quantity and price of a day's work by statute is as absurd as to enact that water should of its own accord run up hill. One laborer may be able to do twice as much work in a day as another. To restrict all to the same amount (which is necessarily that of the least efficient), as some of these organizations do, is as absurd as to give only the same amount of food for a meal and cloth for a suit to a giant as is required for a pigmy. It is attempting to be wiser than the Creator. Labor organizations in harmony with our free institutions and social conditions may do much good; but those thus far imported from Europe are quite as much out of place here as would be European governments and methods of administration. They mean well, but lack knowledge of American affairs and free institutions. The chief cause of strikes is ignorance on the part of laborers of the mutual exigencies of capital

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and labor. Capital requires safety and a reasonable increase; labor requires constant employment at reasonable wages and sure payment. It is for the interest of the laborer that his employer, whether an individual or a corporation, should have ample capital and that this capital should increase from year to year from the proceeds of the business. This secures sure pay and steady employment and a prospect of a rise of wages. If the capital is not ample the payment is uncertain; and if the business does not increase the capital, wages cannot rise; in fact they will fall or the capital will seek other and more profitable investment. The strikers sometimes, as at Pittsburgh a few years ago, destroy capital; this is killing the goose that otherwise could lay the golden egg for them, and results from ignorance of the mutual interest and relations of capital and labor. Educated labor would never, to raise wages, resort to the destruction of capital, any more than a hungry crowd would destroy food in order to increase their supply of it.

The better provision made by law in Europe for the universal education of labor there is steadily but surely putting labor here at a disadvantage. If we do not soon bestir ourselves, the superior training they are now giving their people will leave ours in the competitive race with them handicapped with a backload of ignorance. Intelligence in the laborer is to-day essential to a high productive capacity. Formerly, where little or no machinery or scientific processes were used, it was not. We must enable our labor to keep abreast of the progress of the world, or our country will fall to the rear. Ignorance begets ignorance, and it is a long, slow, and painful struggle to rise from it when kept down by competition with foreign intelligence. The labor unions and friends of labor throughout this country see this; and they are making a wise and just demand upon the Government for laws that shall secure to every child in this country a good elementary education. Careful experiment and examination and comparison of results has demonstrated that a good elementary education, such as should be given to every youth in the free common school, adds 50 per cent. on the average, to his capacity as a mere productive machine over what it would be if he remained illiterate. Pauperism and crime add heavy burdens to labor, as the paupers must be supported, and crime detected and punished, and society protected against criminals; all at the expense of labor or the fruits of labor. The illiterates in this country produce nine times as many criminals and thirty times as many paupers, according to their number, as do the literates.

In the United States there were, according to the census of 1880, 4,404,362 illiterate adults. The minimum *annual* loss to the country on the labor of these by reason of their illiteracy is not less than $50 each, or $210,219,100; or more than twice as much as the *annual* cost of our whole system of public education in the entire country.

If special provision is not made by law to secure general education, this gigantic army of ignorance will by 1890 be increased to five millions of human beings; enough not only to prostrate industry in this country, but to destroy in fact, if not in name, all free government. Free government and ignorant citizens are no more compatible than fire and water. One or the other must cease to be. If free government takes hold of illiteracy in season it can extinguish it; but if it delays too long it will itself be tumbled into the grave.

Labor is in favor of free government and prosperity; hence it demands universal education. All intelligent capital joins in this demand. The National Treasury is overflowing; the National Government is responsible for precipitating upon the country four millions of illiterate citizens.

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Self-preservation is the first law of governments as well as of nature. There cannot be a reasonable doubt of the power of the Government to appropriate the money from the National Treasury sufficient to eliminate this illiteracy and to supervise its proper expenditure.

Labor thus made intelligent will harmonize itself with capital, and will in any event be amply able, wisely and peacefully, to assert and maintain its just rights.

It is my deliberate judgment that your honorable committee could not do a wiser thing than to give your influence to secure from the National Government the demand of labor for universal education in the elementary branches of knowledge and industry. After the nation has done what is asked, then the States will be able to preserve, support, and enforce universal education.

Very respectfully,

DEXTER A. HAWKINS.

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## VIEWS OF A TRAMP.

The CHAIRMAN. I also present a communication from an unknown person who signs himself "A Tramp."

The communication was read as follows:

*To the Congressional Committee:*

GENTLEMEN: Your task of finding out why laborers are discontented with the prevailing condition of affairs will not be completed until you have heard from the despised and outlawed individual—the *tramp*—and as one of that class, and a genuine native, whose ancestors for three generations first beheld the sunshine in this country, I volunteer my service as a witness upon this important subject, well knowing that your lofty highnesses will not lower your dignity as statesmen by calling upon any of my class unless they have become millionaire shipbuilders or otherwise disguised themselves.

Now, as one of the undisguised *tramps*, I will proceed to inform you what, in my humble opinion, is the secret you have set out to find—why those who produce everything have nothing, and those who produce nothing have everything. This is the condition of affairs now staring you in the face, and it is no use to beg the question in your investigation or in your report. We are constantly told by the press that there is no remedy for the present condition, which is the source of the discontent you are asking the workingman to explain to you; that these great contrasts of condition among men are caused from the difference in men's mental capacities. On the day that Mr. Gould made his trial trip from Crump's shipyard down the historic Delaware on his $500,000 steam-yacht, I bought a 15-cent excursion ticket from Philadelphia to Wilmington, Del., after which outlay my total capital, "*watered stock*" *and all*, was just 32 cents! As I sat out upon that steamboat deck and cast my eyes from shore to shore, nothing did I see presenting such a contrast as Mr. Gould's $100,000,000 and my 32 cents, and, naturally, I thought of that oft-repeated brain theory and the Earl of Dudley. The pious hypocrite does not go so much on the brain theory, but maintains that these inequalities are due to Providence, who distributes his favors to those most worthy, and that it's highly blasphemous to point to the gigantic defaulters, who also believed this Prov-

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idence theory, and built a church or run a Sunday school. But, gentlemen, these theories won't do; and the rising intelligence of mankind condemns them, and these advocates are but mental dwarfs, I care not how they stand before the community, whether they make the laws, run the railroads, or preach the sermons.

The most intelligent writers upon social questions do not attribute the causes that produce the discontent which you claim to be investigating to either of the above theories, but state most positively that it is the system of doing business which is at fault.

Now, a system that produces such a condition of affairs as we behold in Great Britain, where less than 30,000 own the land, the source of existence, and less than 300,000 are the possessors of the vast wealth there amassed, has thrown our Republic into the difficulties now confronting the "tramp" and the "statesman."

It is estimated that had the amount, $16, which old William Penn paid the Indians for Pennsylvania in whisky, beads, and blankets, been put out at interest, and allowed to remain, it would to-day equal the wealth of the entire United States. This system is still at work, and yields fabulous results to such men as Vanderbilt and the bondholders, the Astors, and the landlords in Ireland. In fact, it is the fulcrum which Mr. Gould so glibly refers to as *his power of increase.* I am no enemy to Mr. Gould; on the contrary, I very much admire his abilities; but it's his *power of increase* I am after.

Now, gentlemen of the committee, with all respect for your wisdom, I wish to suggest that when you are sufficiently amused at the confusion among the trade unionists about these matters, you go back to Washington and introduce a bill to put that *power of increase* on *labor*, and *not* on the *results of labor*, this system has it; and it is my belief that the statesman who accomplishes this will ere long be pointed to as the emancipator of the human race from a system more vile than human slavery, and will wipe out the absurd condition of affairs which will one day produce its terrible and devastating results, just so sure as the sun shines, unless attended to before it is too late. I might point out the particulars covered, but it is unnecessary to do so, as you understand the field covered by the *power of increase.*

A TRAMP.

P. S.—In order that you may not condemn me as some drunken outcast, I will say that I have a trade, and am tolerably industrious, and strictly sober. My case does not stand alone; witness the telegraph operators who, in three weeks' time, were paupers, or tramps, if they had the courage to change their location, and the other trades are about the same with their average intelligence to back them up. And when 97 per cent. of the wealth is in the hands of 3 per. cent of the population, what else can we expect? An inquiry into what's the matter with the statesmen of the times would prove highly interesting to the average American about now. He has wandered out among the people to be enlightened, and if he gets his information, will go back and vote and act just as before. History will have to repeat itself before the lawmakers will think worth while to listen to the cranks. The ship-building tramp should have informed you that since his walk across Illinois the whole aspect of business has changed, as it was prior to the age of corporations, when there was something like equal opportunities; but this is not the case to-day. The time that men engaged in business with a few dollars is gone, for a syndicate will immediately wipe him out; and I believe there is a corner on the peanuts and gum for boys already. Everything must be cornered now.

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The CHAIRMAN. I can only say that if any man of the kind wants to be heard as a witness he has only to apply to the committee to be allowed to present his ideas.

The committee adjourned until to-morrow at 10 o'clock a. m.

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NEW YORK, *Thursday, September* 13, 1883.

The committee met at 10 o'clock a. m.

## LABOR IN THE SOUTHWEST.

JOHN CALDWELL CALHOUN sworn and examined.

By the CHAIRMAN:

Question. Where do you reside?—Answer. In Chicot County, Arkansas.

Q. State to the committee, if you please, where you were born, of what family connection you are, and what have been your opportunities for becoming acquainted with the past and the present condition of agricultural labor in the Southern States.—A. I was born in Marengo County, Alabama. My father was a planter there before the war.

Q. He was a son of John C. Calhoun, the statesman?—A. He was a son of Mr. John C. Calhoun, of South Carolina.

Q. You are his grandson, then?—A. Yes, sir; I am his grandson. My father was Col. Andrew P. Calhoun. I was reared in South Carolina. In 1854 my father removed his residence from his plantations in Alabama to Fort Hill, South Carolina, near Pendleton, where I was raised. I have been identified with the agricultural interest of the South from my earliest recollections, and have been a practical cotton planter myself since the war, giving my own personal attention to my interests since 1869.

Q. When did you remove from South Carolina?—A. I removed from South Carolina to Chicot County, Arkansas, in 1869.

Q. Until 1869 you had been a resident of South Carolina?—A. Yes, sir.

Q. And of course very familiar with the condition of things on the Atlantic coast. Since that time you have been in the Mississippi Valley?—A. Yes, sir; my experience as a cotton planter and with the laborers of the South is confined, I may say, almost entirely to the Mississippi Valley, for I left South Carolina so soon after the war that things had hardly shaped themselves there so that I could form an accurate estimate of the labor or the condition of affairs in South Carolina or on the Atlantic coast.

The CHAIRMAN. Not having had a personal acquaintance with Mr. Calhoun, and learning of his rare opportunities to give valuable information to the committee, and of his presence in the city, I addressed him a letter, calling attention to the subject-matter upon which we should like information, and which I had reason to think he could give us better than almost any one else, indicating certain questions which I would like to have him prepared to answer, and receiving a courteous reply, expressing a willingness to oblige the committee, I have called him before the committee, and will now read the questions:

1st. What is the condition of the laborers in your section?

2d. Under what system are the laborers in your section employed?

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3d. When hired for wages what is paid?

4th. What division is made between labor and capital of their joint production when you work on shares?

5th. When you rent what division is made?

6th. How many hours do the laborers work?

7th. Under what system do you work?

8th. What is the relation existing between the planters and their employés?

9th. What danger is there of strikes?

10th. How can the interest of the laborers of your section be best subserved?

If you have prepared answers to these questions, and can give your answers consecutively, I would like you to do so.

The WITNESS. I have prepared replies in order that I might save the committee time as well as condense my ideas.

Q. 1. What is the condition of the laborers in your section?—A. The laborers in the Mississippi Valley are agricultural. But few whites are employed; they soon become land-owners or tenants. Your question, therefore, reduces itself to, What is the condition of the negroes? I should say good, as compared with a few years ago, and improving. You must recollect that it has only been 18 years since the negroes emerged from slavery without a dollar and with no education, and that for generations they had been taught to rely entirely upon others for guidance and support. They became, therefore, at once the easy prey of unscrupulous men, who used them for their personal aggrandizement, were subjected to every evil influence, and did not discover for years the impositions practiced upon them. They were indolent and extravagant, and eager to buy on a credit everything the planter or merchant would sell them. The planter had nothing except the land, which, with the crop to be grown, was mortgaged generally for advances. If he refused to indulge his laborers in extravagant habits during the year, by crediting them for articles not absolutely necessary, his action was regarded as good grounds for them to quit work, and there were those present who were always ready to use this as an argument to array the negroes against the proprietors. This, of course, demoralized the country to a very great extent, and it has only been in the past few years the negro laborers have realized their true condition and gone to work with a view of making a support for themselves and families. There is yet much room for improvement, but they will improve just as they gain experience and become self-reliant.

Considering their condition after emancipation and the evil influences to which they have been subjected, even the small advancement they have made seems surprising.

Q. 2. Under what systems are the laborers in your section employed?—A. There are three methods: we hire for wages for a part of the crop, or we rent.

Q. 3. When hired for wages what is paid?—A. When hired by the month we pay unskilled field-hands from $10 to $20 per month and board. When hired by the day, for unskilled laborers, from 75 cents to $1. Teamsters, $1 a day and board. Artisans, from $2 to $5. In addition to their wages and board, the laborers are furnished, free of cost, a house, fuel, and a garden spot varying from ½ to 1 acre; also the use of wagon and team with which to haul their fuel and supplies, and pasturage, where they have cattle and hogs, which they are encouraged to raise.

Q. 4. What division is made between labor and capital of their joint

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production when you work on shares?—A. I doubt if there is greater liberality shown to laborers in any portion of the world than is done under this system. The proprietor furnishes the land and houses, including dwelling, stables, and out-houses, pays the taxes, makes all necessary improvements, keeps up repairs and insurance, gives free of cost a garden spot, fuel, pasturage for the stock owned by the laborers, and allows the use of his teams for hauling fuel and family supplies, provides mules or horses, wagons, gears, implements, feed for teams, the necessary machinery for ginning, or, in short, every expense of making the crop and preparing it for market, and then divides equally the whole gross proceeds with the laborers. In addition to all this, the proprietor frequently mortgages his real estate to obtain means to advance to the laborers supplies on their portion of the crop yet to be grown, thus mortgaging what he actually possesses, and taking a security not yet in existence, and which depends not only upon the vicissitudes of the seasons, but the faithfulness of the laborers themselves. Under this system thrifty, industrious laborers ought soon to become land-owners. But, owing to indolence, the negroes, except where they are very judiciously managed and encouraged, fail to take advantage of the opportunities offered them to raise the necessaries of life. They idle away all the time not actually necessary to make and gather their corn and cotton, and improvidently spend what balance may remain after paying for the advances made to them.

Q. 5. When you rent, what division is made?—A. Where the laborer owns his own teams, gears, and implements necessary for making a crop, he gets two-thirds or three-fourths of the crop, according to the quality and location of the land.

Under the rental system proper, where a laborer is responsible and owns his team, &c., first-class land is rented to him for $8 or $10 per acre. With the land go certain privileges, such as those heretofore enumerated.

Q. 6. How many hours do the laborers work?—A. This is an extremely difficult question to answer. Under the wages system, from sunrise to sunset, with a rest for dinner of from one and one-half to three hours, according to the season of the year.

Under the share or rental system there is much time lost; for instance, they seldom work on Saturday at all, and as the land is fertile, and a living can be made on a much smaller acreage than a hand can cultivate, they generally choose one-third less than they should, and it is safe to say that one-third of the time which could and would be utilized by an industrious laborer is wasted in fishing, hunting, and idleness.

Q. 7. Under what system do you work?—A. We are forced to adopt all of the systems heretofore stated. We prefer, however, the tenant system. We wish to make small farmers of our laborers, and bring them up as nearly as possible to the standard of the small white farmers. But this can only be done gradually, because the larger portion of the negroes are without any personal property. We could not afford to sell mules, implements, &c., where a laborer has nothing. Therefore the first year we contract to work with him on the half-share system, and require him to plant a portion of the land he cultivates in corn, hay, potatoes, &c. For this portion we charge him a reasonable rent, to be paid out of his part of the cotton raised on the remainder. In this way all of the supplies raised belong to him, and at the end of the first year he will, if industrious, find himself possessed of enough supplies to support and feed a mule. We then sell him a mule and implements, preserving, of course, liens until paid. At the end of the second

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year, if he should be unfortunate, and not quite pay out, we carry the balance over to the next year, and in this way we gradually make a tenant of him. We encourage him in every way in our power to be economical, industrious, and prudent, to surround his home with comforts, to plant an orchard and garden, and to raise his own meat, and to keep his own cows, for which he has free pasturage. Our object is to attach him as much as possible to his home. Under whatever system we work, we require the laborer to plant a part of his land in food crops and the balance in cotton with which to pay his rent and give him ready money. We consider this system as best calculated to advance him. Recognizing him as a citizen, we think we should do all in our power to fit him for the duties of citizenship. We think there is no better method of doing this than by interesting him in the production of the soil, surrounding him with home comforts, and imposing upon him the responsibilities of his business. Who will make the best citizen or laborer, he who goes to a home with a week's rations, wages spent, wife and children hired out, or he who returns to a home surrounded with the ordinary comforts, and wife and children helping him to enjoy the products of their joint labor? We recognize that no country can be prosperous unless the farmers are prosperous. Under our system, we seek to have our property cultivated by a reliable set of tenants, who will be able to always pay their rent and have a surplus left.

Again, a large portion of the cotton crop of the country is made by small white farmers. These to a great extent are raising their own supplies, and making cotton a surplus crop. The number who do this will increase year by year. It must be apparent that the large planters cannot afford to hire labor and compete with those whose cotton costs nothing except the expenditure of their own muscle and energy. The natural consequence resulting from this condition of things is that the negro, if he is to prosper, must gradually become a small farmer, either as a tenant or the owner of the soil, and look himself upon cotton as a surplus crop.

Q. 8. What is the relation existing between the planters and their employés?—A. Friendly and harmonious. The planter feels an interest in the welfare of his laborers, and the latter in turn look to him for advice and assistance.

Q. 9. What danger is there of strikes?—A. Very little. As a rule the laborers are interested in the production of the soil, and a strike would be as disastrous to them as it would be to the proprietors. There is really very little conflict between labor and capital. The conflict in my section, if any should come in the future, will not assume the form of labor against capital, but of race against race.

Q. 10. How can the interest of the laborers of your section be best subserved?—A. By the establishment by the States of industrial schools, by the total elimination from Federal politics of the so-called negro question, and by leaving its solution to time, and a reduction of taxation, both indirect and incidental. It is a noteworthy fact that the improvement of my section has kept pace, *pari passu*, with the cessation of the agitation of race issues. The laborers share equally with the land owners the advantages of the improvement, and there is every reason to expect increasing and permanent prosperity if all questions between the land-owners and their laborers in our section are left to the natural adjustment of the demand for labor. For many years the negroes regarded themselves as the wards of the Federal Government, and it were well for them to understand that they have nothing more to expect from the Federal Government than the white man, and that, like him, their

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future depends upon their own energy, industry, and economy. This can work no hardship. The constant demand for their labor affords them the amplest protection. Nothing, probably, would contribute so immediately to their prosperity as the reduction of the tariff. They are the producers of no protected articles. The onerous burdens of the tariff naturally fall heaviest upon those who are large consumers of protected articles and produce only the great staples, grain and cotton, which form the basis of our export trade, and which can, from their very nature in this country, receive no protection from a tariff.

Q. In your own State, Arkansas, what proportion of the land cultivated and what proportion of the acreage of the land cultivated is in the form of large plantations?—A. That lying along the Mississippi and Arkansas Rivers. It would be hard for me to estimate the proportions. I do not know that I have ever considered it, but the portions which are cultivated in large plantations lie directly on the Mississippi River in the front of the State of Arkansas and on the Arkansas River. The rest of the State is cultivated very much by small white farmers.

Q. And are the productions of the small holdings and large holdings similar; I inquire as to cotton particularly?—A. No, sir. In the interior of the State cotton is made a surplus crop entirely.

Q. What are the principal crops there?—A. Our people are raising their own supplies, fruits and vegetables. For instance, it was stated by the land agent of the Iron Mountain Railroad at a public meeting in Little Rock some weeks ago that that road had carried out from the State of Arkansas in one week 800,000 pounds of green peas and strawberries.

Q. To what market?—A. To Saint Louis, going to different markets. The section of the State lying between Little Rock and Fort Smith is peculiarly adapted for growing fruit, and there is a very large fruit trade.

Q. What kinds of fruit?—A. I might say almost all kinds, but particularly apples; that section of country is noted for its apples.

Q. Are peaches raised there also?—A. Very fine, indeed.

Q. Plums?—A. Yes, sir.

Q. Are oranges raised there?—A. No, sir; we do not raise any of the tropical fruits, such as oranges, bananas, and lemons.

Q. How in regard to oats, rye, corn, wheat, potatoes, and crops of that description?—A. If our exhibit, which is now being made at the Louisville Exposition, can be seen, it will compare favorably with that of any other portion of the United States.

Q. Even with the Northwest?—A. Even with the Northwest.

Q. Would you judge that one-half the cultivated surface of Arkansas is made up of the larger plantations?—A. No, sir; I should not say more than a third, as a rough estimate.

Q. Upon these plantations is there any crop raised for consumption anywhere but upon the plantations, save the cotton?—A. Only in a very limited way. We raise Irish potatoes for the northern markets, and it is an extremely profitable and productive crop with us.

Q. What is the home market price?—A. We do not sell these potatoes at home at all. We get them to Saint Louis, Chicago, and Cincinnati before the ground is really thawed out up there. We get from $5 to $10 a barrel for them.

Q. A barrel of about 3 bushels?—A. A barrel of about 3 bushels. That of course is a fancy price, and only lasts until the product comes in from other sources.

Q. That is an advantage no farmer has elsewhere in the United States



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than in Arkansas?—A. In Arkansas and Louisiana, on the Mississippi River.

Q. Are potatoes raised largely in Louisiana?—A. Yes, sir; in parts. The cultivation of the alluvial lands in Louisiana is very similar to what I am speaking of in Arkansas.

Q. Is the potato of good quality raised on those rich lands?—A. Of very fine quality.

Q. Can you give the average crop of potatoes per acre?—A. I cannot, as I have never raised any myself for market. We leave it almost entirely to our small farmers to do that sort of thing.

Q. About 300 bushels per acre, Senator Pugh says. This is the Irish potato you speak of, not the sweet?—A. The Irish potato. We raise also the sweet potato there. I have raised sweet potatoes that weighed five pounds.

Q. And of good quality?—A. Of fine quality.

Q. The size does not depreciate the quality, then?—A. Not at all.

Q. They, I suppose, are raised for exportation from the State?—A. No, sir; they are raised almost entirely for home consumption by our farmers.

Q. Do your people at home prefer the sweet to the Irish potato for their own use?—A. I cannot say they do. I think they raise both in equal proportions.

Q. Which, on the whole, is the most profitable crop to raise of potatoes?—A. The Irish potatoes, because we export and sell them. The sweet potato does not mature until the fall of the year.

Q. Upon your plantations you encourage the raising the variety of crops you have spoken of for consumption by the laborers, and for the use of the planter, I suppose, but not for exportation and sale?—A. Not for sale. We merely raise them for home consumption in case of a disaster to our cotton crops. The cotton crop is subjected to very many vicissitudes, and we want to have all our supplies at home, so that in case of a failure of the cotton crop we have our living made at least.

Q. Are the planters and those who labor upon the plantations substantially independent of the small farmers surrounding them, or do they constitute consumers for the smaller farmers in the interior?—A. We have our own gardens, and generally raise our own supplies, but every planter interests himself to find a market for all the products of his laborers. For instance, we encourage them to raise poultry to a great extent. If they have a surplus of potatoes, or eggs, or chickens, we will buy it and create a market for it, and ship the articles off in order that if they have any surplus they may realize on it. On the Mississippi River we have nearly all the markets. Boats are passing there every day going directly by the banks of the river. We have the markets of New Orleans, Vicksburg, Memphis, Saint Louis, Chicago, and we have, you may say, the whole country open before us where we can create a market. We make the best market we can for the products of our small farmers.

Q Do you know something of the prices in the North for the various crops you have mentioned, and, if so, how do they compare with the prices realized by your laborers at home?—A. Our laborers realize the prices of the Northwest. We ship the articles for them. For instance, a negro has several barrels of potatoes; I consign them to my merchants in Saint Louis, and have them sold for his account.

Q. There are no middlemen, really; you transact this business for them?—A. I transact this business for them direct.

Q. Charging them simply the cost of transportation?—A. You are

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asking me the relationship between the proprietor and the negro. There are a great many stores on the Mississippi River, and negroes sometimes go and trade directly. There are a great many properties in the Mississippi Valley owned by non-residents. There are some plantations rented out to negroes that there is not a white man on at all. The proprietor comes and collects his rent at the end of the year when the crop is made; or it may be his negro tenant consigns the cotton to a factor in New Orleans.

Q. Where is the proprietor himself usually resident?—A. In different States. We have people who are proprietors of real estate who live out in Orange, New Jersey; some live in South Carolina; some live in Georgia, in the various States, but they own property with us, and this property is rented directly to the negroes. Generally, though, there is a responsible manager in charge of this property, but there are instances where there is not even a white man on the place at all.

Q. In those instances, how do matters work? Do the negroes conduct affairs with reasonable prudence, and consult the interest of the owners?—A. No, sir; in these instances the property generally goes to decay gradually; the negro will not make an improvement on real estate at all.

Q. In these cases do the negroes work together and carry on the plantation as a whole, or is the plantation cut up into small holdings and rented out to negroes?—A. It is cut into small portions and rented according to the size of the family. Some men work two mules; some four. It is regulated better by the number of animals he works. For instance, a mule can cultivate in that country with ease about fifteen acres. A man with two mules would work thirty acres; a man with four, sixty, and so on. I know some negroes who work eight and ten mules that they have paid for; but I will say this right here, and it shows the necessity of the education of the negro and of fitting him for the condition of being able to take care of himself and make his own contracts and sign his own name to a contract: I have known of numerous instances where negroes, working under the management of a proprietor of a plantation, have made enough money to buy a home; such a one will go back out in the hills, that section of country lying back of the alluvial lands, and buy a home. In three or four years he will move back to the river again, having lost all his property, mortgaged it to some storekeeper, become extravagant, and that storekeeper in a short time—three or four years probably—will have absorbed all he had earned under the management of a planter.

Q. About that store system; how extensive is it, and how great an evil does it constitute?—A. It constitutes a very considerable evil, but you cannot blame the storekeeper for it, for this reason, or he can only be blamed partially: Capital in that country is very limited, and capital in New Orleans is very limited. When you consider the fact that New Orleans, which handles the cotton crop of that country, has a smaller banking capital than any one of your little towns in Massachusetts or New Hampshire, it shows at once that there is not enough capital to be advanced to the country people at reasonable enough rates of interest for those people to conduct a strictly legitimate business. I have known capital to cost in New Orleans, counting the commissions, 15 or 20 per cent. for money loaned. The storekeeper who borrows that money to conduct his business with has to buy his goods from some merchant at some point who must make his profit. He cannot go directly to the producer, because he has got to have somebody to help him out if his capital falls short. Therefore, before the goods get down to him, they

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have cost him perhaps 30, 40, or 50 per cent. more than the first price. Therefore, he has to tack on an enormous profit to bring himself out whole and pay his expenses in order to meet his obligations with the factor in New Orleans. There is, however, among a certain class, as there would be in all sections of the country, as exists right here in New York, or anywhere else, a set of people who will always prey upon ignorance. The best protection that can be afforded to the laborer of that country is education; fit him for his condition of life, that he may protect himself.

Q. Do you mean to be understood that these traders do business upon borrowed capital?—A. Almost entirely.

Q. Their capital is hired in New Orleans?—A. Or any points they may go for it; I merely mention New Orleans as one point. A number of our people borrow money in Memphis, and some borrow money in Vicksburg.

Q. Do you know whether those people to any extent borrow capital of Northern capitalists in New York and other portions of the North?—A. That class of people do not. In the last few years—I might say almost within the last two years—Northern capital has begun to seek investment in our section of the country, but only upon mortgages on real estate. The class of storekeepers I allude to generally have no real estate at all; they only have their stores.

Q. Your system by which the planter makes a market for the surplus productions of the laborers upon his plantation dispenses with a middleman, and enables the laborer to make a saving, whereas if he goes to the hills he makes a loss?—A. Yes, sir. I will put it more definitely: As long as he is under the guidance and care of the proprietor of the plantation he prospers, the planter, as we express it in that country, "loaning him our aid"; we make it very expressive to the negro, we loan him our aid, that is, he must follow our advice, and he has learned to do that, and by doing that he accumulates; but when thrown upon his own resources—there are individual exceptions, of course, where a good many negroes prosper themselves when thrown upon their own resources in Arkansas—but as a general fact, where he leaves the guidance and care of the proprietor of a plantation and subjects himself just as any one else does to the common trading with storekeepers, in a very few years he loses what he has accumulated.

Q. Under these favorable circumstances which surround the laborer on the plantation one would think he ought to accumulate; but I understand you that as a rule he is rather improvident and fails to accumulate. To what do you attribute that improvidence on the part of the negro laborer?—A. It is simply from the want of a proper appreciation of the opportunities of advancement from his condition. The negroes are just beginning, as I expressed it, to realize the responsibilities of life, and just as they begin to realize the responsibilities of life here they begin to prosper. The prosperity of the South has only begun in the last few years, and it has begun to increase just as the race issue has ceased. I will demonstrate that to you by a little paragraph I cut out of the *New York Herald* last night, taken from the New Orleans *Times-Democrat*. If you take the assessed valuation of real estate in Alabama, in 1879 it was assessed at $117,486,581; in 1883 it is assessed at $152,920,115. There has been that increase in four years from $117,000,000 to $152,000,000. Now let us take the State of Arkansas: in 1879 our real estate was valued at $86,892,541; in 1883 it is valued at $136,000,000. It goes on just in that same proportion. For instance, this shows that in eight of the Southern and Southwestern States there has been an

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increase of nearly half a billion dollars—that is, $494,836,686—in value of taxable property during the short period of four years.

I happened to pick up this book last night. If I had an opportunity I could have gotten some statistics to show you the increased production in these different States, and how completely it has taken place, as the laborer has begun to rely on himself and been thrown on his resources.

Q. Have you observed the origin of these statistics?—A. They come from the New Orleans *Times-Democrat*. I will read this in order that they may be known. This is from the *Herald* of yesterday:

SOUTHERN PROGRESS.

The New Orleans *Times-Democrat* has gathered from trustworthy sources and given to the public valuable statistics showing the industrial progress made in the Southern States during the past four years. This covers the period since 1879, the year to which the figures of the latest national census apply. The census returns show a marvelous material growth in the South during the preceding ten years. But, according to the reports published by our New Orleans contemporary, the progress of the past four years is greater and more wonderful than that achieved during the decade between the census years.

Taking the important item of assessed value of property, a comparison between the years 1879 and 1883 gives the following remarkable results:

| States. | Assessment, 1883. | Tax rate. | Assessment, 1879. | Tax rate. |
|---|---|---|---|---|
| Alabama | $152, 920, 115 | 6½ | $117, 486, 581 | 7 |
| Arkansas | 136, 000, 000 | 7 | 86, 892, 541 | 6½ |
| Florida | 56, 000, 000 | 5 | 29, 471, 648 | 7 |
| Georgia | 300, 000, 000 | 2½ | 135, 659, 530 | 5 |
| Louisiana | 200, 000, 000 | 6 | 209, 361, 402 | 6 |
| Mississippi | 116, 288, 810 | 2½ | 129, 308, 345 | 3½ |
| Tennessee | 252, 289, 873 | 2 | 223, 211, 345 | 1 |
| Texas | 500, 000, 000 | 3 | 304, 470, 736 | 5 |
| Total | 1, 710, 498, 798 | 4½ | 1, 215, 662, 128 | 5 |

This shows that in eight Southern and Southwestern States there has been an increase of nearly half a billion dollars—$494,836,668—in the value of taxable property during the short period of four years, while the rate of taxation has been actually reduced. At the same time liberal appropriations have been made for schools, public improvements, and other useful purposes. "Nor is this marvelous advance in valuation," says the *Times-Democrat*, "the result of any inflation in value, but the natural sequence of grand crops, new industries developed, new manufactures, mines, and lumber mills established."

The extension of railroads has been hardly less astonishing. In the eight States above enumerated there were in 1879 11,604 miles of railroad. There are now 17,891 miles, showing an increase in four years of 6,287 miles. The agricultural progress made is shown by the fact that the value of raw products raised in these States, including all crops, lumber, cattle, and wool, has advanced from $398,000,000 in 1879 to $567,000,000 in 1883, or an increase of $169,000,000. During this period the mineral output of Alabama alone has increased from $4,000,000 to $19,000,000, and the lumber product of Arkansas from $1,790,000 to $8,000,000.

The trade of New Orleans is a barometer of Southern industry and commerce. The value of domestic produce in that city in 1881-'82 was $159,000,000; in 1882-'83 it was $.00,000,000. The value of exports of domestic produce to foreign countries in the former year amounted to $68,000,000; in the latter it reached $95,000,000.

These figures tell a remarkable story of recent progress in the Southern States. Always rich in natural resources, the South has long been poor through lack of development. It has at last entered upon a new era of industrial activity, and is now making rapid strides toward a stage of material prosperity commensurate with its great natural wealth.—*New York Herald*, September 12, 1883.

Now, here is quite a remarkable fact to which I wish to call your attention, to show you the opportunities for labor existing in the South and what is the condition of certain counties in the South. I hold in my hand a book that is compiled for the benefit of the Georgia Pacific

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Railroad, but I happened to find it in my room and thought these matters would be interesting.

Q. The data you consider reliable?—A. What I read I think comes from the census report; I think this is reliable:

In this connection let us glance at Montgomery County, Alabama, which, although not in the belt we are studying, is on the same prairie formation crossed by the Georgia Pacific Railway, on the edge of Mississippi. Compare it with Butler County, Ohio, which "shows the best record of any county in the West." In live stock Montgomery has $1,748,273; Butler, $1,333,592.

That is the largest producing county in Ohio as compared with Montgomery County, Alabama, before the war.

Montgomery had 63,134 hogs; Butler, 51,640. Animals slaughtered: Montgomery, $336,915; Butler, $318,274. In grain Butler was considerably ahead, but in roots Montgomery led. Montgomery doubled Butler in the production of wool, and had its cotton crop to show besides. The total value of the crops of Montgomery County was $3,264,170; those of Butler only $1,671,132.

There is Montgomery County, Alabama, compared with the leading producing county in Ohio.

Q. Do you know as to the relative size of the two counties?—A. I think it was given here:

A handsome triumph for the Alabama county! And yet Montgomery is not up to the average of the prairie counties of Alabama.

I do not know the relative size. Here is a fact to which I wish to call particular attention:

We have examined the mortality tables of the United States census for 1880, and find that as regards health Georgia, Alabama, and Mississippi make a better showing than some of the oldest and most densely populated Northern States.

There is generally an idea prevailing that the Southern States are very unhealthy. It is a point that bears directly on our labor question, and for that reason I wish to call special attention to this table, which is taken directly from the census:

*Annual death rate for each thousand of population.*

| | |
|---|---|
| New York | 17.38 |
| Pennsylvania | 14.92 |
| Virginia | 16.32 |
| Massachusetts | 18.59 |
| Kentucky | 14.39 |
| Georgia | 13.97 |
| Alabama | 14.20 |
| Mississippi | 12 89 |

Mississippi has the smallest average of death rate of any of that number of States which I have enumerated.

Q. I suppose the circumstance that the average death rate is larger in cities ought to be taken into account, the Southern population being mostly rural, is it not?—A. The Southern population is to a very great extent rural. Still there are cities in Georgia which I suppose in proportion to our rural population would not make the latter in excess of what it is here. If you take your rural population here and in New Jersey, where you are densely populated, we are no more densely populated in the proportion of our city population to the country than you are here, I think.

Q. Of the population, which is, as a rule, the more healthy in the South, the colored or the white population?

By Mr. PUGH:

Q. There must be some qualification of that difference between the death rate between such States as Massachusetts, for instance, and

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Georgia, on account of the fact—which I suppose must be conceded—that in these new States population is younger and more vigorous than in the older States. The emigration to these States has been of the younger and more vigorous population, not so liable to die as those who remain behind and are older.—A. There has been but very little emigration into these States up to this census.

Mr. PUGH. That is the fact to some extent, I suppose, anyway.

The CHAIRMAN. In that same connection, I suppose, should be borne in mind the fact that the population of these Eastern States is largely reenforced by immigration from Europe, and that is of the younger and more vigorous European population, and I do not know but what the people in Massachusetts will insist upon it that they are as young and as vigorous as anybody.

Mr. PUGH. I have no doubt. I saw a great many very old people there.

The WITNESS. I merely mentioned this because I wanted to do away with the impression which generally exists that the Southern States are very unhealthy.

Mr. PUGH. I have no doubt that what you state is true as a general fact.

The WITNESS. Now, to bear out the assertion which I made that the prosperity of the negroes began to increase with the cessation of race issues in the South, which has been so apparent to me that I can almost mark the time that it began, look at the cotton crop that is being made to a great extent by small farmers; look at the increase of the cotton crop in the different States in the last few years. For instance, take Georgia: in 1870 she made 473,934 bales of cotton; in 1880 she made 814,441, an increase of 75 per cent. Alabama in 1870 produced 429,482 bales; in 1880 she produced 699,654, an increase of 62 per cent. Mississippi in 1870 produced 564,938 bales; in 1880 she produced 955,808 bales, an increase of 69 per cent.

Here is a very significant fact also with regard to the condition of our laborers in the South, and it shows one of the disadvantages we have had to labor under. During the war and from the results of the war nearly all of our live stock was destroyed, a great portion of it was destroyed, which left us after the war without the means of raising our own meat and such supplies at home, and took away from the South a great portion of our wealth, for we know that cattle, hogs &c., increase in arithmetical progress. If you have a hog, this year she bears so many pigs, and in a couple of years those pigs bear so many, and so on. But we were left without live stock. I have here a table which shows, even under those difficulties, the increase in that respect in the Southern States of live stock. These are very significant figures. It is entirely an accident that I happened to get hold of them last night. The live stock of New York in 1870 was 5,286,421; in 1880, 5,422,238, an increase of 2 per cent. In Pennsylvania it was 4,484,748 in 1870; in 1880, 5,255,204, an increase of 17 per cent. In Georgia, in 1870, it was 2,275,137; in 1880, 3,139,101, an increase of 38 per cent. In Alabama it was 1,606,299 in 1870, and in 1880, 2,586,221, an increase of 61 per cent., and in Mississsippi, in 1870, it was 1,724,295, and in 1880, 2,398,334, an increase of 38 per cent. This shows that with all the disadvantages the South had to contend with of their stock cattle being destroyed, the natural advantages of climate and pasturage, to which I attribute it, existing in the South have enabled them to increase more rapidly their live stock than any other of the States of the Union. That shows clearly the advantages which that country offers for immigration and labor. This is

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an advantage to labor. As I stated in my written reply to your submitted questions, we work but few white laborers in my section of the country. Why? Because they soon become land-owners with the opportunities which present themselves to them. The white man will not be there more than two or three years before he has bought and paid for his land in almost every instance.

By the CHAIRMAN:

Q. And he becomes an employer himself.—A. He becomes an employer himself.

Q. Does he usually locate upon the plantation lands along the rivers?—A. No, sir; he cannot buy this land, because the planter would not divide a large plantation into tracts; he would not sell off a portion of his land without selling the whole.

Q. In how large tracts are the plantations held? Just mention the acreage of some of them that you are acquainted with.—A. I would say variously from 500 to 2,500 acres in cultivation.

Q. How valuable are these plantations per acre?—A. That is a question which cannot be answered definitely except in this way: where a planter owns the land, and he is out of debt, the land is not for sale, because he cannot invest his money in anything that is so profitable; but where a planter's property is mortgaged, and the mortgagee wants to foreclose and will foreclose, and there is not in that country the money which the planter can borrow to relieve himself of his indebtedness, he will probably sell his land at a small excess of his debt in order to save something. You see there is a want of capital in that country, and if a planter is involved, as many planters are and have been ever since the war, he must do the best he can. There are many planters in that country who are nothing but agents of the factors, from the fact that the interest and commissions they pay upon the debt amount to more than the rent for the property, and they hold on to it as a home. Therefore, a planter in that condition will sell at a nominal price, whereas a plantation owned and paid for is not for sale.

By Mr. PUGH:

Q. There is really no established market price?—A. None at all, owing to the necessity of the one to sell and the desire of another to buy.

By the CHAIRMAN:

Q. At what rates per acre have you known the title to change in some instances?—A. I have known lands to be bought there, including woodlands and cleared lands, at from $20 to $25 an acre, which would be, say, $40 or $50 an acre for the cleared land, and I have known other planters to refuse $80 an acre, cash.

Q. Do you think that $80 or $100 per acre would be a reasonable price for these plantation lands?—A. They sold before the war for $120 an acre.

By Mr. CALL:

Q. You are speaking now of the alluvial lands?—A. I am speaking of the alluvial lands on the Mississippi River, cleared, ready for cultivation, with the improvements existing upon them.

By the CHAIRMAN:

Q. Improved plantations?—A. Yes, sir.

Q. Upon what price per acre do you think those lands would pay, one year with another, an interest of 6 per cent.?—A. I will best answer that

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question by the figures of rents which I have given. The rent, without any responsibility attached to the proprietor at all, is from $8 to $10 an acre.

Q. In money?—A. In money. I will say further that I have been living in that country since 1869, and I have never yet known a year when there has not been a sufficient crop made to pay the rent, without a single exception.

By Mr. CALL:

Q. What is left to the tenant after he pays this $10 an acre?—A. That land produces on an average 400 pounds of lint cotton to the acre, which at 10 cents a pound is $40.

By the CHAIRMAN:

Q. To what extent is Northern capital availing itself of opportunity to invest in these plantations?—A. I might say it is limited.

Q. From what fact does that arise?—A. From the fact that the safety of investments there is just becoming apparent to capitalists. Capitalists up to this time have been afraid to go to the South, owing to the disturbed condition of affairs politically and this very race-issue question. A man does not want to carry his money down there and put it into a country that might be involved in riots or disturbances. Those questions are now just beginning to settle themseves, and capital is beginning to find its way.

Q. Do you anticipate in the near or remote future any further difficulty from the race question?—A. Not at all, and if we are left to ourselves things will very soon equalize themselves.

Q. You are left to yourselves now, are you not?—A. We are now.

Q. All you ask is to continue to be let alone?—A. Just to be let alone. The South, with her natural resources and advantages of climate and soil, feels that she is perfectly able to take care of herself and her affairs, and all she wants is that the legislation of the country, both Federal and State, should be that which will mete out justice to all her citizens, colored as well as white.

Q. Does the South feel as though all she had got to do was to take care of herself, or does she feel a little responsibility for the other section of the country?—A. She feels more immediately now responsibility for that section, for this reason, that the negro population of the South compared with the white population of the South might be a dangerous element, but the negro population compared with the whole white population of the United States as an integral body sinks into insignificance. Therefore, the forces which are at work in the South to-day make us strongly Union. They are directly contrary to what were existing before the war, and there are no people in this Government to-day who have the same interest in the Federal Union that the people of the Southern States have, and they appreciate it.

Q. You feel that it is to your advantage that the negro population should be dealt with by the forty or fifty millions of whites, that the races should be balanced in that proportion rather than in the proportion that exists between them and the white population of the South alone?—A. Yes, sir.

Q. The central idea of the South is a national idea, then?—A. The central idea of the South is more a national idea now than it has been in this respect.

Q. I would use the word "leading" rather than "central" there—the leading idea?—A. We, of course, claim that we want to manage the

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internal affairs of our States just as much as New York, or New Hampshire, or Massachusetts would want to manage theirs, but that it is necessary for us to have the guidance and protection of the Government: we want it just as much as either of those States.

Q. Have you traveled considerably through the North?—A. I have.

Q. What portions of the North have you visited within the last few years?—A. I have visited Philadelphia, New York, Boston, Hartford, and I might say a number of other points in the States of which they are the chief cities.

Q. While we are speaking of this matter of reciprocal feeling between the sections of country, as you have mentioned the attitude of the South, I should like to know from you, from your personal observation and knowledge, what you find to be that of the North toward the South?—A. I think it is of the kindliest character. I have never in my life been treated with more consideration than I have been by gentlemen in the East who were most opposed to the South during the war.

Q. I do not refer simply to cases of personal courtesy, but I mean the expression of feeling as between the sections, the general tendency and drift of Northern feeling towards the Southern portion of the country, to the people of the South.—A. I think, so far as I have been able to observe, that the feeling in the East towards the South is a general anxiety for her prosperty. I would go so far as to speak of it as anxiety for her prosperty.

Q. You think the war of sections is pretty much over?—A. I think it is obliterated, and for that reason I go back to this point, that our prosperity in the South has begun.

Q. You have described with some minuteness the condition of things among the planters and those who work upon the plantations. I should like to ask this question further, whether any of the negroes along the alluvial bottoms are obtaining ownership of lands in fee simple?—A. In very few instances in the alluvial lands. When they make enough money to buy a home they generally go to the hill country, where land can be bought at a much more reasonable price.

Q. With what amount of accumulation will a negro get up and go to the hills?—A. There are negroes right in my section of the country who have an accumulation clear of all expenses of from a thousand to $3,500 a year.

Q. Do they remain or do they go and buy homesteads for themselves?—A. They probaby remain until they accumulate a few thousand dollars, and then go and buy a home. We encourage it, from the fact that we want the others behind to be stimulated to do the same thing. I will say in that connection that the future of the negro of the South is the alluvial lands.

Q. These plantations?—A. Not only these plantations particularly. What I mean by alluvial lands are the alluvial lands on the coast and the alluvial lands of the Mississippi Valley, the rich lands where the negro relies on his own energy and exertion rather than on his brains. There is an immigration coming into the older States now.

Q. The older Southern States?—A. The older Southern States. As they come in the negroes gradually give way and go to the richer lands. For instance, one railroad last year brought into the Mississippi Valley over 10,000 negro immigrants.

Q. From what States?—A. From the Atlantic and Gulf States.

Q. What became of them?—A. They were scattered along the alluvial lands of the Mississippi Valley. As the negroes of the Mississippi Valley either emigrate from that valley and go in different directions

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and buy land, the planters of the Mississippi Valley send out to the older States and replace them with labor from those States. A negro in the older States, probably, to make his support would have to cultivate 15 or 20 acres of land, whereas a negro in the Mississippi Valley can make his support on 8 or 10 acres of land.

Q. Will this result in the ownership of the alluvial lands being transferred to the negro?—A. No, sir; because as he makes money he goes off.

Q. He is a Chinese immigrant?—A. I mean by "goes off" he does not go out of the State, but he goes to the hills.

Q. And to smaller ownerships?—A. To smaller ownerships.

Q. And the aim of the Southern planter is to accommodate this tendency of things to smaller rentings?—A. Yes, sir.

Q. Do you think a plantation is more productive where, under a general supervision by the planter or the owner, it is let out in small sections to the negroes to cultivate, or is it better to cultivate the plantation as a whole?—A. It is better to let it out, as I stated in my written answers. The cotton crop of this country is being raised to such an extent by small white farmers that the large planter can no longer afford to hire and compete with that class of labor who only expend their own energy; consequently the tendency is to make farmers of the negroes.

Q. What chance is there of the planter securing white labor to carry on these plantations?—A. There is such a small proportion of white labor in the South that it would be difficult for him to find them, and the tide of foreign immigration is just beginning to be turned in that direction. There has been a prejudice against white emigrants going to the South, on account of going among the negroes.

Q. Do you think that is diminishing?—A. Diminishing yearly.

Q. You mean that immigration from Europe is being employed on the plantations?—A. Not exactly upon the large cotton plantations, but the smaller plantations are now being converted into farms. For instance, there has been a large immigration of European emigrants into that section of the country between Little Rock and Fort Smith.

Q. Do they, upon these farms or small plantations being converted into farms, work in companionship with the negro laborer?—A. No; they generally buy the land and work it themselves; they may hire a negro and work with him; they are laborers themselves.

Q. Is there any tendency among the white and colored laborers of any class to work in companionship, or to fraternize at all in labor?—A. I cannot say that there is. A white man would not take a negro in as a partner to work with him in the field.

Q. And will a white man find any difficulty in hiring another white man and a negro to work together side by side in the field?—A. No, sir; I have them myself working side by side.

Q. There is no prejudice of that kind?—A. None at all.

Q. No white man inquires whether he can work by himself or is to work in company with a negro? Do they exhibit any reluctance to work in company with the negro?—A. The class of white people that work in our country for wages comes from Ohio, and Missouri, and Indiana, and that section of country, and I find there is some prejudice among that class of people sometimes, but still there are instances—as I say, I have men from Indiana now myself hired working right in a gang with negroes.

Q. There is no strong tendency in that way, I suppose?—A. No strong tendency in that way. There are no white laborers from the South

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proper; at least the number we can hire for wages is so small that it is not sufficient to call it a class.

Q. In the Southern States proper about two-thirds of the population is white, is it not?—A. I do not recollect. According to the census returns I think there are about seven millions of negroes. The census would give the exact statement.

Q. Not far from two-thirds of the population, I think, is white. In the Gulf States proper at least one-half the population must be white. In what way is the white laboring population of the South employed?—A. They are employed as small farmers nearly almost entirely.

Q. Not to as great extent as mechanics and artisans?—A. I suppose there is a liberal proportion of them to the population; we have to have our artisans and mechanics; but as a rule the white population of the South are small farmers, either owners of the land themselves or tenants.

Q. How as to their material prosperity and thrift and saving?—A. It varies very much. For instance, take the State of Georgia—and I believe it is admitted that Georgia is one of the most thrifty and prosperous of all the Southern States—I think the small farmers are generally self-sustaining; they raise their own supplies.

Q. Do these small white farmers employ negro help to any extent?—A. To a certain extent. If a man has more land than his family can work he will hire a negro laborer. There is no prejudice against his doing so either on the part of the farmer hiring him or the negro hired.

Q. He may hire some white and other colored laborers, I suppose?—A. Yes, sir.

Q. Do they work together?—A. Yes, sir.

Q. How in regard to the value of the hill-lands you have spoken of in the State of Arkansas; as compared with the alluvial, what is the difference in value?—A. It is very great. There are farms in Arkansas that can be bought, partially cleared up, with some improvements upon them, for from $5 to $20 an acre, less than the rent of fair lands on the river. There is no finer section of country in the world—I say that unhesitatingly—for a foreign immigrant, or the immigrant from the East, or from anywhere, than is afforded to-day in Arkansas and Texas.

Q. And political disturbances you think are at an end?—A. We apprehend nothing at all; there is no reason why we should.

Q. You were speaking of the necessity of the education of the labor of the South, the negro especially. Will you not describe to us the actual condition of the masses of the colored people in the matter of education, to what extent it has progressed, and what facilities and opportunities exist, and what additional are required?—A. It varies in different sections. For instance, Georgia and Tennessee are probably ahead of any of the Southern States in point of educating the colored people; they have more facilities; they have negro primary schools and colleges where a man is educated. The education that I was speaking of, more particularly for the negro, is a plain English education, sufficient to enable him to read and write.

Q. What we call up North a common-school education?—A. A common-school education. I will illustrate that. Suppose a negro comes to me to make a contract that I have written for him, and he cannot read or write. I offer that contract to him, and I read it to him. He touches a pen and signs his mark to it; there is no obligation attached at all. He says at once, "That man is an educated man; he has the advantage of me; he shows me that contract; I do not know what is in it; I cannot even read it." Therefore a contract made with a negro in

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that way is almost a nullity; but if he could read that contract himself and sign his own name to it, it would be a very different thing. I never allow a negro to sign a written contract with me before he has taken it home with him and had some friend to read it over and consult with him about it, because I want some obligation attached to my contracts.

Q. It is necessary for you as well as the negro?—A. Necessary for my protection as well as his.

Q. How many of the negroes on the plantations can comprehend a written contract by reading it, because a man may be somewhat educated and not be able decipher a contract?—A. I cannot give you an exact proportion, for it varies to a great extent. I can only say that that number is increasing rapidly.

Q. From what circumstance comes this increase?—A. From their desire to gain knowledge.

Q. Do you find that desire strong among the colored people?—A. Very strong indeed; and there are two ideas which a negro possesses that give me great hopes for his future. If I did not believe the negro was capable of sufficient development to make him a responsible small farmer, I should not want to remain in the business that I am any longer, because I believe that the development of my business is necessarily based upon the development of the negro and the cultivation of my lands. The negro possesses two remarkable qualifications: one is that he is imitative, and the other is that he has got pride; he wants to dress well; he wants to do as well as anybody else does when you get him aroused, and with these two qualifications I have very great hopes for him in the future.

Q. What do you think of his intellectual and moral qualities and his capacity for development?—A. There are individual instances I know of where negroes have received and taken a good education. As a class, it would probably be several generations, at any rate, before they would be able to compete with the Caucasian. I believe that the negro is capable of receiving an ordinary English education, and there are instances where they enter professions and become good lawyers. For instance, I know in the town of Greenville, Miss., right across the river from me, a negro attorney, who is a very intelligent man, and I heard one of the leading attorneys in Greenville say he would almost have anybody on the opposite side of a case rather than he would that negro. The sheriff of my county is from Ohio, and a negro, and he is a man whom we all support in his office, because he is capable of administering his office. We are anxious that the negroes should have a fair representation. For instance, you ask for the feeling existing between the proprietor and the negroes. The probate judge of my county is a negro and one of my tenants, and I am here now in New York attending to important business for my county as an appointee of that man. He has upon him the responsibilities of all estates in the county; he is probate judge.

Q. Is he a capable man?—A. A very capable man, and an excellent, good man, and a very just one.

Q. Do you see any reason why, with fair opportunities assured to himself and to his children, he may not become a useful and competent American citizen?—A. We already consider him so.

Q. The question is settled?—A. I thought you were speaking personally of the man I referred to.

Q. No; I was speaking of the negro generally—the negro race.—A. Let me understand your question exactly.

Q. Do you see any reason why the negroes, as a component part of

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the American population, may not, with a fair chance, come to be useful, industrious, and competent to the discharge of the duties of citizenship?—A. I think they may as a class, but it will take probably generations for them to arrive at that standard.

Q. It has taken us generations to arrive at the standard, has it not?—A. Yes, sir.

Q. There is some talk about our ancestors having been pirates, I believe. Now, will you state to us what the existing facilities for education are among the negroes?—A. I can only speak as regards Arkansas. Of course I do not know much of the other States. In Arkansas we have in each county a school board. These boards examine and employ teachers. We are taxed for a school fund, from which these teachers are paid.

Q. What proportion of the colored children attend school, do you think?—A. On my own property there are five schools, and I think the larger portion, I might say nearly all that are capable of going to school, do go to school.

Q. How many children are there on your own property?—A. I could scarcely form an idea.

Q. There are five schools?—A. There are five schools, and I should suppose from 300 to 500 children.

Q. Those are educated in public schools?—A. Yes, sir.

Q. I understood you to say that nearly all of them attend?—A. Yes, sir.

Q. For how long a time each year is school kept open?—A. The schools extend all the year except vacation, I think, which is about three months; but a number of the negroes will withdraw their children from school during cotton-picking season, to help them pick the crop.

Q. Between what ages do they actually attend school?—A. From 6 to 19. I know a great many of them who are going to school who are 17, 18, and 19, who can just begin to read and write a little.

Q. Do you find any inclination among the older negroes who are past school age to endeavor to read and write?—A. Not very much, but they are anxious their children should, and appeal to them. In almost every instance where a man has a child who can read and write, he will bring him along with him when he makes a contract. They are very proud of their children being able to read and write.

Q. Are they satisfied, as a rule, with their simply becoming able to read and write, or do they like to have them make a little further progress in mathematics, geography, &c.?—A. As a class they look to them simply to read and write. They think when they have got that far they know everything; but then there are certain ones who have ambition, just as it is with our own race. There are some men who have tastes for literature, and receive a better education than others do, but it is not the same proportion of the negro race of course that it is with our own. There are instances where negroes are also anxious to obtain a collegiate education, and become school teachers.

Q. I do not know that you are able to state to what extent they actually attend school in the hill districts?—A. I am not.

Q. You speak both of your own plantations and of other plantations as well as your own in that regard?—A. I am speaking of the alluvial lands along the Mississippi River.

Q. In Arkansas?—A. Not only in Arkansas, but in Louisiana and Mississippi; I will say the alluvial lands on the Mississippi River between Memphis and Vicksburg.

Q. Are the negroes on those lands generally having the same oppor-

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tunities for education that they do on your plantation?—A. Oh, yes, sir; there is a common school system.

Q. And it is as prevalent in Louisiana and Mississippi as in Arkansas?—A. I think it is.

Q. What is the nativity of those teachers, as a rule?—A. They are generally colored people from either the East or the Northwest. There are some few white teachers, but very few.

Q. Are any of the white teachers Southern in birth?—A. There is not a white teacher on my own property; they are all colored teachers on my own property. The proportion of white teachers is very small.

Q. How much do these colored teachers themselves know?—A. Some of them are remarkably well educated.

Q. And generally earnestly devoted to their work?—A. Perfectly so.

Q. Or is it simply to get their money?—A. No; I think some of them really have a desire to see their scholars advance.

Q. Some pride in their race, to have them get on, I suppose?—A. I think there is a certain pride in that respect; and, again, they want to gain reputation as teachers.

Q What compensation does a teacher get?—A. I think about from $50 to $100 a month.

Q. Do they pay their own expenses, board and shelter?—A. Yes, sir; but board is very cheap, merely nominal.

Q. About what amount?—A. I should say these teachers can get board for $10 a month.

Q. Is the cost of clothing in your part of the country about the same as here?—A. This is our market.

Q. You buy the ready-made clothing largely for the population in general, I suppose?—A. We buy both ready-made clothing and cloth to make up.

Q. I suppose the colored population hardly buy custom goods?—A. A great many of them buy the cloth, and some of their women are as good tailoresses as you would find anywhere. They buy the cloth and make it up themselves.

Q. That must bring a suit of clothes pretty cheap in a colored family; they really expend nothing but buy the cloth themselves?—A. They sell very good jeans cloth there at 35 or 40 cents a yard; they generally wear jeans.

Q. All seasons of the year?—A. Generally in all seasons of the year. In the summer time a laboring man hardly ever wears a coat at all.

Q. What do you think an average colored Southern laborer expends per annum for his clothing, say the head of the family, the man—what does it cost him for clothing a year?—A. I cannot give you a definite answer. I will only say that we who are the producers of cotton are very glad to see them get in a prosperous condition in order that there may be more consumption, and when a man is prosperous he will buy two suits of clothes, where if he is not prosperous he will make one do.

Q. We have had a good deal of testimony as to what it actually costs a Northern laborer a year for clothing. I have no desire to show that any laborers dress cheaply or poorly; I merely want to get an idea of the relative cost of the laboring man living North or South, in the item of clothing?—A. I can sell and do sell a man a pair of jeans pants and a coat from $7 to $12 per suit.

Q. How many suits will he want in a year?—A. That will depend on his condition and his ability to pay me. If he is a prosperous man and beginning to accumulate he will make one do him. Wherever a negro begins to accumulate he goes to extremes; he does not want to buy any-

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thing; he wants to accumulate rapidly. Where a man is not doing so well, and there is little doubt of his ability to pay, he would probably want several suits; but I would confine him to one or two.

Q. The same is true, I suppose, of his wife and children?—A. Yes, sir.

Q. But you look on the matter of clothing as a much less expensive item in the laborer's account in your country than here in the North where the climate is colder, I suppose?—A. Yes, sir. What absorbs the profits of the laborers with us is their want of providence; that is, if they get surplus money they throw it away for useless articles.

It has been suggested that a postal savings bank might be a good thing as a place of deposit of the small savings of the colored population of the South; they might feel some confidence in an institution of that kind, and that it would be a beneficial thing to them. What is your own judgment?—A. I advocate it and approve it, and indeed propose to start a savings bank in our own neighborhood. In this connection I will mention another important feature. In the Mississippi Valley—and when I speak of the Mississippi Valley I mean both sides of the river, Arkansas and Louisiana on one side and Mississippi on the other—there are numbers of negroes who have considerable accumulations and use their surplus to advance to other negroes. For instance, there are negroes right on our property who have accumulated enough to help out certain others, as they express it, and they use their money as an investment in that way. For instance one negro who has got something will advance it to another negro and take a mortgage on his crop. Consequently there are numbers of them who are getting advances from their co-laborers, and I always give them that opportunity when they want it. My idea of the adjustment in the Mississippi Valley, seeing what I can make from the mercantile portion of my business, is that it is simply my revenue that I get from the rent of my land as an investment on my capital; and whenever a negro can get his own merchant in New Orleans—a number of them have very good factors in New Orleans and ship their cotton direct—I encourage it. When one negro wants to help out another, I give him the privilege of doing it and encourage it. There are several negroes, a great many, not a few in Chicot County to-day who have their own factors in New Orleans, ship their own goods, and receive their own accounts of sales.

Q. They are not owners of alluvial lands?—A. They are not owners at all; they are tenants.

Q. I suppose some time they will be liable to make some accumulations, and they will now and then own a plantation?—A. I do know of one instance on the river below Vicksburg where the old property of Mr. Davis was bought by a former slave of his.

Q. Is that the only instance?—A. The only instance I know of.

Q. One question we have been accustomed to put is as to the actual personal feeling that exists between the laborers and capitalists of different parts of the country. What is the feeling between the laborers, colored and white, and the owners of the land and of capital at the South?—A. I confine my replies to my own section, because I am not familiar with the others. I have answered that question in the written answers. The feeling is harmonious and good, as I have expressed it there. The negro naturally looks to the planter for advice and for assistance, and the planter looks to his laborers for the development of his property. Consequently their interests are identical and their feelings good.

Q. You have alluded once or twice to the pressure of outside, and I

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suppose Northern, opinion; I assume that you mean political opinion in the past and the desirability that it should cease. What is the fact as to a progressive disintegration of the solid Republican or solid negro vote of the South? What are the chances of its dividing, and of the white vote dividing? We hear now of a "solid South," colored on the one side and white on the other. What prospect is there of a division in that regard; to what extent does it exist, or is it going on?—A. The negroes of the South are already divided in their votes. There are a great many who vote with the proprietors of the properties. There are instances where they vote with what they call their Republican friends. A few years ago in the South any man who was an escaped convict from one of your penitentiaries here who would come down to that country and tell the negroes that he was one of General Grant's soldiers, and fought to free him, would vote the last one out; but any of those negroes would come to me at that very time with his money and get me to save it for him, and take care of it for him. He would put all his confidence in me so far as his money was concerned, but when it came to politics he would vote with this man, who probably did not own the coat he had on his back. Those kind of interferences were what did do us in the South very material damage. Let me illustrate that by a riot in my own county. In Chicot County, in 1872, there was a proposition to impose upon the county a railroad tax of $250,000 for the purpose of building a railroad.

Q. What proportion of the taxable property of the county would that have been?—A. Our whole assessed valuation was about $1,500,000 at that time. This was brought out by a promise that if the appropriation was made the levees on our river should be built and this road would run on the levees. At that time the whole of the local government in Chicot County was in the hands of men who did not own any property in the county, and had just come down there and been elected by the negroes, who have a very large majority in that county. This tax was a very great imposition upon us. At that time there was a negro attorney at Lake Village, who was one of the prime movers in this thing. The planters knew that this was only intended as a speculation upon the county, for the vote was afterwards taken, the appropriation was made, and not one foot of levee was put up, and not one foot of that railroad was built in Chicot County. Still we are mandamused now for the interest on that debt that was put on us by that kind of influence. One of our planters was remonstrating with this negro attorney about this debt and told him it was an imposition on the property owners, and that the thing ought not to be done, when the man became violent and insolent, and it resulted in a difficulty between this planter and the negro. The planter had a little pen-knife in his pocket, the blade not longer than my little finger; he struck the negro with it and it happened accidentally to hit him on a vital point and killed him. The sheriff of the county was a negro. The planter, with two innocent parties in whose house this occurrence took place at the county-seat, in Lake Village, was arrested and lodged in jail. A few days afterwards—probably not more than two or three—nearly every negro in that county was summoned to Lake Village, and they rose like so many locusts, coming in from every direction, took those three men out of jail shot them to pieces, murdered them. It was such an outrage that the people from Memphis and Vicksburg and from the hill countries commenced to come in there with companies, started down with companies. On investigation we found out that the sheriff of the county had exercised his authority to send out to the ignorant negroes of the county and



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summon them to the village, and these fellows went because they were afraid not to obey the mandate of the sheriff. At that time feeling was running very high, and these people were anxious to come in and quell this riot, but a few of us who were more prudent, a few of the leading planters of the county, got together, sent these different companies word not to come there, that we did not want them in the county; some of the companies were already on their way to Chicot County, thinking the people there were going to be massacred. A great many of our people had to run away from their homes for several days; but we took the ground that we would let the thing take its natural course. As soon as things quieted down, which they did do partially in three or four days, some of our gentlemen who had gone off with their families returned, and it resulted in our arresting a few of the ringleaders in the county. The courts and the administration were all at that time in the hands of persons not identified with the interests of the county, and it was impossible for us to get justice meted out. We saved a massacre of the negroes of the county, but we never could bring those men to any kind of punishment before the courts, and finally we came to a compromise with them, that if they would leave the county we would withdraw the suit against them, and that was the way the thing was ended. Now, I do not believe you could get up a riot in Chicot County because I think there are many intelligent negroes there who would not permit it. Those are the kind of race issues that I referred to. Relieve us of that sort of thing, and leave our government to ourselves and our people, and give to the negro the same protection the white man has, but do not give him any more. Do not let him feel that he has the United States Government standing behind him, and that he is the child of the United States Government to be taken care of, but that he must rely on his own resources and energy for his living, and time will solve the question, and the demand for his labor will protect him.

Q. Do you find that the feeling among the negroes which resulted in the exodus of a few years ago has been allayed and perhaps has disappeared?—A. I will tell you something that is rather amusing about that. The first that I heard of a negro exodus in my section of the country—it was to Kansas—was my manager coming into my room one morning and saying that the negroes were going out to the river to go to Kansas. I said, "It is several miles to the river; how are they going?" Said he, "They are toting their things out on their heads." Said I, "Go right at once there and offer them the wagons on the plantation to haul the things. What is the matter?" Said he, "I don't know; I went out this morning and summoned the hands to the field, but they say they are all going to Kansas." I got on my horse and rode out and met a negro who had been my engineer. I said to him, "What is the matter; where are you all going?" He stopped right on the road and said, "Mr. Calhoun, you never have deceived me, and I am going to tell you what is the matter. There were two men came through here last week, one night, and said 'You see this picture?' There is a picture of a farm in Kansas for me that General Grant has bought out there for me. That is so because my name is on the back of it, and here is my ticket; that carries me to Kansas." Said I, "Let me see it." He showed me a piece of pasteboard that had printed on it "Good for one trip to Kansas." Said I, "What did you pay him for this?" He said, "We paid him $2 apiece." "How many of you are in this thing?" "Over eighty of us are in this thing." Said I, "That man then swindled you out of $160; he was an impostor; there is no farm bought for

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you in Kansas." I saw that the time for me to remonstrate with them was not then; they were on their way to the Mississippi River, and I let them all go. After they got out there I went and expostulated with them; told them of the difference in climate, soil, and everything else that they were accustomed to, and that if they went there many of them would lose their families and children. They would not listen to me. They went on to the river bank, and those negroes who went out there owed me over $10,000.

Q. How many of them were there? Eighty I think you said?—A. There were 80, I think. Once, I suppose, there were 150 negroes, perhaps more, on the bank of the river. They were not at a regular landing. They went out to the intermediate points where a boat would not be compelled to land. We notified all the boats coming up the river not to land at this point. I did not want these negroes to go off, being satisfied that they were going to their ruin if they did; that they were leaving comfortable homes; many of them had sold their mules or given them away at a mere sacrifice. One negro sold a mule worth $150 for $15 to get off. They opened their potato-houses, they opened their corn-cribs and scattered the corn, giving it away to everybody that would offer them five cents a bushel. I had given two of these people a piece of land, the productions of all of which they were to have for bringing it into cultivation and improving it. Knowing the negro nature as I do, and knowing that he would not want anybody to derive the benefit of something that he thought he was entitled to, I got two white men in the country to come and offer me to take this piece of land and cultivate it on shares with me, giving me one-half its product, whereas with them I was entitled to nothing. As soon as those two fellows found out that I had made a good bargain for their land they went back home from the river bank, and as soon as they went back all the rest followed. Then I called the whole plantation up and told them to appoint two representatives and that I would send them to Kansas at my own expense to examine into this matter and report to them. These two men went to Kansas, came back, and reported the true condition of affairs; and now if what they call in that country "a poor white man"—the negro's expression—goes through the country and says "Kansas," they almost want to mob him. That was the result of the Kansas movement.

Q. What has become of those who went to Kansas?—A. Many of them have returned and many have died; numbers of them have died. Quite a large number went from Washington County, Mississippi, just opposite to me.

Q. From time to time, at Washington, efforts are being made to secure public lands in the Territories, the Indian Territory and elsewhere, for the purpose of colonizing such tracts with negroes. Do you think there is any sort of occasion for that?—A. None in the world. If the alluvial lands on the Mississippi River were protected from overflow and brought into a condition where they could be cultivated they would afford all the homes, and of the best character, that the negroes could possibly want in the South, and the natural tendency is to come to just such lands.

Q. And the negroes prefer to be there to anywhere else?—A. Those that come, I notice, never go back.

Q. You suggested the improvement of the levees. What is the necessity, and in what degree is it difficult for those residing along the river banks to protect themselves?—A. I am the president of the levee board of Chicot County. The plan which has been suggested by the Mississippi River Commission and Mr. Eads, as their chief engineer, is unques-

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tionably the correct one for the improvement of the Mississippi River. We know this not only from theory, but from long experience with the river, those of us who have lived there. The Mississippi River being, as it is generally termed, the "Father of Waters," and passing through several States, it is almost a national system, and it would be impossible for any system to be adopted by the States which would be local. Consequently it is imperatively the duty of the Government of the United States to take care of the improvement of the Mississippi River. There are certain sections of the Mississippi River that are naturally above overflow, made so by cut-offs. The fall of the Mississippi River is about four inches to the mile. Consequently, when there is one of those large bends, where the river runs around where the cut-off is, no increase of water is needed. The fall being four inches to the mile, the lands just above the cut-off are made higher and above overflow, whereas just below the lands are overflowed or become liable to overflow. The improvement of the Mississippi River itself for commercial purposes, as well as the protection of the lands, is dependent upon the building of the levees, for the levees of course confine the water within its banks, and give not only a greater volume of water, but greater velocity for scouring purposes, which scours out the sand bars that are formed continually on the river. Captain Eads's plan of forming jetties where the banks cave saves this deposit as it were in the water, which makes the sand bars. A mattress is put against the caving banks which prevents the alluvial land caving into the river which forms the sand bars below. Then the increased volume and increased velocity of the water wash out the channel and improve it for commercial purposes, answering the object of protecting the land, and at the same time opening that immense channel for commerce.

Again, there are very important lines of railroad that are being built up and down either bank of the Mississippi River, and it is necessary they should be protected for commercial purposes, as well as that the Mississippi River should be improved for commercial purposes, and they can only be protected by the building of levees. We who have been on the river, and who feel that we are familiar with it, have closely watched the course of the Commission, and I can only say as an expression of the opinion of the people that we indorse what the Commission are doing.

Q. And desire still more of it?—A. Yes, sir; it is absolutely necessary. What has been already expended by the Government would be absolutely useless unless additional appropriations are made to complete the work. I would like to call your attention to this point. The Atchafalaya, in Louisiana, is a stream which runs from just about the mouth of Red River into the Gulf of Mexico. The fall from the mouth of the Atchafalaya and Red River to the Gulf of Mexico is very much greater than the fall from the mouth of Red River to the Gulf by the way of New Orleans down the Mississippi River. A few years ago the Atchafalaya was a stream which could be waded across, but owing to the current gradually going through it, it commenced to wash out until now it has got to be a stream 100 feet deep.

Q. Is there or not any perceptible increase or diminution of the volume of the Mississippi itself as compared with 25, or 50, or 100 years ago?—A. We think that our waters are higher now than they have ever been before.

Q. Greater extremes, or is there a uniform flow?—A. A larger uniform flow, and it is attributed to the destruction of the forests, though that is mere theory. One of the arguments at any rate is that it is owing to

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the destruction of the forests in the Northwest, which causes more rain storms and gives a larger rainfall.

Q. I have heard the idea advanced that the destruction of the woods and timber about the headwaters would, in case of rain, lead to its more rapid deposit in the stream, it would not be held back by the swampy nature of the soil, and so you might have more sudden rises and falls in the river than formerly without the volume of water or the uniform flow being increased or lessened?—A. I think—at least I have heard it so expressed by men experienced on the river—that the flow of the Mississippi River is greater now than it was formerly.

Q. That one year with another more water runs down the channel?—A. We can see a slight increase of the water of the Mississippi River. I do not know how it may increase in the future, or if it will at all, but that is the opinion of people there now. The point I want to call your attention to specifically is the necessity for the prevention of the water of the Red River going down through the Atchafalaya, for if the Atchafalaya washes out it leaves New Orleans a large commercial city upon, as it were, an inland sea. The waters which overflow from the banks of the Mississippi River on the front of Arkansas go over into the Red River and never come back into the Mississippi River any more until they come out at the mouth of Red River. Just at the mouth of Red River, and before Red River reaches the Mississippi, is the Atchafalaya. So that all of this overflow water that could be kept in the Mississippi River by building the levees on the front of Arkansas, now goes into Red River and helps to wash out the Atchafalaya, which will ruin the city of New Orleans if that is not prevented. It is a very strong commercial point, for the commerce of New Orleans is a matter to be considered in our affairs.

Q. I suppose there is no doubt that the Atchafalaya furnishes an outlet, which relieves your plantations very much?—A. No, sir; it does not affect where I live at all.

Q. Below the Red River, in Louisiana, is it not a relief in case of an overflow?—A. A partial relief; but in Louisiana, when you get down that far, they pretty much have their system of levees built, which protect the sugar district; there are only probably a few gaps; and the Mississippi River, when it gets that far down, does not rise in the same proportion that it does where I live, 500 miles above. The mouth of the Atchafalaya is 500 miles below where I am.

Q. Has this increased drainage from the Atchafalaya resulted in any injury to the navigation of the river as far north?—A. Not as yet; but if it is not stopped—the commission realize the fact I am now telling you—if it is not checked, the whole Mississippi River will naturally turn through the Atchafalaya, because the fall is so much greater.

Q. How do they propose to check it?—A. That is a matter the commission and scientific engineers would have to decide.

Q. Can they block it at the outlet of the Red River?—A. They propose to check it principally by stopping the water from the Mississippi River that goes into the Red River. There would in that way be an enormous quantity of water kept out of Red River. That would be one method. What the engineers would consider sufficient or necessary to be done, of course I would not venture to express an opinion upon.

Q. What danger is there to the large mass of capital invested in these alluvial lands, unless something is done to prevent the overflows of which you speak?—A. The lands that are now liable to overflow are almost entirely abandoned.

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Q. To how large an extent are they now abandoned?—A. Taking in the whole of the Mississippi Valley proper from Memphis down.

Q. Has there been any computation or reasonable estimate that you know of the value of those lands affected by the overflow?—A. I have never heard of it; but I will say that those lands which are liable to overflow now, if brought into cultivation, are just as valuable as any we are cultivating; probably more so, because they have the alluvial deposits upon them. There is a deposit there from 3 to 4 inches.

Q. You have no idea of the extent of those lands?—A. I cannot give you the proportion. I will simply say it is a very large proportion.

Q. A third, or a half, or a quarter?—A. More than a half. I saw it estimated some time ago, at least I will give it as a statement published in the *Planters' Journal*, published in Vicksburg, that there are thirteen counties on the Mississippi River which, if all cleared up and put into cultivation, are capable of producing the entire cotton crop of the United States, and I have heard the question discussed.

Q. What prevents their being cleared up and put into cultivation?—A. Simply the overflow.

Q. Have they ever been cleared as yet?—A. A great portion of them; and now destroyed because the levee system is not complete. On these lands all the negro labor which is not found profitable on the poorer lands in the older States could be made extremely profitable, not only to the proprietors of the lands, but to the laborers themselves.

Q. Do you think it would be within limit to say that one-half of the alluvial plantation lands such as you have described in Arkansas, Mississippi, and Louisiana is now practically destroyed by reason of this overflow occasioned by the destruction of the levee system?—A. Yes, sir.

Q. At least one-half?—A. At least one-half of that which has been in cultivation, and which can be brought into cultivation.

Q. Of that which is thus useless now, what portion has been formerly under cultivation?—A. It would be impossible for any one to form an estimate, because it is so varied.

Q. The amount of land that has been improved and which is now destroyed by reason of the overflow, you cannot state?—A. I cannot state it accurately; I will state it approximately; I should say at least one-third.

Q. One-third of the entire amount that has been improved is now destroyed by reason of the overflow resulting from imperfections in the levee system?—A. Yes, sir; that is what I mean to say.

Q. And of that which has not been improved but might be improved, how much?—A. At least a half.

Q. Do you think it possible to present these annual overflows by the levee system?—A. I do; I think it is the only system for protecting that land and for the improvement of the channel of the river.

Q. You are not frightened very much by the idea that the bottom of the stream will gradually be raised, and that by and by we shall have the river in the air?—A. Not at all. However, the Mississippi River is very different from the Nile in that respect. The Nile is a very sluggish stream. The Mississippi has a very strong under-current, so strong that it is one of the most difficult streams to swim in.

Q. The under-current is more rapid than the surface?—A. Yes, sir; there is a very strong under-current. It takes a very expert swimmer to swim in the Mississippi.

Q. He is apt to be drawn under?—A. Yes, sir.

Q. And in some portions of the stream the under-current is much

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more rapid than in others?—A. Yes, sir; owing to the bends in the river and other things.

The committee took a recess of one hour, and reassembled at 2 o'clock p. m.

JOHN CALDWELL CALHOUN'S examination resumed.

EFFECT OF TARIFF LEGISLATION.

By the CHAIRMAN:

Q. State, if you are able to, what proportion of the cotton crop is marketed in this country, and what is sold abroad.—A. As those are matters of public record, I would prefer to refer to the statistics on cotton. I do not know that I could state accurately.

Q. Is it your impression that more than half is sold in this country?—A. I think more than half in this country.

Q. You would consider the prosperity of the manufacturing interest of the United States, wherever it may be located, as of very great business importance to the South, of course?—A. Certainly.

Q. You made some allusion to free trade or protection. In so far as laws of that description are protective of the business interests of that section of the country which affords a market for the productions of the South, they probably would be beneficial, would they not, to the South?—A. I would say this, that the people of the South have learned to be very conservative, and while we would prefer that there should be no tariff except that needed for revenue, we would of course want to claim a l of the privileges which other manufacturing industries in this country are entitled to.

Q. Would you care to see at the present time a course of legislation adopted which would diminish the capacity of the North to afford a market for the productions of the South?—A. I should not like to see anything inaugurated in the way of legislation or otherwise that would in the slightest degree retard the prosperity of this country, or bring about a convulsion.

Q. Either North or South?—A. Either North or South.

Q. So that, whatever remarks you may have made touching upon the tariff in your testimony this forenoon, you desire to have considered in connection with this general criticism?—A. And as only one of the general benefits to be derived by our labor.

Q. At the present time what do you receive from Europe in consideration or in payment for the cotton which you export to the countries of that continent?—A. I will confine myself to my section of the country and to the business with which I am particularly acquainted. We sell all our cotton in this country. It would be a rare exception if a single planter in the Mississippi Valley shipped his cotton to Europe. That is all sold in this country. If it is shipped abroad, it is by the buyers.

Q. Then take the Mississippi Valley; what things do you receive in return for your cotton? In the first place, is there much paid you in money, or is it mainly in productions of the North?—A. We are paid money for our cotton, but we pay out that money for a large quantity of produce such as we consume and do not raise.

Q. What kind of produce?—A. Such articles as would be used by ordinary farmers. If I were to designate them they would run into all branches of trade.

Q. Do you receive wheat?—A. No, sir; what I mean is such articles as we import to our country for consumption, meats, flour, corn, where

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there is not a sufficiency raised in our country. Then our clothing comes to us. We import some machinery from Europe. There are certain gin-stands we cannot buy in this country. Those come from Europe to us. It would be very difficult in an examination like this to say exactly what articles we consume. We consume whatever may be needed to advance the interests of the farmer.

Q. The only object I had was to ascertain as nearly as I could what things necessary to the farmer are produced at home, and what things you receive from other portions of the country which you pay for by your staple crop. You have mentioned very largely what you receive?—A. Our machinery particularly, which I did not mention.

Q. Most of that comes from the North?—A. From the North and West.

Q. You say that some forms of machinery you import from Europe because they cannot be obtained in this country?—A. Certain kinds of gin-stands; machinery for ginning cotton.

Q. Is there a large expenditure for that kind of machinery?—A. Not very large, for we generally patronize home industries, and buy most of our machinery of that kind in this country.

Q. Agricultural implements of various kinds are mainly bought in this country, I suppose?—A. Yes, sir.

Q. If the power to manufacture these various utensils and things of Northern production, aside from grain and the like, depends upon the existence of a tariff, you would look upon tariff legislation on the whole as beneficial to the country, would you not?—A. No, sir. Our people, I think, regard the tariff as a burden on the masses, who are the laboring class, and would not be in favor of a tariff beyond a tariff for revenue.

Q. Would they be in favor of a revenue to the extent that the business of the Government required?—A. I think they would.

Q. And for such an adjustment of the tariff as would protect those industries most needing protection, if any?—A. As I have never embarked in political life, I confine my answers to those points that come more immediately under my own knowledge. I should not like to enter into a discussion of the tariff question.

Q. I am not asking for that, but simply for the fact as to the disposition of your people. Knowing that a tariff is to be imposed for purposes of revenue, and so to what extent that revenue is required—that you say is the inclination of your people—I am asking as a matter of fact, not whether it is right or wrong, is it a fact still further that they would be generally inclined to see that tariff so adjusted as to protect, as far as might be, such industries in this country as most needed protection against foreign productions?—A. I will answer that question in this way: Our people would be in favor of a tariff simply for revenue, and want the same protection that is afforded to other manufacturing industries in this country. We feel that the natural advantages we have in the South, being at the home of the articles produced, are sufficient to to enable us to compete with any other part of the world without a tariff.

Q. In the establishment of manufactures?—A. In the establishment of manufactures; but, mark you, if there is any protection to manufactures anywhere else in this country our people would claim it.

Q. With these superior advantages which I understand are possessed through the South for manufacturing as well as for the raising of cotton, what is the reason, in your judgment as a business man, that manufacturing as a business interest has not more largely developed? I suppose it is developing, is it not?—A. It is developing rapidly, and it has

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not more largely developed up to this time from the fact that capital has been timid about seeking investment in the South.

Q. You refer to the period since the war?—A. Since the war. Before the war our industries were such that there were very few institutions of that kind started in the South.

Q. Do you think that the laboring population in Arkansas and that portion of the country will take readily to the education which a manufacturing population needs in the handling and use of machinery?—A. I think they would with a certain amount of culture; they would have to be cultivated up to it.

Q. I suppose your white population there would be more likely to take to manufacturing than the colored population, would they not?—A. I have been surprised at the remarkable manner in which our colored laborers have adapted themselves to improved machinery.

Q. What forms of machinery?—A. For instance the improved plows for the preparation of land, all kinds of improved implements, such as are used in the Northwest for the cultivation of corn and wheat. We are introducing all that kind of machinery into our country now. I find that the more intelligent class of our colored laborers are adapting themselves to it admirably.

Q. With as much apparent readiness and facility as the white laborers perhaps?—A. I could hardly compare the two, because, as I said, we have but very few white laborers in our country.

Q. Is this labor-saving agricultural machinery also being introduced among the small farmers?—A. I think so in a limited way.

Q. Is there any cotton and woolen manufacturing being introduced into Arkansas?

ARKANSAS TIMBER INTEREST.

A. Only to a very small extent.

Q. How of the iron and other ore resources of your State?—A. I think they will compare favorably with any other portion of the South, especially our timber interest. During the period from 1879 to 1882 the mineral out-put of Alabama alone has increased from four million to nineteen, and the lumber products of Arkansas from $1,790,000 to $8,000,000.

Q. Where is the market for that lumber?—A. It goes down. There is a vast demand for it in Texas. For instance I heard it stated in a speech at a public meeting in Little Rock, to which I alluded this morning, by a gentleman of intelligence, a resident of Little Rock and a business man, that the shingle trade alone of Little Rock going down into Texas was worth $1,000 a day net profit to the city of Little Rock.

Q. By what route does it get there?—A. By the Iron Mountain road and the various branches that go out from Little Rock. In going from Memphis to Little Rock, on the Memphis and Little Rock Railroad, you will see acres covered with cypress shingles ready for transportation, and the cypress is a very valuable lumber, which is not so liable to rot and decay as other woods. It exists in vast quantities in Arkansas.

Q. It is used for building purposes mainly in your own State?—A. For building purposes not only in our State, but there is now a demand for it springing up in Chicago. People from Chicago and that northwestern country, where the timber interest is becoming exhausted to a certain extent, are rapidly seeking investments in the timber lands of Arkansas.

Q. Is this wood to some extent a substitute for the white pine of the North?—A. Very much like the pines of the North, only a more solid wood.

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Q. And really you have a remarkably valuable wood for building houses?—A. It is so considered.

Q. How as to the existence of cypress forests in other Southern States?—A. There are vast quantities scattered throughout the south. Mississippi has large cypress brakes, as they are termed; Florida has, and I suppose you will find cypress in almost all the States, particularly those bordering on the Gulf and the coast.

Q. Have these cypress forests been encroached upon for business uses to any great extent as yet?—A. They are almost in a virgin state.

Q. How large does the cypress tree grow?—A. There are cypress trees in my immediate section that will measure 5 feet in diameter at the butt and 100 feet at the first limb.

Q. Is that anything unusual?—A. That is considered a good quality of cypress—would be considered in most sections rather above the average.

Q. What other timber is there which is available for capital as an investment?—A. One timber that we have in vast quantities, which is coming into use, is the gum, which is a substitute for walnut. It can be utilized for manufacturing furniture. We have all the varieties of oak; we have the sassafras; we have the pecan. We have large pecan groves in my section, very much like the hickory. The pecans in my section are a portion of our business and trade. They grow naturally, and they are gathered up by the negroes and brought in to us. We buy them from them, and they afford a considerable revenue to the negroes in my section.

Q. You have large coal and iron deposits, I think you have stated?—A. In my State there are large coal and iron deposits. I think the specimens of both our mineral resources and wood that we have on exhibition now at Louisville would compare favorably with those of any other portion of the country.

## RELATIONS OF THE RACES.

Q. Speaking of the personal feelings between the white and colored races in different parts of the South, how have those feelings been in the State of Arkansas as compared with the same in other States, now and hitherto?—A. I do not know that I could draw any distinction. I do not think it is particularly different in Arkansas from what it is in any of the other Southern States.

Q. In the testimony before the Exodus Committee, of which I was a member, many of the witnesses testified to a better condition of things, so far as they were concerned, at that time (it was in 1879, I think,) in Arkansas than in some other Southern States.—A. I think the same rule that applies to almost all the walks of life governs there, which is that it is a matter of interest; and I do not see why there should be any difference of feeling in any other State from what there is in Arkansas. The interest of the laborer and the interest of the white man are identical; they must take care of each other.

Q. Do you think the feelings between the planter and the colored laborer, as a rule, are more amicable and friendly than on the part of the small white farmers toward the negro population; how is it in that regard?—A. I think that the white farmer is not so dependent upon the negroes as the large planter is for his labor, and he is not brought so much in contact with the negro laborer as the large proprietor. Probably he has not the same experience with him; but if a small white farmer became a planter and would have to employ laborers I do not

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know that there would be any difference in his treatment from that of an ordinary planter.

Q. Mutual relations depend very largely on mutual interests there as everywhere else, of course?—A. Yes.

Q. What is the moral condition of the negro population now as compared with what it was before the abolition of slavery?—A. I think from the end of the war—from emancipation on, probably—the negroes became demoralized; they naturally would. A great many of them went off to cities and towns who had been in the country before and were not subjected to evil influences; were not led off by temptations and all kinds of extravagance. I think, therefore, the demoralization was very much greater in their morals. Their morals are not as good as they were before the war; but I think that as the negro begins to accumulate some little property, and feels the responsibilities of citizenship resting upon him, and begins to acquire information, his morals improve along as he becomes able really to take care of himself and to think for himself.

Q. Taking the colored population as a whole, so far as you know them, are they in a material and mental and moral condition getting better or getting worse?—A. Decidedly getting better.

Q. In every respect?—A. Yes, sir.

Q. Your account of them is mainly of a very hopeful character?—A. It is. I do not wish to be construed, however, as comparing the future prosperity of the negro if left to his own resources as he is to that of an industrious white man, because he has not got the same qualifications. I think that the negro, with his surroundings, his character, and his habits, will make strides toward improvement; but that he will improve to the same degree that a white population would, placed under similar circumstances, I do not think.

Q. In other words, you think there is some natural difference in the qualities of the two races?—A. I do.

MONEY FOR EDUCATION.

Q. Speaking of the matter of education, and remembering that we are sent as a committee for the National Government to make such inquiries and recommendations as occur to us, are there any suggestions you can make to us in reference to the matter of the education of the colored people or of the uneducated people of any or all parts of the country?—A. If there was a surplus in the Treasury of the United States I think it should be distributed back to the States *pro rata* according to their population for the benefit of the States, and it could not be applied to a better purpose than that of education; and I think further that so far as a negro is ignorant in the South, who was emancipated and placed upon his own resources, it is eminently proper he should derive all the benefits of an education, and to facilitate the States it would be eminently proper that the $70,000,000 which has been paid into the Treasury by the tax on cotton after the war, which was certainly unconstitutional, should be given back to the States for educational purposes. I do not believe that tax, if refunded, would ever reach the people from whom it was derived originally, and I do not think it would be any more than justice to the Southern States that that money should be paid back, and it could not be applied to a better purpose than to the education of the citizens.

Q. Re-enforcing the common school systems of the various States?—A. Yes, sir.

Q. Do any other suggestions occur to you to make to the committee?—A. None at all, except to repeat what I have said, that we want no legisla-

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tion in the South for our affairs further than that which can be given to us by our States and the natural protection which the General Government should afford to the States, and to leave to time the solution of this question and to the demand for the labor which exists in the South as the best protection that can be afforded.

By Mr. CALL:

Q. What is your business?—A. I am a cotton planter.

Q. Have you ever held office or been a candidate for office?—A. Never in my life. I have confined myself exclusively to my business affairs.

Q. You speak entirely then from your observation as a business man?—A. Yes, sir.

## THE PATENT LAWS.

HENRY PALMIERI affirmed and examined.

By Mr. CALL:

Question. I understand that you have some facts to present in regard to the interest of patents and the relations of capital and labor to matters connected with them.—Answer. Yes, sir.

Q. Make your statement.—A. My statement refers to section 8 of article 1 of the Constitution, in which is written that "Congress shall have power to promote"——

Q. Are you connected with patents in any way?—A. I have been interested in patents since 1872.

Q. How? As an inventor?—A. As an inventor and solicitor of patents—

> Congress shall have power * * * to promote the progress of science and useful arts, by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries.

I have written a statement with regard especially to inventors, also touching upon the labor question generally.

Q. Is your statement one of facts or opinion?—A. Facts.

Q. Give it to us.—A. Mr. Chairman, in this great bloodless war between labor and capital, and on the labor side of the question, we find the inventor, the creator of all improvements in the arts and sciences, the father of progress, and for all that a martyr to a heartless and avaricious community. There are a few inventors who succeed in obtaining payment for their services; there are thousands who spend their substance mentally and physically *pro bono publico* and get starvation for their pains. Some days ago Mr. Swinton, who posed as a labor reformer before your committee, stated that all patents should be free, *i. e.* that although the laborer was worthy of his hire the inventor was not. I will not dwell at length upon the inconsistency of this man's views; they are unjust, and unworthy of notice. History has taught us that tyranny imposes its outrages upon the people gradually and systematically, its shackles being welded link by link. So gradual is the imposition that it often remains unnoticed until the burden becomes extremely oppressive. To-day the people are gasping for breath under the atrocious weight of monopoly. Every man who works for his daily bread bears his share of this imperial burden.

Mr. Chairman, the question is not, "Are we wisely governed?" but logically and effectively, "Do we enjoy personal freedom and the fruit of our labor?" Of course the last question must be answered in the negative. Those who enjoy most are those who create least of the world's goods. How then do we benefit by the leadership of those

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great lights upon social science, political economy and reform? How do we benefit by our elaborate and expensive legislation and our Government machines that drain from the consumer $250,000,000 a year? What do our extensive libraries, with their brilliant studies upon mankind amount to? The facts are glaring, they stare reform out of countenance.

Mr. Chairman, the science of accumulation has defeated all attempts in the direction of justice; practically the masses are mere tools, beasts of burden; they work, crawl along, suffer, or strike madly at their oppressors in their desperation. This is history and it is ours to-day. The monopolist says: "We are well enough. Why not let well enough alone;" or else they say: "Well, what are you going to do about it?"

Mr. Chairman, I call your attention to the relation existing between our Declaration of Independence of 1776 and the present issues between labor and capital. Strange indeed is the fatality which compels us, after a period of one hundred years, to borrow from the protests of our forefathers against a foreign despot words and sentiments with which to characterize and denounce a class of our fellow-citizens who have built up against us (by special legislation and treachery) a despotism greater than that which caused the rupture between England and this country.

By the CHAIRMAN:

Q. Do you mean that we are worse off than our fathers were at the outbreak of the Revolutionary war?—A. Precisely; we are worse off. But you may say how can individuals hold the people in bondage. My answer is that they do effectively, and the Government of these United States is behind the monopolist, the capitalist. The demands of the lobby are respected, while the protests and petitions of our oppressed people are despised, ignored, and pigeonholed. The press, the pulpit, the bench, preach patience to the people. Our reverend friends show us how, bread and water is a possible diet, and in point of fact it is a popular one. Patience may be a virtue but men cease to be patient when they begin to starve. When after a hard week's work with bended back they reach their miserable home with money enough to pay their landlord and a little balance with which to practice semi-starvation on the coming week, how can men be patient? This is a true picture. I tell you, Mr. Chairman, that this talk about the workman getting a house of his own is bosh, and it is a theory peculiar to certain men whom fortune has favored. It won't wash for a cent, if I may adopt a slang but expressive saying.

Q. Why is it bosh?—A. Because there is not one man in ten thousand who can reach that point; for if he has not enough to pay for his rent and his necessaries he cannot lay by anything, and if he cannot lay by anything he cannot buy a house.

Q. Are you a laboring man?—A. Yes, sir; I am essentially a laboring man.

Q. You are an inventor?—A. Not only an inventor, but I am a man who works my inventions, works them into shape and brings them to perfection; not an inventor who lies on his side and merely tells people I have done so and so, go ahead and complete it; but I have perfected my inventions and worked them out.

By Mr. CALL:

Q. What is your invention?—A. I am coming to it presently, if you will permit me.

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By the CHAIRMAN:

Q. I would like to ask a question before you go on; I am not controverting your position. You say that the assertion that a workingman can get a house after awhile, that he can buy a house from his savings, is all bosh?—A. I say as a rule it is bosh, under the present *régime*.

Q. Your circumstances, your knowledge of your surroundings and the condition of other workingmen is the basis upon which you found that proposition?—A. Precisely.

Q. Now state what that knowledge is, a little in detail.—A. Will you allow me to proceed two pages further and then I will come to that?

Q. Very well. I do not wish to interfere with the continuity of your statement, but I should like you to explain that, because that is a fact we want to know about if it is so.—A. Yes, sir; I will proceed: People say the inventor is "*such a bad manager, you know*," that he always makes mistakes in business, *always fails*. Who, I ask, would not be a bad manager with a monopolist as a partner Mr. Gould, for instance, if you will allow me to mention names here——

The CHAIRMAN. We are not squeamish about that.

The WITNESS. Mr. Gould, for instance; who can save his interests from the cunning grasp of such men, especially when that partner owns two-thirds interest, &c. The inventor may be a bad or good manager, but never can have any voice or power under such conditions.

By Mr. CALL:

Q. Tell me why Mr. Gould would not be a good partner?—A. He would not be a good partner because he would swallow up everything.

Q. How does that happen?—A. It happens because he put in all the money and would have all the say.

Q. Is it not a good thing to have money in business?—A. It is a very good thing, but it simply effects this: that the man who puts in his brains against money is out—frozen out.

Q. I do not see how that happens. It seems to me it would be a first-rate thing to have a partner who had money in the business.—A. That is invariably the case.

Q. Would you prefer to have a partner having no money?—A. Oh, no; I am not fighting monopoly; I do not propose to fight monopoly. All inventors who put up their brains against money will be fleeced.

Q. I thought that was what an inventor always did, put his brains up?—A. Then they are always fleeced. There are some exceptions, but they are so rare that they are hardly worth talking of.

Q. Is not that what the provision in the Constitution is, that a man shall have the exclusive right to his invention for the purpose of promoting the progress of the useful arts?—A. Precisely; but Congress has lost sight of the fact that progress and the regular course of trade and the law of accumulation will defeat that, and Congress should protect the inventor more than it does, and it is for that purpose that I am at present addressing you.

Q. Go on.—A. Monopolists will tell you that the people are satisfied, but that it is the infernal agitators who do all the talking and all the mischief. I can tell you that there are not enough agitators upon this question, and the reason is that the world is too selfish and too conservative. There are a great many men who are so conservative that they object to appear and make a statement of this kind; they do not want to be laughed at; they do not want to be hooted as "communists," &c. I am not a communist; I do not approve of communism; at the same time I want to speak of facts as they appear to me. As soon as an agitator ap-

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pears who displays some ability, monopoly immediately tries to buy him; if they cannot buy him then they will use him up if possible; that is they will get him out of the way. It is very easily done. I will give you an instance where the imposition comes, where I have had some experience of it. The horse-car companies enforce a rule compelling their men to remain standing all day; when a driver reaches home he is greatly exhausted. Many of these men are lamed for life. Some years ago I tried to introduce a seat for them. Our philanthropist, Mr. Bergh, came to my assistance, but I had to give it up, the bosses refused to grant this humane request; why? Because they care more for the loss of a horse than for that of a man; a man costs nothing, at least not as much as a horse. When a horse dies it is a practical loss; when a man dies there is another man to take his place, and so it goes.

Q. Was that an invention—a patent seat?—A. No, sir. I did not claim any invention for it. I have not finished my statement, but I am at your disposal.

The CHAIRMAN. Perhaps you had better go right through with your statement.

The WITNESS. Very well; I will proceed. You talk about your civil rights. Why, at an election a year or so ago the men of a railroad company in this city were marched to the polls like cattle and compelled to vote one ticket; and this was done under the *nose* of your district attorney, who could not see anything beyond it upon this special occasion. Liberty exists among the workmen here, if in liberty you imply the right to close by suicide a miserable existence. When a man is well fixed he imagines that all around him are happy because he is. Inebriates feel that way too.

Mr. Chairman, I am not a reformer; I am what is known as a growler. I growl because I have been hurt. I would bite, but that would only make matters worse. When I walk along our thoroughfares and see the extent of *my* work, and when I consider that *my patent is free to the public* (as Mr. Swinton desires all patents to be), and when I realize what a splendid thing it is to be a public benefactor, especially, Mr. Chairman, when we are benefiting a wealthy and prosperous branch of trade, a sensation of pleasure crawls down one's back, and a tinge of pride lights up even the countenance of a hungry inventor. Mr. Chairman, I calculate that since the Chicago fire (when I first brought to practical existence my system of iron hose for high buildings) the owners of our warehouses in this country owe me at least $1,000,000. Mr. Gould thinks that with perseverance and grit a man is bound to succeed. Well, if Mr. Gould had met the obstacles that have presented themselves to me I can tell him that he might yet be peddling rat-traps to this day, or milking cows upon the old farm.

Q. Do you think that it is either wise or courteous to select some one man when there are hundreds in the country that you might select to personify all the evils of monopoly that you are suffering from and against which you would complain?—A. No, sir; I simply mention Mr. Gould because he is the last man I heard here, and I have read his statements and recognize their inaccuracy. At the same time, I suggested to you that I should not mention any names unless as you please about that.

The CHAIRMAN. I do not object to the mention of names, but I do not want the records of the committee to be simply a vehicle for the conveyance of what would be improper intercourse between gentlemen.

The WITNESS. Nor do I. This is more of a political and general statement than a personal one.

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The CHAIRMAN. Go on.

The WITNESS. Mr. Chairman, I desire to correct a prevailing misapprehension on the part of the world in general regarding monopolists. It is supposed that these men are wiser, shrewder, and more industrious than their impecunious neighbors; Mr. Gould's World says so, and Mr. Tilden's Sun affirms the same theory. Mr. Bennett's Herald believes it, and Mr. Villard's Post chants it politically, while Mr. Mill's Tribune chimes in its "ay! ay!" You see there is no especial person mentioned there. I might mention Mr. John Kelly's Star, but that is immaterial.

The CHAIRMAN. You have it very equitably distributed now, you think?

The WITNESS. I think now I have got it spread out generally. Mr. Chairman, disclaiming any intention to depreciate the virtues of any of the above-mentioned money kings, I think that they will not compare favorably in business tact and knowledge with many of our merchants. I think that, intellectually speaking, they cannot hold a candle to our average statesmen. One of these gentlemen of the guilded sphere, factiously replied to your inquiries regarding the working classes by stating that the people had a fair chance to make a fortune, when he does not pay living wages to his employés, and to cap the climax of absurdity he advises the people to "go get educated." Mr. Chairman, the practices by which our capitalists have fallen into wealth, I think, had better remain a part of their private and unseen life, for certainly morality cannot benefit by their examples. There is nothing as successful as success, and it is the opportunity that makes the thief, as it is the opportunity that makes the bloated monopolist. If you will consult the statistics you will observe that a very small proportion of our merchants acquire large fortunes; you will also notice that our shrewdest, most industrious and best business men are continually failing, which goes to prove that there is more good luck than good management in this millionaire business. Of course industry and perseverance are necessary qualifications for successful business, but the kind of business done by the monopolists referred to is not included in the category of general business. A business which permits a man to accumulate $200,000,000 in a score of years is a business in which the Government should take a hand. Congress within the last few years has lavished public favors upon these monopolists, thereby greatly increasing the centralization of individual power. This mistake on the part of our legislators amounts to high treason against the people. I predict that if a remedy to the existing evil is not forthcoming there will arise a cyclone of vengeance and retribution that will level things pretty generally, including Congress and its wealthy wards. You will please observe, Mr. Chairman, that I am not reproaching our monopolists for the state of affairs in which we find ourselves. Monopolists are human and selfish; all men work in the direction of monopoly, from the scavenger to the highest mortal; all are struggling to obtain more goods, more pleasures, but few can succeed. My reproaches are unequivocally addressed to our legislatures, general and local, and I, as a unit in the great national tribunal, lift up my voice for 8,000,000 voters to impeach this Government for criminal negligence of its trusts, for its usurpations of power, and its confiscation of national property.

To obtain a patent nowadays is equivalent to walking out at night among a pack of wolves wrapped in a sheet soaked in gore. The impositions practiced upon the inventor begin in the Patent Office. There is entirely too much red tape about the Patent Office—a great

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deal of unnecessary quibbling and superfluous correspondence. The examiners are very particular on some occasions, and extraordinarily careless upon others. They grant patents that infringe upon others, and refuse claims that are novel. When an inventor applies for a patent he has to pay his attorney $20 to make drawing and specifications; his model may cost from $5 to $100; he then sends a money order for $15 (first Government fee) to the Commissioner of Patents. Usually his application is rejected, and he is referred by the examiner to some patent supposed to anticipate his. It often happens that the reference relates to an invention entirely different. After amending the application to conform with the whims of the examiner (whose infallibility must not be questioned) the petitioner returns it to the Patent Office, with some unimportant alterations. The petition is then granted; but accompanying the grant is a notice, calling the inventor's attention to an interference on the part of a contemporary petitioner; this involves a cost of about $200, unless the parties have the matter settled by referee. It frequently happens that the two applications for patent refer to inventions which do not conflict. Thus unnecessary time, labor, and money is wasted.

In case the application goes through smoothly the Government asks $20 more, and our proud inventor begins to look around for capital to place his improvement on the market. If the invention is valuable, the inventor will easily find a capitalist, who will make the following peculiar arrangement with him: They form a stock company of 20,000 shares, out of which the inventor receives 5,000 shares, representing half a million dollars at par, all neatly engraved, and legally drawn, indorsed, certified and red-taped.

There is a paid-in working capital of $50,000 for manufacturing use, to pay for building, machinery, material, and labor. Then they agree to buy a few shares of the inventor's stock to help him along and reimburse him for his long years of labor in perfecting the improvement. They very liberally agree to take of him 500 shares at $10, which about pays the inventor for the time, labor, and money he has expended in developing the improvement. This is all the cash he may expect. During several years the company remains at a standstill; nothing is done excepting paying out sinecure salaries. The inventor becomes despondent; thinks he had better sell out; does so for a song, and that closes his interest in the invention over which he spent so many sleepless nights and upon which he devoted so many laborious days, sweating his blood away and stinting his stomach to succeed in his task. Did ever one of our Wall street nabobs do such work? Oh, no; that is not his business. He waits patiently while the inventor is unraveling the scientific threads which are soon to be woven into golden and imperial garments for monopoly to wear. When the capitalist has secured the inventor's stock and rid himself of that erratic individual (who everlastingly wants to borrow money before any money is made out of the confounded invention), then the capitalist changes his tactics. He immediately sets his machinery to work and doubles his investment over and over again. In the mean time our poor inventor is pulling the devil by the tail and scratching his head in devising new schemes, in which he is doomed to be swindled every time.

This trick played upon inventors by men of means is so well understood, so frequently witnessed, that its victims cease to inspire a sympathy. The people look upon an inventor's misfortune as a foregone conclusion. It happens so often that it no longer interests any one.



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The workman's case is precisely the same, and loses notice through its monotony.

Mr. Chairman, I respectfully submit to your committee a plan, or rather a sketch thereof, by which both the inventor and consumer would be benefited:

The National Patent Agency, headquarters, Washington; sub-offices at the post-office of each State capital in the United States.

To take out letters-patent for inventors at a cost of not over $5 to the inventor, to advertise the same with description thereof each month for one year. To offer for sale manufacturers' licenses at a moderate royalty (same rate for all purchasers). To accomplish such sales by selling suitable stamps or trade-marks to the manufacturer as he may require them. We give the invention to the public in that way and allow any manufacturer to manufacture on paying us 5 per cent., or one or two cents on each article he manufactures, having stamps for that purpose.

To impose a heavy fine for counterfeiting or using any patent without said stamp, and to offer a large reward for the detection of any violation of the law.

To stop infringers with preliminary injunction, regardless of bonds, and prosecute all infringements to a final issue, patent agency and inventor dividing royalties.

Mr. Chairman, there are few inventors, if any, who would not gladly avail themselves of such services as this agency would afford. It would be a source of large revenue to the Government. And very few infringers would take a stand before such a power.

Goods manufactured under its patents would reach the consumer at a reasonable advance upon unpatented goods.

Any manufacturer could handle the inventions because the same tax would be paid by all. The increased manufacture would realize to the inventor a larger revenue than he could obtain from an exclusive manufacture of his invention.

I think that these desiderata are worthy the consideration of Congress.

Concluding my statement, Mr. Chairman, and thanking your committee for its polite attention to the same, I would express the hope that the people of this country will succeed in obtaining legislative relief. There are laws upon our statutes that give the lie to our Constitutional prerogatives as citizens; there are others which are special, exclusive, and incompatible with democratic principles. The people must take a broader view of their affairs. There is too much individual politics nowadays. Men should disappear behind principles. What is man, after all—a very fallible and perishable thing at best. Principles will stand engraved on the rock of ages, while generation after generation passes into oblivion.

Q. I should like to get your idea of a national patent agency. Explain it a little fuller verbally?—A. I think that ought to be drawn up very carefully. I have simply given a sketch.

Q. Is the idea that this be a national institution?—A. Yes, sir.

Q. Established by law?—A. Established by law.

Q. We have the Patent Office now. Would you abolish that?—A. By no means. I think that gradually the Patent Office would go out of existence. I think this would supersede it, but that would be done gradually.

Q. How would you establish this agency?—A. The idea is simply to afford to the inventor protection against the impositions practiced upon him now by agents and men of means, also to protect the consumer

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against exorbitant advances. For instance, certain patented articles sell at very exorbitant profits. If the thing was given to the public for a small royalty, say 2 or 3 per cent., or 2 or 3 cents on each article that was generally manufactured, you can see that the revenue would be much larger, especially if the invention was valuable, while a great many inventions would not be taken up at all.

Q. The procurement of the patent itself is to be through the operation of this agency? You have struck upon one of the most serious grievances of the time. This is a very important matter, and I do not know what your suggestion may be worth; but the men who do the thinking and the inventing very seldom get a proper reward for what they have done; for the service they have rendered the country?—A. Very seldom.

Q. How would you have this national agency operate? It is to be an institution to which the inventor may apply for practical assistance in the way of securing the necessary advances and helping him to prosecute his claim for a patent before the Patent Office itself?—A. Yes, sir. If I get up a certain invention, instead of applying to the Patent Office or taking out a *caveat* for it, I would apply directly to the national patent agency, and they would make a search in the Patent Office and ascertain whether that patent had been anticipated or not. If not they would be bound then to take out a patent at their expense. Therefore we would want a fund to start on. I should think a very small fund would suffice; probably $25,000 or $30,000 would do to start on. Then they would take out this patent in the name of the applicant, the papers would be made out in the usual way, only going through the patent agency. Instead of being issued to the inventor it would be issued to the patent agency in the name of the inventor, and this agency would become half partner with the inventor in that invention. Then there would be a publication monthly of this patent agency giving a description of the various inventions patented to date, and offering the same for sale, and specifying what royalty would be charged. This would be sent throughout the country, and in fact manufacturers throughout the country would be very glad to examine this report and see whether there was anything in their branch of trade that would be useful to them, in which case they would make an application to the patent agency for a manufacturer's license, which would be granted under certain conditions. I suggest the stamp business, which I think would be a good plan, to sell them by the thousand, or by the hundred, without discount; there must be one price, so that there will be no preference for one manufacturer or another.

By Mr. CALL:

Q. Cannot you do all that now under the law as it is?—A. No, sir.

Q. You can get up as many patent agencies as you please?—A. So you can, and so they told me here when I had to go to the different papers to publish a letter "Why don't you start a paper of your own; then you will get your views ventilated and circulated." It is precisely an analogous case.

Q. You mean you want the Government to do it?—A. Yes, sir.

Q. Then you want to change the Constitution?—A. No; I want to say to the Government, "Here is an opportunity for you to make money enough to pay the national debt."

Q. Read the Constitution and see what it says?—A. I know, but then we are not bound to sit on the Constitution and remain there forever. We go on progressing; we want legislation.

Q. The Constitution can be changed undoubtedly.—A. We require

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further legislation. I do not propose to confine myself to old laws. New issues require new laws, and we have had plenty of laws lately, special laws.

Q. The people have only given to Congress power to pass laws securing the exclusive right to the inventor?—A. The first and elementary fundamental principle of the Constitution is: "We, the people of the United States, in order to * * * establish justice, insure domestic tranquillity, provide for the common defense, promote the general welfare, * * * do ordain, &c." Now to "promote the general welfare," Congress has a right to legislate. Nobody denies that.

Q. I never heard that before.—A. What is the use of a Congress? By Congress and two-thirds of the States you can change the Constitution, can you not?

Q. Oh, yes, you can amend the Constitution.—A. I simply make the suggestion to you gentlemen. Of course I am not a Congressman. I submit the thing to you as a citizen. I think it would be to the benefit of the Government and of the people to organize something of this kind.

The CHAIRMAN. Such an agency could be incorporated undoubtedly, and could go into business, and do business like any other corporate institution, and I do not know why the provision in the Constitution for securing the exclusive right to inventors of what they may invent is in any way in collision with their right to relinquish any claim of a mere royalty upon the article that may be manufactured. You could undoubtedly do that under the Constitution as it is. I do not know but what your idea might be practicable without any change in the Constitution, the inventor relinquishing a right to anything but a royalty upon the patented article.

The WITNESS. That is all he would practically have.

The CHAIRMAN. That is all he would have under your plan. I do not see why any change in the Constitution is necessary to do that.

Mr. CALL. Because the law is imperative and mandatory, and if the law says that if a man chooses to do so and so he may, it is no law at all. The Constitution says that Congress may pass laws securing the exclusive right of property to every inventor, but it does not say that Congress may pass laws securing the right of property to anybody but the inventor.

The CHAIRMAN. The greater always includes the less.

Mr. CALL. If the inventor wants to give it away, or sell it, he can do so now without any change of the Constitution.

The CHAIRMAN. That is precisely what I was saying. The right to secure the greater certainty includes the right to secure the less, and that right by way of royalty is no greater and may be less than a right to the exclusive use of the invention.

The WITNESS. The inventor could assign the entire right to the United States and receive from the United States therefor a certain royalty.

By Mr. CALL:

Q. Do you know any provision of our Government by which the United States may receive any such assignment as that and go into the patent business?—A. I do not see why we may not legislate to that effect.

Q. Then we might go into the grain-selling business, or any other kind of business.

By the CHAIRMAN:

Q. Why do you need really any organization connected with the United States? Why could not an organization be incorporated having capital

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to do business and take its share of the profits that might result from the usual development of the inventions?—A. It would not be half as popular in the first place. It would be looked upon as a great monopoly. It would become more powerful than the Government after awhile, and that is the reason I object to it. I think such an organization is as important as our railroad interests, and I think that there is only one power that should handle it, and that is the United States Government. It would be immensely valuable. You can see for yourself our great inventions, and see the fortunes, the millions that are being made from them. Take the telegraph, our different improvements on railroads and on the sewing-machine, and so on.

Q. Your plan is to effect a distribution of that wealth among the people at large. Then there is no reason why the organization should become unduly wealthy; the profits would go to the people.—A. If this thing was in the hands of a private corporation the royalty would necessarily increase; they would find it to their interest; no law would bind them to make it lower. If it was under the Government they could afford to do so.

Q. I was only desirous of developing your idea so as to be sure to comprehend it. Have you any other suggestion to make?—A. Nothing at all, excepting these two.

## BUREAU OF LABOR STATISTICS.

ELISHA WINTER sworn and examined.

By the CHAIRMAN:

Question. What are your business connections?—Answer. I am employed in the Delaware and Hudson Canal Company, in the auditor's office. I am assistant auditor, and interested in a subject which is before this committee for investigation.

Q. State the particular matter that you have in mind.—A. I wish to add my feeble testimony in favor of the idea, which I think has already been brought before this investigating committee, of a national bureau of labor statistics and protection to foreign immigration. I want to add my indorsement to much that has been said, and also possibly add something that may be of value to that idea. My personal experience here in the city in helping people in charity-need and people looking for work has got me interested in the idea of the labor class being assisted, and as everybody nowadays seems to think the Government ought take care of everything, down to cooking a man's victuals, I suppose I have naturally fallen into the idea that it must be done by the Government. I do not see myself, honestly, any other way of getting at this information that we need than as a nation. The indifference of States to each other and the natural spirit of jealousy between cities and States is such that they will not give impartial information even about themselves, much less about each other, and I have come to plead in behalf of the National Government taking up the idea of furnishing to the world through a national bureau, if you please, all the information that is needed by people who come here to settle in this country. People come here from Europe in a very degraded state of mind, often knowing nothing of our resources, and they are often the victims of land agents, railroad speculators, or anybody into whose hands they happen to fall. We have a bureau at Castle Garden that attempts to protect them after they get here, but only to a partial extent. It is very fortunate that most immigration has its destination fixed before it comes

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here, but the information on which they base their decision often comes through the influence of land speculators and people who are interested in a certain locality. I argue in favor of the National Government furnishing impartially through a publication that shall be recognized all over the world as coming with the stamp of this Government information of every State, county, and town that may be asked for, and giving it thoroughly and accurately.

Q. I see that the idea which you are advocating here is the same as that in which the British Government has so largely interested itself and brought to the attention of our State Department, and which has been indorsed by the State Department, and is really an idea of very great importance.—A. Yes, sir; even the island of New Zealand and Canada both do this. We are behind the whole world in furnishing this information, and yet there is more important information wanted from this country than the rest of the world put together, and they can get less of it from the Government of the United States.

Q. What is the name of that English gentleman largely connected with the Government and so prominent in the discussion of economic questions?—A. George Jacob Holyoke, as I recall it. He was here last year visiting this country on that express mission. I saw that our President and Secretary of State gave him great encouragement, saying that our Government, as far as they could assist it, would be in favor ultimately of doing something in this line. While we have the proud distinction now of coming up at the foot of all the nations of the world, it is "better late than never," and it is high time, I think, that the subject should receive the important attention which it deserves. I was first interested in the subject by seeing how ignorant people in these cities are, hundreds and thousands of them, as to what is best for their own condition. I found the foreign population dumped into this city like a congested mass of rotting ignorance, with lack of self-protection, with nothing to give it excuse for being here excepting that they had to live and they had to work, and ignorant of the fact that within 100 miles of the city of New York seven out of ten of them could establish independence and comfort in ten years, and they do not know it, and often when you tell it to them they do not believe you. They think you are interested in some land speculation, or have some lots to sell, and they do not care to listen to you; but I think, coming from the Government, with the stamp of authority of Uncle Sam on it, it would pass circulation, and would receive that credit which it now does not get. The great lack of success I found in helping people in this city and the great success in helping those who would get out of the city on to land was what gave me first an interest in this subject. I could give most amusing and most sorrowful examples of this, but have not time, and I do not think you have to listen to it. Our education lacks nature, and our labor is too fond of city life. That is the first point I would like to bring up. Money spent here in the city in charity, in my opinion, I am sorry to say, only manufactures pauperism.

Q. What has been your connection with charitable work in this city and vicinity?—A. I am sorry to say it has been more unsuccessful than successful. I was chairman of the missionary committee of the Brooklyn Sunday School Union for a couple of years, and I had a good deal to do in inducing Mr. Seth Low to assist in organizing a Brooklyn bureau of charities. At one of those meetings I introduced a resolution that since went through the State legislature, and went through Congress last year, for the appointment of a national commission of immigration, but I think it went through in such a hurry that it was not

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properly digested, and I hope this winter Congress will bring the thing up and combine it with a bureau of labor statistics and assisting immigration.

Money spent in assisting to country homes is not "bosh," as our friend who has just preceded me said. My personal experience is right to the contrary of his testimony. Not only out West, but within 100 miles of New York City is to be found the very best charitable expenditure that can be made, in my opinion, especially getting children there when they are old enough to work. If you get children there when young they are pretty apt to stay, and often through the children you can get the parents. I have taken great interest in the Tribune fresh-air fund. I have sent out parties this week; one is going out next Saturday, and it is delightful to see the influence it has in some few cases—few, I am sorry to say, but good, I think, will come as the thing grows—from the influence the children coming back into the city have to get their parents into the country, and in a few years, I have no doubt in ten years, men who would live and die here and never have enough money to bury them can go into the country, and in ten years own better homes than they now rent, and the money they now pay in rent will buy the house. If I had time I could give the figures to prove it. All this is not known. You would think it was known, but it is not. Men are as ignorant as horses outside of the smoke of their own chimney and the circle in which they live. They will not read a paper that does not give them the ideas they have already through education or prejudice, and it is almost impossible to get men to look at the other side of anything that they have accidentally fallen into by inclination, prejudice, or early education. My opinion is that people look to nothing but the Government for impartial information. They consider the Government is not a party, is not a boss, and is not a monopolist. Almost everybody else nowadays is accused of being something, either a monopolist or a communist, or being some powerful influence for evil in the country, and what they do receives no kind attention; but what comes from the Government does or can receive the attention of the whole civilized and a good part of the uncivilized world. I magnify perhaps the importance of the idea, but I must say I firmly believe that if this Government takes up the cause of assisting the foreign immigrant here, protecting him after he gets here from himself and from each other, they will add to the nineteenth century one of the grandest things this country has yet done for dignifying labor. I have a very great deal of faith in the idea, I assure you.

One great advantage, I think, that would come from this is that it would disarm local geographical prejudice. It is sorrowful and yet laughable to see how one little town will hate another little town three or four miles off. You might suppose that a whole State would naturally have a great feeling of pride in every part of itself; but why a little bit of town, and sometimes a ward in a city, should be jealous of its neighbors is strange. Take the eastern district of Brooklyn. If anything is started in the western district, and if the people of the eastern district have not their full share, they are as mad as red hens. If they have an idea of anything going to hurt the western district, you will see the Brooklyn Eagle and other papers go for it and kill it, because it does not help them. This local geographical prejudice is a bug-bear, a stumbling-block in the way of national progress.

The Government protects the population that is here now from that which hereafter is coming by means of National Commissioners of Emi-

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gration, and that is perfectly right. It should also protect the population that is here now from each other, and often from themselves.

Genuine protection to home industry demands the extermination of sectional geographical prejudice, and the National Government alone can do this.

These are the points I wish to enlarge on to the extent of your patience and my time. My personal experience I have given. The bill that went through Congress last year carried out partially the idea I agitated in the Brooklyn Times last fall. I took it down to a meeting of the bureau of charities and I got there pretty late. Just as it adjourned I gave it to Hon. Ripley Ropes. He was very much pleased with the idea and jumped up and introduced it, but they had adjourned, and he said, "Send it up to the State board of charities at Albany with my indorsement, and ask them to put it through the legislature." They did put it through. It seemed they had the idea up already at Boston, at the congress of charities. It went through the State legislature flying. In fact, it went through too quick. It did not get in the proper shape that it ought to have been. Hon. J. Hyatt Smith, before he was elected to Congress, promised me warmly that he would indorse it, and he did. Representative S. S. Cox also did. Senator Warner Miller introduced it into the Senate, and it went through the House with about the same speed it went through our State legislature, and, I think, in the same week.

Q. Did the bill pass the House of Representatives at Washington, did you say?—A. Yes, sir; appointing commissioners of immigration. But I complain that it was only *ex parte* in its influence, and I hope this Congress will combine that with Mr. George Jacob Holyoke's idea of a bureau of labor statistics and protection.

Rural life is declining here among Americans. Farms in New England and the Middle States are falling into the hands of ignorant foreigners. Stagnation of property around New York, within a radius of fifty miles, beats all imagination and belief. Years ago people invested in rural property. If they had any idea of it to-day they would not put a dollar in it as an investment. In Yonkers, almost within the corporation of this city, where Mr. Jay Gould's secretary lives, property is the same in value to-day that it was ten years ago, because the rural spirit seems to be so declining and people are getting into cities, and city people are more ignorant geographically than any class in the country because their prejudices are so narrow they take interest only in what prejudice calls for, and they have less public spirit, I believe, than many backwoods farmers that do not see a paper once a year. My experience is that those latter people know more about the country geographically than the people I meet here in the city. The lack of information and of figures and statistics I think is deplorable, for the reason that if they see anything in the paper they will not believe it. I know but three editors in New York and Brooklyn that are free from suspicion. Silly, stupid people say, "this editor has a collar on him," or is the man's dog; "nobody gives him credit" for truth. Information in the press does not carry weight for the reason that people seem to think a paper that has a great history or national reputation is small enough to get down and be a mat for some millionaire to wipe his feet on. I have no faith in the power of the papers here arousing any interest in the subject, and I turn to the Government because public spirit in the cities is dead, and I know of no other resource.

Q. What could people do for a living on the places to which you have referred, or within a radius of fifty miles of the city?—A. Up as far as

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Maine, if you read last Sunday's Tribune, you will find where a man representing a big firm on Broadway put up one hundred or two hundred suits in a box, sent it to Maine, and those backwoods farmers' wives there sew at night and can beat the people who work here in tenement houses. They have less rent to pay, and all the expense is the freight, which would not be 25 cents on a suit of clothes. I saw that confirmed by one member of the committee who has been down east and came back and reported that the people who lived in the country, those who were laborers and mechanics, were in his opinion better off than people living right here in the city. This could be applied to the suburbs of New York.

Q. What is the reason that these available lands are not appropriated as the homes of mechanics and laborers?—A. Ignorance and stupidity, prejudice and laziness, I am sorry to say, to a large extent. Americans do not seem to want to work a farm. They talk about the dignity of human labor, and they seem to think that to work where you see the most beautiful handiwork of nature is degrading; but working in a dirty city, where there is nothing but artificial life and where the comforts of home are nothing equal to what they are in the country, that is dignity and that is the perfection of human existence. I say that comes from ignorance, and people will not listen to the clergy or to the press, and I am in hopes the Government can pound information into them.

Home life in cities does not turn out great men. Our great editors, ministers, and financiers come from the backwoods; even Jay Gould came from Delaware County. New York City raises nothing but gin-mill statesmen, dudes, and other criminals. I believe in a love of nature. The British and Germans, cultivating a love of nature among us, are our principal resource. I would rather let foreigners have our land, if Americans will not take it. For two hundred years the German Government has taken up the cultivation of its forests. We do not know how many or how much area of trees we have. There is not one man in a thousand who can tell one tree from another, whereas in Germany the love of nature is so respected that they would not destroy a tree any more than they would destroy your house. The people there have had ingrained into them a love of nature. I am a good stiff Dutch Reformed deacon, but I believe the love of nature is the best religion we can have in this country for the greatest number. I believe it ought never to be separated from the church, and our education ought to have nature in it as its very foundation teaching. It is being taken up, I am glad to say, by the kindergarten, and should have all the importance it deserves.

The native American imitates foreign life at London and Paris, but not the country life of Europe, which is the only part worth imitating.

Assisted immigration by State and National Government it will be important to undertake, not only on account of disarming prejudice, but I am sanguine that we are as a nation to be the great international factor in bringing about international republicanism and the coming federation of man and parliament of the world; and if our President Garfield had lived I believe that idea would have had an impetus that would by this time have been acknowledged and recognized by the country at large. I am afraid we lost in his death years of development of that idea.

The Government should form a national bureau of immigration and labor statistics, giving impartial statistics of every State, county, and town when asked for, to be worked out by making continued reports. Now, some of the States make reports to themselves. The Government, I suppose, could establish an interstate agency. I have no doubt the postmasters have not enough to do sometimes to keep them awake.

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They could take full charge and very likely furnish all the information at no expense to the country at large except for postage stamps and white paper. Canada and even New Zealand, as I have said, have gone ahead of us in this idea; but the coming of George Jacob Holyoke to this country, backed up with $500 from Mr. Gladstone, the expression of our President and State Department, the many evidences we have had before this committee show that the idea is in people's minds, and it will be made attractive I hope at the next session of Congress.

Q. Perhaps you are aware that Mrs. Elizabeth Thompson has taken considerable interest in the way of the promotion of this same object of securing statistics by national indorsement, to be distributed throughout this country and Europe also.—A. She has done grandly.

Q. I have the impression, however, that you may have been the originator of the idea.—A. Perhaps I may be made out a liar on that, but until I am I am going to claim that I am the inventor of the idea. Genuine protection to home industry demands the extermination of sectional geographical prejudice, and the National Government alone can do this; not only that, but systematically cultivate a national love of the whole of mankind.

Q. Have you elaborated in your own mind the method in which this information should be collected and distributed?—A. No, sir; I have not given it that attention yet. I am gathering information now continually. I have little time from my business. I do not allow my family to suffer, and therefore this thing goes on very slowly. I have had to tinker at it as I get an opportunity, but I hope to get it in shape to lay before our people in the country. I am interested now in getting them to start little rural improvement ideas. The State of Connecticut has had it going for years. I want people to be aroused to the importance of dignifying country life and making it what it ought to be, the grandest instead of as now the most ignorant part of American interest. People are leaving the country and coming into the cities, where they are not wanted, and land is lying idle that could support a population of a thousand where there are now only a hundred, or even ten. They growl because there is not enough to do here, where they are not wanted, when there is enough to make them rich if they would go where they are wanted. If the Government cannot kindle this public interest I do not see what in the world there is for us to do, but to allow those big "monopolies" we talk about to take all the land, because ten years ago there was not one farm of a thousand acres where there are now, I suppose, a dozen or a hundred. There are farms of thousands of acres within a hundred miles of New York. Mr. John Roach has a big farm; Mr. Borden, in Ulster County, has a big farm of a thousand acres. Men buy large farms because they foreclose; there is nobody to work them and they sometimes have to take them; they cannot unload.

By Mr. CALL:

Q. What is your employment?—A. Coal. We have had the same trouble among our miners. We cannot get one Irishman in a dozen to pay for a house after he buys it; he will work on it twelve, twenty years because they do not seem to care to own a little place that they can farm. They would rather pay some man rents, so that he can get on their back, and the corner grocer and everybody they meet can get on their back and ride them and get two prices for everything they sell them. The men thus throw away money not only in unnecessary pleasures but unnecessary expenses, which would, if saved, give every man of them a home in a few years.

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ANTHRACITE COAL PRODUCTION.

By the CHAIRMAN:

Q. You are connected with the coal business to some extent?—A. I am in the auditor's department of the Delaware and Hudson Canal Company.

Q. How large a business do they do in the coal mining?—A. They sell 3,000,000 tons a year.

Q. Where is it sold principally?—A. All over the country, from Maine to Saint Louis.

Q. What coal companies are there that do a very large business in the line of supplying fuel?—A. There are about seven or eight of them that probably control the anthracite business. The Philadelphia and Reading controls 53 per cent. of all the anthracite business.

Q. What proportion does your company control?—A. We mine 3,000,000 out of 30,000,000, about one-tenth.

Q. What other companies have large interests?—A. There is the Delaware, Lackawanna and Western.

Q. How much does it control?—A. About the same as ours; a little ahead of us, not much.

Q. What are the others, and what is the percentage of the entire amount that each one has or controls?—A. I can only approximate the figures. They are published every week in the trade journals. The Pennsylvania Coal Company is a smaller company, that is the "Pittston coal," as it is called. The largest, as I said, is the Philadelphia and Reading. Next come the Lehigh companies; then comes our company and the Delaware, Lackawanna and Western, and the Pittston Company, then small operators.

Q. Where is the chief point of distribution? This city, or does it go direct from the mines to those portions of the country where it is used?—A. It scatters now to all points.

Q. Scatters from the mines themselves?—A. Yes, sir; in all directions, north, south, east, and west.

Q. Do you say you send it as far west as Saint Louis?—A. Yes, sir; farther.

Q. How far?—A. I think we have sent a lot to the Northern Pacific.

Q. Is this coal all mined in Pennsylvania?—A. Yes, sir.

CONDITION OF COAL MINES.

Q. You must know, then, very much in regard to the actual condition of the coal mining population.—A. I think I do. I audit every bill the company pays. I know what the men get, but that, of course is private business, and I do not suppose the company would be obliged to me if I gave it.

Q. The rates of wages paid to miners is not private business. That is the immediate matter we are investigating.—A. I should hesitate to give anything connected with the working of the company without their consent, except in general terms, as it is now known in print.

Q. I do not ask for any secret working of the company, but I want to know what prices are generally paid to the miners for the working of coal mines.—A. That is public information. The men average from 70 cents up to $1.25 mining coal. That is what the miner gets.

By Mr. CALL:

Q. Is that per day?—A. No, per ton. One miner generally hires two men under him; one boss and two assistants.

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Q. How many tons can he mine in a day?—A. I suppose some of them mine two tons a day per man, good handy workingmen. It depends on the coal; it depends on the veins and the situation for its preparation. Some veins are worked under great difficulty, and to others they can apply machinery that cannot be applied in other places.

By the CHAIRMAN:

Q. Do you know the number of miners employed in working the anthracite coal mines of Pennsylvania?—A. I do not. Our company must employ, I suppose, two or three thousand, and as we mine one-tenth of the coal, I suppose at a rough guess there must be thirty or forty thousand men.

Q. Have you visited the mines yourself?—A. Yes, sir.

Q. What is the actual physical condition of the men who work in them? How well are they clothed, and how well are they fed, and how well are they sheltered, how many hours do they work, and so on? Give us some idea of their real state.—A. It depends on the race. The Welsh miners, I think, are universally prosperous; in fact I think they own houses. In tracing the real estate records I find they generally pay for their houses; they are not foreclosed and taken back; but among some of the other classes, especially among the Irish, they are not so fortunate in possessing their houses, and the houses that are taken back I notice generally are in Irish names, though I do not think we have any trouble with our Irish workingmen. I think they are good, steady men, and I think we have as good a class of workingmen as there are in the country; but I notice from the records that the Irish are not as thrifty in owning houses as other races. I find it by the names on the record.

Q. I understood you to say you had been on the ground among them personally?—A. Yes, sir.

Q. How about the schooling of their children?—A. The children all go to school; a number of them work in the mines, but not under twelve or fourteen years of age, I think. A great many of these men employ their children there picking coal and preparing it for market; but I think, as a rule, they all go to school now.

Q. You do not know to what extent?—A. No, sir.

Q. And you do not know how well they are actually educated?—A. I do not. I know they are very intelligent, good sober citizens. I speak of our miners.

Q. I speak of the chance the children are getting in the way of education.—A. I only know they go to school.

Q. Do small children work in the mines to any large extent?—A. They work outside the mines in preparing coal. They do not do any manual work in mining coal.

Q. You said that a miner has one or two working under him?—A. We pay them that way. We pay one man and he divides with two, who work under him.

Q. Does he divide equally with them?—A. I suppose so.

Q. But you have no means of knowing?—A. No. I know it is the same way with our Weehawken shovelers. I pay all the men there. The shovelers are paid in gangs of three. I have seen them go to lager-beer saloons and divide the money.

Q. To what extent is there a disposition or is it a matter of fact that their earnings are expended in the way you speak of, smoking and drinking?—A. I do not think to any large extent. I do not know what they do spend their money for, but the idea that so much money is spent in whisky I think is a mistaken idea.

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Q. You said you saw them go to the lager-beer saloons and divide equally. I did not know but that you meant to imply something.—A. They pay five cents for a glass of beer, I suppose, but they are sober men.

Q. You do not mean to convey the impression that there is any general waste of their wages by what you have said?—A. Not to any abnormal extent, because I know our people would not hire them unless they were industrious, temperate men. They go there more for convenience. The money is paid in large amounts and they go to the beer saloon because the beer saloon proprietor will change it for them, and they will get a glass of beer when it is divided.

Q. How continuously during the year do the miners work? I suppose you make some regulation in regard to the output from year to year.—A. It is practically controlled by an imaginary board of control, and we are working pretty regularly in our mines. I do not know what time is lost, but I do not believe the miners lose any more time than carpenters or laborers generally.

Q. Each company understands the amount it is to mine and put on the market each year?—A. Yes, sir.

Q. It is determined on beforehand by this board of control and apportioned among them?—A. Yes, sir; it is not a fixed, iron-clad thing, but it is understood and agreed.

Q. Understood in an honorary way?—A. Yes, sir; there is no penalty and no attempt to bind.

Q. What is the object of that limitation upon the output? Why is it?—A. To prevent overproduction. Coal is a thing that cannot be exported very well. If the market is overstocked there is nothing to do but to break the market or limit production.

Q. Do you mean that there is danger of a larger output than can be consumed?—A. Yes, sir; great danger.

Q. Then there is no difficulty in operating the mines to the extent of getting out a very much larger amount of coal than the country can burn?—A. Undoubtedly they could increase their output; mines are being opened all the time.

Q. If that was done, would the result be that coal would be more generally distributed and burnt than it is now, do you think?—A. I do not see why it should be. We have sold more coal this year at higher prices. People have to have coal; they have to burn about so much. If the tariff shuts up manufacturers you might give them coal for nothing and they would not take it. Cheap coal would make more manufacturing to some extent, but I do not imagine the expense of coal is such a large item in manufacturing except in iron. There undoubtedly would be a difference, but I guess people must have about so much coal.

Q. If the price was reduced do you think it would be distributed over a larger extent of territory?—A. Yes; further west somewhat.

Q. And north and east?—A. Undoubtedly.

Q. Are the mines of Pennsylvania controlled by these companies that you speak of—those which have not as yet been developed as well as those which have been?—A. Not entirely; a great many of them are leased from individual owners. Companies lease them and pay them royalty or buy them right out.

Q. So that whatever mining can be done is really controlled by these companies, or most of it?—A. No. There are individual operators who mine their own coal and pay their freight and sell it in the market. In Trinity Building, 111 Broadway, you will find lots of them, men who are not under any obligation to any company.

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Q. Who own coal mines and work them themselves?—A. Yes, sir; but it is not a large part of the tonnage.

Q. Is there any relation between the coal companies and the railroads in regard to the matter of transportation?—A. I suppose there is.

Q. The coal companies are somewhat under the control of the transportation companies, I suppose?—A. I do not know whether it is that way or the reverse, whether the coal companies control the transportation or transportation controls the coal companies. I rather think the coal companies are the masters of the situation and control transportation.

Q. How is that?—A. Because they have railroads of their own. We own 700 miles of road.

Q. Have any of these companies a line reaching to New York City, for instance?—A. Yes, sir; the Reading has. Our company has its canal to Rondout and its railroad to Albany; then it has its freight contracts with other railroads.

Q. Owning the mines and owning the highways that lead to them, of course what you said in the first place is apparent—that they must control the coal market both in output and transportation.—A. The coal market could be broken in thirty days, however, by any party of capitalists who wanted to do it. You could no more stop it than you could stop the sun from rising to-morrow morning.

Q. Explain how that can be done by any capitalist who chooses to do it.—A. Mr. Jay Gould could do it in thirty days. He could wreck the coal market, bear the stocks, and sacrifice millions of dollars, if he felt like doing it.

Q. How could he do it?—A. He could shove the coal right into market by the million tons.

Q. Does he own coal?—A. No; but if he chose to go into the coal business he could do it.

Q. If he was disposed to go into the coal business in opposition to the existing companies?—A. Yes; or anybody else.

Q. How could he get the coal?—A. He could buy out the stock of the companies and open all the mines he could find.

Q. There probably would not be much inclination to do it on the part of any capitalist, for in destroying others he would destroy himself, would he not?—A. Oh, they are burnt always in these fights. It is a kind of insanity for railroads to be fighting each other. I never could understand myself why they do it. It is, nevertheless, true that they seem to make money on Wall street if they do not make it out of the companies; there are "ways that are dark and tricks that are vain" there.

Q. In Wall street?—A. Yes, sir; the coal companies have to stand it as much as other people.

Q. The true theory is to keep out of it, is it not?—A. Undoubtedly.

By Mr. PUGH:

Q. You say the miners are paid from 60 cents to $1.25 a ton?—A. In our company from 70 cents to $1.25. No; it is more than that, because they are paid also for preparing the coal and extras in opening up headways and extra work. I should judge the average would be very nearly a dollar a ton. I should roughly say that is what the miner gets himself.

Q. What proportion of the miners turn out two tons a day?—A. I do not know.

Q. What is your best estimate?—A. From the way they are paid by

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the month, I should think most of them did; that would be $60 a month, working full time.

Q. Most of them turn out two tons a day?—A. I should think so; that would give them $60 a month on full time. Some of them make much more; some of them make a $100 a month, but they are smart men, and the coal is very favorably placed.

Q. What is the market value per ton of anthracite coal where it is mined at this time?—A. I do not know; I should not feel at liberty to go into that, as my information might not be very reliable.

Q. What is your best information as to the present market value per ton of anthracite coal where it is mined?—A. I should think from $2 to $2.50 a ton. The transportation brings it up to about $3.50 or $4 at tide water. When freights are lower it costs less. As the price of coal rises the cost scales up. Coal costs less at one time than at another.

Q. What other items of cost are there in a ton of coal made ready for market except the labor?—A. It has to be prepared and separated out.

Q. You say it is worth from $2 to $2.50 a ton where it is mined. Now, what other items of cost enter into a ton of coal where it is mined besides the labor?—A. There is the item of cleaning it, picking out the Slate.

Q. That is part of the labor, is it not? You say they get a dollar a ton for all that work on an average?—A. Yes, sir; for *mining* it, but not for preparing it.

Q. Now, outside of the labor item, the dollar a ton?—A. The transportation.

Q. Without regard to transportation, what other items of cost in a ton of coal where it is mined are there, leaving out the cost of labor?—A. There is royalty where they lease the mines upon a royalty of sometimes half a dollar a ton.

Q. As much as half a dollar a ton?—A. Sometimes.

Q. The market value of that coal where it is mined you say is from $2 to $2.50, and they pay half a dollar a ton royalty?—A. I do not know that my information is reliable, but my impression is that $2.50 would cover the expense of getting a ton of coal on the car.

Q. It is worth that at the depot where it is shipped?—A. Yes, sir; I should think $2.50. At the farthest $3 would cover it, royalty and everything.

Q. What proportion of that $2.50 a ton is clear profit to the man who sells and owns the coal; what amount of profit per ton, in your best judgment?—A. Possibly 25 per cent.

The committee adjourned until 10 o'clock a. m. to-morrow.

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NEW YORK, *Friday, September* 14, 1883.

The committee met at 10 o'clock a. m.

## PROPERTY IN LITERARY PRODUCTIONS.

MAURICE KRAUSKOPF sworn and examined.

By the CHAIRMAN:

Question. Are you the author of the memorial which you now present to the committee?—Answer. Yes, sir.

Q. Where do you reside?—A. At 41 Cheever Place, Brooklyn.

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Q. What has been your pursuit in life?—A. During the day-time I am selling goods to earn my living, and I am making dramatic compositions and other kinds of literary work in addition.

Q. When did you leave Germany?—A. I left Germany in 1852.

Q. Had you opportunities for study and education in that country?—A. None at all.

Q. You submit this memorial to the committee. Will you state in a few words what your idea is?—A. My idea is principally that every person has a common-property right in every literary production that is original, and that the act of the House of Lords declaring that there is no common-law property right in a literary work is an annulment of the fundament upon which the society of the people of the United States rests.

Q. You desire legislation which will better protect the original ideas and the expression of those ideas by literary men?—A. Precisely.

Q. And in this memorial have you fully set out your ideas?—A. Yes, sir.

Q. The committee will receive it and give careful attention to it.

The memorial is as follows:

41 CHEEVER PLACE, BROOKLYN, N. Y.,
*September* 10, 1883.

*To the United States Senate Committee on Labor and Education:*

The undersigned, a citizen of the United States, most respectfully petitions you to take into consideration, as being in connection with education and the rights of labor, and to recommend to the Congress of the United States concerning the rights of literary productors and the necessity of insuring honesty in literature.

First. Whereas the society of the people of the United States as yet rests upon common-law property exclusively, to wit, upon the principle that every person has the right of acquiring, by means valid under it, the exclusive right of utilizing, commercially, or in any manner otherwise, the properties of anything, or of any utility arising out of, and being in any manner connected with anything or things, and also the right of holding such right for himself, heirs, or assigns unlimited in time as long as the thing or the utility so controlled continues to be existent, and also the right of acquiring such rights in as many things and utilities as he can acquire by means valid at common law; and whereas there cannot be under the common law anything or any utility that is commercially, to wit, money-earningly, utilizable and not be, by some title or other, the property of some person or other, real or artificial; and whereas, whenever a thing or a utility is the product of any kind of human labor, corporeal or mental, lawfully performed, such thing or such utility is self-evidently by the most valid of all titles, to wit, that of labor, the property of its lawful productor; and whereas, there not being as yet any other than common-law property as the fundament of society, such labor product is necessarily the common-law property of the productor; and whereas that principle of common-law property is, as emphasized by Blackstone, held as being so fundamental in society that even public necessity cannot annul it, but can, at most, by special legislative act compel the proprietor of a thing or of a utility unavoidably necessary for the public weal to sell it to the State or community; and whereas a literary work is a product of human labor, and is a commercial utility, and therefore, until abandoned by its productor, is in all

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that is in it lawfully original by him. his common-law property; and whereas the enactment by a British House of Lords of the last century declaring that there is no common-law property in a literary work, not having been accompanied by an announcement of a higher property, fundament under the principles of which whatsoever is lawfully original in a literary product could have been held as originally the property with certain limitations, of its author, placed literary labor products outside of the fundament of society, and established a precedent that, if sequentially applied to all species of labor products and utilities, would surrender society to the anarchy of a vile communism; and whereas that precedent has been followed concerning literary works in the jurisprudence of the United States, and apparently even in the Constitution of the United States, it is therefore necessary to provide that said precedent be of no effect in the United States; that the Constitution of the United States, if its clause relating to literary works is not construable as not resting upon that precedent, be in that amended; that all acts of Congress relating to literary works resting, as those acts do rest, upon that precedent, be repealed; that it be declared that any person who originally and lawfully, to wit, without violating the common-law property of any other person in a prior literary work, conceives and makes a literary work, whether in extent a line, or a volume, or a series of volumes, shall have, until otherwise ordained by the supercession of ethical-property law, within the jurisdiction of the United States, and as far as the power of the United States by treaty or otherwise reaches, a common-law property in whatsoever is in his work lawfully original by him, and is not coincidentally identical with or markedly similar to any prior work or part of any prior work by any other person; and that such common-law property be held in jurisprudence as an incorporeal hereditament arising, by labor title, out of the person of its author as the thing corporate and attached to him, and consisting of the right of exclusively controlling unlimited in time and location for himself, heirs, or assigns, the utilization of all the commercial and other properties of whatsoever is in his literary labor product lawfully original by him.

Secondly. Whereas it is, on the one side, self-evident that a person who, by the lawful exercise of his personal mind properties, conceives and makes a literary work be materially and ideally rewarded for his labor, it is, on the other side, also self-evident that common-law property in literary works, when carried out to the full, is, since literary labor is for the most variatively reproductive, an enormous hindrance to the free exercise of the literary labor properties of the public; and whereas it is also self-evident that it is utterly impracticable to remove that hindrance by the common-law right by which the State can, when the public weal demands, coerce a person to sell his private property to the public; and whereas, while on the one side the principles of common-law property, being, as they are, the formulated efforts of human society to build itself, live, move, and have its being upon the basis of what it conceives to be right and just, and being, such as they are, the best which society could attain in its primitive and later degrees of ethical knowledge and social architecture, have in themselves a warrantee of being a fundament *de jure*, as well as by *de facto*, circumstance, they are, on the other side, from the highest ethical stand-points attained by, comparatively speaking, a few persons, and especially from that of the Master who is crowned as the Christ of the globe, only relatively *de jure*, or, in other words, of a low degree of ethicality; and whereas, while, therefore, the common-law property of society is, in the divine order of cosmos, only a transient one awaiting the divine approach of the higher,



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it is also self-evident that neither in ethicality nor in social science is the human race, or any numerically notable portion of it, advanced to that degree that that common-law property fundament can, with safety to society, be annulled, except in a few certain species of things and utilities; and whereas, the literary species of utilities is one of these few; and whereas, not only the material interests of society but also the highest ethical verities demand that on the annullment of any portion of the common-law property fundament ethical-property law must take the place of the annulled portion; and whereas it is the highest ethical or ideal property of the human race, gained by the labors of its past, that its ethical progressions be made in the majesty of law, and with a due recognition of what is the righteousness of its past, it is therefore necessary, after such recognition has been rendered to the past by repudiating the aforesaid enactment of the British House of Lords, to provide that on and after a certain date common-law property in literary works shall cease by cause of ethical expiration, and that ethical-property law shall be, concerning literary labor products, in force, to a certain degree in the United States, to wit, that all the rights of common-law property shall be possessed by a person in whatsoever is his lawful literary product only during fifty years, beginning from the time of his initiatory labor thereon, and that after the lapse of such fifty years, if not previous by any act of its proprietor granting or forfeiting it to the public, it shall be public property, provided that in any utilization thereof by any person the *ideal property* of the original author, to wit, the ideal distinction as the author thereof, be formally recognized during all ages into which it may be carried by the course of human events.

Thirdly. Whether under the common law or under any system of principles of property, it is absolutely necessary that special legislation be effected for the protection of the literary productor as well as for the honor and dignity of the nation. If the dignity of the State is violated by the theft of a thing that is consumed on being utilized, and thereby ceases to exist—if to receive such stolen corporeal property is a felony, it is as much more a violation of the dignity of the state when a person steals directly or indirectly from an author's mental product, or mentally consumes such stolen product, knowing, or having reasons to believe it to have been stolen, or commercially or in any other manner utilizes it, it is not only a violation of private property but also a burdening of what is the abiding ideal wealth of the nation with an heirloom of theft. The race has in its masses not yet reached that ethical degree that, on being reached, makes the question of the authorship of certain works known as "Shakespeare's" a foremost one in intellectual life, and wherever it is reached there is no cause to be grateful to former times for having bequeathed to posterity a legacy of doubt and an heirloom of discomfort in uncertainty as to the authorship thereof. At present there is no more provision on that than there has been formerly. Whether there are or will not be any more authors of the height of him, whosever he has been, out of whom came these works or the highest parts thereof, is not in question. Assuming that no more there will be, authors of any degree of lawful originality have ethical rights to what is their own, and the communal conscience has a right to its easement on questions of authorship of works of any degree of originality. Yet who can deny to Nature power to even excel those works, or that there is less lawlessness now than formerly? Nature, when she acts her potencies phenomenally original or in any degree of originality, does not first steal herself invisibly through the ranks of the vast regiments of professionals to find some mental pauper into whose cranium to breathe the spirit of the Creator.

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She is invariably first an amateur. Indeed, she remains true to her highest only as long as she remains amateur, and is in her lowest when she acts under the professional's trade-animus. And governmental protection, as far as it can possibly be given, is necessary not only as between professionals, but also, *and mostly so*, for the protection of the amateur against the professional, so called, for, as to lawlessness in the literary sphere of labor, it may be said that in these times, when literary originalities have such an enormous money value, cupidity is more than formerly a factor in causing unknown original authors to be plundered, maltreated, and extinguished.

In legislation thereon, it is, above all, necessary to provide that any person, on conceiving or on having made a literary originality, may deposit with the Government a synopsis of the originality or a full copy of the work, and that he must depose, *under oath*, that what he claims as being original with him, is in fact and lawfully original with him, and whence whatsoever is in his work not original with him has been taken, and that it has been lawfully taken and utilized, to wit, that it is either public property, or, when not public property, the consent of the lawful proprietor has been formally obtained for the utilization, and that the utilization itself is not a copy of the original undistinguished in any manner as being a copy, but is an original variation thereof. A further necessity thereon is a formal declaration of any violation of an author's rights a felony against the State. Other necessities there are, and your petitioner begs to refer to a bill thereon, made by him, and introduced into the House of Representatives of the United States by Mr. Wm. E. Robinson, and referred by the House to its Committee on Patents, with orders to have it printed.

Without such provisions there is no protection on that where it is most needed. For, while in the literary profession, and in the various branches of commerce arising out of and connected with it, many persons there are to whose moral responsibility an unknown author may leave his originalities, it is also a fact that they contain numbers that are thieves and tools of outlawism. When an unknown author gives his manuscript out of his hands—as he must give it before he can reach the public arena of literature—its contents, if not always directly reached by literary thieves, can be readily communicated to them and its originalities utilized, and held on grounds like those of the burglar, who, after having broken into an iron safe and plundered it, claimed rights of labor, and, consequently, of personal property in the plunder because the conception of the act was original by him, and the act itself a feat of mechanical art. Not only does the honest author know himself to be plundered, and his work, even if he gets before the public, deteriorated in value, because no more possessing that newness that is such a great factor in establishing a work in the soil of literature, and giving it commercial value, but he is, when poor, unable to carry on legal proceedings against the thieves, and is likely to be clandestinely operated against in any effort to bring his works before the public lest the similarities between his own original work and the originally stolen work may brand the author of the latter as a thief. And when to those persons are added newspaper Geslers, capriciously arrogant, and newspaper thugs, maliciously mischievous, and newspaper Hessians, venially servile, pouncing on the poor, struggling worker—and pouncing the more the more genius or talent or honest aspiration he evidences—and when, also, fanatics of caste and creed and tyranny add themselves to the clandestinely conducted operations against him, it needs, indeed, the strongest arm of the majesty of the nation, in law and government constituted, to

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lift itself in defense of violated personal and national rights, and of material and ideal property.

Your petitioner has, since over twelve years, with a few brief intermissions only, after employing himself, in order to earn his living, in a legitimate branch of common law commerce, devoted the hours usually given to recreation after the day's toil to the arduous task of literary labor. He has discovered vast truths, has gained great conceptions, and has made a number of dramatic compositions of great originalities. And yet his experience is only of there being such a lawlessness operative against him that he dare not submit any new literary originality, or aught else new in the world of thought, lest he be plundered thereof, and the plunder scattered even as far as Europe. Without here entering into details of that experience, he simply insists that if what is his experience even be held as improbable, the necessity for legislation on the subject of authors' rights of labor is imperatively self-evident. The fundamental principle in the government of society is to the effect that the protection of rights of persons and property be not given over to the arbitrarily active agency of any factor or person in society, but, even if such factorship be ethically moved, to formulated laws and officers of government, statutorily invested with power of law. It is expected that all factors in society, active under the protection of statutory law, ethically aid, to the fullest of their power, the administration of law, but no factor, under our system of government, outside of statutorily established office, has arbitrary power in any function of government. This refers especially to newspaperdom as a foremost factor in society. Your committee is already aware of the low *morale* thereof in this city and in New York. There is not one of them that does not know where protection for unknown, or, as far as concerns that, any originally productive person, is most needed; yet not one of them, to the knowledge of your petitioner, has called public attention to the fact. On the occasion of the introduction of the bill on literature, above mentioned, one of them, in malmotive against your petitioner, made a disgraceful onslaught on the Hon. William E. Robinson, and the others, like corner-boys on a fence, enjoyed that exhibition of the chivalry of New York newstraderdom. To criticise men and measures is, in democracy, an absolute right; but there is a point were criticism ceases and maluse of the right of criticism begins. When that point is reached it becomes treason against the press, against what is, in democracy, the counter-government to what may prove itself as being in republican forms of government vestiges of dynastyism in the abuse of powers of government by temporary incumbents of its offices. It is then dynastyism in the press itself, tainted with all the caprices, vices, abuses, and personal malmotives of that of former times.

Your petitioner is prepared to submit, if desired, demonstrations briefly made on the two necessities named at the beginning of this petition, and also any further statements that may be desired on the last named. And he will ever pray.

M. KRAUSKOPF.

### PROTECTIVE TARIFF POLICY.

The CHAIRMAN. I have a memorial from William Lawrence, First Comptroller of the Treasury, with resolutions adopted by the Association of American, Economists of Washington, an association made up of a large number of prominent public men in Washington and other parts of the country, which he desires to lay before the committee, the resolutions and memorial bearing particularly on the subject of the tariff. The paper will be received and filed.

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The document is as follows:

## ASSOCIATION OF AMERICAN ECONOMISTS.

[President, William Lawrence, Washington, D. C.; First Vice-President, John C. New, Washington, D. C.; Treasurer, J. R. Dodge, Washington, D. C.; Corresponding Secretary, L. Sanial, New York City; Recording Secretary, Edward Young, 1431 Q street, Washington, D. C.; Vice-Presidents: For Massachusetts, George Basil Dixwill, Boston; for Rhode Island, H. B. Metcalf, Pawtucket; for Vermont, Redfield Proctor, Rutland; for Maine, Frederick Robie, Augusta; for Pennsylvania, Joseph D. Weeks, Pittsburgh; for Ohio, Columbus Delano, Mt. Vernon; for Illinois, David H. Mason, Chicago.]

WASHINGTON, D. C., *September* 10, 1883.

DEAR SIR: We take pleasure in informing you that in addition to the other work of the association, tariff clubs have recently been organized in various cities of Ohio, chiefly by the corresponding secretary. It is believed that these clubs—some of which already consist of 300 members—and others soon to be organized, will exert a powerful influence in that State during the ensuing year.

You are respectfully invited to attend a Tariff Convention at Columbus, Tuesday, September 18th, at which delegates from the various tariff clubs, and other friends of protection to American industry will be present. There will be a Republican mass meeting in the evening of the same day, at which will also be present *hundreds of miners*, and of workmen from manufacturing establishments in different parts of the State. General Raum, late Commissioner of Internal Revenue, ex-Senator Bruce, and other eminent speakers from other States, as well as from Ohio, have consented to address one or the other of these assemblages; Governor Porter, of Indiana, is also expected. Should you be unable to attend it is hoped that you will in a letter to the President, to be read at the convention, strongly indorse the work of the association, stating that a protective tariff is now the issue overshadowing all others, etc.

A preliminary draft of a platform to be submitted for adoption is appended hereto, and you are respectfully asked to give it your earnest consideration, and to suggest such amendments, additions, etc., as may seem to you desirable. To secure a Congress favorable to protection *next year*, it is important that Ohio be carried *this year*.

Address either of the undersigned, previous to the 18th instant, at the Neil House, Columbus, Ohio.

Very respectfully yours,

WM. LAWRENCE,
*President.*
EDWARD YOUNG,
*Recording Secretary.*

### DRAFT OF RESOLUTION.

Whereas, on the 8th of April, 1789, James Madison, "the father of the Constitution," declared that before its adoption the States "had the power to protect and cherish" manufactures, and "that manufactures have been reared up by the fostering care of State legislatures," and that "by adopting the Constitution they have thrown the exercise of this power into" the Congress, "with an expectation that those interests would not be neglected here;"

And whereas this power to enact a protective tariff law is found in the authority given to Congress "to lay and collect taxes, duties [and] imposts," and "to regulate commerce with foreign nations and among the several States" (Art. 1, Sec. 8), in pursuance of which the second act passed by the first Congress, on a day which made it a second Declaration of Independence—July 4, 1789—was "An act for laying duties on goods, wares, and merchandise imported into the United States," the preamble to which declares that "it is necessary for the encouragement and protection of manu-

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factures" (1 Stat., 24); and the power to levy protective duties has since been sustained by the Supreme Court (Gibbons *vs.* Ogden, 9 Wheaton, 196; United States *vs.* Marigold, 9 Howard, 566);

And whereas a protective tariff is essential to secure prosperity and happiness to all the people and to maintain national revenues, independence, and power for the following, among other reasons:

(1.) It exacts from foreign producers a payment for the privilege of selling their commodities here, and thus gives to American producers, exempt from such payment, an advantage which secures employment to capital here, diversifies our industries, builds up manufactures, enlarges commerce, builds up cities, adds to the value of farms, gives employment to our people protected against competition with the cheap pauper wages of Europe, and thereby secures an honest day's wages for an honest day's work, and recognizes the rights of labor and the dignity of laborers;

(2.) It protects from foreign competition the products of American farms and secures for them a HOME MARKET which is permanent, unfailing, and adequate, and thus places the agricultural, mechanical, manufacturing, and mining industries in close proximity, and thereby, in a large measure, saves to all the cost of ocean and other transportation, and especially gives to the farmer and gardener a market for products which could not be exported;

(3.) It brings to our shores the skilled mechanics, manufacturers, and artisans, and the honest toilers of other lands, thus taking from European nations *their elements of strength and power*, and planting them on American soil, to become and mingle with American citizens, to secure for themselves independence, competence, wealth, and happiness, and for the Republic the fruits of their enterprise and industry, in a land where they are welcome—where employment and the just rewards of labor await them;

(4.) It brings prosperity to our industries, the means of comfort, plenty, and a competence to every citizen able and willing to labor, with every avenue to wealth equally open to the enterprise of all, and a common-school education for all the children of the land, with no injustice to or discrimination against any one on account of nationality, class, creed, color, or condition;

(5.) It secures to American consumers a supply for their wants at such rates as does equal and exact justice to all. Under it the prices of all commodities bear a just relation to each other which does no wrong to any. Under protection properly sustained, the cost of every article to clothe the body and generally to supply all human wants has been rendered cheaper. Free trade or a low tariff would destroy our manufactures, and then European manufacturers, having the only great work-shops of the world thus relieved of American competition, would advance the price of their products in selling to American citizens, and reduce the price they would otherwise pay for American agricultural products;

(6.) It secures the production of all articles at home which are essential to the comfort, happiness, and well-being of our people and requisite for their support in peace and for national defense in war, thus giving to the Republic a perfect independence of all other nations, and the means by which it may endure through all time;

(7.) It has secured in every period of our history prosperity for all our industries, a sound currency, abundant national revenues, high public credit, and rapid growth in wealth. Every period in our history under free trade or a low tariff has been attended with hard times, embarrassed industries, disordered currency, deficient revenues, depreciated public credit, and has been without material progress in wealth;

And whereas the Cobden Club, a free-trade association in England, and British manufacturers are annually sending to the United States free-trade documents for distribution among the people, and money to aid in their objects to secure a "tariff for revenue only," thereby to build up a European monopoly of manufactures and to destroy American industries, in which work they are aided by the American Free Trade League of New York and similar associations elsewhere; Therefore,

*Resolved*, That it is the duty, as it is the interest, of every American citizen to aid in counteracting these alien influences, alike hostile and ruinous to the success and prosperity of American industries.

*Resolved*, That we demand of Congress that it shall perfect and adhere to that form of legislation which will foster, protect, and encourage the labor of the mechanic, the manufacturer, the artisan, and of labor in all forms, and secure for it just rewards; and, in order to accomplish this, it is indispensably necessary to protect agriculture, manufactures, mining, shipping, navigation, and all the industries of our people.

*Resolved*, That as education elevates, improves, and dignifies the condition of men, and is essential to make labor effective in all forms, we demand that an unsectarian common-school system shall be maintained in every State and Territory adequate to give the advantages of education to every youth of the land of proper school age, with no discrimination against or on account of race, creed, color, or condition. And we favor aid and encouragement to schools for instruction in such industrial arts as

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may be necessary to secure the highest development of the capacity of our people and the resources of the country.

*Resolved*, That we favor such legislation in the States and by Congress as will advance the interests, secure the rights of and justice to all who are engaged in industrial pursuits.

*Resolved*, That while we welcome to our shores the enterprising and industrious people of Europe who voluntarily choose to become American citizens, we protest against enforced pauper emigration from other lands to this, and we especially oppose the immigration from Asiatic countries of those whose presence would introduce cheap labor by a class of people having no sentiment in common with American institutions or of the dignity of and respect due to those whose toil is the chief source of wealth.

*Resolved*, That we are in favor of abolishing the prison contract labor system, and we oppose every system of prison labor that will tend to reduce the wages or just rewards of labor, or impair its dignity.

*Resolved*, That we are opposed to "a tariff for revenue only," because it will destroy American industries, deprive our people of employment, reduce the wages of labor, introduce all the evils of Chinese immigration, deprive the nation of adequate revenues, impair the public credit, endanger the payment of the pensions of soldiers and sailors, and reduce multitudes of our people to the condition of the starving population of Europe.

*Resolved*, That we demand the restoration of the wool tariff of 1867.

## IS A PROTECTIVE TARIFF CONSTITUTIONAL?

### OPINION OF JUDGE LAWRENCE, FIRST COMPTROLLER OF THE TREASURY, ON THE CONSTITUTIONALITY OF A PROTECTIVE TARIFF.

OFFICE OF THE ASSOCIATION OF AMERICAN ECONOMISTS,
*Washington, D. C., August* 1, 1883.

One of the ablest and one of the best men of the country, whose patriotism is not doubted and whose integrity is unquestionable—Senator Bayard—in a letter dated May 23, 1883, has called in question the constitutionality of a protective tariff. As he is a prominent, if not the most prominent, Eastern Democratic candidate for the Presidential nomination his utterances on all subjects are entitled to profound respect and attention. Indeed they are so without reference to the latter fact. His views are doubtless those of the great body of the Democratic party. In his letter he says:

The more important the question the greater the necessity in dealing with it gravely and worthily, and anything like finesse or the appearance of finesse or trick in dealing with such an issue as a tariff for revenue or a tariff for the protection of certain classes of our citizens will greatly weaken the party resorting to it.

Quite independent of the economy to the Treasury and incidental benefit to American producers and manufacturers which is to be effected by a higher or lower rate of tariff taxation is the more profound question of political right and power to lay any public burden upon the entire people for the benefit or "protection" of private individuals.

If this claim be admitted as one of right, then privileged classes do exist in this country, and although *titles* may not be allowed by the Constitution, yet all the advantages and privileges of rank will be obtained without the *name*.

I know of no position more impregnable, and upon which it is more important for the Democratic party to form its lines than that *public property cannot be taken for private use under any pretext*.

The Constitution of the United States—and of every one of the States so united—provides for the taking of private property for public use *only* upon the rendition of "just compensation" to the owner, but nowhere in this country and nowhere where free institutions have recognition can the sovereign power take public property for private use or the private property of A to be bestowed upon B *with* or *without* compensation.

The only ground upon which any individual can be deprived of his property is to benefit the community, and whenever such an exigency arises he must (under our guarantees) be justly compensated.

The *form* of the exaction is immaterial—as much so as the place—and a tax collected in the interior, or at a man's residence, or at the seaport of entry and under a tariff law—an excise or a direct tax law—it is all the same, and to be *justified* must be *in the name and for the use* of the Government of the United States.

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With this principle once laid down the *rate* of taxation will be easily measured by the public exigencies, and such a spectacle as was witnessed at the last session of Congress—of a handful of men representing private interests and controlling and molding public laws of taxation to suit those interests—will never again be tolerated by honest public sentiment.

In this statement one objection is urged to a protective tariff without saying that it goes to its constitutionality, to wit, that if the "political right and power to lay any public burden upon the *entire people* for the benefit, profit, or 'protection' of private individuals * * * be admitted as one of right, then privileged classes *do* exist in this country." And the letter says that under such a system "all the advantages and privileges of rank will be obtained without the *name*."

In this the two prominent but both erroneous declarations are (1), that a protective tariff imposes a "public burden upon the entire people for the benefit * * * of private individuals," and (2) that the "private individuals" thus benefited or protected constitute "privileged classes."

Let us examine these declarations.

I. By "private individuals" must be understood classes or portions of the entire population, especially those private individuals engaged in manufacturing.

Now a protective tariff has never been urged *exclusively* or *chiefly* for the benefit of manufacturers or for the sole benefit of any particular private individuals. *Revenue* is generally an object of a protective tariff, and this is expended for the benefit of all the people. But so far as a protective tariff law has an object *additional* to revenue it has always been urged and justified on the ground that it would be "for the benefit or protection of [*all* the] private individuals of the whole country. And such has been the effect. This assertion, of course, involves the question, how has protection operated? which is in a large measure a question *of fact* determinable by the condition of the people.

If it be necessary to show this by *evidence* and by *argument*, the discussion must be reserved for another time. But the point which is now more particularly affirmed is, that the *legislative purpose* of enacting a protective tariff law has always been to benefit not "classes" of "private individuals" but the whole public. The point affirmed in the letter under discussion is in effect that to admit the constitutional power to enact a protective tariff law is to say that the *legislative purpose* of such law is to benefit, profit, or protect *some* private individuals rather than the whole public. An allegation of this character requires more than *assertion;* it requires proof. The *onus* of proving it is on the party who asserts it. No such proof is offered. It may be safely asserted that it is a mere assumption, an error, which cannot be proved.

II. It is equally erroneous to assert that under protective tariff legislation "privileged classes *do* exist in this country."

What is a *privileged class?* It is a portion of the people for whom the law provides some privilege, right, benefit, or immunity, which the *law* denies to all others. When the law gives all an equal chance there is *equality before the law*. Now no protective tariff law has provided a privilege for any man, or class of men, which it denied to any other man or class of men. Every citizen of the United States has always had, and now has, a right to avail himself of the benefit of every protective law. All who choose can, on equal terms, embark in any business affected by tariff legislation. It is not at all correct to say, then, that under a protective tariff law there is any privileged class or classes.

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If it be said that only those engaged in manufacturing are benefited by protective tariff legislation, and that these constitute a class, the answer is plain. All the people are benefited by such legislation. But if only manufacturers are benefited this is no objection to such legislation, when no other class is injured by it. And, in any event, nearly all legislation benefits some class. The laws which gave farmers a right to own lands and exclude every one else from the possession and use of them, except by consent of the owners, is, in one sense, class legislation. I am a farmer, more deeply interested in the ownership, cultivation, and use of land than in all other objects combined. We have legislation in our favor. All the land-owners of the United States are a class of people, and as to their lands they enjoy an exclusive privilege. We can manufacture if we wish, but manufacturers cannot farm our lands if they wish. Yet would any man repeal all laws for the protection of land titles and the possession of lands?

The school laws benefit classes of people and give privileges which all cannot enjoy; but would any statesman for this reason abolish schools? The object of all legislation is to benefit somebody. It seems like a strange objection to a law that it will benefit people.

III. The letter under consideration gravely arraigns protective tariff legislation as unconstitutional because it takes *public property for private use.* This is not the exact form of expression used, but it is the effect of what is said, else what is the significance of the words "*that public property cannot be taken for private use under any pretext.*"

Again it may be said that he who asserts a controverted proposition should offer some proof of it. Certainly it is not shown how a protective tariff law has ever taken or ever can take public property for private use. In the absence of any evidence in support of such complaint it may be assumed that it is unfounded.

There are laws and wise laws which do take public property for private use, because they result in public benefit. Public money is appropriated for the private use and benefit of the children in the public schools. Will any one object to this? Public money is appropriated to build up the levees of the Mississippi River to save from ruin private property and preserve a navigable river for the public. Is this objectionable because it benefits classes or takes public money for private use? What legislation exists that does not benefit some class? And shall all such be repealed? A railroad charter gives to a class an extensive privilege. Shall the public do without railways because they are built by classes? Such charter gives *public property* for a private use—for the franchise is property, and it is given by public authority. Yet shall all such franchises be denied because they give public property for private use?

## IV. A Protective Tariff Law is Constitutional.

The letter under consideration assigns no reason in support of the objection it makes, beyond what has been considered. It is not now intended to present a full argument in support of the proposition stated above. Only a few points will be briefly presented.

The Constitution provides that "the Congress shall have power to *regulate commerce* with foreign nations, and among the several States, and with the Indian tribes." (Art. I, sec. 8.) This gives to Congress the power to enact a protective tariff law.

1. The Supreme Court has so declared. Thus in Gibbons *vs.* Ogden

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(9 Wheaton, 196) the court, referring to the clause of the Constitution above quoted, say:

What is this power? It is the power to regulate; that is, to prescribe the rule by which commerce is to be governed. This power, like all others vested in Congress, is *complete in itself, may be exercised to its utmost extent,* and acknowledges *no limitations* other than are prescribed in the Constitution. * * * If, as has always been understood, *the sovereignty of Congress,* though limited to specified objects, *is plenary as to those objects,* the power over commerce with foreign nations and among the several States is vested in Congress as absolutely as it would be in a single government, having in its constitution the same restrictions on the exercise of the power as are found in the Constitution of the United States—the wisdom and the *discretion of Congress,* their identity with the people, and the influence which their constituents possess at elections, are, in *this,* as in many other instances—as that, for example, of declaring war—*the sole restraints* on which they have relied to secure them from abuse.

Here the Supreme Court declares in effect that the kind of a tariff law which Congress may enact, whether "for *revenue only,* or for revenue and *protection,* is solely in the discretion of Congress."

In the case of the United States *vs.* Marigold (9 Howard, 566). the Supreme Court said:

Congress are, by the Constitution, vested with the power to regulate commerce with foreign nations; and, however, at periods of excitement an application of the terms "regulate commerce," such as would embrace *absolute prohibition,* may have been questioned, yet, since the passage of the *embargo* and *non-intercourse laws, and the repeated judicial sanctions those statutes have received,* it can scarcely, at this day, be open to doubt that every subject falling within the legitimate sphere of commercial regulation *may be partially or wholly excluded* which either measure shall be demanded by the safety or *by the important* interests of the entire nation. Such exclusion cannot be limited to *particular classes,* or descriptions of commercial subjects; it may embrace *manufactures,* bullion, coin, or any other thing. The power once conceded, it may operate on any and every subject of commerce to which *the legislative discretion* may apply it.

There are many other cases which may be cited, all supporting the opinion that Congress has power to enact a protective tariff. When the Supreme Court has so decided, that should be the end of controversy.

2. The power of Congress to enact a protective tariff law exists, because its power to regulate commerce is given *in unlimited terms.* It is not a power to regulate commerce limited to levying *duties for revenue.* It is a universal rule, supported by many authorities, that a power given in general terms may be exercised in the discretion of the legislature.

3. The Constitution is to be read in the light of history. Before its adoption the British Parliament passed laws to protect and encourage manufactures in England, and to discourage manufactures in the colonies. It is unreasonable to suppose that the people of the States, when making a Constitution, did not intend that Congress should have as much power as Parliament to build up and protect manufactures. Any other condition would leave Parliament armed with power to ruin our industries, and Congress with no power to retaliate.

4. Those who favor a tariff for revenue only concede that it may be so framed as to afford *incidental protection.* Yet it seems to follow: If the power exists to afford incidental protection it may be provided for *directly.*

5. A tariff for revenue and protection is the usual form in which all nations have through centuries levied duties. The framers of our Constitution knew this, and gave Congress power to do what all other nations did on this subject.

It is to be remembered that the power to pass a protective tariff law includes the power to protect the producer of wool and all agricultural products.

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The second act passed by the first Congress under the Constitution was a protective tariff act, approved by Washington July 4, 1789 (1 Stat., 24). Its preamble recites that it is "necessary for the support of Government, for the discharge of the debts of the United States, *and the encouragement* and PROTECTION OF MANUFACTURES, that duties be laid on goods, wares, and merchandise imported."

Mr. Madison introduced the bill, and discussing it April 8, 1789, said:

In pursuing this measure I know that two points occur for our consideration. *The first* respects the general *regulation of commerce*, which, in my opinion, ought to be as free as the policy of nations will admit. The *second* relates to revenue alone, and this is the point I mean more particularly to bring into the view of the committee. * * * The States that are most advanced in population and ripe for manufactures *ought to have their particular interests attended to* in some degree. While these States retained the power of regulations of trade they had the power to protect and cherish such institutions; by adopting the present Constitution they have thrown the exercise of this power into other hands; they must have done this with an expectation that those interests would not be neglected here. * * *

Mr. Madison moved to lay an impost of eight cents on all beer imported. He did not think that this sum would give a monopoly, but hoped it would be such an encouragement as to induce the manufacture to take deep root in every Stete in the Union.

During the discussion of the question of duties on tonnage May 7, 1789, he said:

Gentlemen who are opposed to giving sufficient encouragement to ship-building ought to recollect an argumen', that was considered of weight in the case of encouraging manufactures. It is certain that manufactures have been reared up by the fostering care of State legislatures, displayed in the shape of *protecting duties;* but the people, by the adoption of this Constitution have put it out of their power to continue them. * * * Those States not being able to continue their encouragement expect that we will attend to their policy, and protect their citizens in the property they were led to acquire under the State regulations. If we disappoint them they will suffer more than is consistent with good policy.

These are only some among the many reasons which show the power of Congress to enact a protective tariff law.

WILLIAM LAWRENCE.

## EIGHT HOURS A DAY'S WORK.

The CHAIRMAN. I have also received from William J. Noble, of this city, a pamphlet entitled "Eight Hours as the Standard Day's Work. An Appeal in Behaif of the Same to the Workingmen of America," accompanied by a letter in which he desires to file it as a statement before the committee. It is a pamphlet which has been circulated to a considerable extent throughout the country, and appears to be a strong argument in favor of the eight-hour law.

The pamphlet is as follows:

### *EIGHT HOURS AS THE STANDARD DAY'S WORK.—AN APPEAL IN BEHALF OF THE SAME, TO THE WORKINGMEN OF AMERICA.*

[The following concise and plain appeal in favor of the eight-hour system of labor is respectfully submitted to the workingmen of America by one of their fellow-laborers in their cause. If, after they have read it, they should consider it worthy of patronage and circulation, the writer cordially invites them to have copies of it printed and distributed. It should be remembered that the present favorable condition of the iron trade is owing to the long suspensions and light productions in that line for the last four years. See his name and address on the last page.]

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Believing that the "depression of trade," and also the "eight-hour movement," are the two important issues of the day, I claim that the enforcement of the latter is the only direct relief for the former, inasmuch as the markets are glutted with all kinds of goods. And still manufacturers and corporations, in their blind cupidity, speed their machinery to its utmost capacity ten hours per day, exciting competition, cheapening goods, and reducing prices until the manufacturing of staple goods affords no profit, from which condition they invariably seek relief by a further reduction of wages, which is generally followed by strikes and the shutting down of mills. Yet as consumption continues during these suspensions of production, demand naturally gains a stride toward an equilibrium with supply; but soon necessity compels labor to resume work at reduced wages, and again on goes overproduction, with the advantage to capital of a more firm market and cheaper labor. In this regard strikes generally terminate to the advantage of capital and detrimental to labor. But as a natural consequence, when supply is in excess of demand, the markets are soon again glutted, many merchants necessitated to disgorge at ruinous prices, and trade and labor are depressed by the many evils that naturally follow such a state of affairs.

All these, I claim, are the natural consequences of our overproduction, which has emanated from the introduction of improved machinery and other labor-saving and fast-producing facilities, of which the capacity for production have reached a stage when it is evident we can no longer (in keeping with the law of supply and demand) provide ten hours per day remunerative employment to all who depend upon employed labor for their living. And if capital and labor are to hold an equality of dignity we must necessarily make a further retrenchment of labor to, say, eight hours per day; for so long as capital lays claim to control labor so long is it but just for labor to claim that capitalists should be wise and generous enough to study the laborers' interest as well as their own.

Although all wealth emanates from labor yet labor should not be unreasonable in its demands on capital; for as there can be no mutually satisfactory arrangement instituted that is not mutually beneficial to both capital and labor, it is essential that capital and labor should alike understand how a retrenchment of labor to eight hours per day would affect respective interests.

First. Contemplating the effects the proposed retrenchment of labor would naturally have on capital, we would be relieved from overproduction and the constant fluctuations of prices which are caused by alternate overproduction and suspensions. We would have a more regular and better demand for our productions, firmer and steadier markets, confidence in commercial interests would be restored, and prices would advance until they attained a standard 20 per cent. higher than present prices. This would be the natural consequence of the retrenchment of labor to eight hours per day, consequently labor would likewise advance 20 per cent. above its present standard. As the value of supply is estimated by demand, the retrenchment of labor and production from ten to eight hours would enhance the value of the same as 10 is to 8, and as it would afford capital steady business it would also afford labor steady employment, and thus be a mutual benefit to capital and labor.

In contemplating labor as it would be affected by the proposed retrenchment, we encounter an obstacle at the outset, inasmuch as it is necessary in order to insure the general adoption of eight hours as the

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standard day's work, a sacrifice must be made, either by capital or labor or both; but, knowing the nature of man, the perversity of those who govern, and that the dominant spirit of avarice, cupidity, and self is strongest in wealth and capital, hence I despair of the success of an appeal to capital to make the sacrifice. Nor is it best or just that capital should make the sacrifice, for under the present state of affairs capital cannot remuneratively pay for eight hours' labor the same wages for which they are now receiving ten hours' labor; consequently, if labor would enjoy the benefits that must naturally follow the retrenchment, some labor must lead in the movement and institute eight hours as the standard day's work, by submitting to a reduction of 20 per cent. in wages. This reduction of wages will at the outset have a tendency to discourage many low-wage operatives and laborers from joining in the eight-hour movement; but all such should remember that it would be only for a short time that they would be required to accept the reduced wages, for as soon as the present stock of goods in the market that were produced under the ten-hour system were turned into the hands of consumers (which would require but a few months) then would prices and consequent wages advance, as I have stated, to 20 per cent. more than you now get for ten hours.

As this is a rule that is best understood by experience, we will refer to the time when fourteen hours constituted a day's work, and the wages that were then paid to skilled and unskilled labor throughout America and Europe. Note the improvement in trade and the advance of wages that followed the change from fourteen to twelve hours as a day's work. And again, the happy result of the change from twelve to ten hours as the standard day's work, when wages within a short time advanced 25 per cent., and now that the improved facilities employed in the manufacture of all kinds of goods have so increased our productions that we now find it necessary to make a further retrenchment of labor to eight hours per day, and when once started will soon become general throughout the country in all manufacturing business.

One of the grounds of objection taken by capitalists against the eight-hour movement is that it would kill our export trade. This, however, is too sweeping a claim, since it could only materially affect our export trade in cotton goods; and when we consider the small portion of these goods that we export and the strenuous effort it requires of capital and labor to compete for this, I doubt if it is a benefit to us, when we know that an advance of cotton goods of two cents per yard would not affect the poorest woman in buying a calico dress, and would be a benefit to the capital and labor employed in that industry, as seven is to five, and while we could no more expect the agriculturist and many other vocations to observe the eight-hour standard than they now observe the ten-hour standard day's work; consequently, the retrenchment could have no effect on our export trade in beef, cheese, butter, hops, wheat, and cotton. Even England did continue to work ten hours per day, but we have reason to know that England would gladly follow us in the eight-hour movement, and in fact is now leading us, as we are informed by a London correspondent in the New York Daily Herald of August 8, that the gloom which has for months darkened the iron and cotton trade in England grows deeper and deeper, and that it is now passing through the most severe commercial crisis in English history. The general idea seems to be that the cause is overproduction; the short-time movement is spreading throughout the Lancashire cotton districts. The condition in the Oldham district is summed up by the Herald correspondent thus: Ten millions of dollars of capital, representing two-thirds of the limited com-

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panies, unproductive for three years; $600,000 in debt; wages reduced until it is admitted that trade is not to be remedied by obliging operatives to make further sacrifices; many mills are closed; numerous failures, and house property decreased 50 per cent. in value.

As this statement will give the reader some idea of the depression of trade in England, it will also enable us to form an opinion as to whether England instead of us would be willing to follow or join in the general adoption of eight hours as the standard day's work. Some claim that if the working classes worked only eight hours per day there would be more drunkenness and crime. This is a wrong idea and an unjust assertion; for while it is not the working classes who are criminals, want of employment has probably driven some to commit crimes. We know that the retrenchment of labor would afford employment for those who are idle, inasmuch as two hours taken from each of the labor of four men would afford eight hours' labor to a fifth man.

As to the prophecy of drunkenness, we know the reverse. Statistics and experience prove that constant work for long hours, or over-exertion, causes exhaustion, and creates a desire for strong artificial stimulants (such as alcoholic liquors), produce mental incapacity, general insensibility, grossness of feeling and perception, with disease and shortened life. That the intelligence of the working classes would improve with the advantage of more leisure time we have every reason to believe, and that political tricksters and shameless demagogues could no longer turn their ignorance to the advantage of political party power. They would better understand the causes of their evils and the remedies they ought to apply, and instead of considering machinery a detriment to labor, they would realize it as the greatest benefit to them, exactly as the elements of fire and water can be beneficial or injurious to us just as we put ourselves in right or wrong relations to them.

It has been computed, says Dr. Franklin, that if every man and woman would work four hours each day on something useful, that labor would be sufficient to procure all the necessaries and comforts of life, want and misery would be banished out of the world, and the rest of the twenty-four hours might be leisure and pleasure; but as Dr. Franklin computed one hundred years ago, with our present facilities, were it possible for all to perform their share of useful work, two hours would suffice.

## ELEMENTS OF NATIONAL PROSPERITY.

The CHAIRMAN. We have also received this morning a treatise upon "The Elements of National Prosperity," by Edward Atkinson, of Boston, a pamphlet of about 30 pages, prepared evidently with his usual care and ability.

The document is as follows:

ADDRESS DELIVERED BY EDWARD ATKINSON AT THE OPENING OF THE SECOND ANNUAL FAIR OF THE NEW ENGLAND MANUFACTURERS' AND MECHANICS' INSTITUTE, IN BOSTON, WEDNESDAY, SEPTEMBER 6, 1882.

Mr. PRESIDENT, GENTLEMEN OF THE NEW ENGLAND MANUFACTURERS' AND MECHANICS' INSTITUTE, LADIES AND GENTLEMEN: I have been asked to open this fair with an address which shall indicate the purposes and methods of its work, as they are defined in the minds of those who founded this association; I will come directly to the subject without taking up your time with any further introduction. I shall speak without much regard to the danger of being dry or abstruse, but

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will endeavor, as far as in me lies, to present thoughts which will be, at least in some degree, commensurate with the importance of the occasion. I shall not hesitate to reiterate some statements to which I have previously called attention, but which can hardly be too often presented. I shall spare you statistics as much as possible; they will be found in the notes if this address is published.

The purpose of this fair is instruction in the application of science to the useful arts. In what manner and to what extent this purpose may yet be developed depends upon the way in which it is sustained by exhibitors and by the public. Its method is to bring annually into public notice all the recent improvements in machinery, tools, and appliances to which the inventors, promoters, or owners desire to call attention, with a view to their general introduction. Its medal is a dollar, earned in recompense for a service rendered. It is based upon the simple and fundamental yet little-understood principle, that in all true commerce men serve each other.

It also gives to sections, to States, to railway corporations, and to individuals the opportunity to bring here and spread before the eye examples of the undeveloped resources in which they are severally interested, to exhibit the potentiality of the future, and to show the way to the place where men may supply their wants and attain welfare.

To this end especial attention has this year been given to the great middle section of our Southern land—the land of high and beautiful mountains, the highest east of the Mississippi, heavily timbered to their very tops; divided into ranges by upland valleys of unequaled beauty, salubrity, and fertility; underlain by "all the minerals which animate the arts," and surrounded by broad upland plateaus, where every crop of the temperate and semi-tropical zones finds its true soil and climate.

To this grand tangible prophecy of future national welfare I call your attention, and I may repeat to you what I have said to the people of the South, in the hall of their great exposition at Atlanta, knowing that you will respond as heartily as they responded. With them let us all be thankful that the principle of liberty established by our common ancestors—by Washington and Adams, by Patrick Henry and John Hancock, by Laurens and Hamilton—could not be subdued, but has dominated both them and ourselves. Let us thank God that the Potomac has not become the Rhine, dividing two hostile nations, and rendering the oppression of great standing armies necessary for each, but that this "Union stands, now and forever, one and inseparable," bound by the iron bands over which peaceful commerce finds its unobstructed way, and by the common interests of mutual service which only freemen can render to each other.

We welcome our Southern brethren to this fair, and invite their cooperation in carrying out its purpose and in sustaining its methods. No broader, more national, or more beneficent purpose could be presented; and it being a most righteous purpose, its methods will develop themselves as time goes on. It cannot fail. Why is it necessary? The answer is plain. Prosperity consists mainly in ample production, sustained by quick and ready distribution; not much in what is commonly known as accumulated wealth. It is given to very few members, even of this community, and to a yet smaller portion of the human race, to possess wealth and leisure under such conditions that they may devote themselves to science, art, or knowledge for their own sakes only, and without regard to their application to industry.

It is a matter of necessity, and always will be, that by far the larger part of the community—at least nine out of ten, probably more—shall

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earn their daily bread by their daily work. The true end to be sought, therefore, is to make that daily work less arduous.

It is not of much consequence that dollars shall be more plenty if each dollar will buy more in this year than it did in the last.

I shall presently prove to you that the measure of comfort which each man, woman, and child can yet enjoy on the average, even in this prosperous land, must come within what half a dollar a day—possibly, not even probably, 60 cents—will buy at present prices.

The computations of the value of annual product will be given further on. Different economists have varied in this computation in such measure that their estimates, applied to our present population, would range from seventy-five hundred to ten thousand million dollars. I have adopted the latter, which gives half a dollar a day to each man, woman, and child.

We now number about 54,000,000, or we shall reach that number very soon. The following table will show how rapidly an addition of products to the value of 5 cents a day *per capita* increases the gross annual product:

| | |
|---|---|
| At 35 cents per day our annual product is | $6,898,500,000 |
| 40 cents per day our annual product is | 7,884,000,000 |
| 45 cents per day our annual product is | 8,869,500,000 |
| 50 cents per day our annual product is | 9,855,000,000 |
| 55 cents per day our annual product is | 10,840,500,000 |
| 60 cents per day our annual product is | 11,826,000,000 |
| 65 cents per day our annual product is | 12,811,500,000 |
| 70 cents per day our annual product is | 13,797,000,000 |

Even the whole waste and cost of war must come from each year's product during the war itself, except such munitions as may be borrowed from other countries. Debt incurred for war merely defers payment.

The first question of wages is a question of quantity—how much is there produced?

The second question is the question of price—what is the product worth?

The third question the question of distribution—what share of the product at its price does the workman receive?

The wages fund is not the quantity of things previously produced, but it is substantially the quantity produced at the time or in the year in which the work is done.

Fifty cents a day is very surely the average measure of the subsistence, savings, and taxes of each person. One dollar a day for each adult, $2 a day for each family group of two adults and two children, is the limit, because there is probably no more to buy. By so much as some of you enjoy more, others must have less, if such is the measure of all there is annually produced. What have each one of you done, what are you doing now, to entitle you to more than what half a dollar a day will pay for in food and fuel, shelter and clothing? Are you rendering service equivalent to your greater gain? Are you engaged in useful work by which the abundance of things is increased and the general struggle for life made easier?

That is the purpose of those who have founded this association. The glowing visions of quick and beneficent results which moved our friend Mr. Mudge—whose presence we miss, and whose absence we mourn so much to-day—may perhaps only be an incentive to us to try to realize them, but what can be done by the zeal and practical energy of your present president and his associates we may be sure will be accomplished.

This measure of subsistence is indeed very limited, but only those can be permanently helped to enlarge it who can help themselves, and few

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have done more to establish the practical arts upon a scientific basis by which abundance may be increased than the men who remain in charge of this work, and who control and direct the work of this association.

The small minority of the people who can become the possessors of capital in any large measure, even in this great and prosperous nation, must justify the leisure which they or their fathers have earned by the use which they make of the time and means at their disposal.

The great benefit which ensues in the application of modern inventions to useful productions consists not in the accumulation of wealth, but in the general relief brought about by these inventions in the daily work of life. A larger product, and therefore more ample consumption, are assured from less labor, measured either by hours or by effort; dangerous and noxious conditions of work are abated or alleviated; and it can be clearly foreseen that the time is not far distant—if it is not now present—when even a moderate degree of intelligence and of effort will assure a reasonably good subsistence to every man and woman in the community who is not disqualified from work by laziness, vice, or inherent disease. These new inventions and appliances also increase wealth; but, so far from its being proved that such an increase is of necessity complemented by increase of poverty, in this country at least the very reverse is true. If my observations possess any value, they prove to me that material prosperity, measured in terms of wealth or income, is like a pyramid constantly rising as if lifted from above, as well as sustained from beneath; and as the apex of the great fortunes steadily rises, while such fortunes are relatively few in number, they do not burden those who are below, but they lift the base higher and higher, and make room for increasing numbers who, except for this lifting power of capital could have found no place and might have starved; while, on the other hand, those who come in at the base, which grows broader and broader with each year, sustain the fortunes of those who are above, without being oppressed by them. The prosperity of each and all rests upon the basis of certain definite rules for the possession of individual property both in land and things—property in possession and property in use.

Yet these very rules, which have been taking the form of statute laws, which have been gradually evolved in the experience of men, may themselves be abused, and may become instruments which for a time retard progress rather than promote it. This may be especially true in respect to the possession of land.

At the foundation of all property, and underlying all considerations affecting the title to things made by human labor, lies the question of the title to land. Everything which can be applied to human subsistence must come either from the field, the forest, the sea, or the mine. To the multitudinous seas no individual claims title; but to the land many claim it. From whom is their title derived? There are no direct grants from the Almighty; but it has been proved in the course of human experience that land itself is but a tool, the most productive use of which depends upon individual possession. Where mere possession is abused rather than used, and any large portion of the product is diverted from the subsistence of those who do the work—in the form of rent to absentee owners, as in Ireland, or in the form of taxes for the support of great standing armies, as in Germany and France—revolutionary changes, either under the forms of law or in spite of law, may become necessary.

Witness the acts of legislation lately passed by the Parliament of Great Britain, which are in part acts of bankruptcy for the discharge



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of debts incurred for rent, and in part a recovery by the nation of the control of titles to land which have been abused.

How soon may similar acts become necessary in England and Scotland no man can tell. Perhaps our present great harvest in the United States, meeting a fair harvest in Europe, may so reduce the price of food as to make even the present reduced payments of rent on English land impossible; and then must inevitably come a profound change in the whole system of English land tenure, and yet a greater change in the forms of English society, under which 7,000 people now claim title to four-fifths of her whole soil. Appalling as these questions are, they are simple compared to those which must be solved upon the continent. The standing armies of Europe are as impossible to be sustained many years longer as they are to be disbanded without bringing society almost to a state of anarchy; yet they must be disbanded in the face of our competition for the commerce of the world, when we become conscious of our own strength and claim our full share in the peaceful conquest of nations.

Witness the great migration, partly forced and partly voluntary, from these overburdened lands. To this country—in which the proportion of adults in the total population is already greater than in many other nations—have come nearly a million and a half of immigrants, mostly in the prime of life, in the last two fiscal years, and in the present year a million more may come. We are engaged in a work by which the antagonisms of race and language of the Old World will be overcome. Democracy is the solvent, and the common school is the crystallizing medium. Presently the people of this land will have ingrafted upon the narrow but versatile intellect of the Yankee the courage and endurance of the Englishman, without his pig-headedness; the cleanliness of the Dutchman, without his stolidity; the thrift of the French peasant, without his superstition; the artistic sense of the Italian, without his treachery; the wit of the Irishman, without his incapacity to trust his neighbor; the philosophy of the German, without his skepticism; the acquisitiveness of the Jew, without his selfishness; the manual dexterity of the Chinaman, without his idolatry; and the fun and music of the negro, without his shiftlessness.

Will not such a polyglot race make something of this land more than we can yet conceive? What will its moral and material influence be a century hence?

But what, some one may ask, is the application of this statement to our present purpose? What have we to do with the Irish question? Where is the connection with this fair? It is partly this; that the Irish peasants who are being forced to migrate will, many of them, come here; with them are coming Italians and Germans, also forced to migrate by similar causes, and unless we provide in the right way for the instruction of the children of these adults, who are now, and have long been, almost paupers, we shall have the Irish question forced upon us, only in a new form; and that form will be how to deal with a mass of people who, without fault of their own, have become incapable of availing themselves of the advantages of the modern applications of science, and for whose merely manual labor or brute force there may be less and less demand as time goes on. Long years, ay, centuries of submission to the privilege of class and caste, to bad systems of land tenure, to the intolerance of a priesthood jealous of intelligence, and to prejudice against wealth have prepared many of these new-comers to become the dangerous element in our body politic, the tools of the demagogue and the instruments of the knave; and unless we can reform and regenerate their

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children, our children may be called upon to face economic questions which nothing but force can settle.

It takes two to make a bargain, that is, to make an exchange, and it often happens that the very things which every one needs can be produced in greatest abundance, but there is no possibility for many to share the abundance, because they have not been so trained as to be able to render a service in exchange; they are only *common* laborers, and at that time and in that place common labor is not wanted.

The material welfare of a people depends, as I have said, not upon one but upon two factors, which are each the necessary complement of the other:

1st. An abundant production.

2d. A quick and equitable distribution.

Bad institutions; the unwarranted interference of statutes with individual rights; the abuse of the power of taxation; the waste of public money; the creation of a class of public spendthrifts who batten upon the labor of a people under the forms of law; ignorance among great masses, and incapacity to adopt the new industrial methods which every day assume new forms, may even in this country, as in all others, interfere with equitable distribution and promote scarcity.

Witness the burden of the standing armies and of the privileges of the few in other countries, to which I shall presently call your attention more directly. True, we are free from these special evils; but let us ask ourselves how long can we bear without moral, mental, and material degradation, the corruption of the civil service, the spoils system in politics, and the abuses of the power of taxation in cities, States, and nation, which are not only a consequence but a most potent cause of civil-service corruption?

But let me return from this digression. The subsistence of each year consists mainly in the distribution of the products of the soil, the forest, and the mine of that special year; perhaps a small part of the product of one, or at most of the two, previous seasons are consumed this year, while a small part of this year's product is saved for the next.

In respect to food, the world as a whole is always within one year of partial starvation. If work ceased, the most prosperous country would be reduced to general starvation in two, or at the utmost three, years.

In respect to clothing and the materials for clothing, the world is always within two or three years of becoming naked.

In respect to shelter, if work should cease, and repairs were not done, the world would be houseless and homeless almost in a single decade.

In respect to the common ways, our roads would soon become impassable if not maintained year by year; our railways would be dangerous and presently useless if the trackmen did not keep up their daily inspection and repair.

In respect even to the great works and factories, it has come to be the conclusion, after long observation, even of the most sagacious, that it is almost useless to plan anything except foundations for a life of more than twenty-five years; and within that term, in almost every department of manufacturing and mechanical work, all the machinery will have been once or twice wholly changed. Hence it follows that each year's life is substantially sustained by each year's work; and this work can never cease, because it is almost wholly spent in sustaining existence; but little can be saved.

It is impossible to prove what portion of each year's product constitutes its cost. I think, from my own observation, fully 90 per cent.

Within the limits of this address I cannot give the data on which this

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conclusion is based, but I think it will be apparent that at least nine-tenths of the value or substance of our annual product, whatever its amount may be, must be shared among those who constitute the working force, if the following unquestioned facts are considered.

The capital invested in all the departments of manufacture of Massachusetts does not exceed in amount one-half the value of the gross product of manufactured goods; 5 per cent. profit on the goods will therefore yield 10 per cent. per annum on the capital. At this rate all the capital will be supplied and invested which the demand for the goods will warrant.

It therefore follows that wherever an opportunity can be found to pay ninety-five parts in a hundred to workmen and for materials that opportunity will be taken.

The same analysis may be applied to the raw materials used in the factories, and the same rule will serve, except that, as a rule, the proportion of capital necessary for the production of raw materials is less than is needed in the factory; therefore a larger share of the annual product of raw material must be assigned to labor.

In respect to distribution, it may be considered that the range of commissions and of profits in large establishments is from 1 to 5 per cent., and from this small commission all the subsistence of those who do the work is paid.

No great merchant of modern times can save for himself 1 per cent., or one dollar in a hundred, of the value of the goods in which he deals. I therefore think it can be proved that nine parts in every ten of each year's product are divided among those who do the daily work for their daily bread, and that ten parts in a hundred are the utmost that can ever be set aside for the maintenance or increase of capital or of wealth.

Nine-tenths at least of our annual product are therefore spent in its production or in its distribution, and therefore constitute the cost of each year's subsistence.

This estimate is very surely a safe one. If the annual product is greater than I have computed it, then even a larger proportion is consumed and a lesser percentage is saved.

It would be interesting and instructive if census data could be compiled which would give accurately the measure of our annual product in terms of money, and also determine the portion spent for mere subsistence; but it is practically impossible. The difficulties are, first, the home or family consumption of the agricultural population, which never finds a place in our market-reports. Even the ascertained market value of our dairy product is as great or greater than that of the commercial cotton-crop; but who can measure the value of the milk consumed on the farm? Again, cotton, wool, leather, iron, and the like are listed in the census under their own titles, but are duplicated as a part of the value of the manufactured goods.

There is, however, one way of making an approximation to the value of our annual product and its expenditure, and an estimate of our annual savings. We now number about 54,000,000, over one-fourth of whom are adult males of voting age, and it may therefore be assumed that another fourth are adult women. If we assume that the actual subsistence, repairs of dwellings, public expenses, and other annual items of cost, including all the home productions consumed on the farms, would have a value, if all were priced at the market standard of $150 a year *per capita*, or 41 cents a day, then our annual product which is consumed must be priced at $8,100,000,000. This would be $600 a year for each family group of four, aside from savings.

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I do not think it possible to assume less than 41 cents a day as the cost of subsistence, cost of repairs of dwellings, and proportion of national, State, and municipal taxes, for each member of the nation, men, women, and children included, and also including domestic farm consumption.

If this sum measures in money the actual cost, that is to say, the consumption necessary for each year's work, and if this is 90 per cent. of each year's product, then we have a product of the value of $9,000,000,000, and an annual surplus, used either to maintain or added in part to the wealth and in part to the capital of the country, of $900,000,000.

If the average daily measure of the annual product consumed by each person be a little more, or 45 cents a day, constituting nine-tenths of that day's product, then the total measure of production is 50 cents for each man, woman, and child. This would give 90 cents a day for the value to themselves of the work of the adult men and women who compose one-half the population, and 10 cents over for the maintenance and increase of capital, counting three hundred and sixty-five days to the year. At this rate the annual product of each adult man and woman is measured at $1 a day, or at $365 a year; of which $328.50 is expended for the subsistence, shelter, and taxes of one adult and one child, and $36.50 is set aside for the maintenance and increase of capital. At these rates, our total annual product, if measured in money, would be $9,855,000,000, or, in round figures, $10,000,000,000 worth a year; and the portion set aside for the maintenance and increase of capital 10 per cent., or, in round figures, $1,000,000,000. A large part of this latter measure, more than one-half, must be applied to the maintenance of existing capital; the rest is added to the wealth or to the capital of the country.

In point of fact, the census data, as far as we have them, tend to prove these figures to be substantially correct, especially of the measure of the annual product to be assigned to each one of the working force, the real working force being less than one-half of the population, and the average product somewhat over the measure of $1 a day for the year through, including Sundays, so far as the data are yet published.

It may seem almost appalling to those who are not accustomed to submit to such a narrow measure of comfort to be assured that the total annual subsistence, shelter, and taxes of each man, woman, and child, together with the entire margin for the profit or saving, must come within the measure of what half a dollar a day will buy; yet this must be so, because that is probably the measure in money, at market prices, of all that is produced. We cannot have more than there is, and this is very surely all there is. Even if it be 70 cents a day, would it not then be true that one-tenth part of the people of the world little know how the other nine-tenths live?

The family unit of this country consists practically of four persons, there being one adult male of voting age in each four. At 50 cents *per capita*, as the measure of the total production (including domestic farm consumption), the gross value of each day's average product would be $2; equal to $730 per year for each family. Ten per cent. off for the maintenance and increase of wealth and capital leaves $657 per year net; which would be, under these conditions, the average measure of consumption of each group of four persons, including all taxes, at the retail prices of commodities—that is to say, at the prices which measure the final distribution of all products.

National, State, and municipal taxes divert about 7 per cent. of the computed annual product from the pockets of the producers to those

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who perform the necessary functions of government; this deduction for taxes leaves a little over $600 a year net to each family of four persons.

This is a large estimate for an average family of four, rather than a small one, and I have erred, if at all, on the liberal side of the estimate, my point being to prove that the average subsistence of each man, woman, and child in this prosperous country must be limited to the measure of what 40 to 50 cents a day will buy.

We must add $1,000,000 worth to the product of each year in order to be able to add only 5 cents' worth per day to the consumption of each person; so close do the footsteps of want press upon the limits of welfare.

Who dares scout the science which, under the name of "*political economy*," treats these vast questions of human welfare, in which a single error or misapplication of the functions of government may cost the very lives of armies of men a century hence?

The abuses of centuries are culminating in Ireland to-day, and the compromise with slavery, to which our ancestors consented, cost the lives of more than half a million men, and imposed upon us the burden of our present debt and our complicated and onerous system of taxation. Slavery was only a form of the organization of labor, a false method of inducing production.

What, then, can we do to make the struggle for life easier? The only answer is, "Give such instruction as will develop brain and hand together, so that the purchasing power of each dollar may be increased. Save the waste of labor and the waste of product. We are the most wasteful nation in the world; and one reason is that even at our present measure of product there is vastly greater abundance here than there is anywhere else.

What margin is there for increase or for saving, do you ask? The answer is plain. Our general methods of agriculture are poor and shiftless; our crops are not one-half what a reasonably good system would bring forth. The potentiality of a single acre of land is still almost an unknown quality. If I were to say to you that, next to the abolition of slavery and the use of the railway and the steamship, the re-discovery of the method of saving green crops—called *ensilage*—was the most important event in its effects on material welfare of the present century, you might suggest that a commission of lunacy should be appointed to examine the condition of my brain. Consider the waste of fencing, because one man cannot trust his neighbor to keep his cattle where they belong. Witness the waste of sheep, because the cur dog is tolerated while the farmer suffers.

Marvelous as the machinery in this great building may be, science has work to do vastly greater than any thing yet accomplished. Almost the only tools yet perfected are the water-wheel and the dynamo-electric machine. Look at that seemingly perfect steam-engine and boiler; it wastes nine-tenths of the fuel with which it is supplied. Examine that costly and clumsy locomotive and heavy train of cars; only one pound in a hundred of the fuel used is actually applied to the movement of the load. Observe that almost self-operating carding-engine, spinning-frame, and loom; are they perfect? Four-fifths of the power is wasted in operating them; and when you have put your cotton fiber into cloth you have lost three-fourths of its original strength by your rough treatment.

Your builders cut up your timber so as to lose or waste one-half its strength; most of your architects plan your buildings so as to assure the most perfect combustion. You make a clumsy effort to distribute your fire loss of nearly a hundred millions a year through insurance

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companies, and you waste 40 per cent. of your premiums in the mere expense of making the attempt. You cannot even start a horse-car without wasting the knees of your horses by the excessive strain.

I might go on in this line indefinitely, but the greatest waste of all is the waste of food and fuel.

The grain, root, and hay crops of this country weigh over 150,000,000 tons—300,000,000,000 food pounds to be harvested, sorted, distributed, converted into meat, butter, cheese, bread, and the like, in order that each one of us may have our daily ration of about three pounds—a pound each for our breakfast, dinner, and supper.

Seventy million tons of coal are mined and converted. Are we not all aware that half our food is wasted, and perhaps more than half our fuel, especially in cooking?

How shall we save this waste? Must we not save it if each man, woman, and child can earn, on the average, only what 50 cents a day will buy? Try for yourselves what you can get in the little shops on the South Cove or at the North End, where the poor must buy their food, and then you will know why so many suffer want, even in the midst of plenty, for the lack of instruction in the commonest arts of life. Must not our common schools be somewhat common in quality when they qualify their pupils so little in the practical arts of life?

And here let me call your attention to the importance of the smallest fraction saved. In order to do this I must repeat myself. The average charge upon the New York Central and Hudson River Railroad in 1866–'69, inclusive, was 1.9567 cents in gold—say 2 cents per ton per mile. From 1870–'79, inclusive, it was 1.1123 cents. The difference was only .8444, say eighty-five hundredths of a cent per tonp er mile. Yet in the ten years last named this difference saved the consumers of the goods carried over this one line 121,000,000 gold dollars.

The average charge over this line has been again reduced, and was last year only seventy-eight hundredths of a cent per ton per mile.

This line performs one twenty-sixth part only of the railway service in moving merchandise of the United States. If all the other railways have reduced their rates since 1869 only one-half as much as this corporation has reduced theirs—which is far within the fact—the saving on the moving of merchandise in the year 1881, as compared to the rates prevailing from 1866 to 1869, only twelve to fifteen years since, was over $400,000,000. Let us be conservative, and call it only $300,000,000, and then we have a sum more than sufficient to pay the first cost of the 9,400 miles of new railroad which we added to our service in that year.

Eighty-five hundredths of a cent a ton a mile is equal to $8.50 per ton from Chicago to Boston, or less than a dollar on a barrel of flour carried a thousand miles; yet this little fraction, applied only in part to the total traffic of all the railroads of the United States, worked a saving of over $200,000,000 a year for ten years to 1879, inclusive; and at the yet lower rates of 1880 and 1881, as compared to 1866–'69, inclusive, this saving has been, at the very least, $300,000,000 a year, or 33⅓ per cent. of the estimated amount of our possible annual addition to our wealth or capital. It has not been added to capital, however; by far the larger part has gone to the benefit of consumers, and has been saved by them in the work of gaining their subsistence. This is the function of capital in the form of a railroad.

This is a complete example of the thesis which I have presented. These great applications of science save a part of the necessary work, and render the struggle for life far easier.

The figures which prove this proposition are so startling that it is

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necessary to sustain them by citing the actual facts. In the year 1881 the New York Central and Hudson River Railroad moved 11,591,379 actual tons of merchandise, or 2,646,814,098 tons carried one mile, for which service it received $20,736,750, or seventy-eight hundredths of a cent a ton a mile. The average charge from 1866 to 1869 for the same service (rates reduced to gold) was 1.95 cents per ton per mile (1866 to 1869, inclusive, 10,102,659 tons moved; 1,868,448,179 tons moved one mile; receipts in currency, $50,556,876); difference, 1.17 cents per ton per mile saved on 2,646,814,098 tons, equal to $30,970,000 in the single year 1881.

In the year 1881 the total receipts of the New York Central and Hudson River Railroad for freight constituted 3.76 per cent. of the total freight receipts of all the railroads of the country, or a fraction under one twenty-sixth part of the whole.

If the reduction in the freight charge on other roads, or the saving which has been compassed by the construction of new lines, has been equal to that on this line—1.17 cents per ton per mile—the saving would amount to over $823,000,000 in the single year 1881 upon the traffic of that year.

Mr. H. V. Poor computes the whole traffic of all the railways of the United States, including coal, at not less than 350,000,000 tons, or more than thirty times the quantity carried by the New York Central and Hudson River Railroad.

Let me repeat this proposition: if the construction of new lines and the reduction of charge on old lines has saved consumers one cent and seventeen-hundredths per ton per mile upon the actual traffic of the year 1881, as compared to the charge made for railway service from 1866–'69, inclusive, the difference in the year 1881 amounted to over $80,000,000.

The fortunes which the railway magnates have secured to themselves, and which they are now applying in part to an extension of the railway service by at least 10,000 miles in the year 1882, constitute but a small part of this saving; the greater part has been secured by consumers, and has to that extent reduced the cost of subsistence.

Upon this basis the computation of an actual saving to consumers of $300,000,000, as given in the body of the address, may be considered a very safe and cautious one.

In fact, the effect of the construction and extension of our railway service, and the progress made since the panic of 1873 in the reduction of its cost, almost transcends comprehension; and all computations and forecastings based upon these changes have a visionary aspect even to the most careful student. The gain in this respect more than compensates for the waste of public money and the abuses of the powers of taxation, and thus even retards the progress of economic reform by obscuring the evil effects of excessive taxation.

In this address it is therefore made apparent, on the one hand, that the average measure of comfort which each man, woman, and child can enjoy must come within the substance of what half a dollar a day will buy; while, on the other hand, this analysis of the results of science applied to the construction of railways proves that, after making due allowance for the fluctuations of the seasons and the variation of the crops, the purchasing power of each half dollar has been increased at least 5 per cent., perhaps more, since 1870.

I have computed the present value of the products of the United States, at the place of consumption, at $10,000,000,000, which gives each inhabitant 50 cents' worth a day.

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The freight earnings of the railroads of the United States in the year 1881 were $551,968,477.

The cost of distribution by rail was, therefore, 5½ per cent. upon the computed value of the product.

At the higher rates of 1866–'69, this charge for railway service might have been $1,350,000,000, which would have been 13½ per cent. upon the computed value of our whole product. If consumers have gained the sum used in the body of this address, $300,000,000, then the purchasing power of each half dollar has been increased 3 per cent. since 1870. If $500,000,000, then 5 per cent. If $825,000,000, then over 8 per cent. Add to this amount saved by railroads the results of the improvement in machinery applied to agriculture, to manufactures, and the mechanic arts; and I think it is safe to repeat what I have elsewhere affirmed, that the aggregate labor of the people of the United States has been made at least one-third more effective by the application of science to the useful arts since the end of our civil war in 1865.

In other words, the purchasing power of each person's daily income of half a dollar has been increased one-third in less than twenty years. How soon will it be doubled? It now costs more to live, because people demand more, spend more, and, on the whole, enjoy more, than they used to, and they also waste more. The wages of factory operatives are double what they were in 1842, and the hours of labor are ten to eleven per day now, as compared to thirteen then. The daughters of New England farmers have found less arduous employment at much higher wages; while the immigrants, who now constitute the great body of the factory operatives, would then have found only the most arduous menial or common labor, could they have then found any place in our body politic.

One of the best definitions of man, as compared to beasts, ever given, is this: "Man is the only animal endowed with progressive desires."

The more there is, the more we spend; the more we have, the more we want. The measure of a sufficient fortune or income is a little more, and thus the world wags on.

And as it is in this matter of the railroad, so is it in all things; the difference between welfare and poverty consists only in knowing how to save a dollar in moving a barrel of flour a thousand miles. It costs to-day only half a dollar to bring a barrel of flour from Chicago to Boston, and a barrel a year is all that each person needs. Now, let me ask you, how much do we lose in not knowing how to make bread—how to use the barrel of flour? How large a factor in the national welfare is in the mere question of household economy?

How much will this fair teach us on that subject? Follow the wheat from the field to the poor man's table, and you will soon prove to yourselves that ignorance of the simplest household arts is a heavier tax than the entire cost of railway service. Is this to the credit of our schools? I will not undervalue in the least the mental instruction of the schools. I would not deny the opportunity for the highest instruction, but if a large portion of the time of the pupils is not spread over a great mass of merely mental rubbish, a great injustice is being done by their critics.

In order that these propositions may be made plain, and the purpose of this address may become more clear, let me ask you to discharge from your minds all idea of money and of price. Money is merely an instrument by which the exchange of services among men is rendered easy. Price, whether applied to things or to services, is but a measure expressed in terms of money. What really happens is this: A small

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very small, part of the work of each year can be saved in the concrete form called capital; that is to say, in the form of a railway, of a factory, of improvements upon land, or developments of a mine; and when thus saved it is so applied as to increase the production or lessen the work of the next and of ensuing years.

As I have said, I am of opinion that even in this prosperous country not less than nine parts in ten of the total product, on the average, constitute the cost of production, and are consumed in different proportions by those who do the work.

To the workman or workwoman it matters not what the measure in money is by which their wages or earnings are defined. The real question is: How good a house, how large a room, how adequate a supply of food and fuel and clothing can I purchase with that money?

It therefore follows that every application of science to manufacturing industry, to mining, or to agriculture, by which the aggregate of things is increased, while the labor is diminished, tends to increase the quantity of the commodities to be divided among the laborers; and as this increase is progressive year by year the proportion which capital can secure to itself under free contract becomes less, while the proportion which is assigned to labor becomes greater.

The object of this fair is to bring into prominent notice every new application of science by which abundance may be increased, and also to bring to the knowledge of those who seek a new place in which science may be applied the sections of country and the natural resources which are yet undeveloped. It is a great object-lesson in human welfare.

But of what use will this great lesson be if boys and girls and men and women are not qualified to take advantage of the opportunities thus spread before them?

It may happen that, by the application of intelligence and of science on the part of the few, the quantity of things produced has been greatly increased; and yet, in the midst of plenty, sometimes thousands, aye, even hundreds of thousands, of men and women have suffered want. Witness 1873. Why is this? Must it always be so? It may be said, it *ought* not to be—it *need* not be; and yet it probably *will* be so for many years to come.

It may be that those who have lived in foreign lands until they have come to adult years under obstructive laws or systems, and who have not learned how to do any service by which they may gain a part of this abundance except in the commonest of common labor, will be very poor, even here in the midst of plenty.

Hence will follow the continued need, not only of charity which takes the form of giving alms and sustaining life, but of that mental charity also which, even while repressing the outbreaks and disorders which may arise from the presence of those who are not only very poor but very ignorant, will yet palliate and excuse even the evils which it may be necessary to suppress by force.

But if the grand purpose of those who have founded this association can be carried into action—if methods of industrial instruction can be added to the mental training of the schools—if the hand and the head can be developed together—as the children of these immigrants grow up they can be qualified to render such service to their fellow-men that the measure of their earnings or wages shall be ample for their welfare.

It is by such instruction, by such preparation for the need of future

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generations, that the very causes of want may be almost wholly removed.

Let me illustrate this. Every master manufacturer, every master mechanic, every capitalist who desires to employ others, seeks to hire the man or woman who can make the largest product at the lowest cost. And now I beg to present to you a proposition which is very far-reaching, very subtle, and of very wide application, but which is seldom considered unless attention is almost forced to it. It is this: So long as freedom of contract is not restricted or obstructed by statute-law, so long as laws are enacted only for the enforcement of justice and order, the prevention of crime and punishment of fraud, and the accomplishment of purposes which cannot be worked by individuals, it will be found that high wages or earnings are almost the necessary correlative of low cost of production, and not, as is so commonly assumed, that low cost can only be compassed by way of low wages.

This seems a paradox; yet it is elementary, and it is within the observation of every one of you here present; from your own experience you can prove or disprove this proposition. It simply needs to be borne in mind that the annual profits of capital and the annual wages of labor are both derived alike from the annual product. The more effective the capital in the form of machinery, the less the number of persons required, the higher the wages. The more skill on the part of the persons who operate the machinery, still again the less the number required, and the higher the wages. The more effective the capital, the lesser the proportion which the capitalist will secure in order to make good interest upon his investment. The more adequate the skill, the larger proportion will the laborer attain. The more effective the application both of capital and of labor, the larger both the profit and the share of the laborer. And when this product is converted into terms of money, or what money will buy, the higher the price of wages, and the lower the cost of the production.

It therefore follows that the rate of wages or earnings of the masses of the people who are of necessity engaged in their daily work for their daily bread will be high or low (always assuming an honest specie standard for the money in which the sum of wages is to be expressed):

1st. According to the conditions and resources of the country in which the labor is exerted.

2d. According to the freedom of that country from statues under which the liberty of the individual is restricted.

3d. According to the freedom of that country from the imposition of taxes by which a large portion of the products of labor are diverted from the remuneration either of labor or capital, and are applied to what may be named (for the purposes of this consideration) destructive taxation.

Of the first two conditions I need not speak at length; but I may call your attention to our paramount advantage in respect to the third.

There are two kinds of work to which the proceeds of taxes are, or may be, applied:

1st. Constructive work which the municipality, the State, or the nation can perform better than the individual, such as making of common highways, the maintenance of common schools, the postal service, and some other simple functions distinct from the administration of justice or other administrative functions of government.

In this country even the support of the army may be included in the constructive work of government, because it is our good fortune to need

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an army only to serve as a border police, and for the protection of settlers engaged in increasing the general product.

But if we compare our condition with that of those states of Europe which are called civilized, we find a marked difference. In such states, for various reasons, a very large proportion of the annual product of labor is taken from the people in the form of taxes, and is applied either to sustain special privileges, or merely to the destructive purposes of war.

I may cite to you the comparison between this country and France and Germany considered together. The long-continued error in regard to the true function of commerce, which has dominated the mental conceptions of those who assume to govern those great states—to wit, "that, in all commerce, what one nation gains another must lose"—has kept those two states apart more than any prejudice of race or difference of religion; but from all these causes combined, namely, industrial prejudice, hatred of race, and the perversion of the religious idea, each of these nations finds it necessary to protect itself against the other and against all the rest, by maintaining standing armies in camp and barracks, which to-day (without consideration of reserves, but including those who are engaged in merely preparing material for war) number over one million men out of a population of eighty millions.

Our proportion to-day, if we were obliged or chose to maintain a standing army, in ratio to our present population of about fifty-four millions, would be seven hundred thousand men; more than one in twenty of all the adult males of voting age within the limits of the country would be withdrawn from their productive work, whereby the quantity of things to be divided between labor and capital, from each year's annual product, would be so much diminished.

Yet more: one more man in every nineteen of those remaining would be forced to labor in order to pay the taxes necessary to sustain the seven hundred thousand idle men gathered together in camp and barracks waiting for the work of destruction.

Let me prove this. This army would be, in its organization and in the persons who compose it, like unto the great industrial army engaged in our greatest works. The officers of the armies of Germany and of France must be men of ability, equal but not superior to those who lead the industrial armies of this country—equal in capacity but how inferior in purpose, to the men who build and control the railroads and the iron works, manage the factories, bring order and system into action, and direct the productive energy of the people!

The soldiers composing the destructive armies of France and Germany are in the prime of life, capable of exerting the maximum force ever developed by them. They would be like unto those who constitute the working force upon our new railroads and in our mines and factories; and seven hundred thousand, which would be our proportion did we emulate those nations in the work of destruction, would outnumber the whole force of adult males who are to-day engaged in building railroads and in all the iron mines, iron works, and all the textile factories of the United States combined.

This minus quantity, this reduction of product, this scarcity which is enforced upon these nations of Europe by their armies, may be measured by the construction of all our new railroads, and by the addition to our annual product of all the product of our iron mines and iron and steel works, and all our textile factories combined, to which the labor of adult men is applied (omitting the product of women and children) in these United States.

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And yet more: the cost of these great European armies of destruction, levied in the taxes and paid by those who are permitted to remain in the work of production, is more than equal to the sum of all the wages earned in this country by all the iron-miners, all the iron-workers, and all the men, women, and children in our textile factories, put together.

Must not wages or earnings in this land be higher than in any other land thus burdened? Must not the quantity of things to be divided—which constitute the true earnings—be so much greater, and the cost of making so much less?

If you apply these rules to your own experience, each one of you, you will find how true they are. The last man or woman whom you desire to discharge from the works which you control, when the times are hard, is the one earning the most for himself or for herself; the first to be discharged is the unfortunate one whose hand and brain have not been developed together, and who can, in hard times, no longer render you a service, even if paid a sum barely sufficient to support life. Even if the conditions become such, as they did from 1873 to 1879, that skilled mechanics and artisans find no demand for all their work, then they, by their very training, have been made competent to change the method of their work, and in new places, under new conditions, they assure welfare for themselves.

And as it is with persons, so it is with classes, with States, with countries. Where the conditions are best, where the natural resources are the greatest, if no obstruction is interposed by statute law, there will be found the most skillful persons, the best machinery, and the largest product. If, under free conditions, you would seek to find the place in which the very lowest labor cost of any given thing is compassed, you make take as your guide the measure of the highest wages earned by those who do the work.

Where earnings are the greatest—earnings being but a share of a large product ensuing from favorable conditions, ample capital, and superior skill—you will most surely find the lowest cost, always provided that in that place justice and equal rights are assured, that the government is honest and stable, and that the taxes are not diverted from public uses to private ends.

This rule will not apply to hand-work or handicraft. The fine silks of Lyons woven only on a hand-loom, the laces of Brussels, the fine carving of Switzerland, the Tuscan jewelry, the production of tea in China, the spade-labor of Belgium, and the like, can only be conducted on the lowest rates of earnings, barely sufficient to support life; and yet the fabric may be of extremely high cost, because of the amount of labor, or the arduous conditions under which it is conducted.

There are yet many occupations which we cannot afford to carry on in this country so long as we can procure the product in some other way, because the amount of labor is so great, or the necessary conditions are still so bad.

We have a continent yet to subdue, in which we can choose our work.

Glance your eye over this vast collection of the potentiality of our Southern land. Witness the profusion of everything needed to sustain life in comfort. Observe the coal and iron lying close together upon the very surface of the earth—not separated, as they are farther north, by great intervening mountains of sandstone, but the coal, iron, and limestone lying one against the other at the headwaters of great navi-

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gable rivers, where they can be converted to the use of man with the least expenditure of human labor.

Glance over this great exhibition of timber which has been so wasted, even in our Northern States. Witness the variety of the products of agriculture which can be brought to the service of man amid scenes of utmost beauty; and, so far as a very large section of the Southern country is concerned, under conditions unequaled on this continent for health and salubrity. Why have they not been developed? Because labor was not honored, and he who exerted it could not enjoy the earnings.

Why are they being developed now so rapidly? Because the South to-day is even in advance of the North in the effort which she is making to promote the instruction of the hand and the head together, in order that she may avail herself of her great advantage, and overcome the malignant effects of a century of slavery, and of misgovernment and lack of education of almost every kind.

We welcome her competition. We will emulate her in her progress. Each needs what the other can produce; and in the exchange of service between the States, free and unrestricted as it is and as it must remain under the beneficent provisions of our Constitution, each section will gain under the working of that law which I presented at the beginning of this address—that all true commerce among men, whether between states or nations, is but the exchange of service by which both are made more prosperous, and both are rendered more capable of sustaining their own population in comfort and well-being.

It will be apparent, if this principle be admitted—namely, that where mental capacity and manual dexterity are combined, and are applied under the best conditions to the direction of machinery, there will be found the largest production, the highest wages, and the safest and most adequate remuneration of capital; and, also, if it be admitted that the production of the joint work of labor and capital would be most completely enjoyed where there is the greatest freedom from what I have called destructive taxation, it follows that this country has the advantage over all others—

1st. In the variety and extent of its natural resources, capable of being worked with the least exertion or effort.

2d. In the fact that in some sections of the country, and presently in all, the systems of common education, even if still imperfect, yet on the whole do qualify pupils to apply the greatest versatility and to combine mental and manual capacity at least somewhat more completely than in most other countries.

3d. In our absolute and paramount advantage in being free from destructive taxation.

From all these advantages, it follows that both the wages of labor and the remuneration of capital must be greater in proportion to the effort used than in any other section of the world's surface; and these facts themselves prove that the cost of production—in other words, the labor expended in productive service—is less in ratio to product than it can be anywhere else. Therefore our high wages are but the sign and proof of low cost, and we may command the commerce of the world, if we so elect.

We may exchange the product of a single day's work of machinery, directed by one man, for fifty or one hundred days' product of those who are still obliged to follow pursuits to which either their ignorance, their backwardness in the use of machinery, or want of opportunity, prevents the application of their labor under favorable conditions.

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We may obtain the product of perhaps fifty days' labor in the coffee plantations of South America or of Java; or one hundred days' labor in the tea-fields or mulberry-groves of China; or twenty days' labor in the sugar plantations of Cuba, or the hemp-fields of Manila; or ten days' labor in the wool-growing sections of South America and Australia, for the work of a single man or woman directing machinery operated by steam or water power. By means of such exchange, we can increase the quantity of things to be divided among our own people, while conferring a benefit even upon those with whom we exchange, who without our demand could perhaps make no disposition even of the surplus of their hand-work; thus both parties are vastly benefited, and commerce becomes the measure of intelligence, of civilization, and of wealth.

Many attempts have been made to compute the actual wealth of a state or nation statistically; but such figures can give only approximate estimates at a given time, since progress is much greater by way of the destruction of what has been wealth, than by its accumulation.

The substitution of simple for complex machinery, by means of which greater production is assured, coupled with the application of capital of less money value, is an instance.

In this address I have assumed a thousand million dollars' worth of product set aside for the maintenance and increase of capital, or 10 per cent. upon an approximately accurate estimate of an annual product of ten thousand million dollars' worth of substance.

If 5 per cent. had been set aside for the maintenance of capital previously accumulated, and 5 per cent. of our annual product had been added each year to the wealth of capital of the country, the effect would have been the same as that of money put at compound interest at 5 per cent. per annum. There is nothing to show for any such accumulation.

Massachusetts possessed in 1875, according to Carroll D. Wright's most admirable and accurate census, confirmed by the tax commissioner's reports, property aside from the value of land amounting to only $600 per head of the population, which sum measures a saving equal to only two or three years' production of the same State in the same year; and there is probably no state in the world in which the annual product per head is larger, being not less than $200, probably about $300 per year *per capita*.

Even if 10 per cent., or $1,000,000,000 worth, can be set aside, above the mere consumption or cost of production of the people of the United States, it is manifest that much more than one-half of this substance must be used merely for maintenance of capital, much less than one-half for additions to wealth or capital.

These considerations may be deemed somewhat theoretic, but they become of the greatest importance when considered with reference to national and municipal taxation. The burden of a tax is to be considered not so much with reference to its ratio to the gross income of each state or person, as it is with reference to the possible savings of each person or to the margin of profit upon any given business.

The writer has not himself compiled the figures of national, State, and municipal taxes, but is assured upon the latest data compiled in the Census Department that the total amount of all such taxes at the present time is $700,000,000 a year.

This sum is important, even if it is only considered in ratio to a probable product of $10,000,000,000, on which it is 7 per cent.; yet more important in its ratio to probable saving of $1,000,000,000, on which it is 70 per cent.; yet more important in its ratio to the probable actual addition to our wealth, even if that amounts to $500,000,000, on which

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it is 140 per cent.; most important of all in its ratio to the annual average production of each adult man and woman, which I have computed at probably, hardly possibly, over $1 a day, on which the proportion of all taxation is 7 per cent., or 7 cents of every dollar earned.

Well for us that our taxes are not destructively expended; well for us, indeed, that the avails of taxation are on the whole productively expended, and that not over 25 per cent. is, in the long run, wasted in national or municipal jobs.

In view of the fact that all taxes upon commodities are added to the cost, and are paid by consumers in the ratio of their consumption, the abatement of the excess of national revenue becomes a question of paramount interest.

Such taxes take from the many what they may actually need for a bare subsistence; they must fall with greatest hardship on those whose earnings for their families are less then the average dollar a day to each adult man and woman; and where our present excess of national taxation may be equal to only 15 per cent. of the possible savings of the whole people, it may take 100 per cent., even the little all of what the poor might save.

The most profound students of the social order of Europe have come to the conclusion that national debts and chronic war taxes are the prime cause of the pauperism of great masses of the people.

It is true that this surplus revenue is not lost to the country when it is applied to the payment of its debts; but it may be misspent in extravagant expenditures, and then it becomes a loss; and even in the payment of debts it takes a part of this year's product from one, and transfers it to another in payment for service in the long-distant past. It is useless to palter with such problems as this; our public men must either master them, or be mastered by them. They are the great political issues of the future, before which all the dead issues of the past will fade away. The question to be solved at present is not whether $100,000,000 of excessive taxation—one-seventh part of the whole burden—shall be removed, or not; it is only in what way shall the relief be given. The evil of excessive taxation is not simply in the imposition of taxes, but also in the method of removal. They may so alter the direction of industry as to make even their removal work temporary injury to a portion of the people.

Industrial reconstruction (especially in the South), technical education, tax reform, honest administration, a strict limitation of the functoins of government and personal liberty—such are the subjects which the object-lessons in this great fair bring into view.

I have called your attention to this need of combining the instruction of the brain and of the hand together.

At the other end of this broad avenue stand the buildings of the Massachusetts Institute of Technology, where the higher branches of technical education, with manual instruction in the mechanic arts, have been combined and developed to the extent of the means placed at our disposal.

That institution has been founded and sustained in part by the very men who belong to this Manufacturers' and Mechanics' Institute. That institution is yet to be sustained by many of you who are here present, when you have found out its merits, by contributions from your ample capital, which you will make when you have learned that it is the best possible investment.

Each of these institutions is the complement of the other. *Here* you have the visible results of science applied to useful arts, the tangible

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evidences of the opportunity for yet grander enterprise. *There* you have the opening in which you can aid in the development of this great work of instructing the brain and hand together. Each of these institutions is but the beginning; they may serve as examples which must be followed in New England even if nowhere else.

If we are to maintain our relative position in competition with our sister States, we can only do so by compensating for our lack of natural resources by the perfection of our methods of instruction in the application of science to the useful arts. In sustaining these institutions, you can justify yourselves for the possession of more than 50 cents a day for each member of your families, by the investment which you may make of your surplus wealth.

May we not share in teaching the teachers of the new gospel of peace and plenty, which it is the mission of this country, first among all nations, to preach to the down-trodden of the world? To do unto others as you would be done by, is to help others to help themselves. To give alms may be dangerous, and at best can only palliate the evils and wrongs of society. To relieve want by State charity may only promote pauperism. Yet give alms we must, and sustain charitable institutions we are compelled to, because we are subjected to the incoming of the poor and incapable of other lands. But from our children and our children's children even unto the third and fourth generation, we may remove the doom of the ancient law, and we may assure them the reward of the faithful steward, by developing hand and head together in their application to useful service.

## WHAT FREE TRADE MEANS.

The CHAIRMAN. I have also received a treatise of about 80 pages by Thomas Sargent Fernon, entitled "Free trade means serf pay and famine fare," which he desires to be considered by the committee as a statement of his views upon the subject.

### *FREE TRADE MEANS SERF PAY AND FAMINE FARE.*

AMERICAN CITIZEN WORKMEN, LOOK TO CONGRESS AS YOU LOOK FOR DINNER!

LESSONS.—A protective tariff in the United States of North America is a quarantine agains infection, importable in competitive foreign manufactures. The sole emblem of equality extant in the world, available among men, is the ballot in the American Union, where every citizen is an elector, and every ballot according to the law counts one, whether voted by a poor man or a millionaire. Citizens and subjects are on high and low levels, with obstructions between, like Lakes Erie and Ontario, divided by Niagara Falls and the Whirlpool. Free trade will reduce the wages or give the work of American citizens to subjects of the British crown, and so lock down the citizen to the bottom level of the subject, whilst it cannot lock up the subject to the summit-level of the citizen; because the British Dynasty of princesses and princes, and nobility in seriated ranks, constitute an aristocracy of ruling classes who plead for free trade in British goods in American markets, thereby to give British tenants employment to earn wages to pay rent to proprietors of hereditary estates and titles; but who same time deny free trade in political rights to the mass of British population, on whose industry the monarchy is built.

BY THOMAS SARGENT FERNON,

*Author of "No Dynasty in North America," &c.*

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## I.—THE UNITED STATES AND GREAT BRITAIN.

The foremost question in American politics is, Shall the citizen workman of America forego his birthright for the support of the subject laborer in Europe? The answer of the ballot-armed elector is, No; emphatically no. And why?

The advent of the iron man, moved by steam power, and its versatile capacity, shown in transportation, agriculture, manufactures, and the mechanic arts, admonishes the American citizen workman that, if he expects to keep pace with progress, and continue in confraternity with invention and improvement, thus and thereby to realize and enjoy advantage and benefit through shortened hours of labor and additional and prolonged opportunities for intellectual culture and physical rest, he must oppose and combat the heterodox plea which British economists and their agents, attorneys, and imitators nominate free trade, and prescribe for the American Republic, which is in health, as if it were a patient under treatment; although, in truth, Great Britain meantime derives more revenue per head of population from duties of customs on foreign imports than is collected into the Treasury of the United States from its tariff laws, which move the ire of the British politician and incite the amateur publicist to prate of reciprocity in trade.

True, the free list of Great Britain is now long, and its dutiable list is short; but that is because Great Britain throughout the last fifty and odd years has intermittently remodeled its tariff according to its interest at the time and the prospect ahead; not, however, in the light of reciprocity, but of profit, taking care while adding to its free list that the aggregate revenue from "customs" shall not undergo material reduction as an item in the income schedule of the United Kingdom.

For the year ended June 30, 1879, the United States and Great Britain derived from "customs" these sums, respectively, to wit:

*Year ending June* 30, 1879.

| Countries. | Amount. | Population. | Average per head. |
|---|---|---|---|
| The United States | $137, 250, 047 | 48, 000, 000 | $2 $\frac{85}{100}$ |
| Great Britain and Ireland | 100, 080, 000 | 34, 000, 000 | 2 $\frac{94}{100}$ |

| Countries. | Total public revenue. | Population. | Taxation per head. |
|---|---|---|---|
| The United States | $273, 827, 184 | 48, 000, 000 | 5 $\frac{70}{100}$ |
| Great Britain and Ireland | 393, 402, 770 | 34, 000, 000 | 11 $\frac{57}{100}$. |

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*National debt.*

| Countries. | Principal. | Population. | Average per head. |
|---|---|---|---|
| The United States, January 1, 1880 | $2,195,090,455 | 48,000,000 | 45 78/100 |
| Great Britain and Ireland, September 1, 1879 | 3,890,394,200 | 34,000,000 | 114 44/100 |

The Government of the United States has a domain comprising 1,000,000,000 acres of public land, eight-tenths of it in Territories destined, most of them, soon to become States, and important States too, particularly Dakota and Montana, which, we trust, will not be partitioned, but will both be admitted, when entitled to admission into the Union as States, with their present boundaries, as counterweights to Texas; for it is important to have States conspicuous for size, resources, and inhabitants scattered through the Union.

Great Britain, on the contrary, within boundaries circumscribed by nature, has a redundant population which is oppressed by land laws that tend to a diminution of proprietors and an increase of tenants, and is also forced to endure hardships and hunger to support a political superstructure too big for its base, in a costly dynasty and a proud nobility and gentry.

It is a faulty bridge that requires props to keep it in place on its piers. And a steeple that inclines from the perpendicular, because of inequalities at its foundation, is taken down and rebuilt according to a plan adjusted to the supporting power of its site. England has too many long-bow archers, not enough architecture of the American and French schools; it grows too many Micawber politicians who are ever waiting for "something to turn up" in the United States, wherefrom British manufacturers may gather profit; and its typical free-trade economist, merged in a colporteur, comes over here not to "consider the beam which is in his own eye," but to "behold the mote which is in his brother's eye," through glasses which magnify the American tariff into a cause of obscuration of the golden glow of the American market to spectatorial England; albeit the interposition of the iron-clad rover Alabama, between Washington and London, caused the obscuration of the light of ocean commerce in the United States; but this last-named eclipse was phenomenal, according to the political astronomy of the British Government during the rebellion, and, barring the Geneva arbitration halt, has since been dismissed from consideration, like the last eclipse of the sun caused by the interposition of the moon between the earth and its source of light.

On "two commandments hang all the law and the prophets."

In two words, "British interests," is the Englishman's creed, as if Christianity has no interests which its professors are bound to weigh and watch, and other nations have no rights or longings, save where they do not antagonize "British interests," considered paramount. Such selfishness may be an element in the administration of Satan, the successful tempter of Englishmen who yearn for dominion, but God will smite it, nevertheless. In European Turkey the Briton is as anti-Christian as the modern Islamite, because the Briton contravenes his religious professions in his political practices, whereas the Turk in his adversity is not a propagandist but a stoic, with a fast hold on Mahomet's promise of a pass to Paradise. Moreover, the Briton is eager and lustful for new acquisitions, whilst the Turk, from a defiant aggressor in Europe, is now reduced to a tolerated trespasser occupied

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with his own defense, and with misgivings of his fate, which the Berlin Congress of June–July, 1878, adjourned, but did not change. And if the coffin of the Turk's prophet was suspended between earth and heaven at Medina, the Turk himself is in suspense in Constantinople, where there are diplomatic headsmen and garroters in ambassadors from capitals south of St. Petersburg, sent to watch the "sick man" as impecunious heirs watch the ebbing life of a landholder whose possessions they expect to get a slice of after his decease. The Russian was the Turk's adversary in war waged for cause, and won in battle what was confirmed by treaty; but the Berlin congress made a gift to Austria of two of the provinces of Turkey, Bosnia and Herzegovina, which it had not a shadow of a right to give away. Hence, in time of peace, after a conflict, Russia and Turkey can affiliate, because both have to be alert, one against the jealousy, the other against the covetousness, of spectator powers.

How wars begun will end is a question not answerable beforehand; for a campaign may have a successful military issue, and grave political consequences ensue, contrary to the expectations and opposite the wishes of both belligerents. The German campaign to Paris in 1870 was a military success, but its political consequences reimbursed France in the destruction of the empire of Napoleon III, and the erection of the third republic on its site. True, France lost territory and paid indemnity to its adversary; but France meantime gained a free Government under which it has since prospered beyond example in Europe, and to the amazement of crowned heads and imperial chancellors. And now France, homogeneous France, the land of trials and of triumphs, is again a power in Europe, mighty in men and means, to play on option a conspicuous republican part in the European drama. And surely this end of the war of 1870–'71 was not foreseen in its beginning, and is not what the vanquished Napoleon III nor the victorious William I anticipated or desired, either for Germany or France. The achieved independence of the United States inspired France with republican ideas; and the achieved independence of France in its government of the people over the last dynasty extinguished, will cause subjects in Great Britain and on the continent to consider the advantages of citizenship and the superiority of a republic over a dynastic Government.

## II.—THE FASHION LINE DRAWN AT TRADE.

In a republic free trade is an infection to be kept out by protection, because, as in engineering, from the datum line of the tide level, which is uniformly distant from the earth's center, all elevations and altitudes are measured, so in the republic of the United States all citizens stand on a common level of equal rights "to life, liberty, and the pursuit of happiness," from which horizontal plane all advancements, promotions, and merits are calculated and credited in the review of a lifetime; and hence in biographical annals there are as many statures and sizes of men as among trees planted apart, whereof two never grow precisely alike.

But in a kingdom or empire where population is divided into nobles and commons there are castes in classes; and law, usage, and fashion combine to exalt the title-wearer who is promiscuous in what he tastes with his palate and devours with his teeth, and fastidious in what he greets with his tongue and touches with his fingers, over the bread-winners in the organized army and navy of trade, which operate the works of the treaty-bound world and supply society with its necessities and comforts.

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True, etiquette is not an enactment of Parliament, though it might as well be, since a society regulation established at Windsor Castle is formulated thence and made the fashion among the nobility and gentry, and others "in trade" of equal ability and merit with their patrons and preceptors; and so Britons have castes between titles and trades as actual and real as if described in the civil code. To be sure, people everywhere gravitate into groups and circles, and friendships are formed according to attainments, means, opportunity, and taste. But this is a matter between the parties for their own regulation, where there are no patented birthrights, no aristocracy of orders inherited and transmitted in perpetuity in established grades, and where merit, elsewhere an element in evolution, is merely an incident in a link of chain. A citizen must be leavened with intelligence or he cannot rise; a scion of nobility may be born a dunce and die a duke, for the law promotes him, in the wake of death, to fill vacancies and inherit fortune; but the citizen can mount the political ladder to its top, there enjoy the highest honor in his country, thence descend from office again a citizen, and die a benefactor with an exemplary name. How different this from the machine-made fame of a prince born to figure-head a court in a King's crown.

And that Windsor Castle is on the summit of a social fabric of levels and inclined planes, like the abandoned Portage Railway across the Allegheny Mountain in Pennsylvania, is obvious in the exclusiveness arrogated on wedding days in the royal family; as when, for illustration, at the marriage of Prince Arthur, Duke of Connaught, to the Princess Margaret of Prussia, on the 13th of March, 1879, the invitations issued to representatives of foreign Governments at the Court of St. James, London, were so restricted by a general rule that no cause for offense could be alleged on technical grounds, because several ambassadors were counted out in the proceeding. To be sure, an omitted ambassador might have said, "Give me my passport; I will go home;" and that course would have provoked discussion and roused indignation against the trade bar; but in the case mentioned the rule applied limited the invited guests to blood relations, and excluded more than one minister from powers of the first rank.

But when it is considered that there are on the earth 1,400,000,000 inhabitants, under a hundred Governments, of which only sixteen contain ten million or more inhabitants, and ten which contain between five and ten million inhabitants, making but twenty-six Governments with a population ranging from five million upwards, it is not difficult to conceive how an order might be framed for the limitation of invitations to a celebration or special company at Windsor Castle, to exclude a few cases under a general rule.

After royalty shall have passed away off the face of the earth, the dogma that dynastic personages reigned by "divine right" will be deemed an imposition kindred in wickedness to witchcraft—a delusion that, according to Barrington's estimate, caused thirty thousand judicial murders in England in two hundred years, prior to 1736. Judicial murders for witchcraft were also committed in the New England colonies.

If God were to found a household on the earth—and we say this not in irreverence—he surely would not organize it out of the reigning families of Europe, who are in no wise abler nor better than their subjects. The chosen apostles of Christ were not potentates, nor courtiers, nor special pleaders, but humble men of practical wisdom and personal worth, save one among the twelve; so that of par only 8⅓ per cent. were spurious to 91⅔ per cent. genuine.

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In the United States, the citizen, elevated into Chief Magistrate, serves out his term of office and then returns back again to private life, having devoted himself to his country to the best of his ability (which is the most that mortal can do), and so performed his part in a conspicuous character in the drama of government. He makes the round, as water evaporated out of the sea into the air is borne inland on the wind, and there and thence descends to fructify the ground, in drops of dew or rain, and flows back again down rivulets and rivers to the ocean, to commingle in the movements of the tides.

Great Britain is not unlike a compartment ship that draws too much water to float across the bars and shoals which obstruct channels between great cities and the deep sea, or a tree with a small radius of roots and a large circumference of branches, and which, when a blast from a colony resolved on independence shall bend it, trunk and bough, is sure to break at a crotch and lose a limb; or a tower widened upward from its base, heedless of gravitation, to make room on its top for observations to estimate the specie value of the silver beams borrowed (by Luna the celestial to loan to her terrestrial majesty's subjects) from the bullionist of solar bars, whose rays bring day from a gold disk outside of of Her Majesty's jurisdiction, though not out of sight from Her Majesty's dominions.

In sooth, to make a show of assets in its empire balance-sheet, Great Britain would fain construe romance into a commodity through assessment of a silver value on beams from the moon and a gold value on rays from the sun, and make levy on the things supposititiously gilded with precious metal from the sky, did it not fear that, in such a seizure of candle-power in illuminated air, its—

> Vaulting ambition might o'erleap itself
> And fall on the other side.

### III.—GRADUATED KING-CRAFTINESS—SEA-LEVEL CITIZENSHIP.

Great Britain increases its purchases in foreign countries where, meantime, its sales diminish, because the tendency among nations is to caution in the creation of debt and to home manufacture of indigenous productions, the raw materials of commerce into commodities for domestic use.

This manifest progress in the utilization of native resources with home machinery and labor bodes no good to Great Britain, which is more dependent on foreign trade than any other nation; for it organized its manufactures on a scale adjusted not to the capacity of its own subjects for consumption, but on the supposition that its free-trade juggle would cozen other nations into prolonged content as "hewers of wood and drawers of water;" and that the profits, premiums, and prizes in international trade would continue to enrich British manufacturers, and distribute wealth in rent, royalty, and interest, paid to hereditary and patented nobles who hold the titles to the realty of the kingdom, through the Crown, and monopolize the luxuries and honors.

Great Britain, in truth, has grown into disproportion; its breadth of girth between its shoulders and its hips has made its body too weighty and unwieldy for its knees, which are no stonger than of yore, though the load on them has been made heavier in recent years.

Thus time reverses some things and so changes others that the face of the political world varies in expression like the countenance of an actor in tragedy or farce, for there are many phases of political and military weather in the affairs of cabinet and camp.

Not long ago, in Cincinnati, a lion sprang upon the back of a donkey,

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when the party attacked put its assailant *hors de combat*, with its teeth and heels, and in the arena proved itself the better four-legged gladiator.

The domestic animal overcame the "king of beasts" with the force latent in its extremities, and the "roar" of the lion was a waste of wind in the combat. The donkey had not heard how Satan in a lion's skin goes prowling around "seeking whom he may devour," nor how the Briton in a lion's skin, or its effigy in scarlet cloth, goes roving around among savages, unused to fire-arms, especially of modern make, seeking whom he may annex.

The lower animal donkey knew that it had been assailed, and that sufficed to rouse the law implanted in its being for self-preservation. And if the higher animal man, where robbed of his birthright as the heir of the Creator resident in heaven to a share equal to any of his sublunary fellows, in the opportunities for advancement incidental to human life, according as the outlook is from a belfry or a basement, would put himself on the law in his reason and the strength in his arm, jointly available for the vindication of his rights, and stand up like the lion rampant on a shield, the lion *couchant* would not effigy his situation in an escutcheon nor on a ship's stern.

The web of royal fiction, woven by diplomatic spiders, was cut with the sword of Cromwell, and afterwards by Napoleon I, who made pedestals of thrones and puppets of kings; and which web, though magnified from a spider's thread into imitation wire ropes, was swept out of the Tuileries September 4, 1870, with a town-meeting resolution broom, when the Republic of France, since confirmed by the ballot, succeeded the Empire of Napoleon III, the last of the crowned Bonapartes.

And as the sword succumbed to the ballot in France, which is now reaping the fruits of the destruction of the Bastile July 14, 1789, so will the sword succumb to the ballot in the British home islands, when the Washington and the Jefferson in the future shall appear to the scribes (the interviewers) and the people, who are already educated and ripe for a Fourth of July of their own, with the modern improvements in political architecture.

God speed the republic in Great Britain and Ireland, and hasten the departure of princes out of Europe, from the longitude of Rome and Berlin, and the capitals west thereof, leaving it to time to leaven the East and bake it into autonomic beads for the republican rosary which the world will wear around its neck, before it can be put in order for the millennium.

The supreme law is a written constitution; the supreme power is "the will of the people," expressed at the polls and in the national Congress and State legislatures.

Between citizens of the United States and subjects of Great Britain, bonded to hereditary rulers, an aristocracy, not of brain but of birth, there is a demarkation which the Atlantic Ocean represents and resembles. And reciprocity in free trade would take from the citizen and give to the subject, and yet not raise up the latter to the cut-down level of the former, for the reason that British institutions are storied one above another in an edifice which has vaults under its pavements and skylights in its roof; a kingdom containing an implexed series of inhabitants in succession, like creditors and stockholders of a debt-burdened corporation; the former secured, some by a first lien, others by a second, third, or still later lien, others again holding bills payable without collaterals, the stockholders coming in last, and only entitled to a dividend if suf-

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ficient surplus profit remain, after payment of interest on all debts outstanding.

The American citizen stands upon fast land above high-water mark, where his footing is secure, his prospect without a cloud to darken the horizon; the subject stands on low ground, behind a bank made to keep out the water, and where a break or a washover would beset him with discomfort if not danger; for where there was chaos once, "chaos may come again," and remembering how long the "Dark Ages" covered Europe, and how tenacious a dynasty is of power in its grasp—who can foretell the earthquake that shall shake thrones and bury the devices which have so long withheld from the masses, rights normal in human nature?

"Excelsior!" is the word for those at the base who look up the mountain; those at the top who witness the ascent must relinquish their feudalistic prerogatives and greet the vanguard of progress as fellow-members of a common fraternity, or else escape down the other side of the mountain and flee into the desert, for the wrath that will follow them will be lava-like.

## IV.—WHEN THE TITLE OF BARONET WAS CREATED AND HOW IT WAS SOLD.

James I, who, as "King of Great Britain," united the two crowns of England and Scotland, ascended the throne March 24, 1603. To replenish his treasury he created a new hereditary title, that of Baronet (which is below a Baron and above a Knight), in May, 1611; "the price of a baronetcy, including fees, was about £1,200" ($6,000). The King's patent declared that the order was instituted to raise revenue for the plantation of Ulster, whereas Lord Treasurer Salisbury said the object was "to put money in the purse."

Charles I sold baronetcies in Scotland to provide funds for the plantation of Nova Scotia. This royal personage "stipulated that the number of baronetcies should under no circumstances exceed two hundred;" but he himself had created two hundred and fifty-three, when he was beheaded by Parliament, January 30, 1649.

The London *Pall Mall Gazette*, in August, 1877, published an article on "English Baronetage," in which its writer says:

"Excluding Scotch and Irish baronetcies, * * * no fewer than 1,058 baronetcies had been created when George III came to the throne."

This battalion of manufactured gentry was patented in these proportions, to wit:

| | | | |
|---|---|---|---|
| By James I | 205 | By William III | 37 |
| By Charles I | 253 | By Queen Anne | 27 |
| By Charles II | 426 | By George I | 42 |
| By James II | 20 | By George II | 48 |
| Total, as in extract quoted | | | 1,058 |

"By far the greater number of baronets who are not also peers bear titles not older than the reign of George III, who created over 300 of them. Of those created by George IV there are 47; by William IV, 47; and by the Queen [Victoria], 83."

In 1879 there were in the kingdom, 577 peers and 865 baronets.

There was an interregnum in the dynasty, during the Commonwealth, from the beheading of Charles I, January 30, 1649, to the restoration of the monarchy under Charles II, who ascended the throne May 29, 1660.

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The court of Charles II is described by Thomas Babington Macaulay, in his History of England, in these words:

"Whitehall, when he dwelt there, was the focus of political intrigue and of fashionable gayety. Half the jobbing and half the flirting of the metropolis went on under his roof. Whoever could make himself agreeable to the prince, or could secure the good offices of the mistress, might hope to rise in the world without rendering any service to the Government, without being even known by sight to any minister of state. This courtier got a frigate, and that a company; a third, the pardon of a rich offender; a fourth, a lease of crown land on easy terms. If the King notified his pleasure that a briefless lawyer should be made a judge, or that a libertine baronet should be made a peer, the gravest counselors, after a little murmuring, submitted."

How many hereditary title-wearers there are in the United Kingdom of Great Britain and Ireland to-day, in the five orders of nobility above baronet, and what their income is, derived from rent, much of it from rent of land for which their ancestors paid no consideration, is a question adjourned for a coming deliverance to solve on a platform of citizenship, to which the titled legions will be invited to step down to surrender their patents, and the untitled millions will be asked to step up into possession of their restored rights.

Among the later baronets created in England is Sir Morton Peto, who built a railroad in the Crimea, in 1855, for the allies, from Balaklava to the camp before Sebastopol, and in 1866 negotiated the lease of the Catawissa Railroad for account of the Atlantic and Great Western Railway Company; and Sir Edwin W. Watkin and Sir Henry W. Tyler, both of record in the annals of the Canada Grand Trunk and New York, Lake Erie and Western (formerly Erie) Railway Companies. Thus out of the railway ranks were taken three of Her Majesty's subjects to recruit the gallery of Windsor Castle's auditorium, which has court circles with social barriers between, like tiers in an opera house, with the dukes in the stage boxes, the marquises in the parquette seats, the earls in the parquette circle, the viscounts in the first tier or balcony, and the barons in the second tier or family circle. Hence to rise in rank, gallery baronets have to descend from tier to tier, so going up in promotion as they go down in gravitation; not unlike the Mississippi River, which to reach the sea has to run up hill between New Orleans and the Gulf of Mexico, because as its width of surface increases its depth of channel decreases, and so its bottom towards its mouth is an ascending plane against its current.

All three of the railway baronets have visited the United States and the Dominion of Canada—the last two several times. Sir Morton, however, retired wounded in his balance-sheet, but Sirs Edwin and Henry are in the business of making railway accounts balance with reconstruction weights. On their travels in the American Union and the Canada Dominion, Sir Edwin and Sir Henry both look through glasses of magnifying power and telescopic range, which enable them to see more than there is, in what there is to be. The patients, Canada Grand Trunk, New York, Lake Erie and Western, and Atlantic and Great Western, though never well to these fiscal physicians, are always convalescent per appearance and sure to recover in future time, if nourished with the proceeds of an assessment or a new subscription to a new issue of promises to pay. This consolation Sir Edwin and Sir Henry take with them home to England in narrative which "holds the word of promise to the ear," and thence send over to America new pounds to vivisect the expended pounds sent before. If too sanguine and enthusiastic, their

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relation is attributed to the aurora borealis and the dazzling shine on its prismatic colors reflected in the Dominion's counterpane of Canada ice; and the British investor is thus indemnified for his past losses, with information of "where his money will do the most good." But whatsoever may have been the merit rewarded in prefixing "Sir" to Edwin and Henry, certain it is that if railway reconstructionists and inflationists, and captains from campaigns against unoffending tribes in Africa and Asia, are in the line of promotion to titles patent, England will have as many baronets as its Jingoes have nightmares, and its aristocracy of nobility and gentry will outnumber its sparrows.

## V.—THE COSTLINESS OF DYNASTIC GOVERNMENT.

How the expenses of administration have increased in Great Britain and Ireland since the Crimean war, which was declared simultaneously by England and France, March 28, 1854, and ended by the treaty of Paris between the four allied powers and Russia, signed March 30, 1856, these figures attest:

| Years. | Total income. | Years. | Total expenditure. |
|---|---|---|---|
| 1853 | £57,726,990 = $288,634,950 | 1853 | £55,309,328 = $276,546,640 |
| 1859 | 65,623,180 = 328,115,900 | 1859 | 64,802,872 = 320,014,360 |
| 1869 | 72,591,992 = 362,959,960 | 1869 | 75,490,909 = 377,454,545 |
| 1879 | 85,115,972 = 425,579,860 | 1879 | 85,407,789 = 427,038,945 |

In 1853 the official year ended January 5. In 1859, and since, the official year ended March 31.

The revenue of the United Kingdom of Great Britain and Ireland and the revenue of the United States, from all sources, in both cases, for the year ended June 30, 1879, was as under, to wit:

UNITED KINGDOM OF GREAT BRITAIN AND IRELAND.

Year ended June 30, 1879.

| From— | |
|---|---|
| Customs | $100,080,000 |
| Excise | 135,375,000 |
| Stamps | 54,620,000 |
| Land tax and house duty | 13,270,000 |
| Property and income tax | 46,705,000 |
| Post-office | 31,280,000 |
| Telegraph service | 6,675,000 |
| Crown lands | 2,035,000 |
| Interest on advances | 5,588,625 |
| Miscellaneous sources | 20,473,010 |
| Total | $416,101,635 |
| Estimated population | 34,000,000 |
| Expenditure for official year ended March 31, 1879 | $427,038,945 |

UNITED STATES OF AMERICA.

Year ended June 30, 1879.

| From— | |
|---|---|
| Customs | $137,250,047 |
| Internal revenue | 113,561,610 |
| Sales of public lands | 924,781 |
| Tax on circulation and deposits of national banks | 6,747,500 |
| Repayment of interest by Pacific railway companies | 2,707,201 |
| Customs' fees, fines, penalties, &c | 1,100,876 |
| Fees consular, letters patent, and lands | 2,136,051 |
| Proceeds of sales of Government property | 181,128 |
| Premiums on sales of coin | 8,104 |
| Premiums on loans | 1,496,943 |
| Profits on coinage, &c | 2,924,938 |
| Revenues of the District of Columbia | 1,741,461 |
| Miscellaneous sources | 3,046,544 |
| Total | $273,827,184 |
| Estimated population (low). | 48,000,000 |
| Expenditure for official year ended June 30, 1879 | $266,947,883 |

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Here we have proof that, with 41 per cent. less of population, the United Kingdom—think of a "united" Kingdom with Ireland included with England—had to collect 51 per cent. more of revenue, and was still short.

England has an empire, but its parts are not contiguous nor sympathetic and its colonies and far-away conquests are not profitable investments in a revenue sense. Besides, if a colony develop into strength, physical and educational, it will naturally yearn and plan for political independence. It does not suffice to say to the colonist "peace, be still," and lodge your hopes in the established church, the hereditary House of Lords, and the Dynasty, because a human being is never a man of the maximum measure of human nature till he become a nationalist and has a country to which he exclusively belongs. The colonial situation is an intermediate political purgatory; for a Canadian is a colonist, not a British nor an Irish subject of the United Kingdom, nor an American citizen. And it is preposterous to suppose that the Australian will remain a colonist in his own grand insulated country.

## VI.—WHAT THE HUGUENOTS, LOMBARDS, AND FLEMINGS DID FOR ENGLAND.

The problem with Great Britain is how to subsist its population; for manifest it is that England is overpeopled, and that emigration is the remedy and cure. England has had an extraordinary career, as had other nationalities before it, of record in the Bible and later books; but progress is a power which cannot be stayed on its march, and change of commercial base is the sequence of agricultural expansion and industrial development in new fields, where nature is fresh and prolific and man matures without the shackles of the old world upon his limbs. The citizen is a field oak with a clean bark. The subject is a tree girdled with parasites which cluster where they squeeze and cover cuts with leaves.

What is the American Union but a revelation to the old civilizations of what man in citizenship can compass over his fellow-creature as a subject? The boundary lines on the map of Europe were traced with the sword; the States in the American Union additional to the thirteen colonies were founded by immigrants from the old States into the wilderness, whither also flocked strangers from Europe, to find a rest from oppression and a reward for industry, in manhood aspirations and home joys. And as a State in the Union has a mission as part of a nation, and a course to run like a star in the solar system, States foster cities and towns and develop industries to collect and employ urban population; for States "purely rural" would fall behind in the race of enterprise to the goal of opulence and greatness. Thus States in the American Union, in material matters, are as nations in Europe. And if some of the old States in the Union, like some of the old nations in Europe, are behind others in the development of industries to utililize resources and increase population, the causes will be found in mistaken administration policy and practice.

Handling goods in transitu never built a populous city, as witness Havre, the port of Paris, and New Orleans, the shipping port of the Mississippi Valley. And if Norfolk manipulated into textile fabrics more of the cotton bales it exports to Europe, it would contain a population of cotton operatives many times more numerous that its stevedores.

In the infancy of its manufactures Pennsylvania exported its initial

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make of pig-iron, whereas now it imports iron ores in coal-boats as return freight from the Hudson River and other New York waters, in steam craft on the lakes, in cars from neighboring States, and in ships from foreign lands, for admixture with its own native ores, and elaborates its home-made pig-iron into the multiform manufactures of that master metal.

Pennsylvania is the youngest of the thirteen original colonies, except Georgia. Virginia was settled by the English at Jamestown in 1607; New York by the Dutch in 1612; Massachusetts by the Pilgrims, 1620; New Hampshire was settled 1623; New Jersey between 1620 and 1630; Maryland, 1632; Connecticut, 1633; Rhode Island founded 1638; Delaware settled 1638; North Carolina settled between 1650 and 1660; South Carolina, 1670; Pennsylvania was founded by William Penn under charter from Charles II, dated March 4, 1681; Georgia was settled 1733.

New York City, settled 1612, is seventy years, equal to two generations, older than Philadelphia, founded 1682.

Coal and iron are the bases of machinery and steam-power; gold and silver are the bases of circulating mediums and commercial transactions; cotton and wool are the bases of textile manufactures; wheat and corn are the bases of bread; and all these and more, including cattle, sheep and swine, fish, poultry and game, rice, sugar and buckwheat, barley and hops, potatoes and oats, and fruits and vegetables, and nuts and acorns, and hemp, jute, and flax, and copper, zinc and lead, and granite and marble, and potters' clay, and woods and furs, are among the productions of American soils, quarries, forests and mines, coasts, bays, lakes, and rivers. To which add orchards and vineyards, fisheries, oil wells, and oyster beds; all in profusion, variety, perfection. Look along the coast's bill of fare from Cape Florida to Cape Cod!

What a picture is America to the mind of man which, where it has zeal, has sight to traverse curves of light as well as straight rays, and so see beyond mountains and across waters, and meantime sympathize with the crusaders of the day in the struggles which distract mankind, where fetters fastened with rivets are yet to be knocked off.

The American citizen, unbiased and independent, will continue to hope on and sigh till the crescent shall have been removed from the minarets of St. Sophia, in Constantinople, to give place to the Greek cross which crowned the spires of St. Sophia four hundred years ago, before it was taken down by the conqueror of the city, who put in its stead the symbol of the false prophet, whose work was war, to make conquest for the Koran.

And now in these days of intelligence in submarine cables, overland wires, steamships, railways and newspapers, how pitiful is the German, English, and Austrian jealousy which retains the Christ-hating Turk in Constantinople, when it is the manifest mission of Christianity to recover the ground it lost through the subversion of the Greek Empire (successor to the Eastern Roman Empire), by the Mohammedan Empire, as it is to cordon the earth with political communities advanced ahead of the heathen, pagan, barbarian and gentile, in Government, morals, institutions and arts.

Adam ate forbidden fruit in the garden of Eden, whereupon God summoned the guilty first-man, and said unto him, Genesis 3: 19, 23:

19. "In the sweat of thy face shalt thou eat bread, till thou return unto the ground; for out of it thou wast taken; for dust thou art, and unto dust shalt thou return. * * *

23. "Therefore the Lord sent him forth from the garden of Eden, to till the ground from whence he was taken."

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Hence man has no option but to seek subsistence out of the ground by tilling its soil and developing its deposits, both gifts of nature. To earn a livelihood is God's injunction. To foster opportunities to earn a livelihood is the duty of rulers to the ruled. And as the earth is portioned off into nationalities comprised of races with different languages, laws, customs, interests, and ambitions, conflicts of jurisdiction ensue, accompanied with controversy instigated for territorial conquest or commercial gain. The map of Europe is mainly the work of armed men; and now that the western nations of Europe are overpeopled, the trouble is to extract from the ground subsistence for the populations. Without breadstuffs and provisions from America there would be more famine in Europe.

To "till the ground" is to utilize its surface and subterranean productions; to grind wheat into flour, weave wool and cotton into apparel, and manipulate ores of iron into articles of use in the arts of peace and and war. Thus agriculture and manufactures are twin essentials to human development, prosperity, and progress.

In the genealogy of the Patriarchs, in Genesis, the record is:

4: 20. "And Adah bare Jabal; he was the father of such as dwell in tents, and of such as have cattle.

21 "And his brother's name was Jubal; he was the father of such as handle the harp and organ.

22. "And Zillah she also bare Tubal-Cain, an instructor of every artificer in brass and iron."

In the generations of Adam, therefore, there were bread-winners, cattle-raisers, workers in the metals, and musicians. And so God diversified pursuits "when men began to multiply on the face of the earth."

After the flood, Noah and his sons, and his wife and his son's wives with him, went forth out of the ark, with male and female of every living thing preserved, "to keep seed alive upon the face of all the earth."

"And the sons of Noah that went forth of the ark were Shem and Ham and Japhet;" "and of them was the whole earth overspread."

Lands were cultivated and cities built, wherein labor was utilized and arts encouraged; and so nations were founded and civilization was developed; but progress was uncertain as well after as before Christ.

After the disintegration of the Roman Empire of the West (ended in 492), the dark ages covered about six hundred years. The Romans entered Britain fifty-five years before Christ, and left it voluntarily, because of home troubles, four hundred and twenty-seven years after Christ, concluding a stay of nearly five centuries.

The feudal ages were distinguished for field sports; the small portion of land cultivated was near the castles, the feudal possessors (when not in war) taking more pleasure in hunting than in agriculture or literature.

For the first two centuries after the conquest, says Hallam, "commerce was almost confined to the exportation of wool, the great staple commodity of England."

Dew's Digest of the Laws, Customs, Manners, and Institutions of the Ancient and Modern Nations (page 337), says:

"Tools of tradesmen very rude and cheap, *e. g.*, at Colchester in 1296 and 1301 carpenter's stock valued at one shilling and consisted of only five tools. Other tradesmen in proportion, except tanner, whose stock was valued at £9 7*s.* 10*d.* Latter greatest trade of the times, owing to the clothing being made of skins. There was scarcely any commerce,

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for all the highways were infested with robbers and the water with pirates. Even greatest nobles joined in robbery. * * * For these reasons movable property was but little regarded, and hence cities were small and miserable, for they had no trade or manufactures."

In the fourteenth century the harvest-man received 4*d.* a day; the common laborer under Henry VI, 1422–1461, earned 3*d.* a day. By act of Parliament in 1350 wages of reapers 3*d.* a day, without diet. Yearly wages of a chief hind or shepherd £1 4*s.*; common servant in husbandry 18*s.* 4*d.*, with meat and drink. Though food was cheap in these feudal times, manufactures were dear and comfort a stranger to the serf, called a villein.

Norton's History of London says:

"Whatever commerce may have been carried on in the earlier ages of British history by foreigners visiting the English shores, it may safely be pronounced that the *natives* engaged no further in it than by supplying raw materials to their customers. * * * The system of feudal tenure established at the conquest was peculiarly unfavorable to mercantile pursuits. The whole community, with the exception of a few towns, may be said under that polity to have consisted of landed proprietors and their slaves or villeins.

"The time, however, had now arrived in which the many incorporated companies of foreigners which had from time to time established themselves in London, with all their various and distinguishing privileges, were obliged to yield to the universal animosity expressed against them. They had, in the progress of some centuries, dispensed the most important benefits throughout the nation, by the communication of the arts and comforts of civilization; by the introduction of manufactures of every kind; by their commercial example and instruction; and by their promotion of naval enterprise."

Accordingly, in the reign of Edward VI (1547–1553), all the privileges of the company of the Hanseatic league and the society of the merchants of the steelyard were declared void and their franchises forfeited.

"Besides these two bodies of foreign merchants, who were regularly assaciated as incorporated companies, many others, chiefly Lombards, were settled in different parts of England, and carried on a very considerable trade, both external and internal. The English, more particularly the Londoners, instead of profiting by the instruction to be derived from these strangers, in the arts of manufacture and of commerce, and endeavoring to compete with them, cherished feelings of the most rancorous jealousy and hatred against them."

Fifteen thousand Flemings were obliged to leave London at one time by order of council. (Le Grand, vol. iii, p. 232.)

May 1, 1517, in a furious riot against them, many foreigners were killed and their houses plundered.

In the reign of Henry VIII (1509–1547), says Norton, "although the clothing manufacture flourished in a considerable degree, the export of raw wool still continued enormous; sixty vessels laden with that staple sailed in one year from Southampton for the Netherlands. * * *

"In the reign of James I, the exportation of wool, which had been denied to foreigners by Elizabeth, was, in direct contrast to the policy of our early ancestors, forbidden altogether."

The navigation act passed by the Parliament of the Commonwealth, October, 1651, provided that "all goods exported from any foreign country, except those of the growth of such country, shall only be imported into Great Britain in British bottoms."

This restrictive navigation act of Cromwell caused a rapid diminution

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of the carrying trade of Holland and contributed to increase the carrying trade of England, thus realizing the two objects of its enactment.

From the expulsion by Edward VI of the foreign associated companies which had introduced manufactures in England, to the end of the reign of Charles II, the commerce of England advanced with a rapidity which had no precedent. Having profited from the instructions of the numerous weavers and artificers among the invited foreigners from the Continent, who located in England in the fourteenth century and communicated their skill in the arts wherein Englishmen were ignorant, the Government of England, in pursuance of the "sharp practice" since adhered to in cases enough for a chronological table, forfeited the franchises granted to invited and refugee foreigners, and so gave to the pupil what it had vested in his preceptor. It is repudiation by foreigners, not confiscation by Englishmen, that horrifies the moral sense of London, abbreviated into *loot*.

"The people of England," says Norton, "did not, until the reign of Edward I (1272–1307), cultivate any manufactures for the purpose of wholesale trade. Most of the manufactured articles, even the woolen (which was the earliest they were engaged in), were imported."

"It was not till the reign of Edward III (1327–1377) that the woolen manufactures of England arrived at such perfection as to produce cloths in any considerable quantity for exportation. * * * This improvement and increase of our manufactures must be entirely attributed to the great encouragement given by Edward III to foreign weavers and artificers, great numbers of whom settled in many parts of England, and particularly in London, Norwich, and Worsted—a place in Norfolk of which not a vestige now remains, but which gave the name to the manufacture of worsted."

In 1331 Edward III took advantage of discontent among the manufacturers of Flanders to invite them into his realm. Of the inducements held out to the Flemings, Fuller's Church History, quoted in a foot-note in Hallam's Middle Ages, gives this picture:

"Here they should feed on fat beef and mutton till nothing but fullness should stint their stomachs; their beds should be good and their bed-fellows better, seeing the richest yeomen in England would not disdain to marry their daughters unto them, and such the English beauties that the most envious foreigners could not but commend them."

Henry VII, 1485–1509, imported great numbers of Flemish woolen manufacturers, who, says Norton, "were superior to our own, and settled them at Leeds, Wakefield, and Halifax."

In the reign of the illustrious Elizabeth, 1558–1603, the massacre and persecution of the Huguenots in France, and the execution and persecution of the Flemings by the Duke of Alva, caused thousands of refugees from the Continent to seek asylum in England, where the strangers, comprising the most skillful and industrious artisans in Europe, by their superior ingenuity in the arts, won a welcome which mollified if it did not allay the jealousy against foreigners prevailing in England.

## VII.—POPULATION OF THE UNITED KINGDOM OF GREAT BRITAIN AND IRELAND.

In the reign of Henry VIII, who ascended the throne April 22, 1509, the population of London was computed at 135,000.

At the accession of James I, 1603, London was estimated to contain, of inhabitants, about 150,000.

London was founded by the Celtic Britons, and was occupied by the Romans. In 827 Egbert, on the union of the Saxon states under his sole dominion, fixed upon London as the seat of his residence and the

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capital of his kingdom. The Danes captured London in 839, but were expelled by Alfred, who "strengthened" London 884.

In 1066 William, the Norman, killed Harold, the Saxon King, at Hastings, and was crowned at London.

Still, London, notwithstanding its antiquity, is substantially the growth of the present century, as the figures below show, to wit:

POPULATION OF LONDON.

| | |
|---|---|
| 1801 | 864,845 |
| 1811 | 1,009,546 |
| 1821 | 1,225,694 |
| 1831 | 1,474,069 |
| 1841 | 1,870,727 |
| 1851 | 2,362,236 |
| 1861 | 2,803,921 |
| 1871 | 3,251,804 |

Wales was annexed to England in 1283.

Population of England and Wales from the fourteenth to the eighteenth century, both inclusive:

| | |
|---|---|
| 1377 | 2,092,978 |
| 1483 | 4,689,000 |
| 1696 | 5,250,000 |
| 1750 | 6,467,000 |
| 1770 | 7,428,000 |
| 1780 | 7,953,000 |
| 1790 | 8,675,000 |

In the three hundred and seven years from 1483 to 1790, England and Wales increased only 3,986,000, or 85 per cent. in population. Or in other words, from the discovery of America by Columbus (1492) to the commencement of the French revolution by the destruction of the Bastile in 1789. The discovery of the Cape of Good Hope as an ocean route to India was made in 1497.

In 1652, in the time of Oliver Cromwell and the Commonwealth, the population of Ireland was 850,000. In 1870 the population of the State of New Jersey was 906,096. The population of England and Wales was six to one of the population in Ireland at the time Charles I was beheaded, and the King was proved not more "divine," not less mortal than the subject. And so the proof will continue to accumulate till the last scion of a pretender to "divinity" titleship to a throne (since the veritable Son of God was crucified, and whose kingdom is not of this world) shall have been driven into exile or made to earn his bread like any other creature of the sole Creator.

No wonder that an intellectual prince or noble, of which there is still one here and there, after a visit to and over the United States, returns sore-headed to Europe, because he *saw too much on his travels*, albeit he may have been entertained at the tables of plenty in banquet halls where stewards of fortune smile in reciprocity of mutual admiration, like one die-cut face to another on the coin of commerce, and see sky angels with wings in mint eagles stamped in gold.

But the dollar, though mighty to move fashion's tongue and the flatterer's pen, is not "almighty" to buy brain or build a fame to last longer than the stomach can digest its dinner; for a name to be illustrious in human annals, must have scintillating rays like a sunbeam admitted into a dark place where the motes floating in air are visible in the streak of light sent down from the genius of day.

The detective machine of intellectual society is illustrated in a coal-breaker in the anthracite region of Pennsylvania, where *slate* found in coal on its way to the screen for assortment into sizes is picked out and cast away.

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A straddler who plants one foot in England, the other in America, and puts one palm on the Washington Capitol and the other palm on the London Parliament House, cannot withdraw either leg to stand straight in either country, as such attempt to abate his dilemma would cause him to fall into the sea and the oblivion which awaits all who miscalculate their mental base, or who think they can escalade the gravitation law as easy as they can stride a curbstone in crossing a street.

Scotland was united to England and Wales in 1707, which three countries comprise Great Britain. In 1800 the Parliamentary union of Ireland with Great Britain was effected, to date from January 1, 1801, when the realm was named "The United Kingdom of Great Britain and Ireland."

POPULATION.

| | 1801. | 1811. | 1821. | 1831. |
|---|---|---|---|---|
| England | 8,331,434 | 9,551,888 | 11,261,437 | 13,089,336 |
| Wales | 541,546 | 651,788 | 717,438 | 805,236 |
| Scotland | 1,599,068 | 1,805,688 | 2,093,456 | 2,365,807 |
| Total | 10,472,048 | 11,969,364 | 14,072,331 | 16,260,381 |
| Army, Navy, &c. | 470,598 | 640,500 | 319,300 | 277,017 |
| Total Great Britain | 10,942,646 | 12,609,864 | 14,391,631 | 16,537,398 |
| Ireland | 5,395,456 | 5,937,856 | 6,801,827 | 7,784,934 |
| Total Great Britain and Ireland | 16,338,102 | 18,547,720 | 22,566,755 | 24,322,332 |

| | 1841. | 1851. | 1861. | 1871. |
|---|---|---|---|---|
| England | 14,995,138 | 16,854,142 | 18,949,130 | 21,495,131 |
| Wales | 916,619 | 1,060,626 | 1,111,795 | 1,217,135 |
| Scotland | 2,620,184 | 2,870,784 | 3,061,251 | 3,360,018 |
| Total | 18,531,941 | 20,785,552 | 23,122,176 | 26,072,284 |
| Army, Navy, &c. | 312,493 | 150,916 | 162,021 | 229,000 |
| Total Great Britain | 18,844,434 | 20,936,468 | 23,284,197 | 26,301,284 |
| Ireland | 8,175,124 | 6,515,794 | 5,764,543 | 5,411,416 |
| Islands in British seas | ..... | 143,126 | 143,679 | 144,638 |
| Total Great Britain and Ireland | 27,019,558 | 27,595,388 | 29,192,419 | 31,857,338 |

COMPARISON.

| | | |
|---|---|---|
| 1871 | England and Wales | $22,712,266 |
| 1790 | England and Wales | 8,675,000 |
| 81 | Increase in 81 years subsequent to 1790 (161 per cent.) | 14,037,266 |
| 1790 | England and Wales | 8,675,000 |
| 1483 | England and Wales | 4,689,000 |
| 307 | Increase in 307 years prior to 1790 (85 per cent.) | 3,986,000 |

FOREIGN TRADE OF GREAT BRITAIN.

| | |
|---|---|
| Imports, 1878 | $1,779,052,000 |
| Exports, 1878 | 1,180,028,000 |
| Excess of imports | 599,024,000 |
| Imports, 1800 | 152,853,025 |
| Exports, 1800 | 190,660,600 |
| Excess of exports | 37,807,575 |



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PIG-IRON MANUFACTURE OF GREAT BRITAIN.

| | |
|---|---|
| 1878: | |
| Furnaces in blast | 499 |
| Tons of pig-iron made | 6,381,051 |
| 1788: | |
| Furnaces in blast | 77 |
| Tons of pig-iron made | 61,900 |

In 1873 there were in blast 683 furnaces, which produced 6,566,451 tons.

COTTON GOODS EXPORTED FROM GREAT BRITAIN.

| | |
|---|---|
| 1878. Cotton manufactures and cotton yarn | $320,317,000 |
| 1790. Cotton manufactures and cotton yarn | 8,311,845 |

The fact that, in 1780, Great Britain and Ireland, comprising England, Wales, Scotland, and Ireland, contained less than 12,000,000 of inhabitants, or about the same population (or less) as the three contiguous States, New York, Pennsylvania, and Ohio contain at this time, proves that at the date mentioned agriculture was the principal employment of British subjects, notwithstanding that three hundred years had elapsed since Edward III had encouraged foreign weavers and artificers to settle in England, to school-master the natives in the manufacturing arts and industries. England encouraged foreign immigration till it no longer needed tutors from the continent to teach primary schools of art, and then it forfeited the charters granted to the strangers invited or welcomed by it, and clamored against foreigners as dangerous sojourners.

## VII.—CUSTOMS DUTIES OF GREAT BRITAIN.

The expulsion of the foreign associated companies by Edward VI and the navigation act passed by the Parliament of the Commonwealth, gave England a maritime policy and stimulated domestic manufactures in a way that caused English ships to multiply and Dutch ships to decrease, and also begot a selfish desire for the destruction of the organized industries of other nations, even to the engrossment of the markets of the world.

In pursuance of this object England imposed duties on imports for the protection of the products of its agriculture and its manufactures.

A custom-house on a large scale was erected in London in 1304. The customs were "farmed" for the last time by Charles II, in 1666. In 1671 commissioners were appointed. In 1787 the customs were consolidated by Pitt. From time to time, however, since 1846, the number of articles subject to customs duties has been reduced, but nevertheless the customs duties collected in the calendar year 1840, when England's tariff list comprised 1,042 articles, and its policy of protection was paramount, was less in gross amount than in the calendar year 1878, under England's practice of qualified free trade; for where there is free trade "pure and simple" there can be no customs duties.

United Kingdom of Great Britain and Ireland:

| | |
|---|---|
| Revenue from customs duties, 1878 | $100,825,000 |
| Revenue from customs duties, 1840 | 99,576,480 |
| Increase | 1,278,520 |

Sir Robert Peel's so-called free-trade measures were enacted into law in June, 1846, whereby the tariff list was reduced to fewer articles. Therefore it should follow that the customs duties collected in 1850, four years subsequent to the inauguration of free trade, would exhibit a decrease, compared with the customs duties on imports collected in

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1845, the last year of England's confessedly protective tariff, but the contrary is the truth, as see:

| | |
|---|---|
| Revenue from customs duties, 1850 | $102,210,850 |
| Revenue from customs duties, 1845 | 100,984,280 |
| Increase | 1,226,570 |

In 1857 customs duties were collected on 439 articles in Great Britain. In 1860 the list was reduced, and is now restricted to but few articles on which the customs duties are heavy, made so to yield revenue. The duty on wheat imported was continued down to 1869, inclusive.

The British tariff of 1868 (twenty-two years after Sir Robert Peel's inauguration of what has since been called "free trade") imposed these rates of duty among others, to wit:

| | | £ | s. | d. | U. S. money.* |
|---|---|---|---|---|---|
| Beer and ale, all kinds of | per barrel | 1 | 0 | 0 | $5 00 |
| Coffee | per pound | | | 3 | 6 |
| Corn and grain of all kinds | per cwt | | | 3 | 6 |
| Meal and flour of all kinds | do | | | 4½ | 9 |
| Malt | per quarter | 1 | 5 | 0 | 6 25 |
| Plate, gold | per ounce troy | | 17 | 0 | 4 25 |
| Plate, silver, gilt or ungilt | do | | 1 | 6 | 37 |
| Brandy | per proof gallon | | 10 | 5 | 2 60 |
| Rum | per gallon | | 10 | 5 | 2 60 |
| Perfumed spirits for perfumery | do | | 14 | 0 | 3 50 |
| Sugar, refined, or equal thereto | per cwt | | 12 | 10 | 3 20 |
| Sugar not equal to brown muscovado | do | | 8 | 2 | 2 04 |
| Molasses | do | | 3 | 6 | 87 |
| Tea | per pound | | | 6 | 12 |
| Tobacco: | | | | | |
| Manufactured, cigars | do | | 5 | 0 | 1 25 |
| Cavendish or negrohead | do | | 4 | 6 | 1 12 |
| Snuff | do | | 3 | 9 | 93 |
| Varnish | per gallon | | 12 | 0 | 3 00 |
| Vinegar | do | | | 3 | 6 |
| Wine, under 26° proof spirit | do | | 1 | 0 | 25 |
| Wine, under 42° and in bottles | do | | 2 | 6 | 62 |

Having established its woolen, cotton, and iron manufactures, and trained its labor into imitation of the skill of foreigners from the continent, settled in England on invitation for instruction, or for refuge from persecution, England adjusted its policy to its condition and curtailed its tariff list, in proportion as it felt strong to defy competition at home and wage competition abroad.

Duties on wool exported were levied in England in 1275.

The exportation of wool was prohibited in 1337.

"Staples" (marts) of wool established in Ireland 1343.

Seventy families of cloth-workers from the Netherlands settled in England in 1331.

Exportation of wool from Ireland prohibited in 1521.

In the reign of Queen Elizabeth, 1558–1603 (the massacre of Saint Bartholomew occurred 24th August, 1572, under Charles IX), thousands of refugee Huguenots, the most skillful and industrious artisans in Europe, settled in England, particularly in London, where they became useful and profitable members of the national household.

The Lombards, also, settled in different parts of England, imparted instruction to the natives in the arts, and carried on a considerable internal and foreign trade.

* Pound sterling computed at $5.

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## IX.—HOW ENGLAND MADE IRELAND POOR AND TOOK ITS PLACE IN MARKET.

Under William III, 1686–1702, restrictions were imposed on Irish wool and woolens, whereby exportation from Ireland was prohibited, except to particular ports in England.

James Anthony Froude, a living English historian, in the third lecture in his course on Irish History, delivered in Philadelphia in 1872, took for his theme "The Penal Laws and their Consequences."

After the abdication of James II, William III, Prince of Orange, ascended the throne in 1689, and reigned until 1702. Of the condition of Ireland under William III, Mr. Froude says:

"Two struggling manufactures had been already established, and were already thriving there. The linen manufacture in the north was Protestant, and the woolen manufacture was spread over the country, and in this the Catholics shared. Every cabin had its spinning-wheel, and every village in the country its sprinkling of hand-loom weavers. * * * Industry had taken root; it needed only fair play to develop Ireland into the rival of England; it needed only justice and political equality to have made an end of Irish misery. * * * Woolen weaving in Ireland was so prosperous that the English manufacturers trembled for their supremacy. * * * The manufacturers petitioned Parliament to lay such restrictions upon Ireland and Irish trade as should destroy that trade forever. The English Parliament regarded Ireland as hopeless, and conceived, in a sort of desperation, that the only chance was to keep her poor and helpless; and laws were passed which at once overwhelmed the woolen trade, and cut off, at a single blow, the support of one-half of these poor people. * * * One more touch still had to be added to the picture. * * * The English cloth-manufacturers proposed at this time a monopoly of the woolen manufacture, the Irish weaving industry being at an end, but their cupidity was still unsatisfied. The advantage of England over the world lay in the quality of her wool. But the Irish wool was as good, or even better; so that the French, with one bag of Irish wool, with three of their own, could successfully compete with England. The Irish wool must therefore be secured to the English manufacturer, and on easy terms.

"The English Parliament passed an act that not a fleece of Irish wool should be exported to any other country except England. All must come to England, and at a fixed price fit to be paid for it—only sixpence a pound—while the French at the same time were willing to give three shillings a pound." * * *

"Ireland, as she stood at the accession of George I," of the house of Hanover, which succeeded the house of Stuart in 1714, "so remained," says Froude, "until her chains were broken by the revolt of the American Colonies," in the reign of George III.

## X.—ENGLAND'S OPPOSITION TO MANUFACTURES IN THE AMERICAN COLONIES.

To the development of manufactures in the American colonies, which declared themselves independent States in 1776, the Government of England was particularly hostile, and it moreover restricted their direct maritime trade with foreign nations.

The King of England having imposed heavy duties on Virginia tobacco, the Virginia Company in 1621 sent all its tobacco to Holland. To prevent loss of revenue and diminution of trade, the King and

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council, who then and long afterwards regulated the affairs of the plantations, issued an order enjoining:

"That no tobacco or other production of the colonies should thenceforth be carried into any foreign ports, until they were first landed in England and the customs paid."

This was the beginning of a series of restrictive acts enforced against the colonies.

The navigation act of 1651, passed during the Cromwell Commonwealth, and adopted in its purposes by the English Parliament in 1660, soon after the restoration in the accession of Charles II to the throne, with a view to the confinement of the colonial export trade to the stepmother country, enjoined that:

"Sugars, tobacco, cotton, wool, indigo, ginger, fustic, and other dyewoods should only be carried to England, Ireland, or the Principality of Wales, or to other British plantations."

Having thus limited the *export* trade of the colonies, Parliament in 1663 also limited the *import* trade in corresponding selfishness, declaring that:

"No commodity of the growth or manufacture of Europe shall be imported into any of the King's plantations in Asia, Africa, or America, but what shall have been shipped in England, Wales, or the town of Berwick [southeast corner of Scotland], and in English-built shipping, &c., whereof the master and three-fourths of the mariners are English, and carried directly thence to the said plantations."

It was permitted, however, to take salt from Europe for the fisheries of New England and Newfoundland, wines from certain places named, and provisions from Scotland for the plantations.

England sought to make its colonies feel their dependence, meantime that it supplied them with English woolens and other manufactures and commodities. And colonial trade meant trade with England, no matter how circuitous the route through England.

Next, free trade between the colonies was interdicted; for in 1672 certain colonial products transported from one to another of the colonies were subjected to duties, including sugars, tobacco, and cotton-wool.

These trade and navigation laws elicited opposition and fomented discontent to such extreme that their disregard was not uncommon.

Taxation on internal commerce between the colonies and prohibition from intertrade with the nations of Europe, except England, were factors in spreading colonial dissatisfation, because the policy of England was to monopolize the trade of the colonies for its own profit, not considering the discomfort of its distant subjects.

The English merchants coveted the products of the colonies for maritime traffic, and the English manufacturers regarded the colonies as markets for the consumption of commodities, to be first handled or manipulated in England.

England same time contemplated with satisfaction the growth of colonial agriculture, because such growth was considered evidence of capability to buy and dispose of, in domestic ways, additional quantities of articles enhanced by British labor. But the colonists were not content to forego opportunity and restrict industry to the subjugation of wilderness and forest for the cultivation of raw materials, to the neglect of surrounding advantages in abounding facilities for diversified manufactures, to satisfy domestic demand and supply new valuables for intertrade.

This departure from the packhorse path marked out for the colonies

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to travel, by the London Government, was obnoxious and disappointing to Parliament, which body had assumed to tell the colonies what to do and how and when and where to do it; for obedience to the commandments of Parliament was expected from the colonies of the crown, as if the colonies were subject to orders and destitute of option of choice in the premises.

The preamble to the act of Parliament of 1663, already mentioned, set forth that:

"Whereas His Majesty's plantations beyond the seas are inhabited and peopled by his subjects of this his kingdom of England"—mark the import of these words—therefore, "for the maintaining a greater correspondence and kindness between them and keeping them in a firmer dependence upon it, and rendering them [the colonies] more beneficial and advantageous unto it [the kingdom] in the further employment and increase of English shipping and seamen, vent of English woolens and other manufactures and commodities, rendering the navigation to and from the same more safe and cheap, and making this kingdom a staple not only of the commodities of these plantations but also of other countries and places for supplying them."

The governors of the colonies were required to enforce this act or be liable to removal from office, rendered incapable of the government of any colony, and forfeit £1,000.

In the maintenance of the policy declared in the act of 1663, Charles II, Parliament in 1669, William III, provided that "no wool, yarn, or woolen manufactures of their American plantations should be shipped or even laden, in order to be transported from thence, to any place whatever."

In 1719, George I, Parliament declared that "the erecting of manufactories in the colonies tended to lessen their dependence upon Great Britain."

In 1731, George II, in consequence of complaints made to Parliament that the colonies were carrying on trade and encouraging manufactures, the House of Commons ordered the Board of Trade to inquire and report "with respect to laws made, manufactures set up, or trade carried on detrimental to the trade, navigation, or manufactures of Great Britain."

In pursuance of this order it was reported that certain trades and manufactures were carried on in the colonies, to the injury and detriment of the navigation, trade, and manufactures of the parent country.

In 1732, in consequence of the complaint of a London company of hatters, Parliament restricted the manufacture of hats in the colonies, and prevented the exportation of hats from the colonies to foreign countries.

"In the year 1750 [see Pitkin's History of the United States], Parliament permitted pig and bar iron to be imported from the colonies into London, duty free, but prohibited the erection or continuance of any mill or other engine for slitting or rolling iron or any plating forge to work with a tilt hammer or any furnace for making steel in the colonies, under the penalty of £200.

"More effectually to carry this act into execution, every mill, engine, plating forge, and furnace was declared a common nuisance, and the governors of the colonies, on the information of two witnesses on oath, were directed to cause the same to be abated within thirty days or to forfeit the sum of £500."

The production of finished iron England reserved to itself; and as it is the labor put upon iron that enhances its cost, a ton of pig-iron manipulated into hardware, cutlery, &c., is many times magnified in commercial value.

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## XI.—HOW LABOR UTILIZES THE EARTH'S CRUST.

Labor quarries the marble in its bed and sculptures the statue for the monument; blasts the rock which resists the flood and dresses it for walls and archways; hews the tree with the ax and saws the log into lumber for the carpenter and carver; removes the stump where the forest stood, for the plough which furrows the field in seed-time; molds and burns clay into brick, pottery, and porcelain; excavates mines and pits for minerals and fuels and the precious ores and metals.

For what is a city but a street-fissured mass of brick and stone, mortared and cemented, and wood and iron and glass, paint, and putty, all utilized in the erection of habitations and warehouses, industrial hives and school-houses, hotels and hospitals, churches and law courts, studios and libraries, infirmaries, prisons, and asylums?

In brief, is not a city a host made up of regiments in built-up blocks between streets, with commanding brigadiers and drill-sergeants in chimney tops, whence there is a view of the multitude going to and fro on the pavements below, even though the heavens be obscured by smoke and cloud, as in the woods there are spaces for the denizens to roam between the trunks of the oaks, the chestnuts, and the pines, whose branches weave a curtain over the spectator, which shuts out the sky? Nor is a city unlike a forest in other respects. For is not a city a solitude where the faces are strange, like a forest where the trees are mute?

The more elaborate is the work of human hands the greater the skill required and the heavier the expenditure incurred. A city, therefore, is invested capital materialized by labor, under roofs and within walls; and thus labor and capital are helpmates mutually dependent on cooperation, as two legs in locomotion of the body.

In the vicissitudes of fortune in a republic like the American Union, where the "battle of life" is a "free fight" for subsistence, wealth or preferment, relative positions are not infrequently reversed, owing to opportunities, efforts, and circumstances, which advance the workingman to the front and retire the capitalist to the rear, whereby the poor man is lifted up and the rich man is bowed down.

In the United States the prizes are drawn from a revolving wheel of passing events or reached from a ladder rested against a fruit-bearing tree. To these wheels and these ladders the ways are all open. To be sure, there are some frauds where there are so many successes, but that is because man is not infallible, and justice blindfolded is hung in a picture-frame against the wall; whereas the goddess who holds the balance in her hand ought to be personated in marble and placed opposite the bench, with the face of the judge for a focus to magnifying lenses held level with her eyes.

The pyramids of Egypt are monuments commemorative of labor, and of nothing else authentically demonstrated, for their builder and his purpose are unwritten and unknown, and history and hypothesis are at fault concerning them, except that they are heroes of a war with time, which has secrets buried in the past, as nature has secrets reserved for the future; and herein are two providences to reward discovery, when knowledge shall have ended mystery and translated romance into a schoolmistress, learned on ruins and wise on rocks.

When Adam was banished from Eden, the earth was made a place for labor. What else it might have been had Adam been proof against temptation it is not worth while to inquire, where Adam and Eve are extant in their posterity, a fact showing that the sexes are still cast in the original mold, in the foundry of wedlock.

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The costliest edifice on the earth is all labor, save the sum paid for leave to take the materials used, where found imbedded in the earth or growing on its surface; for labor comprises all exertion and effort, bodily and mental. Work done is labor performed, whatsoever its kind, for the versatile hand of man is expert with implement of industry, pencil in art, and pen in authorship and book accounts. Finger-power in brain and spindle-power in steam are the two great motors in manual and made machinery.

The distinguishing characteristic of the American republic is that its citizens are born free and equal in the law, with rights common to all under the law, to traverse any one of all the roads open to occupation and opportunity for advancement within the law, which applies to all alike, save to the insane so pronounced, and who are thereafter cared for.

The subject, on the contrary, is born into the world where many of its possessions and most of its honors are already vested in a class and the posterity of that class, and thereby withheld from the people so deprived of their birthright by confiscation for the benefit of kings, princes, dukes, marquises, earls, viscounts, barons and baronets, and their brothers and their uncles and their kin, who fill the steps between the royal stairhead and the untitled floor; and among whom are distributed commissions in the army and navy and sinecures and other places in the public service, where they hold the offices and enjoy the fees and salaries and honors; leaving the mass not on the pay-roll to re-enforce the ranks and recruit the crews in a crisis, without prospect of promotion, except now and then in an exceptional case too conspicuous in merit to be overlooked or neglected, lest outcry should be raised and a storm of indignation let loose against party leaders in power. And as the majority "inns" are on the defensive, the aggressive minority "outs" are not slow to season a cry with a grievance.

The theory of a civil service may be admirable and its practice seem impartial; but government patronage is a booty which politicians in and out of Parliament, as in and out of Congress, take care to divide, in very large part among relations and friends.

Do not sly law judges distribute among favorites court patronage in the auditing of estates? Do not unfit corporation directors and pay-roll principals practice nepotism in appointments and intrigue for their friends and their friends' friends? Does not a chief officer in any service, if himself morally obtuse, pack the subordinate places with his tools?

And as for examinations to test qualification: Do not law students unfitted for the legal profession gain admission to the bar by the score? Are not medical students graduated by the hundred, by a process less perfect than that which grain undergoes in a windmill, which winnows the chaff from the wheat?

No doubt the British civil-service machine, like other manuary machines, has been improved; but so long as the British aristocracy has legal and official existence it will make the Government support it, and the people will only get public patronage in crumbs. The City of Glasgow Bank failure and its appalling consequences is a sufficient testimony that the boasted perfection of British civil law is a sham in the United Kingdom, whereas British practice in Africa and Asia is a reproach on civilization and a scandal to Christendom. Sodom and Gomorrah were consumed by fire from heaven. Babylon under Nebuchadnezzar was the capital of the world, and originated idolatry and spread it broadcast; but Babylon is among the cities of the past, as London will be in its time and turn.

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And, indeed, even where promotion is won in the British army ranks the untitled merit-winner is seldom welcomed in his new position, for there he finds castes, which, if not envious of a brevet, can be unpleasant to a new-comer, even though advanced for heroic service.

Man ought to be more than an automaton in a government made with a military sword and a diplomatic pen, because man is made in the image of God, with a heart for a motor to move his members, a mind to engineer his actions, a conscience to sit in judgment on his motives, and a soul to illuminate his life.

That British subjects in the American colonies would rest satisfied under invidious restrictions not imposed on subjects of the crown in feudal England, and submit to taxation without representation, was contrary to human nature, inasmuch as colonial life tended to make man self-reliant and conscious of his rights in his dealings with men, independent of the fictions of rank.

Hence the stamp act, passed in 1765, irritated him into opposition; nor did its repeal, in 1766, dissipate his exasperation. And when, in 1767, duties were levied on foreign importations, of which tea was one, the embers of wrath which had smoldered in sparks, in ashes of patience consumed, finally burst into flame.

To forbid the colonist to do what his manhood commanded him to do was to fire him with indignation and hurry him to vindication, first by petition for redress, next by resistance for independence.

The single battle of Hastings, fought October 14, 1066, where William of Normandy defeated the English and killed their King, Harold II, enabled William the Conqueror to seize and wear the crown of England, and reward his favorites with valuable parts of his conquest, divided into baronies.

But no single battle ever determined a result in America, for feudalism and its hereditaments could not be transplanted across the ocean to a wilderness, where the ground had to be reclaimed from nature, society organized, and industries established. And the interference of the London Parliament, to prevent the development of manufactures in the American colonies, together with the determination exhibited to make the colonies a source of revenue by taxation without representation, provoked remonstrance and aggravated controversy, which logically led on, by successive steps, to resistance and revolution.

The transportation of convicts from England to Virginia and Maryland, whereby subjects deserving incarceration in the realm were turned loose in the colonies, is also a count full of aggravation in the indictment found by the colonies against the crown.

"It was calculated," says Pitkin "that, about the year 1750, not less than from three to four hundred felons were annually brought into the province of Maryland."

As there had been brigands among the barons of England, possibly Parliament conceived that convicts discharged from English prisons into the colonies might there establish a nobility by nomination of themselves to the crown for confirmation; but American colonists were political economists, not serfs, and the convict element, instead of rising to the political surface, like a fish after a fly, disappeared to the bottom, like coloring matter in a subsiding pool.

### XII.—GREAT BRITAIN'S PROTECTIVE TARIFF ON IRON AND DISCRIMINATION AGAINST FOREIGN VESSELS.

The manufacture of iron was an early art in England, first practiced by the Romans who invaded Britain under Julius Cæsar, fifty-five years

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before Christ, and who, wherever they made conquest, availed themselves of the mineral riches of the country conquered, and intersected the land with well-located roads, which are in use to this day.

*Iron produced in Great Britain.*

| Years. | Furnaces. | Pig iron. |
|---|---|---|
| | | *Tons.* |
| 1740 | 59 | 17,350 |
| 1788 | 77 | 61,900 |
| 1796 | 121 | 124,789 |
| 1802 | 168 | 227,000 |
| 1820 | 260 | 400,000 |
| 1825 | 374 | 581,367 |
| 1840 | 402 | 1,396,400 |
| 1848 | 623 | 1,998,558 |
| 1852 | 655 | 2,701,000 |
| 1855 | | 3,217,154 |
| 1864 | | 4,767,951 |
| 1873 (in blast) | 683 | 6,566,451 |
| 1877 (in blast) | 532 | 6,608,664 |
| 1878 (in blast) | 499 | 6,381,051 |
| 1879 | | 6,200,000 |

How Great Britain fostered its iron trade and protected home production and home labor by duties on iron imported from foreign countries, is succinctly set forth in the following extract of an article in the London *Colliery Guardian* of September 22, 1876, headed:

"ENGLISH TARIFF ON IRON TILL TRADE WAS DEVELOPED.

"It is remarkable with how firm a grip this country held imported iron as a source of revenue. For many years that grip went on tightening. From 1782 till 1795, the duty on foreign bars was £2 16*s.* 2*d.* per ton. It rose to £3 4*s.* 7*d.* in 1797; from 1798 to 1802, it was £3 15*s.* 5*d.*; in two years it had got to £4 17*s.* 1*d.*; from 1806 to 1808 it stood at £5 7*s.* 5¾*d.*; in the three years between 1809 and 1812, it was £5 9*s.* 10*d.*; and in the five years ending with 1818, it had been £6 9*s.* 10*d.* At this date a distinction was made in the interest of British shipping; for while thenceforward, till the close of 1825, the duty on foreign bars was £6 10*s.* ($32.50), if imported in British ships, it was £7 18*s.* 6*d.* ($39.62), if imported in foreign. Nor was this all; iron slit, or hammered into rods, and iron drawn down, or hammered, less than three-quarters of an inch square, was made to pay a duty at the rate of £20 per ton ($100.00); wrought iron, not otherwise enumerated, was taxed with a payment of £50 for every £100 worth imported; and steel, or manufactures of steel, were similarly loaded with a *fifty per cent. duty.* * * *

"Our manufacturing industry was getting so conspicuous that at a time when the duties imposed were the highest *the necessities of consumers were greatest.* The railway age had begun, and foreigners in the Old, and our relations in the New World, were demanding of us goods made of iron and steel, which we could not supply with our own metals; and under the encouragement of the *duties on the raw materials which we enforced*, our would-be customers were beginning themselves to manufacture—had in truth entered upon that competitive course which has gone on developing up to the present day, and is now more felt than ever. * * * We were not, however, as a nation, sufficiently advanced in our new commercial policy to be prepared to give without taking. There must be reciprocity. The change from the high to the low duty must be effected

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with caution, and should not be made with respect to all countries at once. Besides, we had a dual object in proposing to remove these prohibitory duties; to remove an impediment out of the way of manufacturers at home, and to encourage prohibitory nations to enter upon the same course which we had determined to pursue."

By a general customs act, which took effect January 5, 1826, the import duty on certain descriptions of iron and steel was reduced, and thus and then Great Britain began to trim and modify its tariff legislation, not on principle, but on calculation, with "British interests" always in view, front, flanks, and rear.

Great Britain could not fill, with "its own metals," all orders received for "goods made of iron and steel"; for, though Great Britain contains large deposits of ores, there are varieties of ores of iron essential in the manufacture of particular qualities of metal, which it does not contain, but which it continues to import. Moreover, other nations were intent on the development of manufactures; and what Great Britain wanted at that time, and since at all times, was increase of customers. And having adhered to ultra protective duties till it had in operation a manufacturing plant of large capacity and easy duplication, it occupied the advanced position, at a propitious time; for the first *public* iron road was a pronounced success, and the extension of the iron road, it needed no prophet to foretell, would open a market for iron rails, locomotive and shop machinery and cars. Protection had stocked the British Island with workshops, its industries were organized, its labor trained by continental tuition was potential, and so the kingdom was ready for the great occasion. But the affair was exclusively a matter of *trade*, in the English sense of that word, and principle had no part in it. And notwithstanding that Great Britain, since 1826, has passed numerous customs acts, and therein reconstructed its tariff, notably so in June 1846, when Sir Robert Peel carried his limited free-trade measures, Great Britain still has a tariff, and continues to derive income from duties on importations.

| | £. | s. | d. | |
|---|---|---|---|---|
| Thus from 1782 to 1795 the duty per ton on foreign bars was.... | 2 | 16 | 2 | $14 12 |
| In 1797 | 3 | 4 | 7 | 16 14 |
| From 1798 to 1802 | 3 | 15 | 5 | 18 85 |
| From 1806 to 1808 | 5 | 7 | 5¼ | 26 87 |
| From 1809 to 1812 | 5 | 9 | 10 | 27 45 |
| From 1813 to 1818 | 6 | 9 | 10 | 32 45 |

There was also a discrimination against foreign ships:

| | £. | s. | d. | |
|---|---|---|---|---|
| From 1818 to 1825, duty on foreign bars, if imported in British vessels | 6 | 10 | 0 | 32 50 |
| From 1818 to 1825, if imported in foreign vessels | 7 | 18 | 6 | 39 62 |
| Iron slit or hammered into rods, &c | 20 | 0 | 0 | 100 00 |

Wrought iron not otherwise enumerated, 50 per cent. of value.
Steel and manufactures of steel, 50 per cent. of value.

No wonder that the customers of Great Britain, which imposed the highest duties when "the necessities of consumers were greatest," embarked in the manufacture of articles of iron—first for themselves, next for competitive account.

We are taught that "self-preservation is the first law of nature"; and this supreme law, applicable to individuals, is likewise applicable to nationalities and races of men. Wherefore, as Great Britain plotted to increase its profits according as certain of its customers appeared helpless in its eyes to resist its impositions, others of its customers were meantime devising plans for emancipation from commercial thraldom.

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And the fact that nowadays there are industries everywhere throughout the nations is proof conclusive that where there is intelligent administration of public affairs, whatever the political system may be, the aim is to employ home labor in the manipulation of home staples; and this tends to narrow down the principal items in international intertrade to commerce in surplus productions of cereal, fibrous and mineral kind, for reciprocity is intersale of what is left over estimated domestic requirements, for interpurchase (out of the proceeds) of necessaries and luxuries not produced at home.

## XIII.—RAILROADS AND RAILS.

The first railroad opened to the public for passenger and freight traffic was the Darlington and Stockton Railroad, in England, inaugurated September 27, 1825.

Pioneership in railway construction and consequent improvement in overland transportation is a proud distinction which belongs to England; and good roads are not merely a modern but are a recent achievement. Macaulay, in his History of England, says:

"In the seventeenth century, the inhabitants of London were, for almost every practicable purpose, further from Reading (38 miles) than they are now from Edinburgh (339 miles), and further from Edinburgh than they are now from Vienna."

Artificial roads of broken stone were devised by McAdam about 1818, and for his invention of the macadamized road he received from Parliament £10,000. In 1827 he was made surveyor-general of the metropolitan roads.

*Railroad statistics of the United Kingdom of Great Britain and Ireland..*

| Year ended December 31— | Miles in operation. | England and Wales. | Scotland. | Ireland. | Capital paid up. |
|---|---|---|---|---|---|
| 1825 | 40 | | | | $510,000 |
| 1840 | 1,435 | | | | 206,958,170 |
| 1845 | 2,441 | | | | 442,406,880 |
| 1850 | 6,621 | | | | 1,201,353,730 |
| 1855 | 8,335 | $1,249,026,530 | $162,855,540 | $76,041,475 | 1,487,923,545 |
| 1860 | 10,433 | 1,443,458,055 | 194,193,705 | 102,998,875 | 1,740,650,635 |
| 1865 | 13,289 | 1,898,024,135 | 251,030,160 | 128,336,420 | 2,277,390,715 |
| 1870 | 15,537 | 2,200,847,275 | 312,561,485 | 136,134,605 | 2,649,543,365 |
| 1875 | 16,658 | 2,635,453,335 | 364,433,260 | 151,230,875 | 3,151,117,470 |
| 1878 | 17,333 | 2,896,938,156 | 435,945,340 | 159,842,280 | 3,492,725,770 |
| Total | | | | | |

In 1878, the aggregate miles in operation were: England and Wales, 12,229; Scotland, 2,845; Ireland, 2,259.

According to the *Railroad Gazette* of January 16, 1880, there were in the United States December 31, 1870, railroads of the aggregate length of 86,263 miles. This railway mileage in the American Union surpasses the entire railway mileage in Europe, exclusive of Russia, which is of larger area in Asia than in Europe.

Prior to 1850 but a small quantity of rails had been made in the United States; consequently from the laying down of the first iron railway at Mauch Chunk in 1827, to the end of 1874, there were imported into the United States, from England and Wales, large quantities of railway iron.

| | Tons. |
|---|---|
| To 1860, inclusive, the quantity imported was | 2,625,403 |
| From 1861 to 1874, both inclusive, fourteen years | 2,239,149 |
| Total to end of 1874 | 4,864,552 |

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As rails of different weights were used, from under 50 pounds per yard to over 60 pounds, it is safe to say that the 4,864,552 tons of foreign rails imported into the United States prior to 1875 were sufficient for 50,000 miles of railroad, single track.

The average price of American iron rails at Philadelphia, from 1848 to 1878, both years inclusive, was $60.86 per ton; and as very few rails were made in the United States before 1848, it may be said that the British had the American market to themselves, as, indeed, they also had it almost to themselves for years subsequent to 1848. Hence the average price of American rails for thirty-one years will serve to estimate approximately the cost of foreign rails imported into the United States to 1874, inclusive, since which date there is a marked decrease. Here is the sum:

| | |
|---|---|
| 4,864,552 tons, at average of $60.86 per ton | $296,056,634 |
| Add for difference between cost of steel rails over iron rails, from Bessemer's discovery to 1874, inclusive | 30,000,000 |
| Probable cost of iron and steel imported to 1874, inclusive | 326,056,634 |

The foreign market is the goose that laid England's golden eggs.

In 1875 there were imported 18,258 tons of foreign iron and steel rails; in 1876 only 287 tons of iron rails, none of steel; in 1877 the small quantity of 35 tons of steel rails, none of iron; in 1878 the minimum of 10 tons of steel rails, none of iron. In 1879, notwithstanding the extraordinary demand which commenced in September, when many furnaces were out of blast and mills were closed, the quantity of iron and steel rails imported into the United States rose to only 44,210 tons (19,153 iron, 25,057 steel), against 1,000,000 tons of iron and steel rails made at home.

Value of iron and steel rails imported into the United States from 1873 to 1879, both inclusive. For official year ended June 30:

| | |
|---|---|
| 1873 | $19,740,702 |
| 1874 | 10,758,435 |
| 1875 | 2,932,310 |
| 1876 | 321,020 |
| 1877 | 1,464 |
| 1878 | 530 |
| 1879 | 78,257 |

This is a decrease in the right direction, for the principal cost of rails is for labor in ore pits and coal mines, furnaces and rolling-mills; and where the rails are foreign, the labor paid for of course is foreign, whereas if the rails be American, the money paid for labor is disbursed among citizen workmen and put into circulation at home. American iron works create capital in the community; imported rails create debts payable in a foreign country. Consider this vital difference, Messieurs Congressmen!

*Progress of iron rail making in the United States.*

Tons made in calendar year:

| | Tons. |
|---|---|
| 1849 | 24,318 |
| 1850 | 44,083 |
| 1851 | 50,603 |
| 1852 | 62,478 |
| 1853 | 87,864 |
| 1854 | 108,016 |
| 1855 | 138,674 |
| 1860 | 205,038 |
| 1865 | 356,292 |
| 1866 | 430,778 |

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*Progress of iron rail making in the United States*—Continued.

| Years. | Iron. | Steel. | Total. |
|---|---|---|---|
| | *Tons.* | *Tons.* | *Tons.* |
| 1867 | 459,558 | 2,550 | 462,108 |
| 1868 | 499,480 | 7,255 | 506,714 |
| 1869 | 583,930 | 9,650 | 593,586 |
| 1870 | 586,000 | 34,000 | 620,000 |
| 1871 | 737,483 | 38,250 | 775,733 |
| 1872 | 905,930 | 94,070 | 1,000,000 |
| 1873 | 761,062 | 129,015 | 890,077 |
| 1874 | 584,469 | 144,944 | 729,413 |
| 1875 | 501,649 | 290,863 | 792,512 |
| 1876 | 467,168 | 412,461 | 879,629 |
| 1877 | 332,540 | 432,169 | 764,709 |
| 1878 | 322,890 | 559,795 | 882,685 |
| 1879 | 400,000 | 606,397 | 1,006,397 |

H. Bessemer's discovery of a new process for making steel by blowing hot air through molten pig-iron, was announced at the meeting of the British Association held in Cheltenham in 1856. In 1860 steel rails made by the Bessemer process were laid down in the track of the London and Northwestern Railway. The Bessemer-steel rail on trial at once inspired confidence, and its substitution for iron followed on roads of large traffic, owned by companies of undoubted credit.

The Pennsylvania Railroad Company and the Philadelphia, Wilmington and Baltimore Railroad Company laid down English steel rails on their roads in 1864, in which year the price was $150 gold, per ton.

If no Bessemer-steel works had been erected in the United States, American railroad companies to this day would have been charged an ultra high price for the foreign article. Doctrinaires may asseverate and protest and promise to the contrary, but truth, like a bell, rings a convincing sound through the "porches of the ear" into the understanding.

Miles of railroads in operation in the United States at dates given, copied from the Railroad Manual, except for 1879, derived from the Railroad Gazette:

| | Miles. | | Miles. |
|---|---|---|---|
| 1830 | 23 | 1865 | 35,085 |
| 1835 | 1,098 | 1870 | 52,914 |
| 1840 | 2,818 | 1875 | 74,096 |
| 1845 | 4,633 | 1876 | 76,808 |
| 1850 | 9,021 | 1877 | 79,147 |
| 1855 | 18,374 | 1878 | 81,841 |
| 1860 | 30,635 | 1879 | 86,263 |

Investment in railroads in the United States, December 31, 1879, represented by stock and debt on 78,960 miles of roads reported on (leaving 2,881 miles not reported on), $4,589,948,793.

The iron road, the iron ship, the iron bridge, the iron house, the locomotive, and the marine engine are all inventions and improvements of recent date; and in these developments of science and art utilized, progress is materialized to the senses, and its footprints are in the rocks and on the waters. The effect of the evolution of iron—an evolution of reality, not controversy—has been to speed its production in electrical ratio.

## XIV.—COMPARISON BETWEEN THE BRITISH KINGDOM AND THREE UNION STATES.

New York and Pennsylvania are larger in area and superior in natural resources to England, Wales, and Scotland, which jointly comprise the island of Great Britain; and Ohio is larger in area and superior in resources to Ireland. Thus three contiguous States of average size considerably less than the *average* size of the thirty-eight States in the

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Union, surpass the United Kingdom of Great Britain and Ireland in territorial acres and mineral deposits, and are at least equal in fertility of soils for surface crops.

| | Square miles. | Census. | Population. | | Square miles. | Census. | Population. |
|---|---|---|---|---|---|---|---|
| England | 50,922 | 1871 | 21,495,131 | New York | 47,000 | 1870 | 4,382,759 |
| Wales | 7,397 | 1871 | 1,217,135 | Pennsylvania | 46,000 | 1870 | 3,521,951 |
| Scotland | 31,324 | 1871 | 3,360,018 | | 93,000 | ..... | 7,904,710 |
| Total, Great Britain | 89,643 | | 26,072,284 | Ohio | 39,964 | ..... | 2,665,260 |
| Ireland | 32,481 | 1871 | 5,411,416 | | | | |
| Isle of Man and Channel Islands | 304 | 1871 | 144,038 | | | | |
| Army, navy, merchant seamen | ..... | 1871 | 229.000 | | | | |
| Great Britain and Ireland | 122,518 | ..... | 31,857,338 | Total | 132,964 | 1870 | 10,569,970 |

Population per square mile in England ..... 422
Population per square mile in New York ..... 93

As England has London on its east side and Liverpool on its west side, so has New York State New York City on its east side and Buffalo on its west side; and so has Pennsylvania Philadelphia at its east end and Pittsburgh at its west end, the first on the Atlantic-Delaware, the latter on the Mississippi-Ohio; and so, too, the State of Ohio has Cincinnati on its south, or Ohio River side, and Cleveland on its north or Lake Erie side.

California is three times as large as England; Texas is more than twice the size of the United Kingdom of Great Britain and Ireland, and Dakota and Montana are each larger than the United Kingdom of Great Britain and Ireland. Massachusetts in territory surpasses Wales; Ohio, as already mentioned, in territory surpasses Ireland; Indiana in territory surpasses Scotland, and Illinois in territory surpasses England.

In 1870, in Massachusetts, the densest peopled *State*, there were 187 of population per square mile.

In England, in 1871, there were 422 of population per square mile.

If New York were populated as densely as England was in 1871, it would contain 19,834,000 inhabitants; Illinois would contain 23,383,020 inhabitants; Missouri would contain 27,577,700 inhabitants, and California would contain 79,749,982 inhabitants.

How Ireland has declined since 1841 these figures attest:

Population of Ireland: 1841, 8,175,124; 1851, 6,515,794; 1861, 5,764,543; 1871, 5,411,416.

If Ireland had a redundant population in 1841, surely England has a redundant population at the present time, when even an average harvest yields only about half sufficient breadstuffs for the subsistence of its population, and its importations of both cotton and wool in bales for manipulation into textile manufactures exhibit a falling off, the first in bulk and weight, the latter in quantity and value.

And this proves that the Christian nations, which comprise the principal intertrading peoples, are intent on the utilization of their home staples for the employment and profit of home labor, herein demonstrating that the tendency of foreign intertrade is towards restriction to interchange of articles produced in surplus quantity out of agriculture and mines, and the surplus manufactures of domestic staples.

This is "the handwriting on the wall" for England to read and London shrink from, because London cannot enlarge forever, and when it shall cease to grow it will begin to decay, and so succumb to the inevitable, like cities of the olden time and modern cities in Italy and the

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Netherlands, each of which in turn expanded and grew strong as the gravitating center of international intertrade moved towards it, and contracted and decayed as the center of commercial gravity moved from it to another port, provided with a new dial and magnetic needle, pointing not to the pole of geography, but to the pole of commerce in a new market, or to a new way to an old competing place.

What is London but the Babylon of the Euphrates reproduced on the Thames? What is London but a magnified Venice of the Adriatic, or Antwerp of the Scheldt, which, not omitting Genoa and Bruges, at different dates commanded a trade justly considered grand for the riches it concentrated and the greatness it conferred, in the world then open to intercourse, mainly carried on with vessels and camels, the vehicles and carriers then in use for transportation and travel?

The vastness of London is due to a number of causes, stimulating in immediate effect and fruitful in after consequences.

Thus London profited during the period of maritime commerce with sailing vessels, succeeding the discovery of America and the Cape of Good Hope, in which epoch or era the insulated position of the British isle, anchored in the ocean, made it the outpost of the near by continent of Europe in its rear.

Another cause of London's growth was Cromwell's navigation act, passed when Holland was paramount in the ocean carrying trade. Another cause was the arrival there of immigrants skilled in the useful arts (of which the British then knew next to nothing), including many driven by persecution from France and the Netherlands. Another, and the one which overshadows all the others, was the growth and spread throughout the island of British manufactures under a protective tariff policy, wherein the duties were made high, according as "British interests" required, and afterwards modified and made lower, and finally abolished altogether in particular cases, according as "British interests" dictated; but nevertheless there was a duty retained on wheat to 1869 inclusive, by which time the urban population of Great Britain had so outgrown its rural population that foreign-grown food had to be imported to subsist the subjects of the British crown; yes, that is the word, the British crown—a thing of gew-gaws, diamonds, and jewels, held together with hands directed by abler minds than the royal head burdened by its weight, but overpaid and recompensed more than a thousand-fold, through usurped prerogatives and arrogated options.

Moreover, the presence of Parliament was of incalculable benefit to London, because there the law-makers of the realm had ready and steady conference with the master minds in manufactures, finance, and foreign trade. Parliament made London virtually the proxy of England. London in England is Hamlet in the play.

We read of upper classes, middle classes, lower classes, and criminal classes in Europe; but these four classes are divided into two classes in America, where the criminal class is impartially composed of every offender against honesty from a law judge to a road-tramp; and the other class, which constitutes the States and the nation in functional authority, is impartially made up out of every authorized human pursuit, from treaty-negotiating and law-making statesmanship ,to pin-peddling in the public streets.

A "map of the world on the Mercator projection, exhibiting the American continent as its center," with steamship pathways from San Francisco to Japan, China, and Australia, and from Portland, Boston, New York, Philadelphia, Baltimore, Norfolk, and New Orleans to Europe and elsewhere, dwarfs England in the panorama it opens to contemplation.

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## XV.—THE TEXTILE INDUSTRIES OF THE KINGDOM AND ITS PRINCIPAL ARTICLES OF IMPORT AND EXPORT.

In the statistical appendix to the official catalogue of the United States International Exhibition of 1876, at Philadelphia, is a paper, doubtless contributed by the commission from Great Britain, in which appears the following table of the textile industries of the United Kingdom in 1874:

| Articles. | Number of factories. | Hands employed. |
|---|---|---|
| Cotton | 2,655 | 479,515 |
| Woolen | 1,800 | 135,606 |
| Worsted | 692 | 142,097 |
| Flax | 449 | 128,459 |
| Silk | 818 | 45,559 |
| Shoddy | 125 | 3,431 |
| Hemp | 61 | 5,211 |
| Jute | 110 | 37,920 |
| Hair | 27 | 1,211 |
| Hosiery and other factories | 557 | 27,667 |
| Total | 7,294 | 1,006,675 |

As this matter of textile fabrics from fibrous staples is important and interesting, we add a later tabulation copied from the London *Economist* of October 25, 1879:

"OUR TEXTILE INDUSTRIES.—There has been issued this week a Parliamentary return of the number of factories authorized to be inspected under the factory and workshops acts, the number of persons engaged in each industry, and the number of spindles, looms, and other machines used. The following table summarizes the main heads of information:

| Industry. | Number of factories. | Number of spinning spindles. | Number of doubling spindles. | Number of power looms. | Persons employed. |
|---|---|---|---|---|---|
| **England and Wales:** | | | | | |
| Cotton factories | 2,579 | 38,489,865 | 4,150,444 | 489,960 | 451,508 |
| Woolen factories | 1,412 | 2,738,381 | 251,199 | 50,249 | 109,702 |
| Worsted factories | 636 | 2,049,374 | 434,605 | 76,149 | 117,866 |
| Flax factories | 101 | 190,808 | 28,4 9 | 4,081 | 14,988 |
| Jute factories | 12 | 23,762 | 1,407 | 1,057 | 4,061 |
| Other factories | 1,449 | 928,325 | 177,805 | 15,519 | 78,678 |
| Total | 6,189 | 44,420,515 | 5,043,899 | 636,015 | 777,703 |
| **Scotland:** | | | | | |
| Cotton factories | 89 | 961,259 | 526,594 | 22,265 | 29,775 |
| Woolen factories | 246 | 559,021 | 62,013 | 6,284 | 22,667 |
| Worsted factories | 55 | 47,158 | 21,375 | 11,244 | 13,012 |
| Flax factories | 155 | 265,263 | 18,495 | 16,756 | 37,476 |
| Jute factories | 99 | 183,056 | 5,855 | 10,009 | 30,401 |
| Other factories | 31 | 13,420 | 11,120 | 211 | 2,882 |
| Total | 675 | 2,029,177 | 645,432 | 66,769 | 136,213 |
| **Ireland:** | | | | | |
| Cotton factories | 6 | 76,796 | 1,732 | 2,686 | 1,626 |
| Woolen factories | 74 | 40,205 | 4,942 | 411 | 1,975 |
| Worsted factories | 2 | 288 | 134 | ..... | 47 |
| Flax factories | 144 | 808,695 | 18,048 | 19,611 | 56,342 |
| Jute factories | 6 | 5,853 | 320 | 222 | 992 |
| Other factories | 9 | 6,538 | 39 | ..... | 654 |
| Total | 241 | 938,380 | 25,125 | 22,930 | 61,636 |
| **Total United Kingdom** | 7,105 | 47,388,072 | 5,714,456 | 725,714 | 975,546 |



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"Of the total number of persons engaged, 374,199 are males and 601,347 females, these totals comprising 51,186 boys and 51,399 girls making half-time."

The 74 woolen factories in Ireland, it will be perceived, employed only 1,975 persons, equal to 26 for each establishment, an average indicative of a small out-put capacity; whilst the 97 factories remaining after the subtraction of the 144 flax factories employed only 5,288 persons, equal to an average of 54 persons for each factory exclusive of flax; and as the population of Ireland in 1871 was 5,411,416, it follows that the 5,288 persons employed in textile manufactures other than flax comprised only one person out of every 1,023 persons, or less than one-tenth of one per cent. of the population.

Apart from agriculture, which is oppressed with too heavy land rent, Ireland has no distinguishing industry worthy of the name of industry applied to persons employed, except flax raised and woven into linen.

Truly is Ireland an oppressed appendage of the British realm, and most truly are the Irish a subject people, whose lands were confiscated and whose wool industry was destroyed to enrich favorites of the dynasty in authority in London, and so give England a monopoly of woolen manufactures.

The following statement of the value of the ten principal articles of food imported into the United Kingdom of Great Britain and Ireland in the years 1877 and 1878, shows how dependent is that title-burdened, dollar-proud power on the harvests of other climes for provisions wherewith to subsist its redundant population; also for cotton, wool, wood, silk, and wine:

| Articles. | 1877. | 1878. |
|---|---|---|
| Wheat | $164, 365, 000 | $133, 154, 000 |
| Sugar | 131, 886, 000 | 101, 234, 000 |
| Tea | 60, 678, 000 | 63, 651 000 |
| Indian corn | 47, 885, 000 | 61, 783, 000 |
| Butter | 46, 361, 000 | 48, 313, 000 |
| Oats and barley | 50, 525, 000 | 49, 086, 000 |
| Bacon and hams | 33, 466, 000 | 41, 850, 000 |
| Flour | 33, 067, 000 | 33, 000, 000 |
| Coffee | 37, 850, 000 | 29, 223, 000 |
| Cheese | 23, 138, 000 | 24, 003, 000 |
| Total of ten articles of food | 629, 221, 000 | 585, 297, 000 |
| Cotton | 172, 477, 000 | 162, 932, 000 |
| Wool | 117, 636, 000 | 110, 677, 000 |
| Wood and timber | 98, 128, 000 | 68, 113, 000 |
| Silk manufactures | 62, 285, 000 | 61, 702, 000 |
| Wine | 34, 878, 000 | 29, 179, 000 |
| All other articles | 802, 255, 000 | 761, 152, 000 |
| Total | 1, 916, 880, 000 | 1, 779, 052, 000 |

The importation of wheat and flour for 1879 was 70,100,000 cwts., valued at $199,200,000, exceeding any previous year. The area of land under wheat in 1869 was 3,982,000 acres. In 1879 it was 3,056,000 acres. Diminution in ten years, 926,000 acres.

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The principal articles of exportation from the United Kingdom of Great Britain and Ireland, and the value of the same, for the years 1877 and 1878, were as under, to wit:

| Articles. | 1877. | 1878. |
|---|---|---|
| Cotton manufactures | $277,190,000 | $257,108,000 |
| Cotton yarn | 59,259,000 | 63,209,000 |
| Total cotton manufactures | 336,449,000 | 320,317,000 |
| Woolen manufactures | 84,287,000 | 81,274,000 |
| Woolen yarn | 17,540,000 | 19,000,000 |
| Total woolens | 101,827,000 | 100,274,000 |
| Iron and steel, wrought and unwrought | 97,744,000 | 89,095,000 |
| Coals, coke, and cinders | 38,127,000 | 35,580,000 |
| Machinery and mill work | 32,602,000 | 36,406,000 |
| Linen and jute yarns and manufactures | 28,353,000 | 22,959,000 |
| Haberdashery and millinery | 18,507,000 | 19,275,000 |
| Hardware and cutlery | 16,213,000 | 15,990,000 |
| Apparel and "slops" | 13,773,000 | 15,333,000 |
| Total of seven items | 245,219,000 | 234,638,000 |
| All other articles | 283,030,000 | 280,798,000 |
| Cotton manufactures and yarn brought down | 436,449,000 | 320,317,000 |
| Woolen manufactures and yarn brought down | 101,827,000 | 100,270,000 |
| Total domestic exports | 966,625,000 | 926,027,000 |

Foreign imports exported and colonial imports exported are not included in the foregoing, compiled from "Commercial Relations."

The total imports and exports of Great Britain and Ireland for the last two calendar years, as given in a supplement to the London *Economist* of January 17, 1880, were as under, to wit:

| | 1878. | 1879. |
|---|---|---|
| Total imports | $1,843,048,050 | $1,810,638,705 |
| Total exports | 964,244,570 | 957,518,360 |
| Imports over exports | 878,803,480 | 853,120,345 |

Since March 15, 1879, Canada has had a protective tariff, and so, too, has one or more of the Australian colonies a tariff for the protection of domestic manufactures; from which local enactments for industrial independence of London imperialism, of course, success will follow, for a Canadian is not an Englishman, an Australian is not an Englishman, and neither of these twain can be a nationalist, till Canada shall have been made a republic or annexed to the United States, and the Australias shall have been united in an union independent of royalty in Europe.

A Welshman is not an Englishman, but a Briton; a Scotchman is not an Englishman, but a Briton; an American citizen is an American citizen everywhere, owing no allegiance outside of his country; nor will a Canadian, not a monarchist, cockney, or snob, be content till he take rank as an American citizen; whilst, as for the Australian subject, his future is foreshadowed in citizenship in his own to be independent country, owing allegiance to no distant dynasty, bound to obedience to none but home-made laws.

What do you import and pay for, to satisfy the demands of home consumption, and what do you produce at home in excess of domestic

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consumption and send abroad and get money or credit for, in international intertrade?

These are twin questions in political economy. And the fact that the United Kingdom is debtor in account current with foreign nations, bodes no good to the overpeopled island which has its court in London, 56 miles up the river Thames, from the North Sea, and 3,000 over-water miles from the foreshadowed future center of commerce and finance in America, a "promised land" to Britons, Irishmen, and Germans, to all Celts and all Teutons, as Canaan was to the Israelites in Egypt.

## XVI.—FOREIGN TRADE OF THE UNITED STATES FOR TWENTY YEARS.

It is not alone to the United States of America that the exports from the United Kingdom of Great Britain and Ireland show a reduction, but the same is true of its exports to nineteen other nations, scattered over all the continents.

Thus in a table in the London *Economist* of July 12, 1879, it is shown that the diminution in exports of the products of the Kingdom in 1878, compared with 1872, to the twenty countries named, was ($5 to £1) $349,350,000. The increase in exports of the products of the Kingdom in 1878, compared with 1872, to nine countries named, was $17,000,000. Falling off in exports in six years, $332,350,000.

This totalized decline in exports is in excess of the entire export trade of many, indeed of most foreign countries, including Austria-Hungary, Italy, and China.

[From the annual report of the Chief of the Bureau of Statistics, Hon. Joseph Nimmo, jr., on the Foreign Commerce of the United States, for the fiscal year ended June 30, 1879.]

"The following table exhibits the combined value of *merchandise and specie* imported into and exported from the United States. It affords an expression of the aggregate foreign commerce of the country:"

*Value of merchandise, and of gold and silver coin and bullion, imported into, and exported from, the United States, from* 1860 *to* 1879, *inclusive—specie values.*

| Year ended June 30— | Exports. | | Total exports. | Imports. | Total imports and exports. | Excess of exports over imports. | Excess of imports over exports. |
|---|---|---|---|---|---|---|---|
| | Domestic. | Foreign. | | | | | |
| 1860 | $373, 189, 274 | $26, 933, 022 | $400. 122, 296 | $362, 166, 254 | $762, 288, 550 | $37, 956, 048 | |
| 1861 | 228, 699. 486 | 20, 645, 427 | 249, 344, 913 | 335, 650, 153 | 584, 995, 066 | | $86, 305, 249 |
| 1862 | 210, 688, 675 | 16, 869, 466 | 227, 558, 141 | 205, 771, 729 | 433, 329, 870 | 21, 786, 412 | |
| 1863 | 241, 997, 474 | 26, 123, 584 | 268, 121, 058 | 252, 919, 920 | 521, 040, 978 | 15, 201, 138 | |
| 1864 | 243, 977, 589 | 20, 256, 940 | 264, 234, 529 | 329, 562, 895 | 593, 797, 424 | | 65, 328, 366 |
| 1865 | 201, 58, 372 | 32, 114, 157 | 233, 672, 529 | 248. 555, 652 | 482, 228, 181 | | 14, 883, 123 |
| 1866 | 420, 161, 476 | 14, 742, 117 | 434, 903, 593 | 445. 512, 158 | 880, 415, 751 | | 10, 608, 565 |
| 1867 | 334, 763, 005 | 20, 611, 508 | 355, 374, 513 | 417, 831, 571 | 773, 206, 084 | | 62, 457, 058 |
| 1868 | 353, 135, 875 | 22, 601, 126 | 375, 737, 001 | 371, 624, 808 | 747, 361, 809 | 4, 112, 193 | |
| 1869 | 318, 082, 663 | 25, 173, 414 | 343 256, 077 | 437, 314, 255 | 780. 570, 332 | | 94, 058, 178 |
| 1870 | 420, 500, 275 | 30, 427 159 | 450, 927, 434 | 462, 377, 587 | 913, 305, 021 | | 11, 450, 153 |
| 1871 | 512, 802, 267 | 28. 459, 899 | 541, 262, 166 | 541, 493, 708 | 1, 082, 755, 874 | | 231, 542 |
| 1872 | 501, 285, 371 | 22, 769, 749 | 524. 055, 120 | 640, 338. 766 | 1, 164, 393, 886 | | 116, 283, 646 |
| 1873 | 578, 938, 985 | 28, 149, 511 | 607, 088, 496 | 663, 617, 147 | 1, 270, 705, 643 | | 56, 528, 651 |
| 1874 | 629, 133, 107 | 23, 780, 338 | 652. 913, 445 | 595, 861, 248 | 1, 248, 774, 693 | 57, 052, 197 | |
| 1875 | 583, 141, 229 | 22, 433, 624 | 605, 574, 853 | 553, 906, 153 | 1, 159, 481, 006 | 51, 668, 700 | |
| 1876 | 575, 620. 938 | 21, 270, 035 | 596 890. 973 | 476, 677, 871 | 1, 073, 568, 844 | 120, 213, 102 | |
| 1877 | 6 2, 804, 962 | 25, 832, 495 | 658, 637. 457 | 492, 097, 540 | 1, 150, 734, 997 | 166, 539, 917 | |
| 1878 | 707, 771, 153 | 20, 834, 738 | 728. 605. 891 | 466, 872. 846 | 1, 195, 478, 737 | 261, 733, 045 | |
| 1879 | 715, 895, 825 | 19, 541, 057 | 735, 436, 882 | 466, 073, 775 | 1, 201, 510, 657 | 269, 363, 107 | |

For the last six consecutive years, to June 30, 1879, the excess of exports over imports was, $926,570,068.

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This is a prodigious amount, but it will be very much increased by the addition of the excess of exports over imports at the end of the current fiscal year, to wit, June 30, 1880.

The United States is a creditor nation, supreme over every other country in its dealings with nations overpeopled and overburdened with debt, and nations groaning under despotism and standing armies.

## XVII.—FOREIGN TRADE OF THE UNITED KINGDOM OF GREAT BRITAIN AND IRELAND.

[From the report of the State Department "upon the Commercial Relations of the United States with Foreign Countries, for the year 1878."]

*Foreign trade of the United Kingdom for fifteen years.*

IMPORTS AND EXPORTS OF MERCHANDISE.

| Year. | Imports. | Exports, domestic and foreign. | Excess of imports. |
|---|---|---|---|
| 1864 | $1,326,267,000 | $1,035,334,000 | $292,933,000 |
| 1865 | 1,317,410,000 | 1,063,524,000 | 253,886,000 |
| 1866 | 1,435,110,000 | 1,194,530,000 | 240,580,000 |
| 1867 | 1,341,290,000 | 1,097,403,000 | 243,887,000 |
| 1868 | 1,432,213,000 | 1,107,002,000 | 325,211,000 |
| 1869 | 1,435,936,000 | 1,151,893,000 | 284,043,000 |
| 1870 | 1,473,850,000 | 1,196,234,000 | 277,616,000 |
| 1871 | 1,607,733,000 | 1,378,175,090 | 229,558,000 |
| 1872 | 1,716,717,000 | 1,520,003,000 | 196,714,000 |
| 1873 | 1,804,454,000 | 1,511,485,000 | 292,969,000 |
| 1874 | 1,798,604,000 | 1,446,579,000 | 352,025,000 |
| 1875 | 1,797,031,000 | 1,368,635,000 | 428,396,000 |
| 1876 | 1,823,254,000 | 1,247,947,000 | 575,317,000 |
| 1877 | 1,916,879,000 | 1,226,400,000 | 690,479,000 |
| 1878 | 1,779,052,000 | 1,180,028,000 | 599,024,000 |
| | 24,005,800,000 | 18,723,162,000 | 5,282,638,000 |
| | 18,723,162,000 | | |
| Total excess of imports in fifteen years | 5,282,638,000 | | 5,282,638,000 |

The progressive increase of commercial intercourse between Great Britain and other nations will be seen in the subjoined skeleton exhibit of the value of imports into Great Britain from all parts of the world, and the value of exports from Great Britain to all parts of the world, compiled from sundry sources:

| Calendar year. | Imports. | Exports. | Excess of imports. | Excess of exports. |
|---|---|---|---|---|
| 1750 | $36,447,910 | $50,654,955 | | $14,207,045 |
| 1775 | 74,079,275 | 81,631,815 | | 7,552,540 |
| 1800 | 152,853,025 | 190,600,600 | | 37,747,575 |
| 1820 | 182,572,820 | 258,665,565 | | 76,092,745 |
| 1830 | 231,226,205 | 333,677,225 | | 102,451,020 |
| 1840 | 310,020,000 | 487,013,630 | | 176,993,630 |
| 1851 | 517,897,910 | 951,989,050 | | 434,091,140 |
| 1861 | 1,087,425,120 | 798,162,490 | $289,262,630 | |
| 1871 | 1,793,099,000 | 1,542,254,000 | 250,845,000 | |
| 1879 | 1,810,638,705 | 957,518,360 | 853,120,345 | |

## XVIII.—WHAT IS SCIENCE AND WHAT IS ART?

It is a common expression to say the "science" of this, the "science" of that, and the "science" of something else, as for instance the "science" of hair-cutting, the "science" of corporation book-keeping, &c.; but a

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little observation and reflection will serve to demonstrate and realize that not a small proportion of so-called "science" is in truth *art*. Thus the practice of medicine is an art, else doctors would not differ as they do, in diagnosis and prescription; whereas anatomy is a science, because the bones in the human frame-work have a nomenclature which is in uncontroverted acceptation among surgeons; and physiology is a science, because the vital organs in the human body have functions which are understood by physicians to actuate the supreme flesh-clad machine, with motive power supplied by blood from the heart and breath in the lungs.

Astronomy is a science, because if the movements of the heavenly bodies were not describable, eclipses could not be foretold; nor the changes made in the seasons by the sun be anticipated and provided for, as in summer and autumn for winter and spring; nor the time of high tide and low tide, sunrise and sunset, be published in advance, and, moreover, there would be no almanac.

Dynastic government is an art, and kingcraft is necromancy; and as duped believers in witchcraft attributed supernatural powers to astrologers, sorcerers, and seers, so superstition and ignorance served commanders and courtiers to fill thrones with royal pretenders to divine rights, albeit some who were made kings had red hands and bad hearts; but the axe, the guillotine, and the gun, each impartially attests that a crown-wearer brought to trial and to judgment undergoes decapitation and suffers quietus like any other life-lighted tabernacle of clay; whereby the pretension to "divine right" to reign and rule and name a successor is fallacy and usurpation, which may be exposed and punished.

For, after all, what are legitimate kings and hereditary princes more than other mortals cast in the molding-box of the human body in the Adamite pattern of the race, and of which God made the first model in his own image? King and peasant are alike born of woman, nor is wedlock holier in the palace than the tenant-house; and beatitudes and imperfections are found promiscuously in society as beauty and blemishes are discoverable in a foundry where iron and bronze and brass are run hot into molds to crystallize into articles of art.

## XIX.—POLITICAL ECONOMY.

Political economy is an art, whereby governments strive to make income from revenue equal to outgo for expenses in ordinary times, through the operation of laws founded on situation, necessity, and circumstance. And hence the imposition of taxes—a plural of multitude of meanings—is a work of discrimination, for ability and willingness to pay have a limit; and it is the interest alike of a dynasty and every other form of administration to cultivate a diversity of home occupations and develop native resources in domestic manufactures, so to compass two ends, in employment of population and emancipation from dependence on foreign nations, for clothing and food and articles for ornament and use. In a word, to keep down to a minimum imports from foreign countries.

Thus a nation that grows cotton in fields and wool on flocks, and contains deposits of metallic ores and mineral fuel, should naturally endeavor to establish cotton and woolen manufactures at least equal to the consumption of the domestic market; and same time export cotton fiber in bales and wool fiber in bales to foreign countries, for elaboration into textile articles in their own works, if possessive of machinery and fuel, and provided with skilled labor.

And a nation that abounds in metallic ores and in coal, hard and soft,

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including coal for gas and coal for coke, can make machinery and supply steam-power at minimum cost; such a nation, too, can attract immigration, develop mechanical ingenuity and build up home industries for the utilization of fibrous and mineral productions.

The everlasting union of "indestructible states" jointed like the bones in a living body, exports cotton fiber to Great Britain, France, Germany, Italy, South America, and indeed to most of the nationalities that intertrade.

But why England, greedy, grasping, never-sated, never-satisfied England, that Julius Cæsar annexed to the Roman Empire, and William the Norman conqueror escheated to himself and portioned off among his barons; England, that hungers in Africa and Asia for more possessions and aspires for universal dominion in commerce; England, which has poison in its fangs, and bites and bribes and smiles with deadly selfishness; why should England descend from its belfry built high for outlook downward on Asiatics and Africans, whom it shoots and hangs contrary to established usage in welfare, and rummage its property-room in its show-house, thence to send hither, in character parts, across the Atlantic Ocean three thousand miles wide between the shores of an old continent and a new world, members of Parliament and others, some big as whales and prodigal of sugared words, some small as sparrows but not too little for spy-glasses, to ask Americans not to do as Britons did to establish their own industries, but do as Britons wish for their own sake? This consolidated querry Time (which is older than Adam and never halts on its course that leads on to the end of the circle, thus to complete the period and fulfill the mission of the planet so immense to man though a mote of matter in the universe), will answer as it journeys along, to measured step, bearing its scythe, a symbol understood, and reading the decrees of nature in its looking-glass.

What is the mortal part of man but a morsel for the worm, which however, comes not into possession till after the soul has served out its term in a preparatory school, made up of pupils who graduate to sink or mount, according as they load themselves with sins or provide themselves with pinions?

### XX.—IS TITLE PATENTED, TORPEDO BALLOT-PROOF? TURKEY, THE TRANSVAAL, ZULULAND, AFGHANISTAN.

The sequence of assumption is dissappointment, of arrogance the final effect is humiliation. For the bluster of the British who cares except Africans in fig-leaves and savages without fire-arms? To be sure, the Briton has courage and in measure large as the bravest among mortals; but the dynastic Briton, not the British worker in cotton, wool, and the metals, if not morally obtuse, has ceased to be nice, and will swallow the oyster though it be tainted and the egg even if stale.

His bowels are not moved by compassion, nor does his digestion, wherein he excels the shark, require cathartic stimulation, for his belly is never so full that it will not admit a little more; his lust for dominion is insatiable, and justice is not a law of his ambition, where there is land for loot in Asia, Africa, and the South Sea Islands; his conscience travels on a ticket-of-leave, and the pocket in his trousers is dialed in the palm of his hand.

His chariot is Juggernaut, his Orissa the United Kingdom, his Hindoos the serfs of land barons, the tenantry of manor-lords, and the subjects of the crown, deprived of civil rights that make a man, and which citizens inherit free.

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Poverty and hunger cloud the hope of the British poor, who need a Moses to lead them out of serfage in feudaldom to a Canaan where land is subdivided among proprietary tillers, and equality prevails in the distribution of elective situations; and where estates are not entailed, titles are not transmitible, and merit is the test of promotion and reward, supreme over inherited rank and primogenitive riches.

Let England level down its landed aristocracy, its titled gentry, and its stags and hounds of fashion, salary-fed in the public service, and level up its worthy millions in its toiling masses to a causeway graded to a datum line for all to travel, on the same condition, like ticket-holders in a railway train, from a depot of departure to a destination.

No monopoly is a wholesome motto. There is no monopoly in ideas, for brain matter is free soil, wherein a head-owner may cultivate his taste for letters and market his intellectual productions. And surely there should be no monopoly in privileges, opportunities, offices and honors, anywhere on the earth.

In America, colossal fortunes, like drift snow banks in a change of weather, melt down after the accumulator's death, into as many streams to society's commingled sea as their are legal heirs, each knowing that in the course of nature his Nile will rise and irrigate his patch of expectation; but where estates are entailed, the glacier, which is the congealment of sundry winters, thaws only on the outside, and trickles in a rut in the road, disturbing nothing over the fields, to satisfy the flocks that hunger for grass and cannot browse on thistles.

Having a commercial mind, the diplomatic Briton hucksters, promiscuously and indiscriminately, goods and statutes, treaties, promises, principles and professions, everything to expediency.

Review British diplomacy and foreign practice since Great Britain refused to sign the Berlin memorandum, dated May, 1876, which the Emperors of Russia, Germany and Austria officially approved, and which was framed to avert, and would have averted the war between Russia and Turkey, declared by Russia on the 24th April, 1877, in championship of the Christian populations in European Turkey. And what does the record show in Asiatic Turkey, the Transvaal, Zululand and Afghanistan?

Is there anything in history surpassing the heartlessness of Great Britain's abandonment of the Christians in European Turkey and its false friendship for the Turks, whom it encouraged to resist the advice and pressure of the three Emperors, and whom it afterwards cheated out of Cyprus, and finally bullied for reforms in Asia Minor?

Is there anything in history more selfish and less honest than the extinction and absorption of the independent and peaceful republic of Transvaal, in South Africa, by Great Britain in 1877, and its subsequent hypocritical treatment of the Boers, to whom in 1879 Sir Bartle Frere "held the word of promise to the ear," when "every British soldier in South Africa was needed to fight Cetywayo," for Sir Garnet Wolseley "to break it to the hope," after Cetywayo had been made a prisoner and the Zulu war was terminated?

After his capture, Cetywayo, King of the Zulus, said the English "shot us to make us Christians." The British Government, as a missionary society to proselyte Africa and Asia, has substituted the shotgun and hanging-rope for the Hebrew Bible and Greek Testament.

The British fought the Chinese in 1840-'41, and compelled China to admit India opium into its ports.

Bishop Colenso, in a letter written home to England in reprobation of the inhumanity and baseness of the British towards the Zulus, de-

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scribes the process whereby the English general, Lord Gifford, discovered the hiding place of Cetywayo.

"Five Zulus were takened prisoners and questioned severally as to the place where the King was hiding. They persisted in declaring that they did not know where he was. Whereupon they were all flogged, with what right let Englishmen judge. They bore their flogging, and still refused to betray their King's hiding place, and two of them managed to escape. Then the scheme was adopted which had been practiced once before in this war, of taking them blindfolded, each to a separate spot, when two gun-shots were fired, and each of course supposed that the other two were killed. And so the secret was obtained from one or more of them."

The correspondent of the London *Daily News* thus wrote just before the battle of Ulundi:

"Buller is scarcely the man to commit any default in any enterprise which experience proves to be so eminently congenial to his nature. Reaching the bed of the White Umvolosi on the first evening, by daylight on the second morning he engaged in the annexation of cattle. The people in charge of these made a feeble resistance, and were not warriors, but policy demanded that a certain number of them should die for the sake of creating an impression, and about a dozen of them fell under the fire of Buller's men. Some three hundred cattle were captured, also a man and a number of women."

On this extract the London *Capital and Labor* newspaper remarks: "Unarmed peasants in charge of cattle are shot down 'for the sake of creating an impression!' It is usually supposed that soldiers throwing down their arms in acknowledgement of defeat receive quarter, but the war correspondent tells how a noble British officer slew the fugitive Zulus as if he were pig-sticking!"

[Extract of an article on "Martial Law in Cabul," by Frederick Harrison, in the London *Fortnightly Review* of December 1, 1879.]

"In spite of the conspicuous coolness and generosity of our soldiers the fact remains that they never meet their equals or a civilized foe. A generation has passed since Englishmen met in fight white men, and even those were hardly of European civilization. They never fight under the rules and condition of modern war. They hardly ever fight with a foe whom they treat as an honorable foreign enemy. They are forever engaged in battues of black skins, red skins, brown skins, 'niggers,' or savages of some kind. Their enemy are almost always 'rebels,' or 'mutineers,' or 'insurgents,' or 'marauders,' with whom they do not pretend to hold the conventional laws of warfare. Our officers, therefore, are almost always partial executioners and partly criminal police as well as soldiers. They not only use their swords, but they have ever in their train ropes and halters, gibbets and cats, and all the apparatus of a Russian army in Poland. They seldom fight without killing prisoners in cold blood after all resistance has ceased. They blow them from guns by platoons; they hang them from the first tree; they shoot them in squads; they flog them by scores; they burn villages by wholesale; their men knife wounded men (at leaft they boast that they do); they hold drumhead courts-martial on priests and officials; they proclaim martial law at their own free will. * * *

"The British army, of all armies in the world, is the one which is most often hanging, shooting, or punishing prisoners of war."

The censorship of English functionaries over war correspondents is lucidly described by Archibald Forbes, an able pen-painter of battles and campaigns, in *The Nineteenth Century* for January, 1880.

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## XXI.—THE BEACONSFIED JINGO-CLAQUER. MORE ALABAMAS.

Having a covetous eye on Afghanistan, it was not difficult for Great Britain to originate and amplify a grievance against the Ameer at Cabul, and follow the charge with a military force, organized for invasion and occupation. How Major Cavagnari, the British envoy, entered Cabul on the 24th of July, 1879, and how he was killed in September, and what has since taken place in dramatic acts, is matter of familiar record to newspaper readers; but what more will be evolved out of this Afghan movement for the extension of the frontier of India towards St. Petersburg and Constantinople, a movement which, by the way, may have the Redan back-step in it, we must wait on diplomacy or war, or both, to uncover, in the coming days; and as diplomacy is of uncertain issue, and boundaries made by war are not fixable beforehand with the pen, curiosity must get behind patience and wait.

When the Berlin memorandum failed, because Great Britain would not co-operate in pressure on Turkey, to make reforms in concessions to its outraged Christian populations, and Russia declared war against Turkey by proclamation dated April 24, 1877, no one knew that history was pregnant with the Bulgaria which was born in the treaty of San Stefano of 19th February, 1878, whereby, in addition, three states wrested from Turkey were made independent powers.

The extraordinary and triumphant manner in which the Russians, despite the rigors of winter and the desperation of the Turks, fought their way through the passes of the Balkan Mountains in the winter of 1878, and the treaty of San Stefano, which electrified three and stupefied two European powers in the spring of 1878, reflect a luster on the arms and a finish on the diplomacy of Russia that the Berlin Congress of the summer of 1878 could not cover up, nor get over nor around; but which it did modify mainly in the interest of Austria, and to the disadvantage of Christians and the shame of Christendom as Christ's community, in the malicious and jealous partition of Bulgaria by the erection of Eastern Roumelia into a Turkish province, which was conceived and born within thirty days, about the period required to incubate a reptile's egg with borrowed artificial heat.

Obviously the theory of the situation framed by Great Britain when it withheld its signature from the Berlin memorandum, was a conception of spurious statesmanship; and if war ensue between Great Britain and Russia, no precaution which Beaconsfield may plan beforehand will save from capture sundry of the English ships employed in maritime commerce around the globe. To pretend otherwise is to deny that man is an imitative creature, and also to ignore the fact that new inventions and improved weapons are incorporated into the tactics of war purposely to destroy combatants and compel the party hurt most to succumb first, to obtain peace. England's "little game" will be played against England, for a large stake against a small hazard.

Yes, yes. The British-built and British-crewed rebel privateers, Alabama, Shenandoah, Georgia, and Florida, have passed into the minutes and the award of the Geneva Board of Arbitration, but not thence into the oblivion of forgetfulness; for Great Britain still profits from its indirect raid on American commerce during the rebellion: and Russia is not blind to where her enemy is vulnerable, and the prospective prizes are British ships and their cargoes, easy of capture between ports wide apart.

It was stated in Parliament by Lord Panmure that the loss of the British army by death in the Crimea from September 19, 1854, to March

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31, 1856, not including the *naval* arm of the service, was 217 officers, and 19,314 men; incapacitated men discharged, to be added, 2,873. The Crimean war did not rob Russia of much, nor pay England in any aspect of the case. The Crimean war only touched Russia on its edges. In Bessarabia the frontier is again on the Danube. Kars is a Russian fortress, and Batoum is a Russian port.

In the siege of Sebastopol by the allied powers the French gained the Malakoff, and the British failed twice at the Redan, which was not taken. Moreover, only that part of Sebastopol which the Russians evacuated, was occupied by the allies.

And as at Inkerman the Russians in superior force attacked the English camp and were driven back, but not pursued, French aid having arrived as opportunely at Inkerman as Prussian aid arrived on the field of Waterloo, so at New Orleans did General Andrew Jackson with six thousand men, chiefly raw recruits, defeat Sir Edward Pakenham, who had 14,000 men, mostly veteran British troops, in his disastrous assault. The battle, says the highest authority, is not always with the (numerically) strong.

The French have not duplicated the first Napoleon, nor have the English developed a Wellington since Waterloo. But Von Moltke is more than a reproduction of Blucher.

That Lord Beaconsfield had Burmah in his programme for the year 1879 there is testimony extant to justify assertion and secure belief; but matters in the Transvaal country, in Zululand, and in Afghanistan, together with the uncertainty in perturbed European Turkey, appear to have admonished the Beaconsfield ministry that public opinion, too often tampered with, might be aroused, and in its anger cause the tory cabinet loss of office. Therefore Burmah was not set upon for concession, indemnity, or partition; but this forbearance was forced by circumstances, and is not due to repentance.

Lord Beaconsfield's ambition has his imagination for its wings, and his conscience does not weigh as heavy on his fancy when it soars as a news item on tissue paper borne by a carrier-pigeon in its flight; nor does any moral sense move the humanity latent, not normal, in his nature, and inaccessible to sympathy or justice, where he sees a way into a new market for India opium or British goods, or a new acquisition in tribes, or herds, or flocks, or fisheries, or forests, or a new flora for a hot-house or a window-garden, or a new fauna for furred robes or decoration feathers, or a new something else, no matter where, whether under the sun, "limited" to the planetary system as organized, or in the milky way not yet portioned among the powers; no matter what, so that it be not a donkey nor a dog, but an Esquimaux, a cannibal, or a gorilla, available to swell the census and make the Jingo cheer.

The Jingo idol in statesmanship is typified in the gold-beater, who hammers out a guinea into sheets of wondrous *thinness* for gilding picture-frames, sign-boards, baubles, and the backs of books.

The Briton boasts of empire, and apostrophizes or rhapsodizes the sun, because it "never sets on Her Majesty's dominions"; but the Briton, notwithstanding, has only to cross Saint George's Channel to find in Hibernia a member of the United Kingdom anxious for a divorce from the bonds of political fellowship; and in Hindoostan, if British jurisdiction were not enforced by an army of occupation officered and leavened with subjects sent thither, it would not be tolerated a day.

In past time the Roman citizen bore the proudest distinction among men under government. In present time American citizenship is the summit of the political world, not rounded like the physical world

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(which holds all its indwellers at equal distance from its common center, to which they all gravitate under the same law), but a terraced world of nations populated with high and low conditions and incompatible castes.

## XXII.—ENGLAND'S RUNNING ACCOUNT.

Great Britain is in account with all the continents in books and archives, from which its record cannot be expunged nor abstracted like a fugitive state paper, nor misinterpreted like a treaty; and Great Britain, having retrograded from a progressive civilizing Christian power into imperialism and barbarity in its foreign policy of land piracy and its unchristian treatment of prisoners and non-combatants, lives in the hate of more human beings, shocked at its inhumanity after battle, exasperated at its blustering interferences, or injured through its hypocricy and selfishness, in plot or marplan, than any other nation on the earth. Even where it has consanguinity it has few sympathizers and no allies, because in a struggle it does not take the side of humanity and attempt to close a wound which might be healed, but reconnoiters the situation, ready to smite on a chance to dissever or demolish, in order afterwards to participate in a distribution of results. It is the gamester among the powers, and plays windy bets to win substantial stakes, not caring who may be worsted and weakened, so that it may acquire booty and strength. But the British Empire is on a false basis, for it is founded, not on rock conglomerated of pebbles cemented in a supporting strata, like a bottom rock in a mineral basin, where superincumbent veins and their floors and roofs in alternating layers rest on it, but on sands which separate under pressure and wash away, when beat against by billows. A distant colony is an embryo nation; and in the future as in the past new nations will develop into greatness, and old nations will be retired from rank to rank to the rear, through the grades of mother, mother-in-law, grandmother, to maternal ancestor, with a pedigree traceable to Noah, or to the Celt of Erin who survived the deluge in a boat of his own, independent of the ark.

Contemplate the genealogical tree of Rome, with its branches stretching not out across the oceans of the world, but over all the shores of the principal sea of Europe—a vast area in that era. And as Rome is to London in present time, so will London be to cities in existing colonies, as nations, in future time. England is in the mother-in-law period of her eventful life, but she does not confine her jobbiness to her blood relations; and since the rebellion in the United States the African in the cotton States has ceased to be considered her "colored brother," and the African in Africa is made her victim, without mercy. England, like a mistress, has one principal lover at a time, but many lovers through a lifetime.

The unrest which the Berlin memorandum of 1876 was framed to pacify was local; and the Turk, who was in the wrong, could not have resisted the pressure put upon him, if England had not inflated him with "great expectations," thereby to thwart the plan of the three emperors, for peace. At present time there is unrest—rocking, heaving, volcanic unrest—throughout Europe; and the thunder fulminated in the newspapers, in the interest of dynasties, causes no more alarm among the subject peoples, who are stirred with ideas of revolution for self-emancipation, than stage thunder to an audience of theater goers. The III Ananias, in Calmet, would be a tame liar in London or Berlin, in these latter days.

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In Europe the republic is actual and in its morning hour, and king-craft is past its prime and in its afternoon; hence the latter is sinking towards the night, the former is rising towards the noon; and when noon is reached, then will come the millennium.

There is no cohesion in the different parts of the hoop-bound British *Empire* akin to that which pervades the States of the American Union, cemented by the Constitution like atoms annealed in iron and pebbles fused in rock.

Even in the States which seceded from the Union and set up in business for their own account and failed, and which are now back again in their old places, there is a native population which leavens public opinion and seeds the political soil over all its acres; but in India the Briton is a trespasser and an oppressor, and the Hindoo native *knows* that the Briton is a foreigner antagonistic to him and at enmity with him in his temporal interests and his aspirations for independence.

The Hindoo is the Briton's bondsman, and consciousness of this fact is a weight on his yearnings, humiliating to him in the light reflected from the back history of his country, aglow with grandeur in his sight and faith, down to almost his own generation.

As for empires, the old world—the ante-Columbus world—which has only a hemisphere or half a sphere, bounded by the islands of Ireland and Japan, was dotted here and there with ruins of cities, which had been capitals of kingdoms or emporiums of intertrade.

Five hundred years before Christ the Persian Empire of Cyrus extended from the Dardanelles to the Indus and from the Black and the Caspian Seas to Egypt and the Persian Gulf.

Three hundred years before Christ the Macedonian Empire of Alexander the Great, in addition to the territory of the Persian Empire destroyed, included Greece and Thrace, and Libya and Egypt.

Next came the Roman Empire, which was distinguished by the birth of the Saviour and the reign of the Cæsars, and by feats of arms and works of art.

After the division of the Roman Empire, A. D. 337, on the death of Constantine, the Western Roman Empire did not long survive, for it was dissolved in 476.

The downfall of the Eastern Roman-Greek Empire, however, did not occur until 1453, when Constantinople was taken by the Turks.

The Greek Empire, at the end of the tenth century, comprised, under the Emperors of Constantinople, Greece, the coasts and islands of the Ægean Sea, part of Naples and Sicily, Croatia, Servia, Thrace, Macedonia, and Asia Minor. In the fifteenth century the Greek Empire was overrun by the Turks.

At the time of the First Crusade, 1095, the Mohammedan Empire extended from Hungary to Hindoostan, and from the Sea of Aral to the Red Sea, and included part of Spain and the whole of the Mediterranean shore of Africa. But Spain expelled the Moors in the fifteenth century; Persia became an independent power in the sixteenth century; Greece was made an independent kingdom in 1829; and the treaty of San Stefano negotiated between Russia and Turkey in 1878, when the Russian army, which had crossed the Balkan Mountains, as before mentioned, was halted at the gates of Constantinople, wrested from the subdued Turk Roumania, Servia, and Montenegro, whose nationality the Berlin Congress in each case affirmed; meantime, however, in apostasy to the New Testament and in concession to the Koran, the Berlin Congress partitioned the ethnological Bulgaria (created by Russia in the treaty of San Stefano, a fact which will bear repetition), in the in-

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terest of Christendom, into two wickedly-divided parts, and did other things malevolent and little, indirectly to prolong the Turk's stay in Europe, where he is a stumbling-block, a drawback, and a deadly day-shadow.

Nevertheless, the Mohammedan Empire, wherein is still contained the Holy Land, which the crusaders sought to recover seven hundred years ago, is shaken to its foundation and shorn of its prestige, to the ire of the Jew chief in London; and the Sultan, whose predecessors were potentates, would be forced to recross the Bosphorus back into Asia, if political jealousy, diplomatic intrigue, and mercantile selfishness were not made paramount considerations, and given influence over the moral sentiments and religious convictions prevalent in London, Vienna, and Berlin, three reactionary sinks in dynastic civilization, in contrast with Washington and Paris, the two flag-staff cities of the world in its march forward towards the end of the last chiliad, which, when reached, will close out the account of this planet with the universe, and scatter its pieces, we know not whither, nor whether in aerolites and meteoric stones, or other fugitives, perchance to strike a newer or an older world, and there provoke debate in a department of the creation of God, familiar to Him, unknown to us.

The Briton reads prayers to the Saviour out of a book and same time plots to continue the followers of Mahomet in Constantinople, lest Russia should restore it to Christian rule; and on the church of St. Sophia, built by Constantius II, rebuilt by Justinian, replace the minaret and crescent with the spire and Greek cross.

Great Britain coveted and took Canada from the French, and New Amsterdam, changed to New York, from the Dutch. How it coveted and tried to take New Orleans, and failed, makes a conspicuous chapter, ablaze with Jackson's fame, in military annals.

And nowadays, because it cannot make itself master in Constantinople, through a vassal or otherwise, Great Britain intrigues and marplots to prop and strengthen the Sublime Porte—sublimated porte is a fitter name—and prevent the Christians from retaking the capital city of the eastern empire of the Greek Church, which the Turk overturned when he captured Constantinople. In the "Dark Ages" the crescent flag threatened Europe with conquest, and the Christian religion, to which the world is indebted for all the progress made in it since the Saviour was born, had to contend against an adversary all zeal to smite, no mercy to spare.

At present time, therefore, whilst Great Britain is the ally of the Turk, whose prophet is Mahomet and whose book is the Koran, there is a consequential lull in English missionary effort to propagate in the Sultan's dominions the religion of Christ in the New Testament, which it was the ambition of Mahomet to extirpate.

In this missionary halt and rest in the Sultan's dominions, it seems to have occurred to certain of the busybodies who abound in England to send over to the United States missionaries of free trade to preach for open ports to British goods and free markets for the productions of British machinery and labor. When the foreign trade balance is against Great Britain it talks of reciprocity and kinship; when the balance is in favor it aspires to universal commercial dominion.

There cannot be affinity between two wide-apart countries with incompatible institutions, like the American Union and the Kingdom of Great Britain; because in the Republic the ship of state carries citizens who have the freedom of the deck and cabin, and are joint owners of the vessel, in equal parts; whereas in the kingdom, subjects on voyage

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in the ship of state are carried in the hold for ballast, or for chattel assets, or a life-saving reserve, as the case may be, below six decks provided for princes, dukes, marquises, earls, viscounts, and barons, all with wreaths of ranks and titles, which are worn for collars on decoration days, and serve at other times for yokes, without the ribbons, on the necks of the multitude.

In sporting circles and among club-house fashionables the courtier boasts of the pure blood of his prince, and the genteel jockey boasts of the pure blood of his race-horse; and as purity depends on habits, and the blooded horse is trained in ignorance of haunts of vice, the jockey does not lose the argument.

To fashion "comparison is odious" indeed, where blood is the subject and the parties morally are color-blind. But physiology tells where and why the blood changes from red to blue and from blue to red; and the difference is the relative strength of cognac brandy on a dinner table and hydrant water tinted sky color with indigo, for rinsing clothes clear of soap.

The Briton, who at home is made to feel that it is the "line drawn at trade" which keeps him out of the society of the highest official and social caste in his country, ought to pause and consider that the American citizen is more than a British subject; inasmuch as every citizen has the same political rights as every other citizen, for no citizen is born to office by inheritance and all the honors are open to competition; whereas among British subjects feudalism survives in ranks and titles portioned among the few, and circumscribed civil rights are transmitted, with poverty and its accompaniments, to the down-trodden majority population; and though serfage and villeinage were long ago abolished technically by statute or proclamation, the social status of the workingman, where he is a subject, is as lowly and his comforts as few, and his opportunities for self-advancement in peace or war about as rare, as when he was a human chattel bonded for unlimited service to a master; because, where the social and political positions are absorbed in a class, and population is redundant, and the labor market is overstocked, there men, having no alternative occupation or prospect, must work for what they can get, to obtain food, and so keep hunger out of the household. Yes, that is the word, hunger.

What is it but *hunger* that makes one wild beast in the wilderness, or on the plains, or one monster in the sea, prey upon another? And that makes one fish devour another in the rivers and the brooks? Hunger—that insatiate yearning to satisfy the appetite given to everything in the animal catalogue to support life, according to the economy of nature and the purpose of the Creator.

The laws implanted for self-preservation reign and rule in animal life; the laws of God and the duties of his responsible creatures are described in the commandments communicated through Moses to the children of Israel; in the parables and precepts in the narrative of the earthly sojourn of the Son, which began at Bethlehem and ended at Jerusalem; in the sermon on the mount; and in the acts and epistles of the inspired apostles.

The Congress of the United States occupies a temple with doors open to the elect of the ballot; the members, admitted on tickets certified, arrive over roads direct from the election polls to the seats of law-makers; the Senators are received on certificates from legislatures chosen by popular vote, with delegated powers.

There is no hereditary seat in any American hall of legislation, nor anywhere in the American Union, and the term of office is limited.

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The royal family and the hereditary nobles in England occupy the throne and high places under vested title wrested from the mass of population, who have no vote to cast for the chief of state, and rarely a chance to vote for a member of the higher branch of the national legislature; so that of the executive and legislative branches of the government two of the three are above and beyond the reach of the ballot, man's best, truest, most efficient friend. Nor does the occasional abuse of the ballot by law-breakers detract from its merit as a determinative power; for a not small percentage of the sins of the world lurk in abuses of the good things of the world. The ballot is as essential to freemen as stamens and pistils are to plants.

The ballot is the torpedo that imperialists and princes and the hereditary ranks have most horror of, for it demolished the empire of Napoleon III, and its business will be to clear the political waters of iron-clad dynasties, and, after boundaries shall have been rectified and armies and armaments reduced, keep open the fairway between ports in republics to the fleets of peace.

For a long time England has been the principal importer from the United States of fibrous staples and other raw materials, for manipulation with its home machinery and labor, for after exportation in miscellanies manufactured for its own account, carrying the trade in its own vessels both ways. England also is foremost in the elaboration of the metals, particularly iron, into ships, bridges, rails, implements, arms, utensils, cutlery, and tools. Moreover, England has meantime been principal banker, broker, carrier, stock and exchange dealer, and commission agent. But this mixed and multifarious business concentrated in an island in the sea, abreast the continent of Europe, and thence ramified over the earth in navigation channels as arteries ramify the body with blood from the heart, is in these times of railway, telegraph, steamship, and cablegram, dispensations in electricity and steam power, which put a rigging round the world, open to unexpected competition; and in some of its markets Great Britain has lost its supremacy and is being displaced and supplanted, particularly where native industrial skill is in training for advancement in diversified home occupations; whilst in other markets British domination is each year less absolute, and decrease and decline are more manifest in totalized results in quantities and values.

In truth, some of its continental competitors—Belgium is one—grown strong enough for aggression with specialties, have "carried the war into Africa"; for now there are articles of foreign manufacture on sale throughout Great Britain imported duty free, to the confusion of the doctrinaires of free trade, who prescribed for others what they did not expect to have to swallow themselves, in expectation of free trade limited to food imported for consumption, and to raw materials from foreign sources imported for exportation after manufacture into commodities, enhanced in value by British labor.

This system of trade, however, so self-assuring to the Briton as seen from his busy little island, did not include in the inventory of probabilities competitive free trade in his own bailiwick, from spectators of his lottery for the distribution of the prizes to himself, the blanks to his dupes. The Briton overrates himself and underrates his rivals, and hence where he was ahead on certain of the industrial courses, he is now only abreast with others equal in stamina and fresher in the race.

In the American Union, distinguished for its wealth of agriculture in corn, wheat and wool, cotton, rice, sugar, and tobacco, and for its plenitude of fuels, minerals, and metals, in coal, iron, zinc, lead, copper, sil-

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ver, and gold; for its inland transportation mileage, comprising rail, lake, and river; and for its machinery, industries, handicrafts, and arts, there is an advanced opinion on the utility of protection to home labor, to make the nation strong and powerful and independent, and perpetually *insure the citizen* against European serfage in all its shapes.

Nor is this comprehensive tariff opinion a local or sectional sentiment; on the contrary, it is widespread and prevalent as well in the West as in the East, and will proselyte the cotton States, as they shall realize that without home manufactures they cannot develop into great commonwealths like other States not larger in territory nor more richly endowed with gifts in available resources.

Great Britain relied on protection in the infancy, and adhered to protection to the maturity, of its manufactures. But at the date of its qualified divorce from protection and its limited adoption of free trade, June, 1846, Great Britain had in prospect a population too large for its territory, measured by its capacity for agricultural production; whereas such a condition of affairs is not possible in the United States for centuries of time, because the Mississippi basin, for the subsistence of population, surpasses any corresponding region on the earth, per square mile, outside of China and Hindoostan; and is not surpassed by the Yangtsekiang valley with its rice-eating myriads, governed like bees and ants, and nearly as unlike American citizens as chop-sticks are unlike forks.

Cumulative American capital and accumulative American labor employed in the utilization of American home staples—of which there are enough for a catalogue of names—not in a local spot or section, but on all the watersheds and in all the basins, between all the isothermal lines which stripe the Union like its flag, are elements of competition suppliable from storages ample and sufficient, as the prices current in the home markets show, to regulate quotations to a scale equitable and just alike to investor and workman.

There is a rise and fall in prices influenced by the market between limits, like the ebb and flow of the tides influenced by the moon between limits.

There are exceptional differences in quotations in periods of speculation and depression, and there are exceptional differences between low water caused by an adverse wind and high water due to a freshet.

Quotations go up and down, like mercury exposed to heat and cold. And the weather of the market is variable in all cities, as the weather of the season is variable in all countries. Wherefore stability in prices need not be expected till the alchemist, who long ago appeared and disappeared, shall reappear reinforced, and demonstrate that base metal can be transmuted into gold, whereupon prices on the present basis of trade will cease to distract. But alchemy is behind, the millennium is ahead.

A diagrammatic table of the prices of English steel rails at London, from 1870 to 1879, has a fluctuating rise from 1870 to 1873, and a fluctuating descent thence to 1879, like the profile of a sharp mountain between two levels, one lower than the other. Scotch pig iron, early in 1873, sold for 145 shillings per ton; in July, 1879, for 40 shillings per ton, and in January, 1880, for 75 shillings per ton.

## XXIII.—THE TARIFF AND THE COMATOSE COTTON STATES.

A tariff is as much a protection to cotton mills at Atlanta as to iron works at Pittsburgh. And no State can retain within its borders the



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savings of its own citizens unless it contain a city large enough to attract capital seeking investment, nor can a large city be built anywhere (except it be a national capital where there are public departments and disbursements) without industrial establishments to employ population in manufactures and useful arts. Wealth and numbers cannot be accumulated on a site destitute of facilities for the conversion of staples into commodities for market, with machinery and labor.

Havre is not Paris, Trieste is not Vienna, but each is the seaport of a nation where imports are entered and exports are cleared, for account of Austria and France.

Norfolk is a near-sea harbor of export, but Norfolk is a small city compared with up-river Richmond, both in Virginia; and New Orleans is a port of export, but New Orleans is outgrown by Saint Louis as a Mississippi river-side city.

Agriculture "pure and simple" will never develop the cotton, rice, and sugar States of the American Union into communities like the band of States from Massachusetts to Missouri.

All the six seaboard States between Florida and the Delaware Breakwater were of the original thirteen that declared their independence at Philadelphia in 1776, and ratified the Constitution of the United States, framed at Philadelphia in 1787. And yet, in 1870, the principal cities in the four original States side by side south of the Potomac contained but a small population compared with the principal cities in the four original States of contiguous territory north of the Potomac, as witness:

| | | | |
|---|---|---|---|
| 1870. Richmond, Va | 51,038 | 1870. Boston, Mass | 250,526 |
| 1870. Wilmington, N. C | 13,446 | 1870. New York City | 942,292 |
| 1870. Charleston, S. C | 48,956 | 1870. Philadelphia, Pa | 674,022 |
| 1870. Savannah, Ga | 28,235 | 1870. Baltimore, Md | 267,354 |
| Total, four cities | 141,675 | Total, four cities | 2,134,194 |
| | | Deduct | 141,675 |
| | | Difference due to diversified developments and increments | 1,992,519 |

Of the fifty principal cities in the United States in 1870, Richmond was the twenty-fourth, Charleston the twenty-sixth, Savannah the forty-eighth; Wilmington, N. C., had only half the population necessary to rank it the fiftieth, for the fiftieth city, Fall River, Mass., contained 26,766 of population. Massachusetts, indeed, contained eight of the fifty principal cities of the Union in 1870—Boston the seventh, and seven others. New York also contained eight of the fifty principal cities, including the first and the third.

Had Virginia been less political and more commercial—and Virginia had the love of Washington, who was a pioneer advocate of internal improvements, anxious to connect the Potomac River with the Ohio River by canal, as the Hudson River was connected with Lake Erie by canal at a later day—Virginia would at the present time contain a very large population and have a seaport city and industrial mart to be proud of, inside the capes of Chesapeake Bay. Not one of the States contains as many natural harbors in tide water as Virginia, and yet the principal Chesapeake city, Baltimore, is in Maryland, up near the head of the bay, and distant eight times as far from the capes as Norfolk.

Contrast Massachusetts, New York, Pennsylvania, New Jersey, and Maryland with Virginia, North Carolina, South Carolina, Georgia, and Alabama, and credit the more rapid growth of the five agricultural, in-

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dustrial, and commercial States, than the five States which are agricultural only, to the manufactures and trade fostered north of Washington and neglected south of Washington.

A comparison for contemplation:

| Square miles. | Name of State. | Census of 1790. | Rank. | Census of 1870. | Rank. |
|---|---|---|---|---|---|
| 7,800 | Massachusetts | 378,787 | 4 | 1,457,351 | 7 |
| 47,000 | New York | 349,120 | 5 | 4,382,759 | 1 |
| 8,320 | New Jersey | 184,139 | 9 | 906,096 | 17 |
| 46,000 | Pennsylvania | 434,373 | 2 | 3,521,951 | 2 |
| 109,120 | Total | 1,337,419 | | 10,268,157 | |
| | | | | 1,337,419 | |
| | Increase in eighty years (669 per cent.) | | | 8,930,738 | |
| 38,348 | Virginia | 747,610 | 1 | 1,225,163 | 10 |
| 23,000 | West Virginia (out of Virginia, 1862) | | | 442,014 | 27 |
| 50,704 | North Carolina | 393,751 | 3 | 1,071,361 | 14 |
| 34,000 | South Carolina | 249,073 | 7 | 705,366 | 22 |
| 59,268 | Georgia | 82,548 | 13 | 1,184,109 | 12 |
| 205,320 | | 1,472,982 | | 4,628,013 | |
| 109,120 | | | | 1,472,982 | |
| 96,200 | Increase in eighty years (214 per cent.) | | | 3,155,031 | |

It will be observed that the area of the four original States south of the Potomac is 205,320 square miles, against 109,120 square miles in the four original States north of the Potomac; so that in territory the Southern States named are 96,200 square miles, or 88 per cent., larger than the Northern States named; and also that in 1790, the date of the first census taken by the United States, Virginia, the mother of Jefferson, who wrote the Declaration of Independence, and of Washington, who was Commander-in-Chief of the American armies throughout the seven years' war for independence, contained more inhabitants than New York and Massachusetts together. Whereas, in 1870, New York and Massachusetts jointly contained 5,840,110 of population, whilst Virginia and West Virginia jointly contained only 1,667,177 of population.

## XXIV.—THE EARNERS AND DEVOURERS IN GREAT BRITAIN.

[Extract of a "Commercial History and Review of 1878," relating to the United Kingdom of Great Britain and Ireland, copied from a supplement to the London *Economist* of March 8, 1879.]

The number of persons engaged in the various industries, returned by the census of 1871, plus 7 per cent. for the increase of population,* appears to be as follows:

| Age. | Men. | Women. | Total. |
|---|---|---|---|
| Under 20 | 1,511,000 | 1,219,000 | 2,730,000 |
| 20 and upwards | 6,310,000 | 2,469,000 | 8,779,000 |
| Total | 7,821,000 | 3,688,000 | 11,509,000 |

*"The population in the United Kingdom in 1871 was 31,513,000, and in 1878 33,799,000."

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Classified according to their occupations, the number stands as follows:

| Occupation. | Men. | Women. | Total. |
|---|---|---|---|
| Professional, dock-yard, police | 282, 000 | ..... | 282, 000 |
| Domestic service | 203, 000 | 1, 849, 000 | 2, 052, 000 |
| Commercial carriers, &c | 689, 000 | 61, 000 | 750, 000 |
| Agricultural | 1, 721, 000 | 178, 000 | 1, 899, 000 |
| Industrial | 4, 926, 000 | 1, 600, 000 | 6, 526, 000 |
| Total | 7, 821, 000 | 3, 688, 000 | 11, 509, 000 |

| | | |
|---|---|---|
| Here we have it of record that in 1878 the population of the United Kingdom of Great Britain and Ireland was | | 33, 799, 000 |
| Classified according to occupation, 34 per cent | | 11, 509, 000 |
| Unclassified, 66 per cent | | 22, 290, 000 |
| Classified to "Professional, dock-yard, police," 0.8 per cent | 282, 000 | |
| Classified to "Domestic service," 6.1 per cent | 2, 052, 000 | |
| Classified to "Commercial carriers," &c., 2.2 per cent | 750, 000 | |
| Total of three classes of consumers | | 3, 084, 000 |
| Classified to "agricultural" occupation, 5.6 per cent | 1, 899, 000 | ..... |
| Classified to "industrial" occupation, 19.3 per cent | 6, 526, 000 | |
| Total of two classes of consumers | | 8, 425, 000 |
| Total of five classes named, 34 per cent | | 11, 509, 000 |
| Unclassified as above, 66 per cent | | 22, 290, 000 |
| Total population, 100 per cent | | 33, 799, 000 |
| Deduct "agricultural" classification, 5.6 per cent | | 1, 899, 000 |
| Leaving 94.4 per cent | | 31, 900, 000 |
| Deduct "industrial" classification, 19.3 per cent | | 6, 526, 000 |
| Consumers of "agricultural" and "industrial" products, 75.1 per cent | | 25, 374, 000 |

## Census of the United States, 1870:

| | |
|---|---|
| Total population | 38, 558, 371 |
| Population ten years old and over (73.21 per cent.) | 28, 228, 945 |
| Male population ten years old and over (50.51 per cent.) | 14, 258, 866 |
| Female population ten years old and over (49.49 per cent.) | 13, 970, 079 |
| Engaged in agriculture: | |
| Male | 5, 525, 503 |
| Female | 396, 968 |
| Total | 5, 922, 471 |
| Percentage: | |
| Male | 93.3 |
| Female | 6.7 |
| Total | 100.0 |
| Engaged in agriculture: | |
| From 10 to 15 years old | 499, 558 |
| From 16 to 59 years old | 4, 959, 890 |
| From 60 and over | 463, 023 |
| All ages | 5, 922, 471 |

The census of the United States in 1880 will develop a progress in agriculture since 1870 surpassing any previous decade; for America is

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now a source of supply of food to Europe, which is peopled in disproportion to the measure of its crops, from the Baltic Sea to the Bay of Biscay; but in America hunting grounds and buffalo pastures undergo rapid conversion into grain fields, and acreage cultivable is unbounded in the immensity of the public domain.

Great Britain, in reverse of this, is seawater-bound on all sides, and trans-channel neighbors have cause for watchfulness if not distrust, for "British interests" include whatever is covetable, and are susceptible of latitudinous and elastic definition.

The site of the American Union carpeted and furnished by the hand that made the firmament a vault for adoration, is partitioned into States across a continent abounding in opportunities for the adjustment of occupation to the condition of the markets and the prospect of the times, in matters appertaining to agriculture in all the varieties of production, within five of the eight zones of vegetable life; and to those trained to manufactures, or the mechanic arts, or acquainted with mines, American citizenship is a passport to move from State to State, and a license to make a change of base, according to volition, necessity, or circumstance.

Thus America is in verity "a land of promise" to a subject who has aspirations for deliverance from thraldom in Europe, equivalent to serfage. And what that important factor in the spread of civilization, the honest immigrant who crossed the ocean buoyed by his manhood resolution and the hope which dwells in faith, when a sea voyage was a hardship and a peril, to here enjoy freedom in a strange land, has accomplished in his person and in his posterity, in adopted citizenship for himself and in children native born to a national inheritance common to all without caste or class in the civil code, is manifest to the hereditary bondsmen of the Old World, in the performance of a free people insulated from Asia and Europe, and established in a new Canaan not bounded by Dan and Beersheba, but by the Atlantic and Pacific Oceans, between Canada and Mexico.

## XXV.—JOHN RANDOLPH NOT A PROPHET, BUT A VIRGINIAN IN ERROR.

The name of John Randolph, of Virginia, is conspicuous in Congressional annals, and familiar to the American people. But his oratory surpassed his statesmanship, and to his eccentricity was due his notoriety among his contemporaries. Nevertheless the true rule of construction is to judge a man according to the dates of his avowed opinions; and if subsequent developments and events confute his assertions and confound his predictions, the spuriousness of his preceptorship is made apparent, and he takes rank among the false prophets, whose post-date followers consist of short-sighted observers, faulty thinkers, and credulous dupes.

At the time that John Randolph uttered his philippic in Congress againstthe Ohio River as a stream, "frozen up all the winter and dry all the summer," and dogmatically avowed that "Russia, with the exception of few of her provinces, consists, like the interior of America, of a vast inland continent desolated and deformed by prairies or steppes," and denounced a tariff, Great Britain imposed a duty of $32.50 on foreign iron bars imported in British vessels, and $39.62 if imported in foreign vessels.

His assertion, too, that Philadelphia could not "become a great manufacturing town, for which she wants all the elements of climate, *coal*, and capital," is a mournful proof of his restricted prescience, inasmuch

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as Philadelphia to-day is America's fair ground, with exhibition buildings musical with machinery and men, in manufactures, mechanics, and arts, which here play the principal parts; for, indeed, articles in number beyond any other place—even Paris—are made for market in Philadelphia, by mechanism and hand-power, from a marine engine and its appurtenances to a surgeon's instrument in optics; from a steamship to a shell boat; from a wagon on wheels to a watch with wheels; from a boot to a bonnet, a rope to a ribbon; from hosiery for the foot to false hair for the head; from cloths, carpets, chandeliers and curtains, to notions, nicknacks, gewgaws, gimcracks, bric-a-brac, and toys; from things cheap and costly, made to wear for comfort and health, to things beautiful and becoming, made for embellishment and admiration. Painting and sculpture; and all kinds of contrivances, mechanical and artistic. Also jewelry, tailoring, millinery and mantua-making; including in the catalogue which appertains to Philadelphia as the city of arts in America, the innumerable manufactures of wool, silk, cotton, and wood; and of the metals precious and base, and the alloys bronze and brass.

Philadelphia is the Union headquarters and forecasted continental focus of the manufactured utilities of our favored America, reclaimed from nature by a type of man advanced beyond the rest of the world in civilization, patriots and statesmen and good people who heeded the sayings of the Saviour in the sermon on the mount and elsewhere, and avowed belief in the doctrines of the New Testament, when they built and launched the republic, a masterpiece ship of state, approved by a century of service.

In Christian America, organized for advancement, Philadelphia is a hive of industry where "busy bees" improve the "shining hour," to provide for current wants, and for winter and old age. And what is a city if not a hive with homes in honeycombs and cellars like cells, full or not full according to the harvest season and the succulency of the times?

[Extracts of a speech of John Randolph, of Virginia, in the House of Representatives of the United States, April 15, 1824, on a pending tariff bill.]

"The climate of this country alone, were there no other natural obstacles to it, says aloud, You shall not manufacture! * * *

"I know that a great deal will be said of our majestic rivers, about the father of floods and his tributary streams; but, with the Ohio frozen up all the winter and dry all the summer, with a long, tortuous, difficult, and dangerous navigation thence to the ocean, the gentlemen of the West may rest assured that they never will derive one particle of advantage from even a total prohibition of foreign manufactures. You may succeed in reducing us to your own level of misery; but if we were to agree to become your slaves, you never can derive one farthing of advantage from this bill. What parts of this country can derive any advantage from it? Those parts only where there is a water-power in immediate contact with navigation, such as the vicinities of Boston, Providence, Baltimore, and Richmond. Petersburg is the last of these, as you travel south. * * *

"But, sir, I must not suffer myself to be led too far astray from the topic of the peculiar advantages of England as a manufacturing country. Her vast beds of coal are inexhaustible; there are daily discoveries of quantities of it, greater than ages past have yet consumed; to which beds of coal her manufacturing establishments have been transferred, as any man may see who will compare the present population of her towns with what it was formerly. It is to these beds of coal that Bir-

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mingham, Manchester, Wolverhampton, Sheffield, Leeds, and other manufacturing towns owe their growth. If you could destroy her coal in one day, you would cut at once the sinews of her power. * * *

"There, though all men are on a footing of equality on the highway and in the courts of law, at mill and at market, yet the castes in Hindoostan are not more distinctly separated, one from the other, than the different classes of society are in England. * * *

"Russia, with the exception of a few of her provinces, consists, like the interior of America, of a vast inland continent, desolated and deformed by prairies, or steppes, as they are there called, inhabited by a sparse population. * * *

"Men in hunting shirts, with deer-skin leggins, and moccasins on their feet, want protection for manufactures; men with rifles on their shoulders and long knives in their belts, seeking in the forests to lay in their next winter's supply of bear-meat. But it is not there alone the cry is heard. It is at Baltimore—decayed, deserted Baltimore, whose exports have more than one-half decreased, while those of Boston have four times increased—it is decayed and deserted Baltimore that comes here and asks us for protection of those interests which have grown up during the late war—privateering among the number, I presume. Philadelphia, too, in a state of atrophy, asks for the measure—Philadelphia, who never can, pass what bill you please, have a foreign trade to any great amount, or become a great manufacturing town, for which she wants all the elements of climate, coal, and capital. * * *

"The manufacturer of the East may carry his woolens or his cottons, or his coffins, to what markets he pleases—I do not buy of him. * * * Whatever may be said here of the 'misguided counsels,' as they have been termed, of the 'theories of Virginia,' they have, so far as regards this question, the confidence of united Virginia. We are asked, Does the South lose anything by this bill—why do you cry out? I put it, sir, to any man from any part of the country from the Gulf of Mexico, from the Balize, to the eastern shore of Maryland—which, I thank Heaven, is not yet under the government of Baltimore, and will not be, unless certain theories should come into play in that State, which we have lately heard of, and a majority of men, told by the head, should govern—whether the whole country between the points I have named is not unanimous in opposition to this bill."

In 1824, when John Randolph made the extraordinary speech quoted from, Virginia contained a larger population than Pennsylvania, and was only exceeded in population by the State of New York.

In 1870, Virginia and West Virginia, whose joint population was 1,667,177, were exceeded by New York, Pennsylvania, Ohio, Indiana, Illinois and Missouri, all of which six connecting States contain mineral deposits and promote domestic manufactures.

Randolph credited to the "beds of coal" in England her "manufacturing establishments," but he was oratorically oblivious of the coal of Pennsylvania, notwithstanding the sale and use of Schuylkill Lehigh coals in the Philadelphia tide-water market prior to 1824, and the fact that, in 1824, works were in process of construction to increase the delivery of Pennsylvania coal to consumers.

The Ohio River, too, albeit it may sometimes suffer from low water in midsummer or later, and be frozen in midwinter, has in spring and autumn, and during weeks between, periods of water supply ample for steamboat navigation long enough to accommodate an immense traffic,

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and give the stream rank and consequence among rivers available for cheap transportation.

Pittsburgh, Cincinnati, Louisville, and other Ohio River towns, had grown into importance on Ohio River commerce, before a railroad was built in the Ohio valley, and what coal and iron have done for England in its industries, coal and iron are doing for States in the Union that appreciate coal and iron, and have practical wisdom to utilize their merits.

There is a commercial affinity between commodities convertible into coin, currency, or exchange, for work is rewarded out of what it produces above and below ground, for the market which is of the circumference of the earth, and where a population accumulates earnings, it draws its supplies from all sources accessible by land and by sea. Commerce is essentially cosmopolitan, and its base is the surplus of production over local consumption; for if neighborhoods did not produce in excess of necessity for subsistence, they would have nothing to sell, no means to buy the surplus products of other places.

The territory between the Potomac and the Mississippi abounds in staples of agriculture produced in excess of local needs, and which therefore are available for exportation to domestic and foreign markets; yet within this territory only a small portion, or percentage barely appreciable, is manipulated into yarn or piece goods, but is sent away in cotton fiber in bales of raw material to other States and to foreign nations for manufacture, some of it to come back in textile fabrics enhanced in cost by machinery and manual labor, both foreign.

The exportation of American cotton fiber to Great Britain commenced about the year 1787 (in which year the Constitution of the United States was framed at Philadelphia), and to this day the cotton-growing region south of the Potomac exports cotton fiber to England, and imports cotton goods from England.

Official value of cotton goods, yarn, &c., exported from Great Britain:

| | |
|---|---|
| 1697 | $29,575 |
| 1701 | 116,165 |
| 1751 | 229,930 |
| 1780 | 1,175,000 |
| 1790 | 8,311,845 |
| 1800 | 27,032,505 |
| 1820 | 102,549,630 |
| 1847 | 116,666,125 |
| 1860 | 260,062,150 |
| 1872 | 400,500,000 |
| 1876 | 338,000,000 |
| 1878 | 329,500,000 |

The cotton goods and yarn exports trade of Great Britain is substantially comprised in the last hundred years.

Surely the cotton States ought, by this time, to be satisfied that it is their interest to encourage the home manipulation of cotton fiber into domestic cotton manufactures. The States are seeded with cotton mills, which are operated at a profit to their owners; and if anything can keep the cotton States from growing rich and great, it will be the substitution of free trade for protection, and the continued neglect of their deposits of coal and iron, two staples which are bases of British manufactures, and two elements in the progress of other States which grow crops and establish industries to populate cities and keep capital at home.

Look at Pittsburgh, Cincinnati, Cleveland, Indianapolis, Chicago, and Saint Louis, and judge each by its resources without, its establish-

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ments within. Why do not the aunt States between the Potomac and the Mississippi emulate the niece States between the Ohio River and the lakes? Why do the States between Pittsburgh and Denver develop and progress more rapidly than the correlative States between Washington and New Orleans? The former abut on the ocean, and have harbors open to the maritime commerce of the world, and also rivers that descend from the Allegheny water-shed into the interior basin of the continent; whereas the latter, though abundantly endowed with physical advantages, are not richer in natural resources, nor blest with a better climate than their seaboard aunts. But the Western States, though they do not forget the past, do not thespianize abstractions nor resurrect the skeleton of lost causes out of appropriate graves. On the contrary, the Western States are quick and sure-sighted to turn circumstances in the times and signs in the political zodiac to practical account, in sanguine expectation and forethoughtful preparation for the harvest which is ahead, for those who know when to reap and how to combat adversity to retrieve misfortune; along with the honest and industrious multitude of soil tillers, miners and herdsmen who consort with nature, including explorers, inventors and designers who consort with science, and machinists, artisans, and promoters of improvements and manufactures who consort with art.

Where the citizen is on the watch for opportunity for profit or advancement, the experiences of past time are treated as a library book of receipts for refreshment of the memory and irrigation of the mind, because in practice judgment rather than experience is his guide, and he trusts more to promptitude than to procrastination.

## XXVI.—WHY IT PAYS BETTER TO MANIPULATE HOME STAPLES THAN IMPORT COMPETITIVE FOREIGN MANUFACTURES.

New York, the postal, financial, commercial, maritime, and periodical center of the American Union, is a dual city, domestic in its proclivities, foreign in its politics, a paradoxical condition which time will end—as the boys in the public schools grow into men.

London accumulated population and wealth mainly on profits derived from exported manufactures and imported luxuries and necessaries, not omitting raw materials like cotton and wool for manufacture into goods for home consumption and exportation to foreign lands. But the handling of foreign goods between ship and shelf is a process which costs few dollars and gives occupation to few hands compared with the cost of labor bestowed on iron between its primitive condition in the ore bed and its final consumption in anchors and needles and a thousand things between.

And so likewise does the labor bestowed on a bale of cotton in the processes of conversion into muslin, calico, and thread enhance its value to the manufacturer and its cost to the consumer. The same, too, is true of wool, flax, and other fibrous products of the ground.

And as the manufactures of iron, cotton, and wool comprise most of the volume and value of British exports, the development of English manufactures stimulated the expansion and increase of London, the capital city of the kingdom.

And what is true of London is equally true of New York City, except that London is the seat of Parliament and New York is not the seat of Congress. But New York has a continent in its rear, and London is on an island in the ocean.

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Contrast the sum disbursed in New York City for handling grain shipped on through bills of lading from the West to Europe, and for hauling from steamship to railway station imported goods shipped on through bills of lading from Europe into the Mississippi Valley, with the sum disbursed for the labor of a thousand persons employed in an industrial establishment in New York City or its vicinage. Employés must have houses to live in, clothes to wear, food to subsist life, and thus home industries create home markets.

The States east of Ohio are permanent markets for the agricultural products of the States west of Ohio. And to Chicago, or any other interior trade center, a machine shop, cotton factory, or woolen mill, or iron-works is of more profit than a grain elevator, efficient as the latter is as an auxiliary in transportation; for skilled labor evolves textile fabrics out of cotton and wool fiber and transforms woods and metals into furniture and hardware; whereas unskilled labor merely moves commodities at clearance and transfer stations and terminal destinations.

Thus the locomotive works at Paterson are of more consequence to New Jersey than the coal piers at Jersey City and Hoboken, where fuel is dumped into cars and boats and coastwise vessels.

Coal in place in the mine is worth per ton only a royalty of twenty-five to fifty cents; but when interest on colliery plant, cost of mining, labor and charge for transportation are added, the price of coal to the consumer at tidewater represents the cost of production made up in major part of the price of labor, and in lesser part of margin of profit to cover exhaustion of mineral, depreciation of works, and interest on investment. All these are elements of cost in coal at market place.

A locomotive engine is a representative of labor, from the iron-ore pit to the railway track, for the furnace and rolling-mill and the construction shop are between the ore pit and the head of a train. Wherefore, primitive in the ground, the material in a locomotive is not worth one per cent. of its price to a railroad company.

Every industry has its ramifications, and these harmonize in a community of interests and avocations, including agriculture; for distant markets are beset with uncertainties, as wheat is the product of many lands, and a succession of poor harvests in the same country is not likely to occur twice in one decade in the ordinary course of nature.

That New York City contains advocates of free trade is true, and that Philadelphia contains advocates of free trade is likewise true, but in the latter city they are as few as sane persons in insane asylums or innocent persons in prisons; whilst in the former city they make up in noise what they lack in numbers; for intelligent adopted citizens have knowledge of the European labor market, and understand how and why, where the working force is too large for constant employment on the limited work to do, there is no option but minimum pay or idleness; for Europe is unlike America in having no opportunities for alternative occupation, and hence here, when one pursuit is overfull, another pursuit is only part supplied, possibly in the same neighborhood or State, or perchance in a distant locality, where population is not crowded, if not sparse.

This alternative occupation is illustrated in the summer harvester, who in winter is a wood-chopper, whereby he finds employment and obtains compensation throughout the year.

Adaptability to a new base is an American characteristic, wherefore it is easy to find an American workman whose labor-life is subdivided

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into as many callings as there have been panics and depressions in his experiences and wrestlings with fickle fortune.

In Europe, where all the walks and ways of livelihood are full to overflowing, a workman who steps down and out of his place can find no vacancy to fill, for there is no room unoccupied anywhere. And herein is one of the evils of overcrowded population, a problem for Great Britain to solve, albeit the attempted solution may compel concession from the landed aristocracy that will tend to extinguish the feudalism which oppresses subjects into serfs in everything but name. May Providence hasten this deliverance to the poor man!

Where there is a concentration of land-ownership in a caste created by law or patent and called noble to exalt it, and great wealth is gathered in few hands, "the rich get richer and the poor become poorer," in ordinary times; but when domestic discontent ends in overturn, upheaval, or revolution, and reconstruction follows, then a new distribution of public honors stimulates the vitalizing arterial red blood in the masses to nobler aspirations and higher hopes. The venous "blue" goes back and is dyed over again.

The difference between the citizens of France and the subjects of England widens with every year; for in France investors increase in number, whereas in England investors decrease in number; showing that the laws of France tend to the distribution of means among the many, the laws of England on the contrary to the concentration of wealth in the ruling classes and the spread of poverty among the masses.

Citizen workmen of America, look to Congress! Be assured that free trade will give the American market to Europe, or reduce wages in America to the European standard of starvation pay. England at times contains thousands of men idle, and thousands of men on short hours, or who have work four days, more or less, in a fortnight. This condition of the labor market leaves the English workman no option but to accept the compensation offered him; for, although we read of arbitration between committees of employers and committees of employés in the mutuality of interest in conciliation, and all that diplomatic preface, still it must be considered that, in dissemblance and finesse, the frank workman is not a match for a maneuvering master.

Look at the conventions held by political parties, and observe how committees manipulate platforms and fix and refix "the slate," according as committee men are dexterous or dull. This, to be sure, is called *management*, and so it is, to the winning side; and what the losing side may call it is of little consequence after negotiation is ended, and the conclusion reached is binding on both sides.

Citizen workmen of America must remember, moreover, that the opulent can afford to be indifferent in a struggle between labor here and labor abroad, because wealth seeks affiliation with fashion and force, and where there are titled swells there will be rich snobs.

As riflemen practice to hit the bull's-eye on a target, so the dealer, with whom a transaction is a shooting match, aims to hit the dollar.

The maker of an article is prone to meditate the process of its construction and inquire of himself concerning the possibility of improvement; whereas the dealer only cares about what he can get an article for, and what can he get for it.

The citizen workmen of the United States, and these comprise its body and its brain, for everybody in the Union, except here and there a drone, works in some way, and so earns what he wears and swallows, must take heed lest doctrinaires in Congress, who walk in a light radiated from a

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magnifying reflector behind the sun, vivified by Edison's electric illuminator; and foreigners and agents of foreigners, along with an occasional indigenous snob, in town and country north of Washington and west of Maine; and Bourbons and Pocahontasians and abstractionists between the Potomac and Mississippi, jointly intrigue to degrade citizenship in America to the bottom level condition of serfage in Europe, the inevitable downward transition if protection be surrendered to free trade; as where there are hereditary orders and honors there are resultant underneath castes and classes; and where there are legalized ranks graduated to a scale, royalty will cap the column and labor constitute the bottom stone.

Great Britain, which, of all the powers, is the only one that meddles in American Union affairs, is the chameleon of dynastic statecraft, and can wear as many colors as there are "British interests," supposititious and real; but for reciprocity with the United States, Great Britain is incapable and impotent, because it has nothing of its own to proffer that is not already possessed by the United States. Moreover, reciprocity is mutuality in good intentions and equality of consideration; but Great Britain buys American cotton because it cannot grow cotton equally good in India, and Great Britain buys American breadstuffs and provisions because its population has appetite for consumption beyond the capacity of its agriculture for production. Its acreage it cannot increase, though its population has been augmented till now it is redundant.

As to what Great Britain asks for, through its many mediums of communication, including after-dinner speeches made for the advertisement of ducks in peacock feathers on this side and parliamentary owls and literary parrots of the other side, it will suffice to say that what is omitted is beyond the horizon of its covetous eyes and the range of the telegraph; for Great Britain is for self, self, self, here, there, and everywhere, in both hemispheres; and consequently it is not satisfied if it cannot have its own way in the human family, where it disturbs the rest of the strong with its bluster and show of false teeth, and confiscates the valuables of tribes defenseless against modern guns to its own bottomless pockets.

History has repeated itself many times since Babylon, the typical trade center, was moved by events between intervals via Carthage, Venice, and Antwerp to a temporary base on the Thames, whence, if the Congress of the United States continue a rational body of law-makers, it will be ferried over a Jordan wider than the original, to the new continent which is midway between the two oceans that roll between London and Pekin.

England imposes a *tariff on the ballot* to protect its royal dynasty and hereditary lords from the elective franchise, and in obliquity to shame urges free trade in the industrial arts with American citizens whose opinion is the law of their land, and who are themselves the state, exalted above subjects considered chattels of a crown, bonded for service to superiors in rank, but not superiors in manhood stamina, mental might, and moral worth.

Think, think, and consider the difference between the American citizen and the European subject, and pause and weigh the responsibility you are under to God and to mankind, ye Senators and members of Congress, when in session at Washington, and during recess at home.

1402 SPRUCE STREET, PHILADELPHIA, *January*, 1880.

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VIEWS OF THE "JOURNAL OF COMMERCE."

The CHAIRMAN. We have also received from the editor of the *Journal of Commerce* (who had been invited to appear before the committee, as all the journalists of the city have been, or are invited to appear and express their views before the committee, or assist it in any way they can in its investigation) several important articles which have appeared from time to time in the *Journal of Commerce*, bearing on the subject-matter of the resolution which directs the investigation, and which, as he cannot appear personally by reason of his engagements, he wishes to be considered by the committee as a statement of his views, suggestions, and recommendations.

The letter and accompanying articles are as follows:

OFFICE OF THE NEW YORK JOURNAL OF COMMERCE,
76 BEAVER STREET (CORNER OF HANOVER),
*New York, September* 11, 1883.

HON. AND DEAR SIR: I am so intensely occupied in the discharge of my duty as editor-in-chief of a large daily paper that I cannot spare the time, except at great personal sacrifice, to attend a session of your committee. My chief assistant is spending several months in Europe, and I must write all the editorials in our paper with my own hand.

I have done what I could to throw light, through our columns, on the subjects you are investigating, and I inclose several articles, asking that they be accepted as a substitute for my personal attendance.

Thanking you for the courtesy of your letter, I am,

Yours, very respectfully,

DAVID M. STONE,
*Editor-in-Chief.*

Hon. H. W. BLAIR,
*Chairman Senate Committee, &c.*

[From the Journal of Commerce, August 8, 1883.]

DEFENDING THE STRIKERS.—The partisan politician is earnest and vociferous in defense of strikers and their supposed rights. His gains, as he believes, all lie on that side. The employers are few and the strikers are many, and the latter are very strong in their prejudices; hence, if he would secure the popular vote he must side with the majority. The newspapers that support the unions and their liberty to strike, may be governed solely by principle and fancy that they are only in favor of the largest freedom in a free country; or in addition to this they may believe that their issues will find the largest sale if they advocate the popular side. We have seen grocery stores "boycotted" for selling yeast cakes made by a firm whose hands had left them in an unsuccessful strike, and porter-houses put under the same ban unless they declined to sell the beer made by an obnoxious brewer; why should not a newspaper suffer if its editor dared to speak his whole mind concerning the spirit which promotes and sustains these conspiracies?

Besides the politicians and the public journals there is a class of people whose sympathies with workingmen are so strong that they feel like sustaining them even when they cannot justify their action, and there are large numbers of honest toilers who themselves give in their adherence to the unions, and contribute both in money and influence to their support, without stopping to question the methods by which these

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organizations propose to defend the rights of labor. The sole avowed object of the unions is to help the workman to improve, if possible, his condition and prospects, and to defend him against oppression and injustice. It is hard to ask one who lives only by his labor to turn against a movement that seems to be wholly in his interest, and not a few who cherish many misgivings about the action thus recommended are afraid to speak out their convictions lest they injure a cause that makes its sole appeal to them in defense of their rights.

We have letters from many of these who have read our recent articles on this theme, and who, we can see by their questioning, have been thereby a little shaken in their allegiance to the authority which proposes to speak for them and to regulate their employment. We are glad to notice that some, at least, of the workingmen are not too much blinded by passion and prejudice to listen to the voice of reason, and we desire to call their attention to some further particulars in the evidence that the spirit of strikes, instead of being in the interest of freedom, is the spirit of intolerance and oppression.

Take the strike of the telegraph operators: On the whole the men have shown unusual forbearance and good temper. There have been few cases of violence to non-union workmen, and but little bitterness of language toward their late employers. The man who, at their earliest public gathering, avowed that he and his fellows did not hold the telegraph lines sacred, and that before they would fail in the strike the wires should go down, was not tolerated by the majority present, and his purposes and threats were disavowed and condemned. There have been cutting and tangling of the wires, but not on any large scale, showing that this exhibition of the spirit of revenge was the work of a few desperate or misguided men.

But there was a storm last Thursday, and there was open and public rejoicing all over the country among the strikers in the avowed hope that many of the wires would thus be leveled, and the work of the company be greatly retarded. The public suffering was not thought of any more than it was on the day these strikers suddenly left their posts with messages half sent, on which a thousand human hearts were wrung with anguish. Between pulling down the wires with their own hands and praying for a storm to level them, or rejoicing in such wide-spread destruction, there is a narrow gulf, easily bridged and divided by a single step. This hope of damage to the wires was not the expression of a desperate man, but a very general outspoken subject of rejoicing among the entire brotherhood.

The other day there was a strike in a newspaper office at San Francisco. The *Call* employed twenty-five or thirty printers, of whom only a part belonged to the trades union. After proselyting was carried to its fullest extent nine were found to be unyielding, preferring their own liberty and independence to the slavery of the typographical society. The union men then "struck" for the dismissal of these nine independents. It was not a strike for wages. It was not a demand for shorter hours. It was not a desperate remedy for oppressive rules. It was not a revolt against any form or appearance of injustice. It was a strike in behalf of intolerance. It was a blow in favor of despotism directed against the most sacred personal rights; not labor against capital; not the weak combining against the strong; not the slave, stung to madness, turning against his tyrannical master, as the shouters represent the strike in general. It was the tyranny of a majority against the equal rights of their fellows. It was monopoly against liberty; the organized band who sought to wreck the life and hopes of their independent peers.

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The men denounced were not incompetents working for lower wages. They were skilled craftsmen, reputable and equally respectable, but they must not work for a living because they would not join the typographical society. Turned out of that office, forbidden to work in other similar establishment, they were to be, as far as the union could ordain it, fugitives and vagabonds on the face of the earth, their families and themselves to be fed by the hand of charity, or to be driven out from among men to die of starvation and leave their bones to whiten some desert plain.

This is the spirit more or less freely exhibited in every strike. Sometimes the movement is not against non-union men, but against members of a union differently organized. For instance, there are two associations of cigar-makers. One is the International Union and the other the Progressive Union. The latter is the fiercer and more ultra body. In a factory where they were in a majority they insisted that the members of the former should be expelled. The cigar-makers (employers) have an organization quite as indefensible, we suppose, as the associations among the workmen. They notified the two bodies of unionists that if they did not settle their difference they would close all their shops. The men refused, and all work stopped. It was a "lock-out" in place of a strike. After weeks of idleness and much negotiation it was supposed at the close of last week that the difficulty was arranged. The shops were opened Saturday morning, and the men gladly went to their work. But the same Mordecai remained unsubdued in the King's gate. At one factory twelve of the best workmen belonging to the International Union had been retained. Whereupon all the Progressive men put on their coats and went out on a strike. Wages and hours and rules and everything else they had at their own dictation, but they could not allow twelve men of another union to work for a living in their presence.

From these illustrations our friends who have discussed this subject in their letters to us will see that they are not exactly the "sons of liberty" and we, who condemn strikes, the "champions of oppression." The little finger of a model striker is thicker than the loins of the most overgrown of the "greedy capitalists" when it comes to a question of intolerance. The man who claims the right to prevent a fellow laborer from earning his bread by honest toil because he does not happen to agree with him in the pronunciation of his shibboleth is not in any sense a son of liberty, but is in spirit the most cruel tyrant the world has ever known. He kindles the flame of persecution with less to provoke or justify it than any who ever bound his victim to a stake. The slightest scratch on the skin of the ordinary striker reveals this Tartar in the blood, and those who defend and justify the workmen in their strikes are greatly responsible for the wrong and suffering that follow.

[From the Journal of Commerce, August 13, 1883.]

THE RIGHT TO COMBINE.—The *New York Times*, in upholding the right of workmen to combine in order to force an advance in wages, has the following: "The only 'rule' that we know of * * * is the right of free contract. A man who is receiving a dollar a day has a perfect right to say that he will not work for less than two or for less than two hundred, or that he will not work at any price, and so long as he and his family do not become chargeable upon the public it is nobody's business how long he refrains from working, and there is no power which can lawfully compel him to resume work. And what one man may do, a few dozen or a few hundred men employed in factories or workshops

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may do, or the '10,000 to 40,000 men whom some of our modern corporations now employ.' Why not? What is the difference?" Is there no difference? A man is dissatisfied with his treatment by his grocer, and resolves to abstain from trading with him. Thus far he may be right. But he wishes to force the grocer to change his method of doing business, or to drive him from the trade, and he therefore urges other customers to combine with him to effect that object. These men all conspire together for this purpose. They buy nothing themselves, and they hang around the grocer's premises to keep new customers from calling. They may not resort to any acts of violence, such as breaking in his windows, upsetting his fruit baskets, taking the wheels off his delivery wagon, or pulling the plug out of his vinegar barrel. They may simply content themselves with combining to withhold their own custom, and in persuading, as far as arguments (and a few wholesome threats) will go, all other families from buying anything at his store. Is there no difference between the individual action and this conspiracy to ruin the dealer unless he will yield to their demands?

An employer wishes to reduce the wages of his men. He asks them to consent to such a reduction and they refuse. He deems it essential to the continuance of his business, and as they decline to work for any lower wages he discharges them and shuts up his shop. But before he does this he visits all of the employers in the same line of business throughout the country, and they all agree with him that they will not give a day's work to one of these discharged men, and that they shall thus be forced to go back into the shop at the lower wages offered them or remain idle. They go further and pledge themselves to pay a certain portion of their profits while his shop is closed, he agreeing to do them in turn the like favor until the men in all the shops are at work on lower terms. Or there may be a lock-out at once of all the shops under a combination to force the wages down, all of them taking advantage of a dull time, and having prepared beforehand a considerable available surplus of manufactured products.

We do not believe that there is any trades union in the country which would not denounce such combinations among employers as the height of oppression and a robbery of the laborer of his just hire. We would not guarantee the safety of premises from which workmen had been ejected in pursuance of such a combination for the highest premiums ever paid on a policy of insurance. The difference between the individual and the associate action, as the latter is now conducted, is the difference between a single holder of flour asking more for his stock than a customer is willing to pay and the action of monopolists who combine to control and withhold the entire product until the public are starved into paying what is deemed an exorbitant price.

We have just received from the other side of the water a very simple statement of the effect of such a combination upon a special branch of trade in a great city. The workmen were thoroughly united, and therefore very strong. They had accumulated considerable means, most of them having accounts in the savings-banks and some of them owning their own homesteads. They combined and dictated unfair terms to their employers, driving one after another out of the business. The most serious step was the limitation of the number of apprentices and their absolute refusal to allow the children of their employers to learn from others the trade or secrets of the craft. As one after another of the seniors died there was no one qualified to take their places. The craftsmen chuckled over this as placing the business entirely at their mercy. But it did more—it broke up the business altogether. Limit the learn-

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ers as they would, the employers necessarily decreased in a ratio more rapid than the diminution of workmen. They combined to have their own way in order to increase their store of golden eggs, but thereby they killed the goose which laid them.

The management of the mills—the employers not understanding the practical part of the business—fell into the hands of mere hirelings and no profit could be made, the terms dictated by the workmen taking away all chance of success.

This has been going on for thirty years. There were then in Glasgow 68 cotton-spinning mills, with 1,163,575 spindles and 14,057 operatives. These have dwindled to 22 mills, with 729,000 spindles and 3,645 operatives. An intelligent observer on the spot declares that "the chief cause for this great falling off may be summed up in a single word—trades unionism." The London *Economist* sustains this declaration, and traces without fear of contradiction the steps of the decline. It is not a little strange that the more intelligent among the great body of workingmen everywhere do not see that a strike can effect no permanent improvement in their condition, and that in every such effort they are aiming a blow at the fountain of their prosperity.

[From the Journal of Commerce, August 15, 1883.]

HOW TO PROTECT LABOR.—In another column will be found a communication which refers to our recent articles on the equities of a strike, and propounds a very important question, viz: How should the telegraph operators have proceeded to secure a fair compensation for their labor? The law of supply and demand cannot be repealed by legislation, by the tyranny of employers, or by combinations of the employed. We have shown in former articles that a general advance in wages is of no material benefit to the laborer. The price of everything purchasable soon adjusts itself to the new relation, and, other things being equal, it makes no difference to the workman whether he earns $6 a week and spends $5 for his living, or earns $12 a week and spends $10 for the same items. At first it would seem that he gains by it, if his earnings thus exceed his expenses, since in the latter case he saves $2, while in the former he lays by only $1. But this difference is only nominal, as the $2 will purchase in the one case only the same as the $1 in the other. A gain of $1 is really as much, if the man can support his family on $5 a week, as a gain of $2 when the cost of living is doubled.

We have said that the two cases are the same to the laborer, other things being equal; but other things are not equal, and as soon as the adjustment is reached the proportion is always against the laborer when wages advance and prices of living are higher. A family living on $10 a week may not consume any more than when prices are so low that they can buy the same necessaries and comforts for $5, but they will not obtain the same supplies for twice the money when prices have doubled. It takes a greater amount of nominal capital to carry stock at the doubled price, and a greater profit is charged by the dealer and the middleman. Besides, the buying is done with far less economy when greater sums are received and expended. The man who earns but $6 a week and spends $5 for living will count every penny; if he earns $12 and spends $10, he will think less of sixpence than he did before of his penny; if he earns $24 a week and spends $20, a shilling is of no more account than a penny was when he lived on $5.

Besides, wages are a great help to foreign commerce. The equalizing effect of high wages cannot be extended so well to foreign merchants.



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Physicians in New England charged 50 cents a visit when skilled labor was $1 a day; they put their charge to 75 cents when carpenters began to ask $1.50, and to $1 when wages rose to $2. But suppose they sent a prescription by mail for a sick man in Europe, whose wages had not advanced? This illustrates the effect of advanced prices on the export trade. A shoemaker once asked $2.50 for a pair of custom boots; the cost of his living doubled, and he put his price to $5; it doubled again, and boots went up to $10. His fellow mechanics and his other customers had their wages, too, increased, and, with the exceptions noted above, $10 to for their boots meant the same to them as a quarter of that price did in the earlier day.

But when it came to sending boots out of the country, the case was very different. With foreign nations, where trade was fully reciprocal and confined wholly to the two countries, the relative charges for imports and exports could be adjusted. If a pair of boots would buy five yards of silk, the exchange would be the same whether the boots were $2.50 and the silk 50 cents, or the boots were $10 and the silk $2 per yard. The foreign laborer, however, has other fields at his command. He will sell his silk in the dearest and buy his boots in the cheapest market. He will sell the United States his silk at the standard we have set, and buy his boots in England or Germany.

While a general advance in wages is, therefore, of no profit to the striker, there is a method of improving his condition open to every workman. This is to better his service by making his time and skill worth more than the average of his class, and then to avail himself of his right to have this recognized by his employer. Suppose there are a dozen telegraphic operators employed in an office. If the average pay is $40 a month, there are men among them better worth $50 than the poorest is worth $30 per month. If they were all free to seek a proper adjustment and the employer free to concede and enforce it, two or three of the best would soon be paid $60, the average remain at $50, and the poorer have to take $30 or leave the service, the whole compensation remaining the same.

The trades union shuts the door on all such ambition to gain higher wages by better service. The dozen men in the case supposed combine to divide $480 a week among themselves, insisting that the poorest operator among them shall have the same as the best. In fact they will strike at once and leave if the service of an operator, however poor, is compensated at a less rate than the best receive. Only for this mistaken policy by which the best workmen covenant with the poorest, and everywhere insist upon working at the average price instead of the advanced pay they ought to receive, there would be no need of a strike, and all who are entitled to it would in a very short time be paid the higher prices they fairly earn, the gain to them being taken off the pay of the poorer craftsmen who ought not to have it.

A first-class operator could then go to his employer in his own name and respectfully ask him to investigate the character of his service and to increase his recompense. If he really was head and shoulders above his fellow-laborers, his employer would think twice before he would let him go; and if free to make the difference, would grant him an advance in wages, deducting the amount, if necessary to his business, pro rata from the inferior operators. Why should a first-class man in any department of skilled labor be compelled by a combination to work at the same rate as the poorest "stick" in the guild? The employer does not wish it; he would gladly in his own interest make a discrimination, but in general he is not allowed to do it. Who cannot see

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that every man whose skill and genius and executive ability are above the average is held down to a dead level of uniformity with the rest by this unfair but inexorable rule which lies at the foundation of all trades unionism? It is the advance among all the laborers of a class which helps no one permanently. Shoemakers and tailors strike and obtain more wages; increased cost of shoes and clothing make carpenters, bricklayers, and plumbers strike for the same, and they receive it. Higher clothing and rents make the 'longshoremen and the day laborers demand an increase. Doctors, lawyers, clergymen, and everybody else must come in for a greater compensation. No one is helped by such a movement, and many are greatly injured. But a readjustment on the principle of giving the better workmen more and the poorer less benefits those who are entitled to it, and is a constant stimulus to improvement. Shoes as a whole cost no more, clothes are no dearer, rents are no higher; but the outlay is more equitably distributed among those who fairly earn it. We have thus endeavored to show that while a general advance in wages helps no one, a discriminating readjustment of wages helps all the better class of workmen without doing injustice to any. There will come a time, we hope, when each workman will be free to make his own bargains for his own labor, and employers will be free to recompense each according to his several ability.

[From the Journal of Commerce, August 22, 1883.]

THE LESSON OF THE STRIKE.—The late strike of the telegraph operators and linemen has been very costly as well as unsuccessful. It is said that there are 12,000 belonging to the Brotherhood and that at least 8,000 left their post at the dictation of the organization. The strike lasted just a month, and it will be two weeks more before the majority of the operatives will resume their labor. The loss in wages alone cannot be reckoned at much less than half a million dollars. In strikes among laboring men the saddest feature is the injurious effect upon the habits of the idle operatives. They generally group around saloons and indulge largely in strong drink, not only because time hangs heavy on their hands, but also to pledge each other and to maintain a show of conviviality. There was less of this among the telegraph operators than was expected. Some of the men drank heavily, but the great majority, we are happy to say, were sober, thoughtful, and well behaved. A few contracted evil habits from which they will not soon recover.

It is certain from the testimony of the operators themselves, now that they are at liberty to speak freely, that the strike was not their own free, voluntary act. We stated this at the beginning, and although it was vehemently denied, we are now fully sustained by the positive assertions of the most intelligent among them. They were not only deceived by misrepresentations, but they were coerced by their associations and surroundings into the step which their better judgment told them was unwise and which they now so much regret.

We have seen this so often in the past that we knew it must be so in the present case. Two or three noisy men in a shop begin to denounce the employer, the rate of compensation, the methods of business, and are found harping continually upon the list of assumed grievances. The body of the workmen under this discipline become restless and more or less discontented. The leaders then insist upon a strike. The majority in their hearts are unwilling to take such a step. They know it would be far wiser to bear the ills they have than to seek redress by such a violent measure. But they are taunted with cowardice if they hesitate,

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they are denounced if they refuse, they are accused of selfishness in being unwilling to make some sacrifice for the good of their fellows, and they are threatened with being disowned and disfellowshipped in case the appeal is successful without them. We know of many cases where two or three reckless, unprincipled workmen, totally unworthy to be recognized as leaders, have turned out in a strike a score or two of their associates much better and more intelligent than themselves, when if a secret ballot could have been taken not one of these followers would have voted for it.

In the case of the Western Union the only possible chance the strike had of success was in the insolent, overbearing treatment of the community by this great monopoly, and the certainty that the operators would have on this account a large measure of public sympathy. We trust that the directors and other officials of the telegraph company, if they are as shrewd as reported, will take to heart the rebuke thus administered, and will see to it that their lease of life and power hereafter does not depend wholly on their wealth and craft. An acquired "good will" will be found worth more than a costly plant in maintaining their hold upon the public patronage.

Only those who have been behind the scenes know how much this failure has done for the future of workingmen in this country; and in the lessons to be drawn from its defeat it may be worth to them all it has cost. We do not suppose that the striking operators knew how far-reaching was the plan of which their turnout was the initial step. They were selected to lead in the movement for various reasons, some of which are sufficiently obvious. They were enabled by their means of instant intercourse with each other to extend and perfect their organization and to act together as a unit, and they were thus, like a large army, all within the sound of a single voice. They were to dictate terms to their employers, and by their success to place their organization in a position to aid every other which should follow them. The engineers, firemen, brakemen, conductors, and other railroad employés were to strike in their turn. Then the iron, coal, and mining operatives generally. Then the skilled craftsmen of all kinds, who were to help each other to attain their end.

After all these various strikes had resulted in success the whole fraternity of laborers of all classes were to be organized into one grand brotherhood, and through their chosen and recognized leaders dictate terms to legislatures and to Congress. The principles and objects of the trades unionists, and to a certain extent of their associates, the communists, were to be established by law in all parts of the country. Limitations were to be put upon the hoarding of all profits of any permitted business, the remainder, if any, to be divided among the workmen employed in it; no person to be allowed to own more than a given amount of real estate or a stated sum in personal property; the taxes to be taken from the shoulders of those of moderate means (as if any but producers could be taxed by any system!) and to be levied upon the wealthy until the accumulations of the latter were reduced to the required standard; provision to be made not only for the education of the masses at the public expense, but for their homes and amusements, out of the common purse thus filled by exactions from the overplus of the rich.

We do not mean that if the first step thus inaugurated had succeeded, all this, or any considerable part of it, would have been realized; but it was in the plan, and there would have been a vast deal of trouble created in the attempt to carry it forward. This has been postponed, if not wholly defeated, by the lesson learned at so much expense and suf-

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fering, and it will be some time before the effort will be renewed. For all this the workingmen themselves have most reason to give thanks. Anything which disturbs the peace and order of society, or renders the title to property, great or small, in any sense insecure, affects the laboring classes more than any others in the community. A few days ago a socialistic reformer read a list of the "luxuries and vagaries" that would be abolished when the workingmen came into power. If the threat could be carried out, more than half of the workingmen in the world would be thrown out of work at the same instant of time. More than two-thirds of life's busy industries are directed to supply "artificial wants." If nothing was produced except the bare necessaries of food, clothing, and shelter, the idlers would outnumber the active two to one. If cotton, woolen, and silk goods were henceforth to be fabricated without reference to the gratification of taste, and the property rendered useless by this change could be sold at a reasonable percentage of its cost, the proceeds would pay off all the public debts of the nations, and give what was promised the freedmen—a mule and a piece of land to every family.

The communist would soon learn that even the wealthy have their uses, and the whims of fashionable life at which they sneer give light and cheer to many a lowly fireside.

[From the Journal of Commerce, September 10, 1883.]

THE INCOME TAX.—Since our last article on this theme was published several new advocates of the tax have come to the front, bringing with them arguments never before heard in its favor. Among the most prominent we may mention Mr. John Swinton, who made an earnest appeal in its behalf at Thursday's session of the Senate committee. Mr. Swinton is a newspaper editor, and therefore is supposed to be well informed upon current topics; and as he had prepared himself especially to testify before the committee on this subject, we were not a little startled by some of his assertions.

He declares that the income tax "was the most popular tax ever imposed" in this country. We suppose he means by this that it was popular with the people who were not troubled by its provisions. It was so devised that only a few hundred thousand of the thirty-five millions of the people paid any assessment whatever upon their incomes. And it rested very unequally upon the several States. Of the eighteen millions revenue received from it in the last year of its existence, 39.0899 per cent. was paid in New York, 15.5481 per cent. in Pennsylvania, and 10.4042 in Massachusetts, these three States paying 65 per cent., or about two-thirds, of all that was collected in the forty-six States and Territories comprising the Union.

We cannot comprehend the following, which we copy from the fullest report we can find of Mr. Swinton's testimony: "The income tax was never repealed in this country. The act by which the system was claimed to have been repealed never passed the Senate by the required number of votes, which is two-thirds. It was hurried and rushed through at the close of a session, and few have ever questioned the regularity of the proceedings."

We are astonished that any intelligent person should make such a statement, and still more so that other editors should copy it approvingly, as if there could be no doubt of its truth. We have not yet seen anywhere a refutation of this glaring misstatement. In the first place, we know of no requirement of a two-thirds vote in the United States

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Senate to repeal a tax bill unless it is in the effort to pass the measure over the veto of the President. Besides, a very little study of the legislation concerning the income tax will show that there never was an act passed repealing the law under which the levy was made; on the contrary, without any fresh action of Congress the law expired by its own limitation.

The act of June 30, 1864, placed a tax of 5 per cent. on incomes in excess of $600 and not exceeding $5,000; 7½ per cent. on the excess over $5,000 and not exceeding $10,000, and 10 per cent. on the excess of $10,000. The act of 1865 made the tax 10 per cent. on the excess of $5,000. Chapter 184, laws of 1866, enacted that the tax thus imposed should be due and payable "until and including the year 1870, and no longer."

The last three words were added to appease the popular clamor in favor of its repeal. It had been levied as a war tax, and the subjects, although greatly harassed by its execution, had paid it without open murmur, on the ground of its necessity. The war being over, there was a general revolt against its provisions, and a demand from all the more intelligent portion of the people that this special exaction should cease. It was known to be in direct violation of the provisions of the Constitution, and although the courts strained the interpretation of the fundamental law on behalf of the Government, and decided that an income tax was not a "direct tax" in the sense in which the words were used in that document, every one felt that this was a subterfuge and a blot upon the judicial record.

To appease the clamor and yet retain for a while the revenue from this source the act was passed continuing it for four years and "no longer." When it was about to expire in 1870 by the limit quoted, an attempt was made to renew it at the current rates. After a spirited debate this was defeated, but by chapter 255 of the laws of 1870 it was re-enacted at the rate of 2½ per cent., exempting all incomes of $2,000, and providing that it should be levied and collected "for the years 1870 and 1871, *and no longer.*"

Now, what becomes of the scene so graphically described by Mr. Swinton? The bill for the repeal of the tax smuggled through at a late session of the Senate by less than the requisite vote is altogether a creature of his imagination. The tax never was repealed. It was modified and extended, and finally, execrated by everybody, it expired by its own limitation.

The Constitution carrying out the doctrine of the fathers of our Republic, that taxation and representation should go together, made provision that "no capitation or other direct tax shall be levied unless in proportion to the census." There is not a writer on political economy, great or small, ancient or modern, who does not include the income tax as a direct tax. Adam Smith gives it as the best definition of a direct tax, saying that "taxes are of two kinds—direct, as the tax on incomes, and indirect, as duties on imports and the like."

But, apart from this, an income tax must always be odious from its inquisitorial character. Some recent advocates have attempted to refute this argument on the ground that all direct taxes are inquisitorial, and this is no worse than others in that respect. Such an assertion will not bear a moment's examination. The tax on real estate does not pry into the owner's business, nor does a personal tax inquire after his profits. A man may own a house, and ten, twenty, or fifty thousand dollars in personal propesty, subject to taxation, and yet have not a dollar of net income. To execute the income tax fairly every individ-

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nal in the United States must be compelled to make a full disclosure of his or her personal affairs—what receipts they had for the year, and precisely from what sources; what expenses and losses are chargeable against such receipts, and what is the net income.

Most of those who so flippantly pronounce in favor of the law do not stop to consider that under such an act, if justly administered, all persons must be called to this account every year of their life. These superficial thinkers argue that after making a liberal exemption only the nabobs and rich people will chafe and rebel, because they only will be taxed. They forget that in order to ascertain who will be taxed and who exempted every person must annually give an account of his entire business transactions, showing his net gains or losses for the year. Such Government inspection is most intolerable, and persons of a sensitive nature who would be exempt under the terms of the proposed law would feel the examination far more than the rich monopolist who would suffer no pain from the disclosure. The tax will never be levied again in a time of peace without producing a revolt that will astonish the promoters.

The CHAIRMAN. As it is somewhat difficult to extend formal written invitations, I should like to have it well understood by the press throughout the city, and by everybody who is interested in this subject, that we shall be obliged for any assistance whatever that may be rendered in any way.

Mr. CALL. That is the feeling of the committee.

## RELATIONS OF WESTERN UNION TELEGRAPH COMPANY AND ITS EMPLOYÉS.

The CHAIRMAN. We have received a written communication, written with considerable ability, signed by a gentleman of this city, who closes his communication by saying, "Begging pardon for the intrusion, and regretting that I cannot voluntarily appear before you, I am," &c. It touches mainly upon telegraphy and the relations which have existed between the Western Union Company and its employés, as well as to some extent upon the general subject. He desires this paper to be examined by the committee, but for some reason does not care to have his name given to the press.

The communication is as follows:

THE BRUSH-SWAN ELECTRIC LIGHT
COMPANY OF NEW ENGLAND,
*New York, September* 7, 1883.

*The honorable Gentlemen composing the Senate Committee on Labor:*

GENTLEMEN: I am an ex-telegrapher. I was connected for over nine years with the Western Union Company, in this city, and I consider that a brief relation of my experience may tend to disabuse your minds of the impression that Messrs. Green and Gould have been trying to make, that the Western Union is organized for beneficient purposes. When I entered the service I was most forcibly struck with the injustice of paying unequal salaries for equal work. For five years I did the work of men who received $80 and $90 per month for $65 and $62 per month. This statement I can prove without a particle of trouble. During my stay on the New York night force I was so sick several

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times that I could not hold up my head, and upon applying to the night manager of the office to allow me to go home I was refused a relief, and I knew that I should have risked my position, if not lost it, had I left the office without the permission of the manager. When I first went on the New York night force the hours of service were from 5 to 7 p. m., *every other Sunday off.* When I left, the hours were from 5.30 to 1, *one Sunday off in eight.* The salaries in this time had been systematically reduced from $5 to $20 per month. The night-force men were allowed twenty minutes for lunch, in the company's lunch-room, upstairs. Operators were not allowed to leave the building to take lunch outside. They were obliged to carry lunch, do without, or put up with the vile stuff of the Western Union lunch-room, and pay more for it than the like quality could be had for in restaurants outside the building. I have waited in the Western Union lunch-room from five to ten minutes to be waited upon, and have been reported to the manager for being out *twenty-three* minutes for lunch. When any protest was made to the injustice of our treatment we were told in soothing accents that we were "chronic kickers." I left the Western Union to take a position with the Gold and Stock Telegraph Company before that company was absorbed by the Western Union. As soon as Jay Gould absorbed the Western Union a new system of oppression was inaugurated. When the Western Union absorbed the Gold and Stock Telegraph Company the telegraph stock receivers in the main office were compelled to do clerical work after their day's work was done, the clerical force having been greatly reduced to carry out the Western Union policy of economy. Last spring, before I left the service of the company, my hours of service as stock reporter on the Mining Stock Exchange were increased over 20 per cent. When I asked for a slight increase of salary to cover the increase of service (which was equal to a ten-dollar reduction per month), the answer I received was that my "place could be filled at short notice for $10 a month less than I was getting." This, after ten years of faithful service with the company. I know a young lady who was employed to receive stock quotations from 10 a. m. to 3.15 p. m. Just before the strike a Western Union superintendent told her he could fill her place at a less salary, and they were then contemplating which would be the most economical plan, put her in the general operating room to work nine hours, at her present salary, or compel her to do clerical work at a reduced salary, for longer hours. I am not citing special instances, but trying to give you examples of the Western Union's general policy. To speak a word about myself: I have worked eighteen hours a day for years in order that I might gain my freedom. I have done so, and I tell you it is like passing from the eternal regions of darkness to a very elysium to leave the service of that company to work for people who have souls.

I do not consider myself an expert, but if any capitalist will build a wire for me from New York to Philadelphia I will run the wire and guarantee a 20 per cent. dividend on the investment. This can be done by charging a cent a word for telegrams and allowing double the Western Union salaries to operators and messengers.

Last fall I met an old gentleman in the Catskills who knew Jay Gould when he was the innocent, crying, and praying boy Mr. G. would have you think he was. This old gentleman, speaking of Gould as a boy, said he had a reputation of being a "scamp" the country round. I need only call the attention of your honorable body to his connection with Erie, Black Friday, the elevated railroads, New York, and other trans-

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actions, to show that he has not yet considered the feasibility of self-reformation. If Western Union is worth its "earning capacity," why are not telegraphers who earn twice as much as they get worth their "earning capacity"? If competition of labor governs salaries, why should the laboring classes of this country, through their Government, not raise a competitor for Western Union? I am sorry that I cannot appear personally before your body, because there are many things I should like to speak of which in this hasty letter I am compelled to overlook. I will, begging your pardon, make one suggestion to your body, which is that if you don't legislate in some way to save the "little fish" from the unmerciful destruction of the "big fish," something will be done, and that before many years, when the "little fish" will combine, rise in their physical power, and fairly raise Cain, not only for the "big fish," but for our Government itself. The poor man is being oppressed by the tariff system, by convict labor, by an open Castle Garden, by land grants in the West, and by the grasping monopolists, for whom all laws seem to be made. We can't stand it forever, you know. The time has come in this country when honest, sober industry, working for forty and fifty years, can earn nothing but a sufficiency to keep himself and family from actual suffering. I know hundreds of such instances, despite the soft soap of Messrs. Gould and Sage, and one more panic such as we had from 1873 to 1879 will throw this country into a revolution that will surprise you. If you can read the signs of the times you will see such a cloud now darkening the horizon in the labor demonstrations of the present. Don't neglect your duties, don't be bribed, check these "big fish" in their devouring course, or disaster will come very soon and very swift.

Begging pardon for the intrusion, and regretting that I cannot voluntarily appear before you, I am,

Most respectfully,

JAS. P. KOHLER,
*An ex-telegrapher, 853 Broadway, New York.*

THOMAS M'KINLEY ON SCHOOL-TEACHERS' PAY.

The CHAIRMAN. We have also received a communication from Thomas McKinley, 148 East Twenty-sixth street, in this city, who expresses himself with some acrimony with regard to the conduct of society towards its weaker members, and makes many suggestions to the committee which seem to be written in the spirit of one who feels himself very deeply aggrieved. He says he prepared a statement for a former committee that was treated without any proper consideration, and that he had his labor for his pains; that his friends, however, had notified him that he would have no better reward; and he submits this communication evidently feeling that he will receive no more attention from this committee than from any other. I have sent him a personal private written communication notifying him to appear before the committee to testify. This was nearly two weeks ago, since which time I have heard nothing from him. He is respectfully invited to complain of this committee when it has done him any wrong.

The communication is as follows:

*Senate Committee on Education and Labor:*

GENTLEMEN: Several years ago, just after the labor strikes which caused such an excitement in this country, a Congressional committee

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was in session in this city for the purpose of ascertaining the causes of the general depression in business and devising a remedy therefor. At that time I was engaged in preparing a paper containing my views of the subject, for the consideration of the committee, but as they adjourned before the paper was finished I did not present it to them. When I was preparing the paper my friends told me I was wasting my time, as "the committee would never accomplish anything of benefit to the community; it was not intended that they should; that they were here only to pull the wool over the eyes of the people and quiet them down," &c.

I thought at the time that my friends were wrong, but after the lapse of these years I find they were right. I have yet to learn of one single beneficial effect of the labors and deliberations of that committee. In fact I cannot recall to mind that they ever reported to Congress even. And to-day we find in the United States a state of affairs similar to that which they were called upon to consider; and we also find another committee, this time from the Senate, sitting in the same place and taking the same kind of testimony as their predecessors did, and for what purpose? Is it to beguile your time during vacation, or is it to again befool the masses? Pshaw! gentlemen, adjourn and go home; your work is unnecessary. "Them asses" are still willing to vote for the "old hacks"; their patience is not quite exhausted, and if it is, your befooling will not ward off the day of reckoning long, and when it comes the reckoning may be more serious in its nature on account of it. But as you are the Committee on "Education and Labor," perhaps you only consider those two subjects. Look at this: This being the first week in September, I supposed the public schools would be open and the scholars again at their lessons, but I find that the schools open next Monday, the 10th. The present vacation has lasted ten weeks. Are you aware that the teachers in the public schools are paid for those ten weeks, and not only that, but paid in advance at the commencement of the vacation; also that they have one or two weeks' vacation at Christmas time, for which they are paid, and when they do work it is only for five hours a day for five days a week? And how many thousand other employés of the Government in its numerous branches are favored similarly. Why are they treated so differently to the mechanics and laborers of the country? When I work at my trade of machinist and lose fifteen or thirty minutes in a week, it is deducted from my pay; and the word "vacation" is unknown among us. Through the heat of summer and the cold of winter we are bound down to the lathe or vise, if we are so fortunate as to have work to do, ten hours a day, for $2 or $2.50. The above are only samples of many such cases; is it any wonder, then, that the bare-armed workers of the country get dissatisfied and go on strikes, when they feel that there is something wrong, though they may not know where the wrong is exactly, or how to correct it?

I could go on in this way for a month and give you and Congress enough work to keep you busy for years if you intended to do anything, but of course you don't intend anything of the kind, so I guess I'll stop. I only wanted to mention the case of the school-teachers, as I think it a glaring one.

Yours,

THOMAS McKINLEY,
148 *East Twenty-sixth Street, New York.*

SEPTEMBER 4, 1883.

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## D. ABEL'S SUGGESTIONS.

The CHAIRMAN. We have also a letter from D. Abel, of 158 Jay street, Brooklyn, N. Y., with recommendations of what he deems would be useful remedial measures which might be enacted by Congress for the benefit of the people generally, and especially of the poorer classes, denouncing monopolists with great force of language.

*Senate Committee on Education and Labor:*

GENTLEMEN: As a citizen, having certain opinions, I think proper to call your attention to them, and will place same under three heads, viz:

1st. Limit monopoly by not allowing some to accumulate millions; say, place the limit at half million dollars (or place such a tax upon above that amount that would virtually confiscate it). That is, when a man has made that sum let him retire and enjoy the benefits of his labor, thus giving others a chance in the battle of business. For I claim that, as a common family or nation of people, as soon as one part of the family begins to control large amount of capital it oppresses by monopoly the other part, or gathers a tax off poverty.

2d. Redeem the bonds of the United States with a non-bearing-interest bond that can be used either as a registered saving or as a current money, thus bringing that amount of capital into the commercial business of the country and make land the security of investment.

The poor man has taken the greenback undisputed, without interest or guarantee; our soldiers fought the war with the greenback; but this relic (United States bond) is left to grind the life's blood out of the working people, and making the rich richer and the poor poorer. It is a very absurd idea of the poor, hard-working man paying an indemnity, entailing upon themselves a set of paupers that are living upon the result of their labor.

3d. Monopoly or "millionopoly" has grabbed the best land of the country. Have they improved it? Yes, somewhat, by building railroads and selling their watered stocks to the public at about ten times their value. But the people, with our vaunted pre-emption laws, are left helpless. Who among the working class have been able during the last decade to accumulate enough money to settle in the West? Instead the shackles have been tightened. They have been driven into the cities, and there they are to-day, crowded together, obliged to stay, too poor to leave. The West has been populated by direct importation from Europe. Emigrants, who when they arrived with a little money, seeing the deplorable state of the poor in the cities, went West and did better. To-day we have an army of about 25,000 men, 80 per cent. foreigners, many who can scarcely understand the language. "*Assisted homes*" in the West, making every man a soldier in return if required, and you have an army that is fighting for bread and country. We hear of the very small cloud on the horizon—revolution, times of blood. History repeats itself. The history of the world gives us many instances where riches became a tyrant and had to be put down. Does our legislation of to-day tend to the same source? I, as an individual, have an idea that if there ever is a social revolution the millionaires will be badly used, and it will take some time to raise a new crop.

Yours, truly,

D. ABEL,
158 *Jay Street, Brooklyn, N. Y.*

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## GEORGE H. PROCTER'S VIEWS.

The CHAIRMAN. Mr. George H. Procter, of Middletown, N. Y., sends a communication, in which he says he would like to be called before the committee, and incloses a printed slip of four pages entitled "Anti-monopoly Fallacies," which seems to be written with considerable capacity and vigor. The committee will be glad to listen to any man who appears, but it is impossible to summon the entire country.

The communication and accompanying slip are as follows:

MIDDLETOWN, N. Y., *September* 6, 1883.

Senator BLAIR, M. C.,
*New York City:*

MY DEAR SIR: I would like to be called before your committee to put in evidence a pamphlet I have just had published upon "Anti-monopoly Fallacies" (I inclose copy for yourself); also to give other evidence, as I have made a study of the matter of capital and labor as employed many men in the manufacturing business.

With regards for your impartiality,

Respectfully, yours,

GEO. H. PROCTER.

### *ANTI-MONOPOLY FALLACIES.*

In a late issue of the Sun appeared a communication from the modern reformer, F. B. Thurber, esq., asking who are communists. In reply, let me inform the reader that an authority says "That communism is the name that is given to the schemes of social innovation, which have for their starting point the attempted overthrow of the institution of private property."

The communist of the class to which Mr. Thurber and his coadjutors belong would overthrow the rights of private property. This is what the very respectable gentlemen who compose the executive committee of the Board of Trade and Transportation argue when they would have the Government take possession of the telegraph lines in the country and establish a postal telegraphy.

The principle of private property has been called by one who was by no means a blind worshiper of the social condition which has been built upon it, "That primary and fundamental institution on which, unless in some exceptional and very limited cases, the economical arrangements of society have always rested."

To attack this primary and fundamental institution, namely, private property, (and what are corporations but the aggregation of private property?) indicates minds so bold, as well as imaginative, that it might well be thought that assaults upon it would be limited to a class of individuals rendered desperate by having nothing to lose by a general social revolution, and not to such respectable gentlemen as compose the executive committee of the Board of Trade and Transportation who favor the confiscation of property by our Government.

One of the arguments used in favor of the Government controlling the telegraph system of the country is that England makes it a part of its postal system. The cases are not analogous, as in England the postal telegraph is part of the civil service, and until we have a permanent civil service as an established institution it is not safe to give such a great power into the hands of any one political party.

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The temptation for its abuse in a heated political campaign would be too great, the liberties of our people might be assailed, and the repetition of the political troubles of 1876 would be possible.

In an editorial commenting upon Thurber's communication, the editor of the Sun says: "We will ask him in turn how it would do to have the Government turn out all the express companies and monopolize the whole business of carrying express packages through the country?" Seeing by the daily papers that the senior member (a reputed monopolist) of the firm that Mr. Thurber is connected with, has, with others, recently incorporated a new steamship line to Baltimore, is there any argument against the Government controlling the steamship lines of our country, any more than the telegraph companies, and regulate the charges for service performed? Both are private property, and, as we have stated before in our argument, to assail private property is communism.

The Sun says further: "Mr. Thurber's great bugbear is the encroachments of corporate power, and he sees no way of fighting them except by concentrating everything in the hands of the Government, and he quotes Senator Bayard as affiming the necessity of 'centripetal' forces which would conteract the 'centrifugal.' Now, the writer admits that the force that is best able to cope with corporate power is our Government; but as Abraham Lincoln described our Government 'of the people, by the people, for the people,' a Government exercising its influence through judicious laws and the power of public opinion, as far more potent for the protection of labor against capital, and the encroachments of corporate rights upon those of individuals, rather than the concentration of power in the heads of our Government and the possible abuse of that power by any political party."

In a recent article in the New York World, I stated:

> Louis Blanc, a leading communist of the past, in his day wanted his Government to undertake the regeneration of society by the organization of labor under the Government, holding that the evils of large capital and destructive competition could and ought to be cured by the State, the largest capitalist of all, and that the Government should purchase or gradually absorb the large industrial institutions of the country.
>
> Now, we say our Government has all it can take care of, and much more than it handles well, as the case now stands. It could not conduct the service of a great corporation perfunctorily as well as that corporation, or various corporations, as a matter of business. The anti-monopoly party in its mad career would sweep into the Government's omniverous control all the railroads and big institutions of the country. The safety of our country lies in the opposing of this paralyzing communistic spirit. Give our institutions virility and individuality.

We believe Mr. Thurber is a gentleman of means. The opinion that a communist is a man who has no property to lose, and who therefore advocates a general redistribution of wealth, is very wide-spread and popular. It has been estimated that Robert Owen, during the course of his long life, devoted no less a sum than £60,000 from his own private fortune to the promotion of communistic schemes. The immenes pecuniary and personal sacrifice he made for the cause of communism shows that he at least was animated by motives the direct opposite of the selfishness and sloth attributed to the advocates of communism. Essenes Sir Thomas More, Saint Simon, Father Rapp, Fourier, and Louis Blanc, leading communists in the past, were men of social standing and good repute in their days, as well as men of wealth.

To be a communist it is not necessary to be a Louise Michel and lead a mob to attack bread-shops and thus assail property. The anti-monopoly party of to-day, in their attack upon corporations, as we have

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stated before, assail private property, as what are corporations but the aggregation of personal property, and, as another authority says, "a corporation is an association of persons which the law treats in many respects as a person."

The anti-monopolists denounce the evils of the power of corporations; the hopeless poverty of the poor, side by side with the self-regarding luxury of the rich, seems to them to cry aloud to Heaven for a new political party. Call it anti-monopoly or communism, the terms are spnonymous.

Has it never occurred to them to adhere strictly to their advocacy of a more perfect administrator of justice in the execution of our laws and necessary legislation, leaving the principle of private property and competition to their old predominance in the economic world?

Anti-monopoly, to be successful, requires to be accompanied by important reforms in legislation, towards which existing society, founded upon private property and public opinion, is gradually finding its way. The power which our Government, as at present constituted, has shown of adapting itself to altered circumstances, and of assimilating by slow degrees the concomitants of the most revolutionary theories, is strong proof that existing evils do not deserve to be dealt with in the summary manner designed by the anti-monopoly party.

While we cannot but admire Mr. Thurber's phenomenal industry in the promulgation of his ideas, and the warfare of himself and confreres, against the venality and corruption of our legislators—and by venality we mean the prostitution of their services for reward, monetary or otherwise—yet we regret Mr. Thurber's apparent ignorance of history and want of knowledge of political economy, as well as the fundamental principles of government that our republic is built upon, which principles are a rebuke to the advocacy of the confiscation of corporate property by the Government as advocated by the communistic members of the anti-monopoly party. As a poet aptly says:

What is communism? Why! one who has yearnings
For equal division of unequal earnings.
Theorist or bungler, or both, he is willing
To fork out his penny and pocket your shilling.

## POLITICAL AND ECONOMIC SCIENCE.

The CHAIRMAN. We have received from the McAdam Political Scientific Club of this city a memorial, dated September 6, 1883, addressed to the committee, as follows:

NEW YORK, *September* 6, 1883.

*To the honorable the Committee on Labor and Education, Senate of the United States:*

GENTLEMEN: The McAdam Political Science Club has followed with deep interest the testimony which has been laid before your honorable body from so many worthy representatives of the people, and finds in the very confusion and conflict of the advices given the strongest confirmation of the reasonableness of the suggestions which it desires briefly to offer.

The evidence before you proves nothing more conclusively than the rarity of clear convictions as to social rights and social duties, as to cause and effect in industrial developments, as to the laws of trade, as to what remedies for evil lie within the province of governmental au-

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thority, and what are beyond the interference of politics or the regulation of the ballot.

This club, organized itself for the study of these subjects, and composed entirely of men who work for wages, would urge that the first step toward bettering the condition of the wage-earning classes is education in political and economic science, to the end that they may direct effectively and for good the tremendous forces which a free vote has put into their hands.

We would therefore suggest that, so far as they lie within the scope of your work, you make the following recommendations:

(1) That the elements of political and economic science be taught in the common schools.

(2) That trades union organizations make discussions in these lines a part of their regular proceedings.

Submitted most respectfully,

THE MCADAM POLITICAL SCIENCE CLUB,
ED. A. CASEY, *President*,
JAS. F. J. DONOHUE, *Committee*.

## THE FREE LABOR LEAGUE'S SUGGESTIONS.

The CHAIRMAN. We have received from the Free Labor League of the United States, No. 22 Second avenue, New York, a written memorial of considerable length and much ability, signed by William Clarke, M. W. Free Labor League, secretary:

FREE LABOR LEAGUE OF THE UNITED STATES,
*No. 22 Second avenue, New York.*

*To the Senate Committee on Education and Labor:*

GENTLEMEN: Because of the repressive methods of capital which "blacklists" its exposed opponents, and because of the existence of penal codes which restrain us from our constitutional privileges of free speech and public assemblage, in consequence of which unjust enactments and rules, in view of our present helplessness, we are compelled to associate secretly and are unable to personally present our grievances.

Nevertheless, although impressed with the fact that any desired relief must come from our own united action, we desire to place upon the records of your committee our solemn protest against all laws now in existence and all customs now prevalent in this alleged civilization which infringe upon or trammel in the lightest degree our inalienable rights as expressed in the Declaration of Independence, namely, "Life, liberty, and the pursuit of happiness."

We hold that the present feverish financial system is in direct contravention of every human right pertaining to those who work for a living, in that it perverts money from its true purpose, replacing it with what is known as capital, and by its machinery of banking and special laws this capital is able to multiply itself almost indefinitely and thus weaken and oppress the workers.

We maintain that the requirement of money in the economy of the world is only for the purpose of measuring the work of man and to enable the producers of all the wealth of the earth readily to exchange with each other the fruits of their labor. That capital so-called is not necessarily money, but the shadow of money; but under the system we here assail it possesses all the importance of money itself and by its fraudulent methods of reproduction arrogates powers belonging only to the Government.

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We claim that gold and silver when used as money should either cost in labor precisely the labor they presume to buy, or that the production of these metals should belong to the Government alone, so that any profit arising from their manufacture should recur to the Government for the benefit of the people; but we claim that the use of these metals for money is unnecessary and costly and that they should be discarded.

We call attention to the fact that they are the very chains which hold down the workers of the Old World and that that which is vaunted as the richest country on the globe has a system of white slavery, the horror and shame of which is not equaled in history. It is this system which is now fixing itself on this country, and if successful the effect will be simply to hand back to the mother country the land wrested from her in the last century.

Already foreign customs and laws prevail to an alarming extent. In everything but name our commerce is subservient; her capital buys our land and products required for our own people, and thousands upon thousands of her citizens are here employing our workers and grasping the fruits of their toil.

We therefore demand the demonetization of gold and silver, and that the Government shall release itself from debt by the institution of tariffs which shall in effect be prohibitory except with those countries in which labor shall be declared free. That export duties be placed upon all productions of the United States except where an actual surplus is known to exist, and except upon unoccupied lands and incomes all taxation should cease. That all laws relating to banking and the collection of debts be repealed. That Government works of various natures be at once put on foot at which men could always find employment and which would serve to fix the price or value of labor.

We demand, in short, the abolishment of superficial capital and its replacement by the issue of money by the Government which shall be legal tender, and we hold that this money may be of paper, this being at once the cheapest and most convenient material of which money can be made; and we point your committee to the fact that all capital which is not money *is paper* for which no one is responsible; that if this said capital were money as is here proposed that the volume of the currency would be increased by untold millions, that debt and interest being forbidden there would be no use for this money save to buy labor and its products, and consequently to get this money the armies of idlers would be compelled to work. Millions would swell the ranks of labor, and your prisons and pauper houses would vanish and schools of science rise in their places.

When your committee shall have concluded its present sitting we invite you to closer examination of our great East Side Cloaca. Here in the space of less than two square miles dwell not less than one million human beings in lair-like tenements and rotting hovels; here you may view the practical outcome of the system of capital invented by the Jews of the Middle and Dark Ages and improved by Christianity. From here are fed your insane asylums, your State prisons, and your pauper-houses. Here and in like but smaller places, amid squalor and destitution, are bred the painted harlots your civilization produces to spread disease and suffering to coming generations of men; here dwell the men who

> Impatient strike the law,
> And mount the prison's gloomy van.

And here amid it all "capital" compels its workers, the producers of all the wealth you enjoy, to live; here they sullenly rest after hard day's

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toil; here their young are born to die young. The statistics of the board of death will show you that they die at tender ages, to the extent of 70 per cent. of all who are born in this frightful place. Every street is a River Ganges, where crocodile-like landlords live upon the babes tossed to them by demented mothers. On every corner of every street stands a United States Government tax gatherer in the form of a liquor seller. A Government which obtains its chief income by converting the food of the people into alcohol, whereby both body and mind are destroyed, is fitted to reign in the fabled hell of the Jews, but nowhere else; and yet this is what all the great governments of civilization under the teachings of capital are doing to day.

"Reform it altogether!" Let there be no piecemeal work! Let the system go out of sight, even as the system of black slavery went out in a night, though it cost a million of men's lives. The system of white slavery is fully equal in shame and suffering to anything that was ever alleged against black slavery. Men, women, and children are as effectually sent to servitude and death as though they were passed over an auction block. Such things cannot be and last. In conclusion, we beg to state that we fully understand what the continuous crack of the rifle over the Creedmoor means; what the vigorous drilling of the State's militia means; what the efforts on the part of "capital" to nationalize this same militia mean, and are taking measures accordingly. "Capital" is scarcely ready as yet to remove the ballot-box it has polluted with a view to its destruction, so that for the present we look to that and to you for relief. When that relief shall not come in due course, when it shall become a little more plainly evident that the shameful wrongs of the Dark Ages are not to be obliterated in the dawn-rays of justice and intelligence, then will they perish in the light of blazing cities.

Respectfully,

WILLIAM CLARKE,

*M. W. Free Labor League, 7, Sec.*

## LAND AND ITS TAXATION.

The CHAIRMAN. We have also a pamphlet that is apparently well-filled with information, entitled "Land, and taxation of same," signed by "Farmer."

The pamphlet is as follows:

### *LAND AND TAXATION.*

Land has received the attention of geographers, geologists, and chemists, and has been treated with such ability that results of the greatest importance have been reached. The necessities, comforts, and pleasures of life have been placed within the reach of nearly all civilized men. The placing of these possibilities within the reach of so many has been due to the researches of the scientist and the thought of inventors, combined with the efforts of the industrious. From the thought and investigations of the scientist, the practical artisan and agriculturist have been enabled to reach results which for a period of greater or less duration are considered perfection. Enjoyment of the triumphs of knowledge, combined with labor, have created new desires for still greater achievements, forward steps being soon taken which constantly lead to such results that past accomplishments fade away like dissolving views. Among the material results has been the building of large commercial cities within a gen-



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eration, which, if destroyed by flood or fire, are replaced with a celerity that is difficult of realization. The tourist leaving our Atlantic seaboard cities passes over 2,000 miles through a region in which all of the towns, villages, and farm homes denote energy, thrift, and comfort. Distance has been abridged by construction and operation of a railway system which, if judged by the service it performs, may be considered complete in all its appointments and performances. The tonnage moved by which is facilitating and enlarging the exchanges of the country and the world in a manner never dreamed of by the ancients or expected by our ancestors. The movement of persons and property which a few years since was considered marvelous, is now esteemed as being only one of the ordinary requirements of the times, and, if not promptly complied with, additional lines are brought into existence whenever there is an apparent need of increased facilities. The statement made by Lord Macaulay, that, "of all inventions—the alphabet and the printing press alone excepted—those inventions which abridge distance have done most for civilization of our species. Every improvement of the means of locomotion benefits mankind morally and intellectually as well as materially, and not only facilitates the interchange of various productions of nature and art, but tends to remove antipathies, and to bind together all the branches of the great human family." This has been illustrated on a scale of magnitude in our country which has no parallel in the history of mankind. Enlarged and increased transportation facilities have caused the disappearance of provincial differences once so marked in this country. In fact these have almost entirely disappeared, and soon it will not be known that they ever existed.

When general peace and prosperity prevail through the country we do not realize the value and power of our transportation facilities, and the manner in which they can be made effective. But when war prevails and large armies with supplies and appliances to render them effective, or when a large city is destroyed by a sudden calamity and supplies of life in its vicinity are inadequate for existence, and celerity in movement of large quantities of food or material is required, then we realize their importance. Other specialties might be cited, but as all are based upon the land and its development, what is true of any one is true of all.

In scientific research and in the mechanic arts—so far as the beautiful is concerned—we do not compare with the Old World. But so far as practicability and production are concerned, we have by application of machinery and physical treatment of land excelled most portions of the world. Our large consumption per capita and export of food prove this.

We have applied new and original methods in the use of machinery, the results from which have no parallel in history. The ingenuity of our inventors has been supplemented by our cultivators; these have responded promptly, the ability and disposition of the latter, enabling them to efficiently utilize with the best results the creations of the former. But with all our wealth of originality and industry, which is so general, regardless of rank or station, we have made the great mistake of following the example of our English ancestors regarding the political and financial treatment of land—that is, in regard to taxation of same; it is almost exempt in England and too nearly so in our own country. The few thousands of wealthy, the millions of poor, and the hundreds of thousands of paupers there, compared with the more equal distribution of wealth here, is largely due to the difference in price of land and the forms of taxation. The amount of taxes which we place

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against our land, and the value of same, is what makes the difference in the mental, moral, and physical condition of the masses here and there.

In England and Wales are 30,000 land-owners, and 7,000 of these own four-fifths of the whole island. The incomes of the people there are as follows: 8,000 have $25,000; 2,000,000, $450, and 4,500,000 have only $150 per annum; paupers number over 800,000; over 17,000,000, being two-thirds of the population have no income beyond daily wants. Is it any wonder that from such large numbers without income that the ranks of the pauper multitude are kept up to so near one million? Notwithstanding her long line of illustrious sovereigns, her devoted philanthropists, her brave soldiers, whose courage is undisputed, her still more courageous statesmen who have battled so nobly for the right, it is doubtful if so great a disparity exists in any modern Christian nation. To revenue of $325,000,000, land contributes but $5,000,000 taxes. The $320,000,000 from other sources is only another way of saying that it comes direct from the avails of industry.

If one-half the taxes were collected from the land, the industrial classes would be allowed enjoyment in excess of what they now enjoy by whatever $160,000,000 would purchase. Agricultural operations are perhaps conducted, so far as the tenants are concerned, under the most adverse conditions endured in this pursuit, the statistics in relation to which are almost beyond comprehension, and are of a nature to excite the liveliest sympathy for the class by whose exertions the food supply is furnished and indignation against the owners of land.

The total acreage of England is in round numbers 37,000,000 acres. The rental, including poor rates, is $820,000,000, or $27 per acre on the 30,000,000 acres of arable land. This is a burden which would crush out of existence any other body of men excepting the sturdy yeomanry of England. No other race under the sun could bear up under such a load as this. Advised as we are from official records of the burden under which the present generation stands up so nobly, complying without revolution against unjust ancient customs, we cannot doubt the legendary or historical accounts of the loyalty and valor of the English yeoman. One need know no more than this to know that the Englishman is a respecter of law and all that pertains thereto.

That discontent is beginning to manifest itself among the English tenantry at having to pay $27 per acre rent while the owners of land pay less than one per cent. of the taxes on same is not surprising. The astonishing feature is that they have so long and so patiently born the wrong without going beyond protest. It may be supposed that if all taxes were levied upon the land, owners would increase the rent; this would be impossible, as the present charge is all it will bear under the best-known farm management. All that can be paid, keeping the wages of farm laborers down near the starvation point, is already being wrung from the tenants. The result would be that owners would have to perform some portion of the labor for self-maintenance, instead of existing as they now do, upon exertions of others, which comes to them in the form of rent. This or a surrender of certain luxuries which would insure more comforts to tenants and laborers would be inevitable. The tenant system in this country is on the increase.

The late census discloses the fact that 25 per cent. of the farms in the country are being cultivated by tenants—a greater proportion than at any previous period. This is an indication that on account of the advance in the price of land, that it is getting beyond the reach by ownership of many who must exist by cultivating it. It also proves that the owners of one-fourth of the farms of the country are, to a certain

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extent at least, being supported by rent, or in other words upon, or by, the exertions of others. Their personal right to do this cannot be denied; but if all taxes were levied upon land, and productions were exempt, rents would decline to such an extent that owners, as a rule, would have to cultivate.

The tenant system would not increase, but would rather tend to decrease; with diminution of rent, land would decline in price and ownership would be more common, that is enjoyed by greater numbers than it now is.

If all taxes were collected from land, and owners had to cultivate, they would not desire to hold the ownership of more than they could well and profitably cultivate. This would naturally cause owners to put it in market for sale at prices within reach of all who wanted it for cultivation. Our tenant system on the yearly or one-crop plan is a bad one.

The tenants are apt to acquire migratory habits, not having the opportunities to exercise the thrift that is usually inseparable from the ownership of land. The owner of property has constant and ever-growing inducements to improve and increase its value. His disposition and aims lead him in the direction of increased productive power with a force that is unknown to tenants.

It is not in the nature of things to be expected that tenants should have the ambition or independence of thought or action which ownership gives. There is not the spur to action that is sure to bring future rewards; there are farmers who know and who act on the theory and practice that in every working hour value may be added to a farm.

Largely the profits arising from agriculture consist in improving the quality of the land, which, in consequence, brings greater productions or a higher price for the land if sold. This is a class of profits in which tenants rarely if ever participate. Prevented by his relations to the land from enjoyment in one of the best and surest class of profits, it is not strange that the tenant is generally poor and that he remains in this condition. Considering all things, he had better own forty acres than to rent or farm four hundred owned by another. Given the best conditions for agriculture, and first or highest may be considered the ownership of the land, then nature is man's best friend; she responds with a generous hand to all his efforts; if he is faithful to his trust she seldom if ever betrays him. Were all our taxes levied upon the land, no one would want it except for occupation or use, which in the main is for the purpose of cultivation, or matters directly or indirectly connected therewith. Speculation would lessen, perhaps cease entirely, thus removing a very prevalent evil, the effects of which are periodically felt with results of the most disastrous character.

No one could hold farming land and pay taxes—which would have to be levied upon it—if all other property was exempt, unless cultivation of such methods as would insure large returns were constantly applied to it. Those who would make any legitimate use of it could have all their wants or pleasures required; beyond these there would be no object in holding it. As to do this would only be depriving those who would make good use of it of the privilege; it would simply repress production without benefit to any, but with damage to all. The farmers, of whom there are so many who are land poor, that is those who are holding more than they can cultivate or utilize in any profitable manner, would lessen in number. Educational, social, and other matters depending upon co-operation of numbers, would be greatly enhanced in power and value. Burdens which a thin or sparse popu-

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lation cannot maintain, would be easily carried, wealth would soon appear where in many places the struggle for a bare existence is now a severe one. There would be larger investments in improvements and in personal property of all kinds that would add to comfort and health, largely increasing the enjoyments of life. Large sums now invested in unused unproductive land would soon take other directions and be invested in more useful things; there would be an improvement of method upon our present advanced methods of cultivation, bringing a corresponding increased production. Dr. Gregory's definition that a farm is simply a machine, for forcing plants from the earth, and that, like any other machine the more skillful the manipulation, and the better the conditions under which made, the more service would it perform, would be illustrated and proven.

The tenant system involves great loss of time, the owner is idle or at least is not under the discipline of regular employment, which is invaluable to every man. The tenant as a rule is employed only during the growing and harvesting season, during the other portion of the year he is idle, or largely so; he has no intererst in making any permanent improvements, cannot as a rule grow any live stock, has to buy many things which the owner of a farm does not have to buy, and has few things to sell. The system has many bad features, and few, if any, good ones. The speculator could not with all taxes on land hold alternate quarter sections while and until the labor performed on settler's quarters had raised the value of his land fourfold, as has frequently been the case. It may be claimed that the settler's land also advances; this is true, but it does not invalidate the fact that while benefiting himself he is also benefiting those who make no acknowledgment or return for same.

It may also be said that the homestead law prevents this, but as a matter of fact it does not; the speculator buys out large numbers, perhaps half of the pre-emptors and homesteaders, and realizes largely upon his investments and the labor of the other half. It may be supposed that it would be an injustice to land-owners to exempt the stocks of merchants and manufacturers, but community combined with competition would soon effectually regulate this, the farmer's personal property—all his gains and accumulations from land would be free, and the inducements to have and hold this kind of property would soon so increase as to place him on equal terms so far as exempt property was concerned. Where land is high in price it might decline, but this would not in any manner affect its value, judged by the standard of utility, which is the safer one by which to be governed.

It is well to keep in mind a clear distinction between price and value; the former often changes suddenly, depending as it does on many contingencies; the latter does not vary much so far as purpose of cultivation is concerned. We can see no harm that can come from land being kept down to a low price; this has no connection whatever with its productive power, nor has it even the most distant relation to it.

In a country where most of the land is rented, naturally owners would like to have the price rule high, and to keep it advancing, but in a country where owners cultivated entirely, rent would be unknown. And could it be entirely eliminated, so far as its personal exercise by landlords is concerned, it would be the greatest blessing that could be conferred upon mankind. The same or a given amount of labor is required for production, regardless of price. In the absence of rent the labor is the main factor; it is at least in all cases the important and unchangeable one, so far as quantity required is concerned. The power,

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which for ages, rent has exercised over labor and capital, is one of the strangest anomalies in the world's history. Long and bloody wars have been fought over mere trifles when compared with this, and the arbitrament of this question will not long be deferred—by the ballot let us hope it may be done instead of by the sword.

Land has not the potency in the absence or want of labor which has generally been accorded to it, its true value (not price) depends upon the labor performed on or the business transacted over it. The land on which are situated buildings in which the largest stocks of goods are sold, hotels which entertain the largest numbers, banking houses which buy and sell the greatest amount of securities, exchange, or letters of credit, is always highest, for the reason that great utility is involved, that is, the useful, substantial wants of the greatest numbers are provided for.

The low price of land has been the broad, firm basis of prosperity in this country, from the landing of the Mayflower to the present time; to this and not to any peculiar American genius is it due. Because of the three factors of land, labor, and capital the share of the first, viz, land, has not been in excess of the two latter as has been the case in the old world. Where these conditions are changing to the reverse (that is, where land is getting more than capital and labor, or either of them) in our own country, prosperity of the whole population begins to show signs of lessening. If there is growing, as is claimed by some, an unequal distribution of wealth, wherever it exists it is chargeable to this cause and to no other. Comparison between our Eastern and our Western States and conditions ruling therein tends plainly to prove this.

The ignorant and envious may charge in vain that the large owners in railways are monopolists, but the charge will not stand one moment, when the facts are traced in connection with each other, and properly placed so as to be clearly comprehended. They are simply purveyors to public wants, as much so in principle as any doing the same kind of business on a smaller scale. Those who charge them with being responsible for the growing communistic sentiment, do not consider all the elements which constitute the case. They apparently forget, or deny the incontrovertible fact, that economies, which cheapen the service and lessen the cost of production in large transactions, are frequently of greater benefit to the public than they are to stockholders. And if all these so-called monopolists were translated bodily, with all the certificates of ownership of properties they represent, all so represented would remain intact just as it now is, performing the same or more likely enlarged functions. This cannot as truly be said of owners of large landed property, because the prices of land and charge for use of same continually advance, while the charge for railway service notoriously lessens all the time from competition—has, as a matter of fact, been for years lessening, and often at times when every other species of property was advancing in price. And further, mechanical property of every description is perishable, requiring from use and natural decay constant renewals, which land does not. When used for any other purpose except cultivation this is an additional reason why land should bear all taxes.

The nearest approach to monopoly that is effective, and likely to become more so, is beyond much doubt land, in its being so lightly taxed. The more equitable and liberal the laws regulating access to land, and its occupation and use, the greater will be our prosperity and the longer its continuance. The practices or legislation that steadies its price and that keeps it from advancing, will enhance past, and tend to largely increase

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future prosperity. Anything which tends to advance the price of land makes it an unsafe basis of credit, the security of which lessens very generally in proportion to the advance, and often becomes the destroyer of all, or at least of general credit. Whenever it is accredited with having a utility which it does not possess, evil results must some time ensue, and the longer these are deferred, very generally the greater they are.

From the "John Law" scheme to the last panic, the history and results of land speculation are uniform as regards finality. The general course of land operations are, that small cash payments are made, and paper promises are issued for deferred payments, the land being the only basis for redemption.

The time when interest on deferred payments exceeds in amount more than the land can earn is the danger point, whether it be at time of purchase or later on. Once an era of speculation begins it is ordinarily carried to a great excess; large numbers expecting to realize fortunes embark in the business; as the purchasers increase in numbers the price advances. Proper judgment, if it ever existed, as to real values and what truly constitute the same is abandoned; soon the anxiety of holders to realize or efforts to force redemption of worthless paper brings on a crash, which, if it only ruined operators, the loss to the world would be small, but unfortunately the business of all is damaged by general unsettling of values, and many innocent creditors are ruined. The hardships of the latter are often peculiar and saddening; as a rule they are not active business men, but are largely made up from the aged and inexperienced of both sexes, who have been deceived and deluded by the golden promises of high rates of interest made by the too hopeful land speculators.

The failure of Jay Cooke and others did not cause the panic of 1873. Extensive railway construction was no more chargeable therewith than would have been excessive corn growing. More mileage has been constructed during late years than in the same number previous to 1873, and yet no evil effects have resulted. Railway construction is simply an exchange of capital for railway; no money goes out of the country. In fact, it has brought it into the country, largely by bonds sold abroad. The additions not yet improved to so many towns and cities, had more influence in causing the panic than had construction of railways. Mr. Cooke's failure would not have caused a tremor in this great country, had not large numbers been engaged in issuing irredeemable paper on land as a basis, far beyond its true value. They had virtually called it what it was not; had attributed to it a utility which it did not possess, never will, never can, that is beyond the legitimate wants of population.

Land cannot legitimately advance except under influence of aggregations of population, and the latter must be in proportion to the former, or disaster is sure; nothing can avert it. It therefore seems clear that the legislation, viz, taxation, which keeps down or steadies the price is the wisest. And if all taxes were collected from the land it would assume and maintain a stability in price which has not yet prevailed, because the demand for it would mainly be confined to those who required its best and only legitimate uses. The best social, physical, and financial conditions, embracing health and comfort, mental and moral strength, the accumulation of property and maintaining same, largely—it may be said entirely—depends upon the cost of land; that is, when the welfare of all is concerned.

The history of our country and its accomplishments is an exemplification of possibilities and realizations, based on cheap land, which can-

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not be disregarded, nor will they be denied if correct evidence is given due consideration. American genius and individuality which is credited with so much and which is extolled so highly, had its origin in the free or cheap land to which came our ancestors. Unfortunately they were, and we continue to be, somewhat influenced by the wrong forms of municipal and legislative administration which drove them into exile. They are perhaps not yet of the same intensity, but being the same in principle, may become the same in effect, possibly even worse, if time enough is given. And certainly now, after more than two centuries, it is time that any of the relics of the Old World wrongs that taint or poison our system be eliminated therefrom.

Had our legislators given the thought to the science of government that our professional, mercantile, and mechanical classes have given the affairs that have engaged their attention, anything that is wrong would long since have been righted. Unfortunately, representatives and public servants do not perform service under the same conditions that commercial and professional agents do; fixed tenure of office gives the former an exemption from the full performance of duty and a license and power which the latter cannot exercise.

Fixed tenure of office is probably the weak spot in a representative form of government. We shall never have a system so perfect that there will not be weak spots, until human nature changes, and of this there is no likelihood or prospect. Simple legislation by which a public servant could be summarily deposed for neglect of duty or abuse of power, would be worth more than all the civil-service schemes we have heard of, or of all the laws relating to same that we shall ever have.

Difficulties incidental to and inseparable from the advancing price of land are increasing; these are too numerous to be alluded to in detail. The one which overshadows all others and which, if lessened, would cause the disappearance of many that are incidental thereto, is rent. This has its origin in ownership of land and cannot be eliminated, but it can be modified by taxing land and exempting productions.

The exactions of rent reach all; they are perhaps most arbitrary with and severe upon the landless; but large numbers, in fact all, who own homes and farms, make large contributions to those from whom they purchase supplies or services. Its most cruel feature, or what may be made such, is its transferability; dealers have no reason to care what they pay if they can charge the same to customers. Its effects upon masses of the poor in our cities is deplorable, distressing many, debasing others, who are a dangerous, and, holding the ballot, may and do become, an evil, element. They are used by unscrupulous politicians who gain and hold power from the cheapness with which they can purchase the votes of those who, by their situation and surroundings, care not who govern them.

If those who have cause to think that our form of government is a failure, from the ease with which the elective franchise is perverted, and the consequent growth of political corruption, would take action in the direction of removal of primary evil causes, their confidence in our governing powers would be restored.

Another class are slandering our capitalists, inciting the desperate to deeds of violence against those whose fortunes are embarked in facilitating the world's exchanges, which contribute to the comfort of all. If these would interest themselves for a change in our form of taxation, they would be much better employed than they now are.

Fortunately these destructionists are few in number when compared

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with the whole; the majority of civilized men being constructionists, the power of the former for mischief is limited.

It will require long and earnest effort for the formation of a public sentiment having strength enough to cause a change in our form of taxation. But if made as suggested the benefits will soon manifest themselves, not rapidly, perhaps, but slowly, surely, gathering cumulative force with time, and at no distant day many who would be in the opposition now, will, as has often been the case, in other reforms, be among its firmest supporters.

FARMER.

JUNE, 1883.

## STRIKES AND THEIR REMEDIES.

The CHAIRMAN. We have also received a treatise of several pages upon Strikes and their Legal Remedies, by a Pittsburgh Lawyer, which appears to be well written.

The document is as follows:

*SUGGESTIONS RESPECTFULLY SUBMITTED TO MEMBERS OF THE LEGISLATURE REGARDING LABOR BILLS AND CLASS LEGISLATION.*

By "A PITTSBURGH LAWYER."

Such bills have already been presented at this session, and others of the same kind likely will be. They are of the species known as class legislation, which is always regarded with suspicion. Strenuously urged, as they alway are, by private interests, through the medium of professional labor agitators, whose occupation depends on their activity and show of accomplishing something for their constituents, they are sometimes lobbied through, in conflict with the first principles of civil liberty. An instance of the kind is found in act No. 173 of the Laws of 1881, page 147, which converts an innocent transaction into a crime, and virtually forbids men to make their own bargains.

It is not the purpose of this paper to prejudice the fair consideration of any bill, but, with all due respect, to urge upon legislators the duty of careful scrutiny of their provisions, and their bearing on the general public welfare. It may not be out of place to advert here to some well-established facts and principles regarding the subject to which this class of bills relate:

1. The object of legislation is the welfare of the community generally, without discrimination or favor to one class over another. Therefore, no class ought to be exempt from the punishment of a crime or the penalties of a criminal law which all other classes are subject to. This applies to the special acts which would exempt workingmen from liability for criminal conspiracy; and also to all present or prospective legislation forbidding workingmen from entering into contracts with their employers regarding their wages or time, or manner of payment. This and all other such legislation, if carefully scrutinized, will be found in its tendency to be in the interest of the men who govern labor organizations, and would have workingmen driven into them, and to only act or contract through them. These men would have workingmen believe that, by banding themselves together, and by organizing strikes under laws exempting them from liability for wrong-doing, and by preventing others from working, or mills and mines being worked without their consent, they can arbitrarily and artificially increase wages, and procure for their labor whatever they please to ask, regardless of the principle

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of supply and demand. Such a thing is impossible and chimerical, and among a free people we all know it to be a fallacy. Its attempt can only create disturbance and injury to the working classes themselves as well as proprietors of industries requiring labor.

It will also be conceded that the prosperity and consequent welfare of the entire people of this State depends greatly on her mining, manufacturing, and other industries requiring the employment of labor; and also, that the success of these industries depends greatly upon their having a fair field and equal rights in its employment with other States and localities where similar industries exist. In so far as you hamper and obstruct the investment of capital in these industries, in this State, by unusual or undue restrictions on the employment of labor, to the same extent you divert capital into the coal and iron districts of West Virginia, Ohio, Missouri, and other sections where such restrictions do not exist. The effect is equally injurious to the employer and employé, as also to the entire community.

2. It is the common right of every man to hold or dispose of his property or labor according to his own free will and pleasure, without dictation or compulsion from others. Any interference with this right, whether by legislation or usurpation, is an infringement of civil liberty under our constitutional bill of rights. Every employer has the right to employ or discharge his employés, according to the terms of his engagement with them, and to accept or reject their propositions without having the safety of his property endangered, or his work obstructed in consequence; and every workingman has the right to engage his services, or refuse them, on his own terms, and whether by contract, written or verbal, or for a period of time longer or shorter; and he is entitled to the exercise of this right without injury to his character or person, or evil consequences to his family from odium thrown upon him or them by any caste or organization of workingmen in the same line, or otherwise. It is hardly necessary to advert to the fundamental right of every man of sound mind and lawful age to make bargains and contracts concerning his labor, or anything else that belongs to him. It is a right, indeed, which legislation cannot deprive them of, under the constitutional bill of rights, "forbidding legislation impairing the obligation of contracts," and which, by implication, forbids legislation prohibiting men from making contracts for all lawful purposes.

This is adverted to because agitators of certain labor organizations threaten to procure legislation to forbid the making of all contracts of any kind, concerning labor, between the employer and the employé. They complain that such contracts constitute a grievous hindrance in their way when they think proper to declare a strike, and that they encourage a class of workingmen to remain outside their organization; that these outsiders refuse to contribute and set a bad example to the workingmen who belong to the organization. They therefore urge that no contract whatever be signed or entered into between the workingman and the employer, whether for a day, or a month, or a year, or otherwise, because, under such contracts, the employer can hold back a percentage of the wages in order to secure performance on the part of the employé, and this constitutes a barrier against the agitators, and because it holds out an inducement to workingmen to enter into such contracts on account of the greater certainty and permanence of employment which such contracts afford.

A notable instance of this kind took place at the Waverly coal mines in Westmoreland County. About seven years ago that company adopted the co-operative system, under which each miner's wages is regulated

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upon a sliding scale, according to the price which the coal brings in the market, and the miner allows 10 per cent. of his wages to stand as a forfeit for the fulfillment of his contract. This arrangement has worked beneficially and satisfactorily, both to the miners and the proprietors ever since, and has prevented strikes, except on two memorable occasions, when officials of the miners' association of the district interfered to break it up by procuring members of the association to be employed, and then fomenting discontent and discord among those working under the contract. In this way, on two occasions, they succeeded in producing a partial strike among the men, the last of which, however, resulted disastrously to the agitating officials who got it up. It required more effort in the way of threats, and greater exhibition of force in the way of encampments and boycotting, and other appliances than were justifiable, and two of the ringleading officials were arrested, convicted, and punished by the court for misdemeanor.

In order that you may see the fairness of the contract mentioned, and may see how unjust are the objections made against such contracts, a copy is printed in the appendix hereto, to which we ask your attention. The company were never at a loss for labor under it, and of the better class, not of the floating idlers who only work at a place long enough to relieve their immediate necessities; and miners working under it were always content and satisfied, except when tampered with by labor lodge officials. The officials of the miners' association have united with the Knights of Labor officials to procure legislation to prevent all contracts, as a hindrance to their purposes of holding the working class in subjection to their organizations. We therefore ask your attention to the matter that you may consider the contract referred to and see for yourselves whether any free man has not a right to make such contract if he sees proper, and whether there is anything contained therein which it would be a hardship on his part, if an honest man, to fulfill—this being the contract in particular which has created the opposition and clamor of labor organizers against contracts in general.

If co-operative labor is advisable, as Mr. T. V. Powderly, a leading agitator, holds, we can see no reasonable objection to the arrangement which this contract provides; and whatever arrangement is made to produce co-operation and good-will and regular employment, either between workingmen themselves or between them and those who supply the capital, there can be certainly no objection to having such an arrangement reduced to writing.

We desire to raise no contention with labor organizations of any kind. We think that workingmen who choose to do so have a perfect right to join them. But there are a large class of workingmen who prefer to be free to act at all times for themselves. We submit that these men also have a right to protection in the exercise of their freedom, which the spirit of free government provides. We submit, also, whether it is sound statesmanship to extend too much encouragement to organizations and combinations of any kind, whether among workingmen or capitalists, or any other class of society. More especially, we think that sound statesmanship would rather discourage than promote organizations of the secret oath-bound order, in view of the evil results of the Ancient Order of Hibernians, or Fenians, in Ireland, and the Molly Maguire lodges in this country. Not that we class the Knights of Labor organization with Fenians and Molly Maguires, but the element of organized oath-bound secrecy in both must lead to the same evils. We know that oppression exists in Ireland, yet the pastoral letter of the bishops, by authority of the Pope, tells the Irish that "secret societies among them are establish-

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ing a tyranny compared to which the oppression they profess to remove is liberty itself." Why the necessity of oath-bound secrecy? Certainly no necessity where there is nothing wicked or unlawful and dangerous to conceal.

3. You cannot fail to see that legislation of this kind is class legislation and calculated to be one-sided and prejudicial to not only the operators, but the general public. Operators or the public are never consulted about its effect on the business. They are closely engaged at home, and pay little or no attention to legislation at Harrisburg, relying on the wisdom and intelligence of the legislature to prevent the enactment of special or unfair and partial laws. On the other hand, these bills are always urged by a lobby of persistent professional labor agitators maintained at the capital by labor unions and similar organizations.

4. Why should one class of the community be exempted from punishment for criminal acts for which all other classes are punished? Yet this is just what the special legislation to modify the conspiracy law and exempt workingmen from the penalty against criminal conspiracy aims at.

5. Again, why should coal operators be singled out and made insurers of their employés against all accidents to the person? Why should miners, as a class, or railroad men, as a class, be specially protected beyond all others in like dangerous employment? How could men risk their money in operating mines or factories or railroads if made liable for accidents, as one bill proposes? Why should the employment of productive capital in such business be specially discouraged in this State beyond other States? Or why should men of lawful age, and competent to contract, be denied the privilege of making contracts for their labor, either written or verbal, because they are coal miners or proprietors of mines, as another bill proposes?

Yet you will find on your files bills for all these purposes, and all tending to one ultimate end—to drive workingmen into labor organizations, there to be ruled with the iron rod of the demagogues of the mines and professional organizers. Such legislation must result in no one being allowed to learn a trade or get employment unless he belongs to the lodge or union and submits to the payment of all lodge dues and exactions, and works or goes idle at the dictation of union or lodge bosses. If this system gets sufficient legislative encouragement and protection it will eventually extend the power of the union over the workingman till it reaches the tyranny of the ancient trade guilds.

6. A fundamental vice in all such legislation is that it goes on the theory that rates of wages can be regulated arbitrarily in defiance of the rule of supply and demand, which regulates the price of everything else.

It needs no argument to a mind of ordinary intelligence and observation to show the absurdity of this theory. In this age of rapid and cheap transit of information and workingmen from one country to another, and one locality to another in the same country, labor flows and wages find their level everywhere, like water. They may be temporarily obstructed, but never permanently fixed or restricted by combinations among the men of a particular locality. If they succeeded even to disturb the general market value of labor or its product ever so little, the cheaper labor and product at other places would flow in to diminish or destroy, not only the trade of their employer, but their employment also. Competition in all mining and manufacturing pursuits, at the present day, is very great, and profits reduced to a very fine point. If higher rates of wages could be permanently fixed and established

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throughout the whole nation, and a tariff existed to keep out all product of foreign labor, there might be some show of reason for such legislation, but even then it could result only in a general increase of the cost of living, as all other trades, professions, and occupations would be compelled to follow suit and make a general raise all round.

7. You will have observed, also, that the main point aimed at is unfair to the operator, and has never benefited the employé. The main point is the *compulsion* of the operator to submit to the employés terms. This element of compulsion is sought to be promoted by most of the legislation in question, by extending legal protection to strikes and strikers engaged in boycotting, or holding the works, as they express it. A strike without more or less of the compulsory element, to prevent other workingmen from taking their places, or those opposed to the strike from working on, would be a rope of sand—perfectly harmless and unobjectionable. It is right and lawful for workmen, dissatisfied with their position, to quit, and to quit in any number as they please, and it is fully allowable to them to advise their fellow-workmen to follow their example; but here their right ends if they are honest and fair men. When they quit and are paid their wages their relation to the works and to their employer ends there, and if fair and well disposed they will leave in peace. But this is just what a strike does not contemplate at all. Its purpose is to force the employer to take them back on their own terms, and it proposes to do so by stopping the works, by preventing any of their fellows from working on, and preventing outsiders from taking their places; and the appliances used and approved for this purpose are encampments by the strikers about the works and every exhibition and menace of force and violence short of its application; also, actual violence to men's moral nature, as the use of vile and scurrilous language and epithets towards those who would disobey their orders: *scab, blacksheep, &c.*, hurled at them and their wives and children as they appear, or pass along the public road, or to the children at school. Another effective appliance used for the purpose is a fife and drum to escort all recusants to and from their work, to the music of the Rogue's March. It was calculated to arouse the indignation of every man having the spirit of freedom to see how diligently these and similar appliances were used during the great strike of last summer in the Panhandle district, where men who preferred to earn a living by their work at $3 wages to going about begging, were escorted in this fashion to and from the mines, and all the abuse that low and vulgar scurrility could invent was constantly heaped upon their wives and children. To the credit, however, of our native-born Americans among the miners, they did not participate in these manifestations.

But what is the outcome of all such wrong-doing? Loss and distress to the perpetrators. The uniform verdict of all workingmen is that strikes never benefit them; and yet the demagogues among them are constantly agitating strikes and devising ways and means to evade the law of criminal conspiracy, and constantly invading the legislature to obtain legislation to protect them.

8. It may be presumed that as intelligent men you are not carried away by the low demagoguery of labor union organs or professional labor organizers. These organs are making money. Their proprietors in some instances getting rich, and the labor-agitating profession receiving fat salaries. From what source? Why, out of no other than the abundance of gross ignorance among our working population of foreign birth. You will have observed that few, if any, of our native workingmen are ever found in labor troubles. That was noted by the newspa-

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per reports last summer regarding the men engaged in the extensive strikes in and about Pittsburgh. Nor do you find any, or if any, but very few, native workmen acting as labor organizers, or union officials, or labor organ editors. There are always enough smart men among the foreigners to fill these positions. This accounts for the paucity of the labor vote at the late elections. Every proprietor of mines knows that few of the foreign miners are naturalized; and when long enough in the country to get a vote they have become too intelligent to be ruled by demagoguery. It is not that our own people are better by nature, but they are better informed; have received the advantages of a better education; understand the principles of free institutions and the functions of government better. They see the absurdity of all attempts to evade the natural effect of supply and demand in wages, and of attempting to regulate them by compulsion towards their employers or fellow-workmen.

As this kind of legislation, therefore, is urged by a class who depend on the ignorance and gullibility of another larger class behind them for support and maintenance, it is to be expected that all manner of falsehood and misrepresentation will be resorted to in order to blind and mislead the ignorant mass.

## MISREPRESENTATIONS.

Among these misrepresentations you will have noted their constant harangues against capital, and the attempts to represent labor and capital as antagonistic to each other, when, in truth, no other antagonism exists than exists in any other position where one party's interest is to get what he wants as cheap as he can, and another party wants to get for what he has to sell as much as he can.

Again, they represent capitalists as in combination to oppress workingmen. You know of your own knowledge this is untrue. You never, in all your experience, knew of a combination among operators to depress wages or injure workingmen. The attempt would be futile, and capitalists are too intelligent to make any such attempt; and, in face of the absurdity of such a proposition, you see it constantly put forth that organizations among workingmen are justified on the ground that they are necessary to meet opposing organizations among capitalists. They would have it inferred there are such organizations, but never attempt to point them out. Who are the capitalists of to-day? The workingmen of a few years ago. Who will be the capitalists of a few years hence? They are among the workingmen of to-day who have energy, industry, independence, and intelligence to act for themselves; to think, and act, and work, and deal for themselves, discarding dictation, and refusing submission to any class, whether of capital or labor. They are the men who keep out of labor unions and the payment of union dues; or, if they are inveigled into them, they make trouble, refusing to join when strikes are proposed. They don't suit to belong to a union, as they prefer to belong to themselves, and to do as they deem best for their own benefit. They would not be a machine under union rule, or always keep their nose to the grindstone as laborers. They go to work to make and save, and as soon as enough is accumulated to buy a team, or house and lot, they become capitalists in embryo, and eschew labor union bossism, communism, and everything else detrimental to the law and good order of the community at large.

It is not infrequently urged also that our laws discriminate against workingmen and in favor of capital. We defy them to produce an in-

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stance of the kind in our law books. On the contrary, the discrimination is just the other way, and in favor of workingmen, so far as it goes. You find no acts of assembly favoring capitalists as a class or otherwise; but you do find acts everywhere favoring workingmen; even exempting them measurably from the penalties of the criminal law imposed on capitalists and all other classes, as in the instance of criminal conspiracy. Mr. T. V. Powderly made such an assertion in his article of last August, in the North American Review, and all he could find in our statute books to give the slightest countenance to his assertion was the act forbidding trainmen on a railroad from striking between the points of termini in order that exposure of goods to depredation or of passengers to delay and hardship might be prevented. He was hard run, indeed, when he could find no other specimen than this of discrimination. All civilized nations, for the necessary protection of freight and passengers, forbid trainmen from deserting their trains while on the journey, and sailors from deserting the ship while on the voyage. So, too, political demagogues are apt to make assertions of the same kind; some, indeed, whose character and abilities should raise them above such practices.

It is also not infrequently pretended that our laws forbid workingmen to organize, which all men of intelligence know to be untrue. It is true, organizations for unlawful purposes, or for the accomplishment of a lawful purpose by unlawful means, are forbidden generally to all classes, except to workingmen. The labor agitators have gotten the law against criminal conspiracy so modified as to exempt their class, as they claim, and now they are agitating to modify the law still further, in effect not only to enable them to combine and conspire but to accomplish such unlawful purposes as preventing the proprietors of mines and mills from operating them, or hiring help to operate them, except on terms dictated by the special union of the locality.

Another misrepresentation made by the agitators has reference to monopoly. They represent all aggregated capital as monoply. You would suppose that every firm or corporation having capital invested in any industrial pursuit was a monopoly. All these uses of capital, however, contain no element of monopoly, but are highly beneficial in their respective spheres. It is only when capitalists, whether individuals or corporations, combine to inflate or depress prices of commodities to the public prejudice, or to accomplish any other purpose injurious to the public or individuals, such as forestalling the market in an article of common necessity, that monopoly and its evils are produced. It is a wrong to be condemned and suppressed wherever possible; and it need not be denied that such combinations do too frequently exist among our leading capitalists and corporations, but they have never been known to exist for the purpose of depressing wages. It is wrong, however, to represent all possessors of capital, or all who unite their capital in a legitimate business, to be conducted in a legitimate way, as monopolists. Our largest and most useful industrial enterprises could not be maintained without aggregated capital; and without such industries where would employment and wages come from?

But it is not in capital or the aggregation of capital alone that a monopoly may exist. It can be created in labor as well as anything else of value to the public. The very end and aim of our present labor unions and Knights of Labor, outside of their charitable purposes, is to form a monopoly in labor, and to obtain for it more than its market value under the natural law of supply and demand; and the monopoly so established, regarding labor, is just as injurious in effect so far as it goes.

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Political demagogues and labor agitators of the day are incessant in teaching false doctrines regarding labor and capital and their relations to public welfare. According to them you would suppose that labor was the sole producer of wealth, and that to it all property owed its value, and that society and civilization depended on it; when in truth it is but one element, though a very important one, in producing the wealth of the community, and it can rightly claim but equal protection under the law with the thousand and one other classes of producers and contributors to the common weal. Arts and sciences, manners and customs, thought, habits, and principles—all and every occupation, condition of body or mind in which the various members of the industrial hive are engaged go to make the market without which the products of labor would have no value as a factor of wealth. Each man's labor might serve him to catch game or till the ground for his own subsistence, but would be otherwise valueless. If he could not dispose of his surplus products or surplus labor where would pay or wages come from? And to create this market requires the interposition and exercise of all other qualities and faculties of society. Workingmen are therefore entitled to the same rights and consideration as capitalists and other classes, but no more. Whilst their condition or occupation by no means degrades them below other classes it does not elevate them above others. All are equal.

> Honor or shame from no conditions rise;
> Act well your part—there all the honor lies.

The industrious laborer who does his work well and fulfills his domestic relations properly is as worthy as the judge or the senator who discharges his duties faithfully, but is not above them. The character as well as the acts of men are factors in the creation of a market and the production of wealth.

An eminent writer on social science speaks of it in this way:

### THE RELATIVE POSITIONS OF LABOR AND CAPITAL AS MORAL AND PRODUCTIVE FORCES.

"Adam Smith taught that the wealth of a people is its sons, and that this is also the political economy of the Old Testament. For a solid, simple scheme, to stand by and work on the world over, and right through its whole history, there is nothing better in Mill or Ricardo than this elementary view of the matter. Human character is the basis on which it all rests. Labor can be defined so as to include every kind of human activity, and even the principles of morality. Still, as a practical doctrine to lay before the people, it is a false and dangerous position that labor is the source of wealth. A thousand things which no one would think of calling labor enter into it, such as experience, taste, ingenuity, knowledge, patience, perseverance, and so on through the whole list of human capacities, and, we may add, of human desire. It is a tremendously dangerous thing to point out all the rich works of a great city—to the domestic palaces, to their furnishings and adornments; to the wares in the shops, the silks, laces, vases, gems; to the horses and carriages, and other identifications of a complex and advanced civilization, and then tell the crowd of workingmen that they made it all. They did not make the thousandth part of it. They did not furnish the essential and critical thing in the production which gives the whole its magic charm and supreme value. The moment this thought gets into their mind the other comes chasing in after it—that this is their work; the world is all wrong as long as they cannot own it and

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have the good of the work of their own hands. If labor is the source of wealth why is not the laborer entitled to all he has created? That is the short method that lies under most of the workingman's discontent. They have been told that labor, and nothing but labor, is the source of wealth. They believe it, and for the next thing they are all up and afire to pull down the iniquitous system (as they see it) which compels them to work but forbids them to enjoy the fruit of their labor. Things are likely to grow worse than better, until they make workingmen see some elements in the production of wealth which they do not think of when speaking of labor. We have floated off in our speculations too far, from the very simple elementary proposition that the requirement and desires of men are what make the market, and that the human character is the basis of economic value.

"Thanks to the good sense of the people, they are still wiser in this matter than many of their teachers. They have not lost faith in the old-fashioned political economy of the Bible. They do not forget that character in all its aspects has as much to do with the production and conservation of wealth as labor, and they have still a faith in the economies of honesty and justice which does credit to them as men."

## ARBITRATION.

We do not see any good in arbitration boards. They are also based on the erroneous principle that men do not understand their own interests or know how to make their own bargains, and should have guardians appointed over them. Could there be a greater absurdity in legislation than Senate bill No. 30 on this subject? Judges without salaries in a court which would take up their whole time if there should be fools enough to resort to it. A court, too, without attorneys, agents, or advocates to represent the parties or their cases. Employers should have no objections to this, as they are supposed to be generally better able to conduct their own cases than the other side. A court, too, which anyone may turn his back on if summoned to appear before it; and if he does appear or brings suit in it no judgment can be entered against the losing party unless he consents to it. A court, also, with a code of procedure so complicated as would require an adroit practicing lawyer to carry a case through without being upset by a certiorari from the regular law court of the district. A court where, if judgment was entered after trial and consent given to the decision, as required, the successful party would have a good time to carry it into effect. Final process against miners to compel them to go to work—attachment, of course. They would have to be caught first, and then worked in chain gangs in order to hold them; and if the court went into an investigation of the state of trade, and the condition of an establishment to ascertain whether on the whole it was making or losing money, with a view to decide as to the wages it ought to pay, the court would have rather a large contract on its hands. All the proceedings of such a court would be entirely nugatory without compulsory power, and compulsory power cannot be given. Laborers cannot be arrested and put to involuntary labor like slaves, and employers cannot be compelled arbitrarily to hire labor at a higher rate or on better terms than they choose to give. That would virtually take the management of a man's business out of his hands and be downright confiscation.

But it is thought it might do some good as a court of conciliation. This, too, is doubtful. If the interest of the parties on both sides does not lead them to conciliation and concession it will never come of litiga-



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tion in any form. Serving subpœnas, examining witnesses, and the red tape and delays of a quasi lawsuit will never bring them together. No, if employer and employéss cannot attend to their own affairs and interests there is no use in the law appointing either guardians or advisers for them.

## STRIKES AND CONSPIRACY.

The following article has been approved as sound by several eminent lawyers:

### LAW OF STRIKES.

Workingmen, like all others, have the right of meeting together at all times to discuss and consider whatever they may regard as material to their interests. They have also the right to argue and discuss and to try to persuade each other to any particular view or the adoption or rejection to any particular measure just as all men have.

They have also the right to advocate any measures they please through the medium of the press, as all others have.

They have equal rights with all other classes, and the majority of them are intelligent enough to know this. The only difficulty arises from the demagogues among them wanting more rights than belong to other classes.

They have, of course, the right to demand higher wages or better terms of their employers, and the right to quit work, all at once, or as many as see fit to do so, if the employer refuses to comply; and they can refuse to return to their employment if he persists in rejecting their demands. They can do all this and not be liable to the law for either conspiracy or damages. But if their employer definitely refuses their demands, their rights, as against him, end there. They cannot coerce or compel him and he cannot coerce or compel them, and all acts and measures taken in that direction render them or him law-breakers, as the case may be. If their demands are refused it is their duty to depart in peace. The employer has the choice of granting their demands or losing their services. This is a fair matter of business. Every intelligent workingman will admit this; and this being so, if the employer elects to dispense with the services of the men instead of granting their demands it is his right to do so, and in that case common sense and common honesty require that the matter should end there. Every honest man will admit that to force him to take back the men on their own terms, by direct or indirect means, is an outrage on law and social order and all business principles.

And just here is where the pinch comes in the strikers' case, as the very essence of a strike is compulsion; compulsion of the minority to quit work and join the strike; compulsion of outsiders to stay away and not fill the places of those holding out, and compulsion as between the strikers themselves to compel the wavering to hold out—and all this with the ultimate purpose of compulsion of the employer to concede their demands. Take away this element of the strike and you entirely emasculate it. It becomes a rope of sand. The rejection of the proposition of the strikers by the employer ends it at once. Indeed, it cannot amount to a strike without this element of compulsion, for the very term implies an intention on the part of the strikers to hold out, and there would be no holding out without an object which can only be to compel the employer to give in and grant their terms.

Now, it is this element of compulsion, and the means resorted to to enforce it, which render strikes unlawful, and for several years the labor

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demagogues have bored the legislature to legalize this compulsory element, and, as they think, with some success. If compulsion is a right which workingmen are entitled to have enforced through the means of a strike, then, of course, the law ought to give it to them, and give it in clear and unambiguous language; but such is not the character of the legislation so far obtained on the subject. A little consideration, however, will show that to enact the law in plain terms would expose its absurdity so that even the stupidest legislator would be shocked. Let an act be framed declaring that when the majority engaged in any particular work declare a strike it shall be unlawful for the minority to work on, or for others to take the places of the strikers, and that all violations of this law shall be punished by fine and imprisonment; or that the strikers may use the necessary force to prevent the work going on without their consent or their demands being granted. It is plain this takes the control of his property from the employer and deprives workingmen outside the strike of their constitutional rights. Yet this is just what the legislation in question has aimed at in an indirect way. If strikes were legalized to the extent demanded the next step would be an act requiring the employer to operate his works, or allow the strikers to take possession and operate them on their own terms at his expense. This is the logic of all such legislation.

The first step taken in this direction was the act of 1872, Purdon's Digest, page 351. It made it lawful for workingmen "to refuse to work if in their opinion the wages are insufficient, or their treatment brutal or offensive, or the employment contrary to the rules of any association to which they may belong: *Provided, however*, The constitution and rules of such association are conformable to the Constitution of the United States and of this State; *And provided further*, That such workingmen shall not in any way hinder persons who desire to labor for their employers from doing so, or other persons from being employed as laborers." This act, with its proviso, was really but an expression of the common law of the State as it then stood.

By the above provisos added to this act, on its passage through the legislature, it will be seen that the "virus" of compulsion was entirely extracted and the law left as it was before, because the law never was otherwise in either this country or England, that workingmen could not leave their employment if they deemed their wages inadequate, or their treatment brutal, or the employment contrary to the rules of their church or any civil or social association to which they belonged. It was only when the strike was intended to take undue advantage of the employer when filling some important order, or getting out some special work that would occasion great loss and disappointment, as the getting out of a newspaper or the like, that strikers were indictable at common law, and such attempts to take advantage of a special emergency of the employer have not been legalized yet.

Of course, this enactment, with its provisos, did not meet the expectations of the labor demagogues when put to the test as affording the right of compulsion, and the next effort was the act of 1876 (Purdon, 2037) which provides that the second proviso in the former act of 1872 "shall be so construed that the use of lawful or peaceful means, having for their object a lawful purpose, shall not be regarded as 'in any way hindering' persons who desire to labor, and that the use of force, threat, or menace of harm to person or property shall alone be regarded as in any way hindering persons who desire to labor for their employers from so doing, or other persons from being employed as laborers."

This was intended, and is claimed by strike agitators, as giving full

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power to the strikers to do any and everything short of assault and battery, or murder, or the destruction of property, in order to compel the employer to accede to their demands; and to use all manner of scurrility, ridicule, and vile epithets, as scab, black-sheep, &c., and derisive music of fife and drum, as the Rogues' March, &c., to compel others to join them. But a very little consideration will satisfy any one that this construction cannot be given to it. In the first place, such a condition of things as this would involve would be contrary to the spirit of the Constitution, both of this State and of the United States. Again, an act of this kind, in derogation of the common law, must be strictly construed, and only effect a change so far as plainly expressed or implied; and this act expresses no such extreme or radical change as is claimed for it; and so far as it has received any judicial construction it is unfavorable to the latitude claimed for it. Thus, in the important case against Jones and Anderson, in the Westmoreland County court, where on the trial this act of 1876 was overlooked and disregarded, and the law laid down as if no such act existed, but, after being fully considered on the motion for a new trial, and argued on behalf of the defendants by Hon. Edgar Cowan, one of the ablest jurists of our State, the court saw no cause to change its rulings, or for granting a new trial on account of this act; and the supreme court seem to be of the same opinion, as they refused to allow a writ of error after the whole case was laid before them, so that it may be fairly inferred that this act does not give strikers the license they claim under it; and indeed the act itself is clear enough on the subject. The means used must be lawful and peaceful, and have a lawful purpose, and shall contain no menace of harm to person or property.

Now, this excludes the usual appliances resorted to to maintain a strike, such as remaining on or about the premises in force, for the unlawful purpose of deterring their fellow-workmen who would go to work, or others from taking the places vacated. To take away men's free agency in the pursuit of happiness or any lawful pursuit of daily life, whether done or attempted by the application of actual force, or by calumny, insulting, epithets or menacing gestures, is clearly illegal, and would be neither lawful nor peaceful as a means, or for a lawful purpose, if that purpose was compulsion; and whilst such appliances might not be a menace or harm to person or property in all cases, yet they are clearly illegal on other grounds. Much less would bands of men hovering about the works, or encamped, or marching in force with or without drums, or other hostile demonstrations, be lawful. Such appliances would constitute a standing menace of harm to both person and property, and be punishable under the law; as also all confederated with them, and aiding and abetting, by use of money or otherwise. The continued maintenance of a strike, with or without hostile demonstrations, at works of any kind, is calculated to deteriorate their value, which is in itself harm to the property, and consequently a menace of harm. The plain duty of the strikers is to leave the place in case their demands are declined. They have the right to stop work and make their demands, and the employer has the alternative of losing their services or complying; but when he has made his choice the law as it now stands, and ever did stand in any well-regulated community, extends no right to the striker to exercise compulsion on his employer, or on other workmen, under any shape or pretense whatever. The foundation principle of free government is the equality of every man with all other men in all the rights of life, liberty, and pursuit of happiness; and every obstacle thrown in the way of any man to pursue his vocation, or in the way of

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any man or set of men in the lawful management of their own affairs, is an infringement of this principle. Every man has the right to work or not, and for whom and on what terms he pleases, but he must allow others the same privilege; and every employer has a right to employ or not employ as he pleases. This is liberty and freedom. It may be noted, also, that these acts belong to what is known as class legislation, and include only workingmen, as mechanics, laborers, &c., and no other class; certainly not the gentlemen labor agitators who do no manual labor, but are salaried officials of a class professing to have a government of their own, separate from and in some features at variance with the common law of the land governing other classes.

A case lately decided in the Schuylkill County court also has some apt remarks on the subject, as follows:

In the case of Russell & Co. against Curren, Owens, and Keating, some important points on the subject of conspiracy were decided. Russell & Co. leased the Etna colliery in Schuylkill County, and put one John Smith and his son at work in one of the gangways. They worked for some days, when Curren, one of the defendants, claimed that as he had been employed in that gangway by the former proprietor it belonged to him. This claim was resisted for some time, but finally, under threats of a strike, Curren was put to work with the Smiths. In a couple of weeks he was discharged for inefficiency, when all the workmen in the colliery quit work, and it was closed up for some time. The trades union to which the men belonged upheld Curren in his course, and suit was brought against him and the officers of the society, and they were convicted. Justice Ryon, in his charge, held that "all confederacies wrongfully to prejudice another are misdemeanors at common law, whether the intention is to injure the property, person, or character of another"; also, that "it does not matter at what period any one enters into the conspiracy; if he knows the object and aids in its execution, he is responsible for all that was done before he entered into the combination"; and further, that "one has no right to dictate whom the owners of the property shall employ to work it, nor to say the work shall not be done by such as the owners may employ to do it."

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## APPENDIX.

### CO-OPERATIVE CONTRACT BETWEEN OPERATOR AND COAL MINER.

Witnesseth, that said miner agrees to enter the coal mining department of said operator's business on the following terms and conditions:

1. Said miner shall mine coal in a proper workmanlike manner, making the average daily output of a regular miner, and not absenting himself from work without leave, unless for sickness or other unavoidable cause, and shall fill into separate wagons so much of the bottom coal and also so much of the room slack as may be required for charging coke ovens.

2. Said miner's pay and share of profits shall be ascertained as follows, viz, for the large coal and nut coal by him put out in the same wagon, the large coal passing over the one and one-half inch screen, shall be estimated at 3 cents per bushel of 76 pounds on board cars at tipple; to this shall be added the price the same sells for in market after deducting cost of transportation, and the aggregate amount so ascertained shall be equally divided between the parties hereto, share and share alike, this estimate to be made monthly before pay-day, and said miner, or any one by him authorized, is to have free access to all books and papers in order to ascertain the accuracy of such estimates. The bottom coal and room slack filled into separate wagons shall be separately paid for at 30 cents per wagon for bottom coal, and 25 cents per wagon for room slack.

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3. The miner shall receive his share and pay at each monthly pay-day, less ten per cent. to be retained as security for fulfillment of this contract on his part.

4. A mutual object of this contract being to secure to the operator a more reliable supply of coal and steadier trade, and to the miner more steady employment and freedom from dictation and assessments of self-constituted labor organizations, and to secure both parties from the loss and trouble of strikes. The said miner stipulates that he will not strike or quit work, or join or encourage any strike among his fellow-workmen, nor promote any combination or association calculated to hinder or discourage other miners from taking the places of those who do quit work, or in any way to hinder or impede the progress of the work; but on the contrary, if he becomes dissatisfied with his situation under this contract, he shall leave peaceably according to the terms hereinafter set forth.

5. Said miner agrees to remain in said employment for one year from this date unless he becomes dissatisfied and desires to leave, in which case he shall give said operator sixty days' written notice of such intention before quitting work, and in quitting shall clean up his room in the pit, take out his tools, and give up possession peaceably of any tenement-house he or his family may occupy under said operator, and thereupon he shall be entitled to claim and receive all back pay and retained percentage, or share of profits belonging to him.

6. Ten per cent. as aforesaid of said miner's earnings and profits shall be retained as security for the faithful fulfillment of these articles, and which, together with any unpaid wages, shall be wholly forfeited to the operator by a breach thereof; but all earnings and profits, except said retained percentage, shall be paid him at each monthly pay-day; and at the end of the year, or earlier termination of this contract by the miner giving the sixty days' notice and leaving without breach on his part, he shall be paid all retained percentage or back pay, and shall be paid interest at the rate of —— per cent. per annum on any amount thereof exceeding fifty dollars from the date it reached that amount; and so on for each succeding fifty till paid.

7. If said miner continues over the year in said employment it shall be regarded as a renewal of this contract on the same terms and conditions.

8. In case said miner violates this contract by going on a strike or declining to work, and the amount of retained percentage at the time should not be deemed by said operator adequate to compensate for the loss he may sustain, the said miner may be regarded as a tenant at will or sufferance of any tenement he may occupy under said operator, and on five days' notice in writing to leave he may, without any legal process or judicial proceedings, be evicted and removed with his goods and furniture therefrom by the operator, with the aid of a constable or other peace officer and such other assistance as may be necessary, using no undue violence or force more than may be necessary for the purpose, and said miner stipulates to hold said operatór harmless and free of all cost or trouble therefor.

9. In case said operator on his part desires to terminate this contract before the end of the year, and the miner is performing his part, said miner shall be entitled to sixty days' notice in writing and payment of all back pay or percentage from the operator before the contract is rescinded.

The above has been twice tested in the courts by striking miners and lodge officials and pronounced a fair, legal, and binding contract.

Of course all contracts for lawful purposes entered into by parties competent to contract are legal and binding. The form is special, but shows the application of the principle. Whether co-operative or not, such contract can be legally made, and can be secured by the retention of a percentage of wages to secure its fulfillment; and there is no more hardship in this than any other kind of security required in business transactions. To many workingmen it is an advantage, as it accumulates a fund which they would otherwise spend. In this or any other kind of contract the main thing is to have the actual bargain clearly stated; and that there may be no complaint of misunderstanding each party should have a copy. This contract has been in use for nearly twenty years at Braddocks and seven years at Smithton collieries, with much satisfaction to both parties. The 10 per cent. retention has always been found proof against strikes; but on that account it meets bitter opposition and unwarranted denunciation from the officials and agitators of the various labor organizations.

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## TENEMENT HOUSES.

Almost every mining and manufacturing establishment is under the necessity of erecting tenement houses for their employés. These are so essential to operating the works that it is desirable to have them for the occupancy exclusively of those engaged in the work. It is important, therefore, to regain possession as soon as an employé leaves or is discharged, or when a strike occurs, in order that the houses may be filled with those willing to work. It will be seen that the foregoing contract contains a stipulation for this purpose, and no separate lease is needed. But those who have not adopted the contract system need a lease with each employé, in order to prevent the long and tedious delay and expense of regaining possession under the ordinary landlord and tenant laws. The following form is in use with practical advantage by many of our leading firms. It does not contain a waiver of the three hundred dollar act, except for cost of legal process. As the chief object is to get possession, the employer would hardly care to harass the occupant by taking his goods for the small arrears of rent that might be due, and in most cases the goods would not pay the cost of distraint. Few employés will put the employer to the trouble of forcible ejectment, but as there are always some who may give trouble, it is best to have a lease with all. And under a lease of this kind, if the employer resorts to the summary remedy of ejecting the tenant, as provided therein, without resorting to the entry of a judgment in ejectment, and an evil disposed tenant should sue for trespass or damage, he would be estopped and have no standing in court unless he could prove that his employer used more force and violence than was necessary for the purpose. (See 1 W. & S., 90.)

### EMPLOYER'S LEASE.

This is to certify that A. B., employer, lets to C. D., employé, that certain tenement house, &c., upon and subject to the following conditions, and not otherwise, viz:

1. To do no damage thereto; make repairs at his own expense, and not sublet.
2. To pay ——— dollars to said employer each month for use and occupation.
3. Whenever he is discharged, or leaves said employment, he shall leave peaceably within five days thereafter, or upon five days' notice to leave, given to him or posted on the premises: *Provided*, In case of severe illness of himself or a member of his family they can remain until capable of being removed.
4. And in case he or others in possession under him fail to comply with any of the above conditions, he and they authorize said employer to take to his assistance any constable or peace officer, and enter the premises, forcing open the door, if need be, and remove him and his family and others and their goods therefrom, and to regain exclusive possession thereof; or at said employer's election, in case the employé or others shall resist to an extent endangering the public peace, the employer may enter an action of ejectment therefor against him in any court of competent jurisdiction; and in that case said employé hereby authorizes and empowers the prothonotary or any attorney of such court to appear for him and confess judgment against him for possession forthwith, with costs and nominal damages, and with waiver of all exceptions and objections in regard to any errors or irregularities in said judgment or subsequent process issued thereon. And in case resort is had to said last-mentioned remedy, said employé hereby waives the $300 exemption law, as regards liability of goods for costs. And in case of resort had to either of said remedies by said employer to regain possession, he shall be held released, free, and discharged from all cost and damages for or in regard to his so doing, or the eviction of said employé and others from said premises; it being well understood that said tenement is for the occupancy of the employé only whilst engaged in said employer's work, and we agree to modify the law of landlord and tenant accordingly.

Witness our hands and seals, &c.,

Attest:

——— ———. [SEAL.]
——— ———. [SEAL.]

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## *THE NATURE AND CAUSES OF STRIKES, AND THE LEGAL REMEDIES APPLICABLE THERETO.*

[The first part of this pamphlet was published and distributed among the members of the legislature, February 14, 1883, at the instance of some coal mining and manufacturing operators; and as now supplemented with directions for the prevention of strikes, and advice, and explanations regarding legal remedies for their suppression, a few extra copies are offered for sale to pay cost of printing. This second part, it is hoped, will serve to answer the numerous letters which the author is receiving about the conspiracy laws, and legal and other remedies for preventing and suppressing strikes; and about forms of contracts and leases, &c. The author has retired from the practice of the law, and would avoid notoriety and the labor of correspondence as much as possible. He therefore withholds his name, but the publishers are at liberty to give it to any party specially interested.]

### CAUSES OF STRIKES.

Ignorance of the true relations of labor and capital, and the rights of the employer and the employed; also, the misrepresentations of demagogues and the uncertain teachings of the newspaper press on the subject, are among the chief causes at the bottom of labor troubles. If the true relations between the workingman and his employer were clearly understood there would be no ground for strife or complaint, and the occupation of middlemen and mischief-makers would be gone. No cant or inflammatory declamation against proprietors would be listened to if it was fully and clearly understood that proprietors have a just and perfect right to employ labor as cheap as they can, and are to be expected to act accordingly; as much so as to purchase their tools and materials as cheaply as they can; and that employés have the same right to demand and get all they can for their labor, and that no odium can attach to either side by acting on these principles, but that all the wrong and odium attaches only to the party denying or hindering the other in exercising these rights.

Proprietors have no right to combine and use means to depress wages or hinder workingmen from getting employment; nor have workingmen any right to combine and use means to either prevent fellow-workingmen from taking employment, or to prevent proprietors from obtaining labor. The wrong is equal on either side, and what is needed is clear utterances of the press as a public teacher to this effect, so that the proper degree of blame and odium be cast where it belongs—on the party invading the rights of the other. There are no combinations of proprietors of the kind indicated for depressing wages; but if there were, it would not justify strikes or counter organizations or combinations on the part of the workingmen, as two wrongs do not make a right, or one wrong justify another.

If this rule was observed, the amount of work to be done and the number offering to do it would regulate the market price and fix the rates of wages, and leave no room for controversy or crimination and recrimination. No odium would attach. The proprietor not giving the market price could not get labor, and the laborer asking more than the market price could not get work. It would be purely a business transaction on either side, and after all that agitation and organization can do, it comes to that at last. It is a law of trade inherent in the nature of things. It has been so in all time. Strikes and labor organization are no new invention. The history of the ancient trades guilds proves how little good and how much oppression such organizations are capable of inflicting on the working classes. They have been tried and found wanting long ago. Demagogues may rant about the wages which proprietors ought to pay, and may indulge in gushy declamation to ex-

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cite the sympathies of the unthinking crowd. Who but an idiot would expect proprietors, out of mere sympathy, to give higher wages than the common rate, or to employ more men than they needed? As well might merchants and farmers be expected to dispose of their commodities for less than they were bringing in the market, because it would confer a favor on the purchasers.

Proprietors are not behind other classes in the exercise of charity, but charity rests on other principles. Those who pretend to couple charity with business are generally found to be humbugs or hypocrites. Distress excites sympathy and is relieved by charity, whether in or out of employment.

You will have observed that in all the declamation of labor organs and labor demagogues against capital and its employers, as oppressing workingmen and depriving them of their rights, they never attempt to describe what the rights are of which they are deprived, or how oppressed. They point to distress or destitution without stopping to ask the causes, and ask you to infer it to be all the fault of the employers for not paying higher wages. Why should the employer pay more than he can afford; and who is to be the judge of that but himself? How much improvidence, extravagance, intemperance, indolence, and general worthlessness, or a glut of labor in the market, and dullness of trade and depressed prices of product have to do with it, they never inquire. It suits their purpose better to flatter their dupes by taking all the blame off their shoulders and placing it on their employers. They would have the employer pay them wages high enough to supply all their wants and allow them to work as they please, regardless of how it might affect himself. If he declines such a modest proposition, they are instigated to strike instead of exercising their right to go where they can do better. They are taught to assert the absurd right to compel higher wages, whether it suits the employer or not; and if he refuses, then to regard him as their enemy, and stop his works and hold them idle till he submits. How would it better their condition if he withdrew his capital from that branch of productive industry and left them to enjoy their idleness?

And it is under pretense of empowering workingmen to enforce just such an unjust and unfounded right as this, that class legislation is sought to enable labor organizers to hold the owners' works idle without incurring legal punishment, and the fetters of organization to be fastened on the working classes.

And here I may consider the chief argument with which labor organizers seek to captivate operators to join their standard; that is, the effect which a perfect

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would have in controlling labor and preventing strikes. Candor compels me to admit that, if carried to the extent Mr. Powderly and his friends claim for it, and it should become universal and be legalized to the extent sought for, it will afford a most effectual preventive of strikes and labor troubles. Under it the workingman could move neither hand nor foot. It matters not what name the organization assumes, whether Knights of Labor, or trades unions, the principle is the same—the unification and universality of the organization is the result aimed at, and from which the beneficial effect is expected. The ancient trades guilds attained perfection on this score. No employer could get labor, nor any laborer employment, without the sanction of the guild of his craft; and all crafts, as is sought for at present in the Knights of Labor sys-

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tem, were united under one general government or head. Labor of all kinds was organized into a perfect union, with ample powers conferred by law to carry out its purposes; and it is true that, whilst the organization remained in full force, it did, to a great degree, prevent strikes and labor troubles, because workingmen were powerless to act for themselves—the guild acted for them.

I notice this phase of organization more at length, because many of our manufacturers and mining operators are becoming favorably impressed with it, and think that if fully empowered to control labor it would have a salutary affect. They regard with approval the conciliatory influence and authoritative bearing of President Jarrett and his associates of the Amalgamated Iron and Steel Association in controlling puddlers and other iron workers during the past year, and they declare that it would be much easier to obtain their required labor through the officers of an association than to deal directly with the men themselves.

This is also pretty much the view taken by the newspaper press, so far as it gives any distinct views on the subject. I select the following from the Pittsburgh Sunday Critic, whose utterances are usually well considered. The editor is commenting on the result of the potters' strike at East Liverpool, and his remarks illustrate the drift in this direction:

> The Knights of Labor have received their first defeat. The vital principle of their organization was at stake in East Liverpool. For the present the victory is with the master potters. The conditions were not favorable to the knights. But, however pleasing the present state of affairs may be to the pottery firms, we opine that they will yet, and that speedily, see the day when the conservative influence of such organizations will be a necessity to them. The Knights of Labor and its kindred society, the Amalgamated Association, have done much to establish harmony and a permanent working basis in Pittsburgh. They prevent strikes, curb unruly spirits, and fix wages in a spirit of equity. The knights, strong in numbers and in public confidence, can afford to receive this temporary defeat with equanimity. Meanwhile, they will do well to avoid such unpromising encounters, and to see that some of their injudicious acts at East Liverpool are not repeated elsewhere.

It is claimed by those who take this view that when the organization is perfected, labor will become so completely under control that no refractory or *unruly individual*, or number of unruly individuals in the same employment, can create a strike or labor disturbance of any kind whatever. If dissatisfied with their employer, they must apply to the local officers of the organization, and after their complaint is investigated they must abide the decision. If against them, they must go back to work under their employer, and could not seek employment elsewhere under penalty of being struck off the roll of the organization, which would prevent them getting any employment at all. If in their favor, the employer must redress their grievance or suspend operations. He will have no alternative, as he can get no outside or free labor to supply the places of his men. There will be no room for him to struggle against the decision. It will be a mere business matter, either accede to their terms at once or suspend the work. No occasion will be presented to either side to hold out under the hope of outside relief. All labor will be in the ranks of the organization, *nolens volens*, and subject to the imperious orders of their superiors, and if the decision is adverse to the men they have no other alternative but to obey and return to their work. No lost time, or engendering of ill feeling by disagreement among themselves as to the best course to pursue; that is decided for them. No holding out to compel the employer to come to terms. If they disobeyed their superior officers in any way, or failed to pay organization dues, their license as members would be revoked and they could

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get no employment whatever, as no union men would be allowed to work with them. Doubtless an employer of labor would be required to take out a license from the organization in the first place, before his labor would be furnished him, and in doing so he would have to agree to submit to the regulations. The organization would fix wages from time to time in each different locality and trade throughout the entire country, so as to equalize rates according to cost of living and the facility of production. There would be no contention between union and non-union men; all would be driven into the organization, as none could get employment outside of it. It would necessarily be clothed with legal authority to forbid the employment of non-union men, or the association of union with non-union men in the same work; otherwise the organization would not be perfect as a body politic in law, according to the notions of the agitators at Congress and elsewhere. Nor would there be any over hours or extra work or output allowed. That would be allowing some to rob their fellows by doing more work and getting more wages than their share. Then would be brought about a fraternization of employers and employés, through the medium of their mutual friends, the organization officials. Self-interest would cement both parties to the organization—the one to get work, the other to get wages—and the power of the organization over both would be so complete that neither could gainsay its authority, and the necessity of the organization to keep mines and mills in operation to get wages for the men, and consequent income to the organization, would moderate the demands for advance of wages and compel submission by the men. The number and age of apprentices at each particular institution would be fixed, as also all holidays, and the hours and methods of work which all would be compelled to conform to.

In short, it is claimed for perfect and complete organization, such as is proposed by Mr. Powderly and other Knights of Labor advocates, that it will produce perfect peace and uniformity in the employment of labor throughout the nation.

I have thus fairly stated the theory of labor organization and the reasons put forth by its advocates, both by employers and representative agitators. But I do not believe in it, and my reasons are these: It has been tried in the past and found wanting. The more perfect the trades guild organizations became, the more intolerant and oppressive they became. Then the experiment was under far more favorable circumstances than are afforded now. The people were far more ignorant then than now, and the greater the ignorance the better the condition for implicit obedience to superiors. Slavery is possible only where ignorance is gross. Then it necessarily reduces men to mere machines. It places the industrious on the same plane with the lazy drone. No one can work over hours or produce more of an output than another. The expert workman is put on a level with the botch. There is no room for individual enterprise. Self-assertion, laudable ambition, and competition in well doing are suppressed. Any one attempting to better his condition would lose caste, and perhaps have his license to labor revoked. Men must work on as their officers directed—once a workingman always a workingman—no hope to rise. We need only to go to the Chinese labor companies of San Francisco for a true specimen of organized labor. The cooly goes where and at what wages he is directed by his master, through mere ignorance and force of habit—not because the laws and institutions of this country compel him. The men wanting Chinese labor go to the officers to negotiate, and the same would be the course as regards the employment of all other kinds of labor if

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the Knights of Labor should once get their organization as perfect and thorough as they propose to make it. I do not think they will extend it much further than it is, however. They may hold within the meshes of their net the ignorant foreign immigrant labor for awhile, as it comes into the country, but as soon as they become fully acquainted with the situation individual enterprise and self-interest assert themselves, and payment of lodge dues and submission to lodge dictation is cast aside. It is impractical for any organization to hold free intelligent workingmen in subjection. They get to know too much. The operators of mines and mills need not expect the millennial day of labor employment to be ushered in by the Amalgamated Association, or Miners' Union, or Knights of Labor, because the day of entire control by any organization will never dawn. Long before it reached perfection most of the members, except the officials, will perceive the truth contained in the bishop's letter, already quoted, and see that they were creating a tyranny over themselves compared with which common slavery would be comparative liberty.

But whether organized or unorganized, and notwithstanding all the bombast about an irrepressible conflict between labor and capital, one thing is certain, that so long as capital wants labor and labor wants wages, they will come together and be found marching on, hand in hand, improving the world and bettering its condition. Mischief-makers may produce family jars between them, but mutual self-interest will still keep them together. They are joined of God; or, according to modern godless philosophy, their union grows out of the wants and condition of human nature.

### RESPECTFUL TREATMENT.

I need hardly advert to this as a preventative of strikes. Every man's own good sense will suggest the necessity of kindness and consideration for the men employed by him. They are apt to feel keenly any treatment suggestive of an inferiority of condition. Whilst we all know superiority or inferiority does not depend on men's positions as employer and employé, but on the innate character of the man himself, yet many of them do not realize this truth, and respectful and conciliatory consideration of their requests, whether made individually or by committee, is always best, and it is wise to consider well and give a direct and positive answer, in respectful terms, as soon as possible. It ought to be considered well before the answer is given, because, whatever it is, it should be adhered to firmly. Nothing has so bad an effect as vacillation and change. The men soon discover the weakness and hesitation which produce it. It strengthens their determination, makes them all the more importunate and frequent in their demands.

### THE CONTRACT SYSTEM.

The writer's experience is all in favor of it. He has been connected with coal operators who have used it for over twenty years, and it has worked well invariably, both in preventing strikes and securing steady trade to the operator and work to the men. Its effect in preventing strikes lies in the fact that it provides a money security against a strike. At a mill or mine men are employed from day to day as occasion arises. Consequently the contracts of the men never expire at the same time, and if a strike is inaugurated all who join in it forfeit the retained percentage of their wages. Hence the consent of the majority can never

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be obtained to strike, and any who become dissatisfied have to leave in the ordinary fair way in which all employés ought to leave when they choose to quit. The contract works no hardship to him. He knows the terms and wages before he engages, and to engage his services for sixty days or any other stipulated time, is a voluntary act which every honest man is in duty bound to fulfill, as he would fulfill any other solemn promise or engagement. It is a mutual contract and is as binding on the employer to give him work, whilst the mill or mine is running, and he does his duty, as it is on the employé to do the work presented. It indeed, in many respects, is an advantage to the employé to obtain steady wages, and his retained percentage never comes amiss at the end of his term. The self-interested cant of the labor demagogue that the contract system is semi-slavery or bondage, is ridiculous nonsense. If a man has the right to contract for his services for one day or a week or a month he has the right to contract for two months or more, as he pleases. It is his own matter. The employer assumes no right over him to compel him to contract at all. Nothing, however, is so bitterly opposed as the contract system by the union and lodge officials and the labor-governing class generally. The regular employment and better condition of affairs among the men, wherever the contract is in force, is an eyesore. It provokes comparison and a rebellious spirit among their subjects in regard to the dues and assessments, and periods of idleness prescribed and enforced by the union bosses.

At the Waverly mines, in the winter of 1881, the union officials of the district determined to break down the contract system in operation there, and accordingly a strong effort was made by handbills and by appeals and denunciation of the system in the labor organ, and secret emissaries were sent among the men to importune them to strike against the contract system. Then, when it was supposed they were ripe for a revolt, a meeting was called, but when put to a vote a majority refused to join the strike unless the union officials would pay them the retained percentage which they would forfeit. This was acceded to rather than give the matter up, but the officials eventually failed to raise the money, and only succeeded in causing a partial strike by a small minority. The efforts made, however, to produce it exceeded the scope of harmless persuasion allowed by law, and the consequence was that two of the more prominent union officials were prosecuted and found guilty of conspiracy and suffered the penalty of fine and imprisonment imposed by the court.

An objection may arise in the minds of some that sufficient numbers cannot be had for the purpose of their works under this system. This was not the case at the Waverly mines, or the Braddock mines, where the system was so long in force; nor would it arise anywhere else after the system was once fully established. Those employés trying it soon recognize its benefits. It is also worthy of consideration whether employers will not be eventually compelled to resort to this or some similar system for the employment of none other than free labor in their establishments. The labor that is under and subject to the dictation of labor bosses of lodge or union cannot be said to be free, and employers cannot depend on it without being constantly subjected to annoyances and interruption in their work. The men are not free agents, but belong to the union or lodge. To depend on this kind of labor, therefore, the proprietor of mill or mine must himself submit to the rule and power of the organization owning the labor. This might do, if he could rely on the contract with the labor organization with any degree of certainty, and its interference with the operation of

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his work did not become too oppressive. At the present rate of encroachment and interference, however, by the union-labor bosses, in the operation of the union mills and mines, it is pretty evident that a crisis will soon be reached when the question must be determined whether mills and mines are to be run by labor organization officials or by their owners.

The time may not be far distant when Knights of Labor and similar organizations will become so aggressive upon the liberties and pockets of workingmen and their employers that both will find it necessary to cast off the yoke and become independent. Then the contract system, or some other like it, will come into more general use. As regards the contract for the purpose of preventing strikes the points are, a specified time, a retained percentage as security, and different dates of ending. All else is adjustable according to the requirements of the business and the stipulations of the parties to the contract.

## LEGAL REMEDIES.

Notwithstanding all the precautions that may be observed strikes will occur. Reason and prudence will not always prevail. Inadequate wages sometimes and inflammatory teachings of demagogues at other times will breed discontent, and demands be made which the employer does not see his way safely to allow. The leaders, or tho whose assume to be such among the men, will then resort to the usual means of compulsion of the employer—a strike. He cannot accede to their demands. They are misled, perhaps, to believe he can or will, and that they can make him come to their terms. It is presumed the employer has already fully considered the situation and concluded that their demands cannot be granted. Then a suspension of his works must follow if a strike is inaugurated. He pays off his men and discharges them, and has a right under the law and common justice to expect them to leave. But they won't! they not only won't, but won't let others take their places, or those well disposed among themselves to work on. An erroneous idea prevails in the public mind, and is countenanced by the press, to the effect that a strike means merely the stopping of the work on their own part by all or a number of the employés in a particular employment. This would be entirely legitimate and unobjectionable. Men have a right to quit their employment whenever they please according to the terms of their engagement. If it is an engagement to work from day to day they can quit at the end of any day; if an engagement to do work by the quantity of product they can quit work during any day; if employment is by the week or month, or months, they can quit legitimately and fairly according to the terms of their employment, whatever they may be, and be entitled to their wages. They may do so, one or more of them. Or they may quit contrary to the terms of their agreement; as, for instance, if they are working under the contract system, and they quit before the end of the time, they can do so; the only consequence is the forfeiture of the retained security. All this they can do with impunity, either as regards the civil or criminal law. But nothing of this kind amounts to a strike. All engaged in any particular work may quit in this way at the same time, but this is no strike. The strike begins whenever the men band themselves together to remain and hold the works, as they term it, and prevent the work from going on by secretly or underhandedly hindering and intimidating those among themselves who would continue at work, or others from taking the places of those who refuse. The usual appliances to

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accomplish this unjust and unlawful purpose are so well known they need not be described. Every proprietor has the undoubted right, as declared by all courts of law, as well as by common sense, to carry on his legitimate employment without let or hindrance. No man nor set of men have the right to band themselves together on or about his premises to obstruct him or barricade his works either by boycotting or encampment. They do so at their peril. If the law protected them in such a course it would virtually amount to confiscation of the proprietor's business and property. If they can hold the works for a day they can do so for a year, or any other time. When the proprietor is placed in this situation he is compelled to inquire what remedies the law provides to vindicate his rights and protect him from such an outrage. When the usual efforts at reconciliation are exhausted and the strikers assume the attitude of holding the works and preventing others from taking their places, or by words and actions have otherwise rendered themselves amenable to the law, and they have been respectfully requested to cease contention and to go in peace, then and in that case a legal remedy had better be resorted to at once and prompt and vigorous action taken. Hesitation and vacillation on the part of the proprietor to assert and vindicate his legal rights only does harm by prolonging the agony.

### SURETY OF THE PEACE.

Surety of the peace is often resorted to with good effect for this purpose. When the strikers encamp or loiter about in the vicinity of the work at which they have been engaged, no matter whether on the premises or not, and it is given out by them that they are on a strike, this virtually implies that they will not continue work themselves nor allow others to take their places, except through trouble and strife. When they appear determined in this course, and resort to the usual demonstrations, to notify other workingmen of their purpose, to warn them off, and perhaps, by making threats by signs or opprobrious language, casting odium on men disposed to work, and opposing attempts on the part of the proprietor to operate his works, this condition of affairs alone endangers the public peace, and is calculated to produce violence and bloodshed; and, as common experience has fully demonstrated, is apt to end in the destruction of property or personal injury. If, therefore, the circumstances are such as to excite the fears of the proprietor, or superintendent, or other agents engaged, whether there has been an encampment established or not, they are justified in making an information before a justice of the peace, or alderman, stating the facts and circumstances on which they predicate their apprehensions of injury to person or property; and, if they are so serious as to warrant apprehension, the law will interfere to prevent and protect, and the magistrate will issue his writ to the constable to arrest and bring before him all or as many of the strikers as are named in the complaint. On the hearing, if it appears to the magistrate that the party or parties making the complaint had reasonable grounds of apprehension, he will require each of the defendants arrested to give good and sufficient bail for his good behavior and appearance at court. The amount of bail required generally is from $500 to $1,000, and as this bail must be of a substantial nature, the proceeding is highly calculated to put a damper upon any violence which might otherwise occur. If the party is able to give bail, the bail will keep an eye upon him afterwards. If he is not able to give bail he goes to jail to await the action of the court at the next term, when, if the strike continues, and

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the danger of an outbreak remains imminent, the court will continue and enlarge the amount of bail required; or, if the danger is over, will discharge the parties on the payment of costs.

Two occasions of this kind occurred in the summer of 1882. One was against a number of strikers at the Alpsville mines. When the case came into court the strike had ended and the parties were discharged on the payment of costs, amounting to some $40 each. Another occurred with strikers at the Homestead Steel Works, and resulted in the same way. Usually, when this remedy is resorted to, the strikers find it more to their advantage to consent to break up the strike and go and seek employment elsewhere than to find bail, or go to jail, and then attend court, perhaps, for weeks, and finally be mulcted in heavy costs. Strike organizers have an erroneous theory that, so long as they desist from the use of actual force and violence, and use no direct threats of injury to person or property, they may do everything else with impunity—that they can surround the works by encampments, and indulge in abusive language and scurrilous epithets towards fellow-workmen or their employers, as much as they please. But the courts don't seem to take this view of it. They take the view that an encampment, with martial music or drilling demonstrations, and prowling about to barricade the works from other workmen, is in itself a standing menace of harm, to both person and property; and the frequency of felonious assaults and murders and burnings resulting from strikes would justify this view. In one of the cases referred to, one party, a defendant, when called on, admitted that, whilst on the strike, he and others were in the habit of patrolling the neighborhood of the mines, both by day and night, but had no other purpose in doing so than was perfectly peaceful. He was asked what, then, he went to such trouble for, and replied he was looking after his rights. He was told by the court that after he was paid his wages and ceased to be employed he should not have expected to find his rights lying around there. He had no further right in the works, or their operation whatever; that such proceedings were a wrong on his part and a trespass on the rights of others, and, therefore, that he was a proper subject for surveillance of the law.

If the noise, threats, or disturbance is such as is calculated to produce a breach of the public peace, it is sufficient to support the charge, although no actual breach has occurred. The use of language by one to another, or by one set of men toward others, which would amount to slander, or to libel, if written or printed, or the use of derisive or disparaging language, rhymes, gestures, music, or pictures, by one man or set of men toward others, is unlawful and highly calculated to produce a breach of the peace, and hence any one interested in or about the works or mines where such conduct is indulged in would have the right to make the complaint and apply this remedy. See the principles of law commented on in 2 Grant, page 510, and numerous other cases.

The court holds "that where conditions exist calculated to produce a breach of the peace they are not to be permitted to continue, because they have not produced actual violence or resistance. The actual resistance and collision on the part of or with those opposed will not," says the judge, "in all probability long be wanting, and we may have the realization of what the unlawful act has a tendency to produce—breaches of the peace of a more unmistakable character. It is the duty of the conservators of the public peace to prevent this if possible."

The idea of the remedy by surety of the peace is to *prevent*, not redress, injuries. Wherever an attitude is assumed by parties, which, in the usual course, if persisted in, is calculated to provoke a breach of

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the peace, the remedy applies. It used to be held by an eminent judge (McClure) of Allegheny County, that for one man to call another to his face a liar, thief, blackleg, or other opprobrious epithet, was so directly provocative of a breach of the peace as to justify an arrest at once, no matter how peaceable the man using the language might be, as the actual outbreak would come from the other side, and it was the public peace, not the actual damage done, which the law protects under this remedy.

It is the safer course, and in the line of duty, for the proprietor to put under bond, for surety of the peace and good behavior, all the promotors of the strike so soon as it is fully declared and developed. When the men have declared their intention not to continue work except on the proposed terms, and you have decided not to grant them, and have paid them off and made known your decision, that is the end of it, if no mischief is intended on their part. If well disposed, they will leave in peace and good will; but if they show a disposition not to do so, and you find they are hanging around the neighborhood without looking for work, and secretly and underhandedly dissuading others from taking their places, you may be sure the intention is to compel you to take them back. This is assuming an attitude hostile to your rights, and danger may fairly be apprehended. It needs no open expression of an intention to commit violence to justify apprehensions of it. If the indications are such from which violence may result, it is sufficient. You would not keep a keg of powder in your dwelling, nor will cities or towns allow a powder magazine within their limits, although in both instances perfectly harmless, unless, perhaps, a spark might be dropped. The history of strikes everywhere shows that the frequency of violence resulting from them is such that courts would be compelled to take notice of it as a fact, inherent in their nature. Within the scope of present memory we have the homicide at O'Neill's coal works; the slaughter at Twenty-eighth street; the crippled workingmen at the Homestead Steel Works; and, whilst writing, the morning paper relates the atrocity of a gang of strikers at the Saint Louis Vulcan Iron Works, only less fatal in its result than the Phœnix Park assassinations at Dublin.

It is noteworthy that in all such instances the union, or other such organizations to which the strikers belong, immediately disclaim all connection with the outrage, and are the strongest in denouncing the perpetrators. This is always the case. The universal panacea, not only here but elsewhere, to avert the odium of crime, is to deny all connection or complicity in its perpetration. The Land Leaguers and Fenians deny all affiliation with the Irish Assassination Society, or Invincibles, and are especially loud in their denunciations of the cold-blooded murders of men, women, and children by that organization; and it is unquestionably true that a vast majority of Land Leaguers and Fenians in Ireland, and Knights of Labor, and those belonging to similar associations in this country, such as are at the bottom of most of our organized strikes, are civil and honest, and well disposed, and abhor violence and wrong of any kind. But there are wicked and evil-disposed men among all classes, and strikes and labor organizations, and communistic and nationalist and agrarian societies, especially of the secret order, afford the conditions of bad men to put into execution their evil designs. Such combinations of men, for purposes at variance with the regular government and general laws of the country, supply the fuse to the powder of the bad and worthless spirits among them. No matter how good and innocent the intentions of the majority, yet if these good and innocent people place themselves in a position which, according to all



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experience is imminently liable to produce mischief, they must be held accountable for the mischief if it follows. Protracted strikes seldom end without violence and injury to person and property; therefore, those who engage in them must share the responsibility, however good may be their intentions, and must be taken to intend to produce the natural effect of their own actions. The intention of a strike is compulsion; the natural effect of compulsion is resistance on the part of the workingmen who do not engage in it, or of the proprietor; and the necessary result of resistance is violence. Hence the necessity for placing men under bonds who assume an attitude calculated to produce an outbreak and breach of the public peace. Indeed, the indications of hostility in most strikes are unmistakable. When bands of men establish encampments, institute drills, and march at the tap of a drum, it requires no stretch of reason to infer a hostile intent.

### CRIMINAL PROSECUTION.

This is another legal remedy, and is the one which, perhaps, is more frequently resorted to than any other. It is commenced by complaint or information before an alderman or justice of the peace in the same manner as the complaint for surety of the peace; it may be for assault and battery, or arson, or any other offense known to the criminal law, of which the strikers have been guilty; but that for which strikers are most frequently prosecuted is the offense of criminal conspiracy. It is this remedy and this offense which strike agitators and labor organization officials of all kinds have been and are still working so hard to be freed from by legislation. It was this which they aimed to abolish, as regards their class, by the amendment of 1872 to the conspiracy law, and the supplement of 1876, already mentioned. But why workingmen as a class should be exempted from what in itself is a crime, and which all other classes are punished for, they have never made apparent. Just as well might they ask to be relieved from the penalties of the criminal law against larceny, embezzlement, robbery, arson, or any other criminal offense. Criminal conspiracy, from which they wish to be released, is just as much a crime as any of these. It is therefore in place to consider what amounts to criminal conspiracy, so that the party making the complaint may know whether the actings and doings of the strikers are of such character as will support the charge. The law describes or defines criminal conspiracy to consist in the combination or uniting of two or more persons in a joint purpose to commit an unlawful act or to accomplish a lawful act by unlawful means. You will observe, therefore, that to constitute this offense there must be two or more persons. They must be united in the same common purpose, and that common purpose must be to do something wrong and unlawful, or to accomplish some lawful purpose by wrong or unlawful means. The general law of the State would hold it to be unlawful for any set of men to hinder or obstruct the working of mines or mills, or any other legitimate pursuit; and this being the case, it would be unlawful for them to unite or band themselves together to accomplish that purpose whether they did accomplish it or not. If the means resorted to for the purpose were of the nature to provoke a breach of the public peace, as insulting the other employés, or the proprietor, or his agents, or calculated to hinder by intimidation and exciting fears in the persons who would otherwise engage in work, such as lurking about the premises, marching in processions, encampment, and the like, these and similar means would be unlawful, so that in such case both the object and means would be

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unlawful. This, as I have said, is the general law, as applicable to all the inhabitants of the State; but strikers and their abettors claim to have procured special legislation exempting them from its penalties. In regard to this alleged exception, I would refer you to the article, "Strikes and Conspiracy," at page 18 of this pamphlet, and what is there said on the subject. The injustice of singling out one class of citizens and allowing them to engage in the commission of a crime with impunity, which is allowed to no other class, is so glaring that I apprehend the courts will not be inclined to extend the scope of this special legislation beyond its actual terms. You will observe the occupations named in the act. They clearly relate to bodily labor. It can hardly be construed, therefore, to include the gentlemen occupied in the mental labor of creating and governing organizations and the management of strikes and labor disturbances. It has not been so extended, and a doubt was suggested by the learned judge of the Westmoreland County court, whether it can be extended to protect such men. It will be observed, that by the words of the act the exemption is limited to laborers, workingmen, and journeymen (Purd., 351). You will observe that the pith of this remedy consists in a conspiracy by two or more persons to do something which is unlawful, or to do something lawful in itself, by resorting to unlawful means to accomplish it. Therefore you must be able to prove the conspiracy; that is, the confederacy or joint intent in the same purpose, and also the unlawfulness of the purpose, or the unlawfulness of the means resorted to, or intended to be, to accomplish it. You may make your complaint or information against as many as you think are united in it; but it will do if as many as two turn out to be so united. On the trial you would be entitled to a verdict only against as many as were shown to be guilty; the others would be acquitted. And on the trial it is not essential to a conviction that the purpose had been accomplished, or means used. The intent and conspiracy are enough to convict. Nor can it be held, if experience of the results is to be regarded, that the banding of men together, in force, and parading with martial music in the neighborhood of mines or mills, with the avowed object of hindering and preventing their operation, unless by the employment of themselves on their own terms, is either lawful or peaceful; nor can the object be held to be lawful if it is to prevent the exercise of a legitimate industry. So it would seem on a fair interpretation of the proviso of 1876. The ordinary and usual methods of strikers would not admit them to its protection. A combination of men to accomplish an object by terrorizing can hardly be adjudged lawful and peaceful; and that strikes have this effect is well established by the usual results of violence and injury attending them. "By their fruits ye shall know them." But I need not repeat what is said in the article already referred to. If it is concluded to resort to this remedy, the complainant will set forth the facts in his information relied on to constitute the offense. This being sworn to, the magistrate will issue his warrant and arrest all parties charged, or as many of them as can be found. When brought before him on the day appointed for a hearing, the prosecutor, with his witnesses, should attend in order that a preliminary hearing may be had.

The case is not expected to be gone into at large. One or two or more witnesses on the main facts on which the charge rests is all that is necessary. If, on this hearing, the magistrate deems that reasonable grounds have been shown that the offense has been committed, he will hold the parties to bail for their appearance at court, there to answer; and if there is an apprehension of danger to property or person in the mean time he may require bail also to keep the peace. The bail, as for

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surety of the peace already mentioned, is from $500 to $1,000, according to the nature of the case. This information, with the recognizance of the parties and their sureties, is returned by the magistrate to the court before the first day of the next term; or, it may be that some of the defendants, not being able to give bail, are committed to jail, there to await trial. After the information is returned to court an indictment is drawn up by the commonwealth's attorney, and is laid before the grand jury. The prosecutor and his witnesses are heard by the grand jury—no witnesses are heard for the defense—and, if the grand jury is of the opinion that *prima facie* case is made out, they return a true bill; otherwise they ignore it, and direct who shall pay the costs. If a true bill is found it is set down for trial afterwards, in due course, and is then tried before the judge and a regular jury. Witnesses for both sides are there fully heard, and the jury have the benefit of the instructions of the judge on all legal questions which may arise. If found guilty the defendants are punished by fine and imprisonment, the fine not to exceed *five hundred* dollars, and imprisonment not exceeding *two* years.

## CIVIL SUITS.

This, according to the writer's experience in numerous cases in which he has been counsel for plaintiffs, is a more efficient remedy than by criminal prosecution—the remedy last above described. It is technically known to lawyers as an action on the case in tort. It is not commenced before an alderman or justice of the peace, but by an affidavit and precipe filed at once in the prothonotary's office. A writ called a capias is forthwith issued by the prothonotary to the sheriff. The bail required to be given by defendants is indorsed on the back of the writ; in most cases it is fixed by rule of court, but in an aggravated case the court, on application, will increase the amount. When this writ is placed in the sheriff's hands it is his duty at once to proceed and arrest those named in it as defendants, and they have to give bail in the amount specified or go to jail; and it is the sheriff's duty to see that the bail is responsible, so that if the parties charged as defendants, or any of them, fail to appear in court and abide the result of the case as the writ requires, the bail will be able to pay the amount of the bond. When the parties are arrested and give bail, or go to jail, as the case may be, the sheriff returns to the prothonotary's office the writ, with his return thereon, stating the arrest and the bail taken. The plaintiff's attorney then files his declaration or complaint in the technical form, and in due course the defendant's attorney enters his plea. The case is then at issue without more ado, and is set down by the prothonotary on the list for trial at the next term, in due course; and when the trial comes on it is tried before the court and jury as any other civil or criminal case. If a verdict is given for plaintiff against defendants it is for a definite amount of damages, which each and all are bound to pay or be committed to jail. Imprisonment for this kind of debt is not abolished. If unable to pay, and re-arrested on final process and committed to jail, they can only get out by getting bail to take the benefit of the insolvent laws; and before they can do this they must have been in jail for a certain number of days. Discharge as insolvents is attended with considerable expense and delay, and does not extinguish the judgment against them, which remains in full force if they should ever have property to be taken in execution under it.

The advantages of this remedy over that by criminal prosecution are its greater directness and efficiency. It begins in court at once; it does

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not go before a grand jury. The bail taken by the sheriff is apt to be more reliable—the sheriff is more potent in making arrests than the constable is likely to be. The proceedings are less liable to be baffled by influences of party politics, or other influences in the grand jury, or elsewhere. When it comes on for trial the names of the jurors on the panel can be scrutinized by both sides, and friends and partisans stricken off, and the whole proceeding is under the supervision of the court. The jury has only to find the amount of damage which plaintiff has sustained by interruption of his business, loss of time and trade, injury to property, or other wrongs whatever they may be, but nothing to do with its payment, or defendants' punishment. Of course, the amount so found is entirely within the discretion of the jury, from 6 cents upwards into thousands, as justice may require; or, in case they deem the charge frivolous or unfounded, they find in favor of the defendants. In that case the plaintiff is compelled to pay the costs. If the verdict is in the plaintiff's favor, however, the defendants have to pay the costs, as well as the amount of the verdict. The jury has no power over the costs in a civil suit. There is another advantage in favor of this remedy, in its being more comprehensive. It may include whatever wrongs the defendants or any one or more of them have committed, of whatsoever kind, provided they amount to an infraction of the plaintiff's rights, and are cognizable at law. The jury can find against one or as many of the defendants as are guilty, and in favor of the others. The modifications of law regarding criminal conspiracy, contained in the acts of 1872 and 1876, already mentioned, are in terms applicable, and limited to criminal prosecution for conspiracy, and not to this remedy, or wrongs which may be vindicated under it. (See P. L., 1175.)

These modifications are limited to the classes named, and exempt them from punishment for the criminality only, in the following words, viz:

Without subjecting any person or persons so refusing to work or labor to prosecution or indictment for conspiracy under the criminal laws of this commonwealth.

Class legislation of any kind is regarded with jealousy.

Discriminations made by law in favor of *classes* are peculiarly in need of some great public exigency for their justification. (9 Harris, 434.)

Acts which would not subject the parties to punishment for criminal conspiracy would sustain this action for damages. It would seem the modifications in question have reference to the prosecution of the defendants for the crime, and not to exempt them from liability for damages they may have committed when claimed in a civil suit. If one man alone, or any number of men, should by unlawful means hinder, prevent, or obstruct another, willfully and maliciously, in the prosecution of his lawful business, to such an extent as to occasion him loss and injury, such wrong-doer or wrong-doers would be liable to a verdict against them for the amount of damage done. Conspiracy might constitute part of the grievance, but defendants would be liable independently from any question of conspiracy, if the facts warranted; thus, slander of the product of plaintiff's mines or mills might be joined with a complaint of conspiracy, or any other wrong perpetrated by the defendants. If a number of men conspire and combine together to do wrong there is no reason why they might not be liable to pay, although not liable to be prosecuted for it as a crime. The criminal law has reference only to the offenses committed against the public or commonwealth; the civil suit has reference only to the injury done the plaintiff in the case. The commonwealth, by legislation, might waive her remedy without interfering with the rights and remedies of private citizens for loss sustained; and the

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punishment prescribed for offenses against the commonwealth being both fine and imprisonment, the legislation of 1872 and 1876 would contemplate relief from the hardships of imprisonment and the odium of criminality, whilst in the civil suit imprisonment after the verdict is not in contemplation, the verdict being for a sum certain, which the law presumes the defendants will pay and avoid imprisonment. Another advantage in favor of this remedy, the jury before whom the case is tried is not so liable to be carried away by the clap-trap oratory of the defendants' counsel in sympathetic appeals to their feelings, presenting the hardships to the defendants of an inevitable imprisonment if the verdict should be guilty. The verdict in a criminal case is simply guilty or not guilty, and no more. The extent of the fine and imprisonment is left discretionary with the court, to be fixed when sentence is given, and the jury have nothing to do with it; but their apprehensions of severe punishment of the defendants are liable to be played upon by counsel in a criminal suit, and unless the defendants are greatly in the wrong the jury is apt to merely put the costs on them, or divide the costs between the parties. Another advantage: This remedy is governed by imperative rules of law; the rulings of the court on the evidence, and on points submitted, and the law laid down in the charge are all subject to exception and review in the Supreme Court, and, as a matter of right, without the exercise of any discretion on the subject by any court, in allowing an appeal or writ of error; whereas, in criminal cases, to obtain a writ of error or appeal the whole case has to be printed and laid before the court, and then it is optional with the court whether to allow it or not. In short, this remedy is more practical, and more to the purpose in the way of suppressing strikes and labor troubles, than the remedy by criminal prosecution, and it includes everything that criminal prosecution contains, except attaching to the defendants the odium of criminality and the certainty of imprisonment for a time longer or shorter. As the purpose of every reasonable proprietor is peace, protection, and redress, and not vindictiveness, I have always given the civil remedy the preference in my legal practice as a lawyer, wherever the situation is so serious as to compel the proprietor to go beyond the simple remedy of surety of the peace.

It is all very well, and in the line of prudence, for the proprietors of mines and mills to get along with their men the best way they can. It is best, perhaps, in a practical business point of view, to humor the men and tickle the vanity, even going so far as to grease the palms of their leaders, if need be. To keep your works running may justify all this, and it may do very well so long as the wages and terms of labor do not go beyond market rates. Until that point is reached in your concessions you can afford to employ union or organized labor; but whenever the interference of the union labor bosses begins to usurp the management of your works, and their demands for increased wages exceed the wages paid for similar labor in your branch of trade in other sections of the country, the conditions change. You are bound to call a halt, as a necessity. You must hold the exclusive management of your works and must put your product on the market at as low prices as others in the same line. To disregard these principles is certain ruin.

Now, as this ultimatum is rapidly approaching, if the present rate of progress in the organization of labor is to be credited, the trite question occurs, what are you going to do about it? Your safety lies in the fact that neither the men nor their leaders can afford to let you stop and remain idle, or if you do stop they cannot afford to let you remain

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idle long. They must have wages. If they cannot get such as they want they must take what they can get.

The support of their leaders or officials depends, as well as their own, on the wages received at the regular pay-day. Now, there are two methods of escape from the dilemma for you and them both. You can temporize with the organization principle by affiliating with the officials. Their own interest, and the necessity of the case, will dispose them to render ready assistance in bringing the men to your terms. To enlist the organization officials in your favor and manage the men through them may succeed, at least for a time. Many of the operators of the mills and mines of this region think this course entirely practical, and that it presents the best way out of the difficulty. The press is also beginning to hint at the great benefit which will be afforded to operators in this way, whenever labor is so fully organized as to give the officials of the organization full control. They claim that much benefit has already been derived to the iron trade of Pittsburgh from the control of its labor by the Amalgamated Association, exerted in favor of the operators.

I am not sanguine, however, that any such benefit can be permanent. The men expect more from organization than it can confer. Their general idea of the benefit of organization is high wages and little work, and whenever their officers limit them to such wages and terms as the market affords they will soon discover the folly of paying officials and maintaining an organization at heavy expense to obtain for them rates of wages and terms of work which they could just as readily obtain without any officials or organization whatever. The opinion which I have formed, from over twenty years' experience in the employment of labor, is that whenever organization interferes with the management of the works, or demands terms which cannot be granted without loss, it will be the better course to exclude union or organized labor entirely, and employ none but free labor. I dislike indirect methods—to deceive men by governing them through third parties, although of their own appointment. Better to say to them openly they cannot be employed, as they are not their own masters, and you do not choose to deal with irresponsible parties, who might withdraw them when their labor was most wanted. You cannot intermix union labor with free labor; therefore better have it entirely free. Where this was the rule I have never found any difficulty in obtaining all the labor needed. There are always enough independent spirits among workingmen who dislike the yoke of organization—its burdensome assessments and arbitrary regulations—and are ready to think and act for themselves whenever they have a fair opportunity. In works where organized labor is in full possession considerable difficulty will, of course, be experienced in making the change; but the change once made effectually and maintained, there is no further trouble. And I think the necessity is approaching, and not very far distant, when proprietors will be compelled to this course. It will be a necessity bearing equally on the men and the proprietors. The men must have wages, which they cannot get without employment, and the proprietors want to operate their works rather than let their capital lie idle. Neither Knights of Labor nor any other organization, however backed by class legislation, can stop the wheels of industry. An imperious necessity impels them on.

In labor troubles much mischief is done by the vacillating course of some proprietors. Proprietors owe it to themselves, as well as to the men, to act promptly and fairly and firmly when a demand upon them is made on behalf of the men. They ought to know whether they can

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grant what is demanded or not, and make their decision accordingly, and stand by it. Justice to the men requires this, so that they may at once seek labor elsewhere if they think they can better their condition, or return to work. It is this vacillating course which encourages the men to stop and hover around the place, threatening the peace of society and endangering property, with a hope of compelling the proprietor to change his mind. If known that there was to be no change in such case, there would be far less difficulty arise from prolonged strikes. Proprietors have sometimes been so vacillating and undecided in their course as to change their determination after weeks of trouble and strife, and after employing and operating part of their works for a time with free labor, but finally giving in to the strikers' terms, and then, at the instance of the labor bosses, discharging the very men who had stood by them and continued at work all through the strife. No meaner, more ungenerous, or mischievous course could be conceived.

I have now described the three customary remedies, so that a party involved or likely to be involved in a labor trouble may obtain a general understanding of their nature and applicability; not with a view to enable him to commence or manage a lawsuit. All the information I have given might only lead him into trouble if he attempted to act as his own attorney. Although if the attorney selected has not had much experience in this kind of litigation he may find some useful hints in these pages. In the last remedy described, for instance, the affidavit to be filed with the precipe or order to the prothonotary to issue the capias requires to be drawn with much technical precision, in order to lay the legal grounds to support the writ and hold the defendants to bail when arrested under it. This a lawyer of ordinary skill can readily do, whilst the plaintiff might state in his affidavit everything which he thought essential, and yet omit some allegation which would result in a discharge of the defendants. It is best to apply to an attorney at the very outset, and proceed strictly according to his advice. Mistakes are more likely to be avoided, and, besides, should mistakes occur by having parties arrested without reasonable or probable cause, or otherwise, the attorney serves as a scapegoat for whatever is done under his direction. Very few of these suits ever go to trial. Strikers are mostly of the nomadic or floating class. They are apt to consent to desist and leave peaceably, and, in that case, the plaintiff or prosecutor may as well arrange to let them off with or without payment of costs, as he may see fit. It is only when the leaders of an organization are implicated, or some question involving their interests is at stake, that funds are raised, and assessments made on working members for a vigorous defense.

Inasmuch as an attorney at law is necessary to the application of any legal remedy, a word here in regard to his choice may not be amiss. Nearly every business man has the acquaintance of an attorney whom he prefers, and to whom he applies whenever he has occasion for professional services; but to such as have not, I would say in cases of this kind, avoid extremes. Go neither too high nor too low. In the one extreme you may meet with humbug or extortion, and in the other extreme trickery or incapacity. You want an earnest, energetic, reliable man of good character and sound common sense, with a clear head and respectable knowledge of the law and practice of the courts; one who will take the trouble to learn and comprehend all the facts and circumstances of your case, and who can, in a clear and persuasive manner, present the evidence and arguments in your favor to the court and jury. Such a man is more likely to bring you through safely, and with a more

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satisfactory result when you come to settle up with him, than either a lower or a higher grade lawyer. I by no means underrate the value of high talent in the profession, but the employment of such talent is unnecessarily expensive, and its possessor is apt to be so full of business more congenial to him that he may give your case far less attention than it requires. I have seen many mistakes made by men when in a difficulty of this kind retaining a lawyer of great public celebrity. Flashing eloquence and the arts of oratory are not near so potent with the clear-minded courts and jurors of the present day as is often supposed. Dogged tenacity and earnest perseverance will accomplish more in all ordinary legal controversies.

## CONCLUSION.

Whoever reads these pages, and has had experience in employing labor, knows that the best men in his employment are never the prime movers in a strike. Discontent and agitation begin with those who always prefer idleness to work whenever they can get a plausible excuse for it. They are never satisfied with their wages. They have imbibed the erroneous idea that the world is bound to maintain them whether they work or not. They belong mostly to the floating class of workingmen, who are always ready for any new movement that turns up, and are foremost in advocating among the men the views of the professional paid agitator, who glides about from mine to mine and mill and mill, like a good missionary, to teach the uninitiated what he calls their rights. The better men in the work are mostly overborne by the greater energy and glibber tongues of this class. Steady, well-doing men are quiet, modest, and unobtrusive, and as like to oppose anything having the appearance of benefit to their class.

When a proprietor, therefore, is placed under the disagreeable necessity of making arrests under any one of the three remedies above mentioned a sense of justice requires him to discriminate as far as he can, and arrest only those who are most in the wrong.

The fundamental cause of strikes and labor troubles lies in the want of a clear comprehension of the true relations of labor and capital—employer and employé. Ignorance affords a foothold for professional paid agitators to inculcate wrong views and excite unreasonable expectations. This, again, sustains demagoguery, both in and out of legislative assemblies. We have to remember, also, that many of the members of the legislature, elected to enact our laws, are just as ignorant of the true principles of liberty and popular government, and the relations of labor and capital, and other questions of social economy, as the workers in our mines or mills; hence it is that the general assembly at each successive session is flooded with bills of a character which any one moderately acquainted with the principles of our State and national government would consider to be either pernicious or absurd; and as so many who are elected as law-makers are greatly more in fear of doing anything which might injure their popularity with particular classes of voters than of doing their duty to the general public it is not to be wondered at that such bills are sometimes enacted into laws. The chief protection of the industries of the State against this species of special or class legislation is its absurdity, which mostly renders it ineffectual. Indeed, its worst effect consists in exciting false hopes among workingmen and subjecting them to further imposition at the hands of demagogues. We all remember the strenuous efforts of the labor demagogues to procure the act of 1872, to exempt workingmen, as they claimed,

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from punishment for the offense of criminal conspiracy. Four years sufficed to show them that their labors in this line were abortive. They then tried again, by the amendment of 1876, to accomplish the same end, and they are now, it seems, pretty well satisfied that this attempt was abortive also, as they are at it again, agitating for the abolishment of all conspiracy laws, however criminal the conspiracy may be. They find it a rather difficult task to convert criminality into innocence, or to make it lawful for one class of citizens to do what is unlawful in all others. Their chief attack, so far, has been made on the law of criminal conspiracy, but those who read and understand the other two legal remedies, above described, will see that even if they succeeded in abolishing punishment for the crime of conspiracy they would still fall far short of accomplishing their purpose. In order to do this much more of the criminal and civil law of the land would have to be abolished. It would have to be enacted that no laborer, workingman, or journeyman, should be l able to be placed under bonds for surety of the peace, or good behavior, no matter how violent or dangerous he might be, nor punished for acts calculated to produce a breach of the peace, nor for conspiring with others to commit murder or any other crime, unless some overt act was committed in its execution, nor be liable, under the civil law, for any damages he or they might cause to person or property by holding the works idle under a strike. It will likely be a long while, however, before a sufficient number of demagogues can be found in the legislature to go to this extent, and till then those who understand their legal rights, and know how to maintain them, will find that the common and statute law of the State is not wanting in providing an adequate legal remedy for any wrong done or threatened to be done.

## PROTECTION OF AMERICAN INDUSTRY.

The CHAIRMAN. We have also from the New York Association for the Protection of American Industry the address of the board of managers to the public February 1, 1883.

The address is as follows:

*ADDRESS OF THE BOARD OF MANAGERS OF THE NEW YORK ASSOCIATION FOR THE PROTECTION OF AMERICAN INDUSTRY.*

[Managers: Ulysses S. Grant, Le Grand B. Cannon, Edward H. Ammidown, Benjamin G. Clarke, Solon Humphreys, George B. Butler, Charles S. Smith, Charles L. Tiffany, William L. Strong, James A. Burden, Frederick A. Potts, Cornelius N. Bliss, Alfred R. Whitney, Daniel F. Appleton, John Roach, William A. Gellatly, William A. A. Carsey, Selig S. Fisher, Levi L. Brown, Dexter A. Hawkins.]

Hamilton's celebrated Report on Manufactures, made to Congress December 5, 1791, while he was Secretary of the Treasury, pointed out with statesmanlike clearness and ability the course for this country to pursue to become wealthy, powerful, and independent.

But the growth of manufacturing industry in the United States received its first material impulse from the embargo and non-intercourse measures prior to the war of 1812; its next from the tariff for protection in 1828; its next from that of 1842, and its final and most effectual impulse from that of 1861; the latter consequent on the war of the rebellion.

Previous to those measures which, in June, 1812, were followed by declaring war against Great Britain, our supplies of manufactured goods were received almost wholly from her. Immediately on passing the

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embargo and non-intercourse acts, our manufacturing industry, essential to our safety and prosperity, received its birth as one of importance. In December, 1810, President Madison, one of the fathers of the Constitution, and who will ever be regarded as a wise statesman and a true patriot, thus announced this event in his message to Congress:

"I feel particular satisfaction in remarking that an interior view of our country presents us with grateful proofs of its substantial and increasing prosperity. To a thriving agriculture and the improvements relating to it is added—a highly interesting extension of useful manufactures, the combined product of professional occupations and of household industry. Such indeed is the experience of economy as well as of policy in these substitutes for supplies, heretofore obtained by foreign commerce, that in a national view the change is justly regarded as of itself more than a recompense for those privations and losses resulting from foreign injustice, which furnished the general impulse required for its accomplishment. How far" (he adds) "it may be expedient to guard the infancy of this improvement in the distribution of labor by regulation of the commercial tariff is a subject which cannot fail to suggest itself to your patriotic reflections."

In his message of the following year he presents the necessity of support to our manufacturers in the following words:

"Although other subjects will press more immediately on your deliberations, a portion of them cannot but be well bestowed on the just and sound policy of securing to our manufacturers the success they have attained and are still attaining in some degree under the impulse of causes not permanent. . . . Besides the reasonableness of saving our manufactures from sacrifices, which a change of circumstances might bring on them, the national interest requires that, with respect to such articles as belong to our defense and our primary wants, we should not be left to unnecessary dependence on external supplies."

These recommendations were followed by the declaration of war in June, 1812. In the succeeding month the low duties on the importation of foreign goods was increased 100 per cent. In case they were brought in foreign bottoms 10 per cent. was to be added even to that rate.

All who are familiar with the history of this conflict recollect well the sufferings endured at the outset of the war by soldiers for the want of clothing, blankets, and arms. These had previously come from abroad. It was this want and the danger resulting from it that so earnestly impressed President Madison.

In the message of 1813 he says: "If the war has increased the interruptions to our commerce, it has at the same time cherished and multiplied our manufactures so as to make us independent of all other countries for the more essential branches, for which we ought to be dependent on none, and is even rapidly giving them an extent that will create additional staples in our future intercourse with foreign markets."

During the next year the treaty of peace, late in December 1814, was signed at Ghent. In President Madison's message of February, 1815, announcing it, he thus again refers to our industries:

"But there is no subject which can enter with greater force into the deliberations of Congress than a consideration of the means to preserve and promote the manufactures which have sprung into existence and attained an unparalleled maturity throughout the United States during the period of the European wars. This source of national independence and wealth I anxiously recommend, therefore, to the prompt and constant guardianship of Congress.

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On the promulgation of the news of peace in 1815 the manufacturers of Great Britain immediately sought to regain the position they had occupied up to the time of our embargo and non-intercourse acts, in furnishing us with manufactures; and notwithstanding their own firm adherence to a high protective system, they, through their emissaries, urged that it was impolitic for governments to take any part in directing or indicating the employments of men. On the strength of his important and enlightened experience President Madison, in his seventh annual message, thus disposes of this main foundation of the theory of free trade, and presents conclusive reasons for adopting the policy of protection.

He says: "However wise the theory may be which leaves to the sagacity and interests of individuals the application of their industry and resources, there are in this as in other cases exceptions to the general rule. Besides the condition, which the theory itself implies, of a reciprocal adoption by other nations, experience teaches that so many circumstances must occur in introducing and maturing manufacturing establishments, especially of the more complicated kind, that a country may remain long without them, although sufficiently advanced and in some respects even peculiarly fitted for carrying them on with success. Under circumstances giving a powerful influence to manufacturing industry it has made among us a progress and exhibited an efficiency which justify the belief that with a protection not more than is due to the enterprising citizens, whose interests are now at stake, it may become at an early day not only safe against occasional competitions from abroad" (these had already commenced), "but a source of domestic wealth and even of external commerce. In selecting the branches more especially entitled to the public patronage a preference is obviously claimed by such as will relieve the United States from a dependence on foreign supplies, ever subject to casual failures, for articles necessary to the public defense or connected with the primary wants of individuals."

Congress, in April, 1816, lowered the duties under the tariff to what was supposed to be a proper peace basis, but the true situation with respect to Great Britain was not sufficiently considered. Her tariff was then nearly prohibitive; her navigation laws excluded us from trading reciprocally with her extensive colonies, and her manufacturing industry was then established and aggressive. Our duty on manufactures of iron was reduced from 30 to 20 per cent.; on cotton goods from 30 to 25 per cent., and on woolen goods from 30 to 25. These new rates, as the result proved, were wholly insufficient for the protection of our infant manufactures, and Great Britain poured her products upon us with destructive results.

Importations into the United States from 1814 to 1818 were as follows:

| | |
|---|---|
| 1814 | $12,965,000 |
| 1815 | 113,041,274 |
| 1816 | 147,103,000 |
| 1817 | 99,250,000 |
| 1818 | 121,750,000 |

Mr. Madison's message of 1816 thus deplores their effect: "It is to be regretted that a depression is experienced by particular branches of our manufactures and by a portion of our navigation. As the first proceeds in an essential degree from an excess of imported merchandise, which carries a check in its own tendency, the cause in its present extent cannot be of very long duration. The evil, however, will not be viewed by Congress without a recollection that manufacturing estab-

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lishments, if suffered to sink too low or languish too long, may not revive after the causes shall have ceased; and that in the vicissitudes of human affairs situations may occur in which a dependence on foreign sources for the indispensable supplies may be among the most serious embarrassments."

Whole volumes of free-trade theories are answered in this large and bitter experience. Not only was the policy of the tariff of 1816 as between us and Great Britain not reciprocal, but the duties were too low to save our infant establishments from the enormous power of those of the English. Our tariff also had the vice in it of affixing a lower rate of duty on both cotton and woolen goods in 1819, thus creating distrust, while that of the English was permanent, and was aided by large capital and long experience.

President Monroe, who in 1817 succeeded Mr. Madison, in referring to the pecuniary embarrassments of our manufacturers and others, and to the British manufacturers, says in 1819, in his message to Congress:

"Their manufactures, for the want of a ready or profitable market at home, have been supplied by the manufacturers to the United States, and sold at a price below their current value in the place of manufacture. Although this practice" (he adds) "may be considered from its nature temporary or contingent, it is not on that account less injurious in its effects. Uniformity in the demand and price of an article is highly desirable to the domestic manufacture. It is deemed of great importance to give encouragement to our domestic manufactures. In what manner the evils adverted to may be remedied, and how far it may be practicable in other respects to afford to them further encouragement, paying due regard to all the other great interests of the nation, is submitted to the wisdom of Congress."

It thus appears from the testimony of Presidents Madison and Monroe that the first blow to the prosperity of our infant manufacturers came from the manufactures of Great Britain. There is conclusive English authority to the same point. In the article "Britain," in the Encyclopædia Britannica, edition of 1860, the following history is given:

"The United States, in no respect a manufacturing country, purchased from us merchandise to an extent annually increasing, and which, in 1807, had reached the amount of £12,000,000 sterling. Every addition to their capital, every year that they passed in peace and prosperity increased their value to us in a commercial sense, while every blow given to their productive funds necessarily operated in diminution of their purchases and payments. But far from acting on these impressions, the ministry of 1807 eagerly seized the opening given them by the violence of Bonaparte to assail the trade of America, and issued in November those orders which 'prohibited all direct intercourse from a neutral port to France or her tributary States unless the neutral vessels intended for such voyage touched first at a port in the British dominions and paid a duty.' * * * That the Americans would not submit to such humiliating conditions our Government was well aware, but it knew also that they had neither army, nor navy, and would not, for several years, resort to the alternative of war. * * * The trade of the Americans with the continent was suspended, and the remittances formerly made to us from the sale of their goods—remittances not overrated at four or five millions a year—were made no more. * * * But this was not all; the suspended intercourse and the subsequent appeal to arms induced the Americans to attempt to manufacture for themselves. This for several years excluded our goods, and when upon the return of peace British merchandise was poured into the United States

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at prices so low as to defy competition the consequence, particularly in the year 1819, was the scene of general insolvency in the States, which once more recoiled with the most distressing effects on the British creditor."

The "general insolvency in the United States," to which the Encyclopædia Britannica refers, included the stoppage of nearly all the banks of the several States, and there occurred a period of severe distress never before suffered in our history. A large portion of our manufacturing industry shared in the general distress and ruin. This was in great part, as is abundantly shown, to the unfriendly policy of Great Britain. But the inadequate legislation of the United States exposed our weak industries to this fate.

The next step taken to start these industries into new life was the passage in 1828 and 1832 of tariffs which afforded greater protection. But immediately after that of 1832, approved July 14, was passed amending the one of 1828, it was, the next November, in a convention of the people of the State of South Carolina, by the ordinance of nullification "declared to be, together with the acts which it alters and amends, unconstitutional and therefore null and void."

The ordinance of nullification was to take effect in February, 1833, but a session of Congress to terminate on the 4th of March, 1833, having commenced, the time for the ordinance to take effect was postponed by South Carolina until after the adjournment of Congress, when the convention was again to meet to take the final steps. Mr. Calhoun, who was Vice-President, resigned, and was elected Senator from South Carolina. He took his seat in the Senate on the day when President Jackson's famous proclamation was presented. Subsequently the Force Bill was passed by Congress; both intended to maintain the laws of the Union. The greatest excitement prevailed throughout the country immediately after the passage of the ordinance of nullification.

Mr. Calhoun, on his way to Washington, while stopping in a stage at Columbia, in reply to earnest questions from citizens, surrounding the stage, who desired to know how the controversy would be settled, answered that when the shock came in the Senate, Mr Clay, who represented a State more agricultural than manufacturing, would propose a compromise which he would accept, and that acquiescence would follow its passage.

Mr. Clay, as Mr. Calhoun thus prophesied, did propose a compromise, and it passed, providing for successive biennial reductions in the tariff until 1841, when a uniform rate of 20 per cent. should be reached on articles of importation charged at a higher rate, and this duty was afterward to remain. This plan, which by degrees thus abandoned the policy of protection, was known as the revenue or free-trade basis.

Mr. Calhoun, on the adjournment of Congress on the 4th of March, 1833, in order to reach the convention before it should adjourn, proceeded to South Carolina first by stage, and, that being too slow, by open wagon, and having reached it in time satisfied the convention that the compromise legislation at Washington ought to be accepted, and it was so accepted by South Carolina.

In the notes of Mr. Webster's speech (addressing Mr. Clay in secret session of the Senate in 1833, on the compromise bill) published some years afterwards, at a period of great interest to the fortunes of Mr. Clay, in the New York American, appeared these words in capitals: "Sir, you are yielding to triumphant nullification." That such was the fact can scarcely be doubted, and it may be that by doing so it merely postponed the conflict which burst out in 1861.

At the time of the passage of the tariff of 1832 the amount of our

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importations was only about $101,000,000 for the year. In 1836, after the first of the percentage reductions in the tariff had taken effect, the manufacturers of Great Britain repeated the experiment which culminated in 1819, and poured into the United States their manufactures to such an extent that our whole imports for 1836 amounted to $189,000,000.

In May 1837, immediately following these large imports, a crash, far exceeding in violence that of 1819, extended over the whole Union, and embraced all kinds and degrees of employments and of men. All the banks, including the United States Bank of Pennsylvania, stopped payments, and the disaster extended even to England and the continent. The suffering among our manufacturers, many of whom were utterly ruined, was universal and long continued: a result due to a bad banking system and to the complete desertion by the Government of the policy of protection to home industry, on the ground, set up by South Carolina, that this policy was unconstitutional. President Madison had warmly and wisely urged protection on the opposite ground.

In a letter to Joseph C. Cabell, of September 18, 1828, in noticing the new position of South Carolina, Mr. Madison writes: "A further evidence in support of the constitutional power to protect and foster manufactures—an evidence that ought of itself to settle the question—is the uniform and practical sanction given to the power by the general Government for nearly forty years, with a concurrence or acquiescence of the State governments throughout the same period." The distress and prostration throughout the country following the reductions of the tariff were so great and universal that a political revulsion followed. The Free-trade party in 1841 were turned out of power.

In 1842 the duties on imports were again increased to restore, encourage, and protect our enfeebled and drooping manufactures; but in 1846, and in March 1857, the duties imposed by the act of 1842 were again reduced to nearly the free-trade standard.

The following table shows the rate per cent. reached in 1841 by means of the action of nullification, and the rates in 1842, 1846, and 1857 on pig-iron, bar-iron, and on manufactures of glass, cotton, wool, and silk:

| | 1841. | 1842. | 1846. | 1857. |
|---|---|---|---|---|
| | *Per cent.* | | *Per cent.* | *Per cent.* |
| Pig-iron | 20 | $9 00* | 30 | 24 |
| Bar-iron | 20 | 25 00* | 30 | 24 |
| Glass | 20 | 30† | 40 | 30 |
| Cotton | 20 | 30† | 25 | 19 |
| Wool | 20 | 40† | 30 | 24 |
| Silk | 20 | 2 50‡ | 25 | 19 |

*Per ton. †Per cent. ‡Per pound.

The large importations consequent on these invitations to British manufacturers was followed in the fall of 1857 by the financial convulsion of that year, during which all the banks of all the States suspended specie payments, and the Bank of England, for the want of remittances from the United States, was compelled to suspend Sir Robert Peel's bill, limiting the amount of paper to £14,000,000, now £15,000,000, as the amount which may be issued by the Bank of England upon security of the public debt. As our duties were lowered our importations, aided by the action of British manufacturers, increased. Our importations were as follows:

TARIFF PROTECTIVE.

| | |
|---|---|
| 1842 | $100,162,087 |
| 1844 | 108,435,035 |

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TARIFF REDUCED.

| | |
|---|---|
| 1846 | $121,691,797 |
| 1847 | 146,545,638 |
| 1848 | 154,998,928 |
| 1849 | 147,857,439 |
| 1850 | 178,138,318 |
| 1851 | 216,224,932 |
| 1852 | 212,945,442 |
| 1853 | 267,978,647 |
| 1854 | 304,562,381 |
| 1855 | 261,468,520 |
| 1856 | 314,639,042 |
| 1857 | 360,890,141 |

Great complaint of the British manufacturers was made in England for their imprudence in 1857 in sending, as they did, such an enormous amount of their goods to the United States, in excess of what could be paid for. It was to this imprudence that the disasters in Britain were due. The depression of the manufacturing interests of this country was so great that President Buchanan, in his message to Congress in 1857, mentions it.

In 1861, at the breaking out of the Rebellion, it was found that our manufacturing industries were so depressed and enfeebled by the free-trade tariff that they could not supply us with the materials necessary for our armies to sustain the Union. The duties were accordingly increased.

Under this stimulus our manufacturing interests have acquired a solidity hitherto unknown, due in great part to the permanence and consequent tonic effect of the legislation in this respect, and notwithstanding the existence for most of the period of a financial system inferior to that of France, Germany, and England, and notwithstanding also that the ocean-carrying trade is in the hands of foreign competitors in manufactures.

When these causes of inferiority shall be removed, as they may be under the influence of proper Congressional action, there will be no obstacle which may not be overcome in meeting the competition of manufacturers in many foreign markets.

Under the tariff bill of 1861 and its improvements the quantities of articles manufactured throughout the United States have greatly increased; prices of them have steadily diminished through home competition, and wages are at a point which enables the workman, if undisturbed, to live with comfort. Our manufacturing products now amount to over $5,369,000,000 annually.

A single case illustrates the principle. The effect of increasing the duty on steel will therefore be mentioned.

When the tariff of 1861 was enacted our production of steel amounted to less than 12,000 tons per annum. This production was limited mainly to that required in making the tools for which we have become famous throughout the world, and also weapons and springs. We wanted steel, however, in 1861, for guns large and small, for the various purposes of the war, for rails, and for use in numerous industries. Our production of steel has been raised under judicious protection from 12,000 tons in 1861 to nearly 2,000,000 tons in 1882. Our first steel rails were made after 1861, when the duty was 45 per cent. It was afterward raised to $28 per ton. The price of them in 1867 was $160 per ton in currency, say $114 in gold. It is now about $40 per ton at the factories. Our production of steel rails in 1882 was in the neighborhood of 1,500,000 tons; our capacity to produce them is about 2,000,000 tons per annum.

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Mr. Morrill, the distinguished Senator from Vermont, claimed that the act of 1861, known as the Morrill tariff, was the birth of steel in America.

About the time of the passage of the act in 1870 increasing the duty on steel rails, Mr. David A. Wells, in an article written by him for the Cobden Club, claimed that it would be for the interest of the United States to buy and burn the factories for making these rails in this country, and to pension the workmen rather than prosecute the industry, as rails from abroad could be laid down here at from $60 to $62 per ton in currency, and that we would never enjoy the benefit of cheap rails.

The present price of steel rails at the factories, say $40 per ton, abundantly answers this article, published in 1872, by the Cobden Club, and shows the fallacy of the whole reasoning of the free-traders as applied to this country. But suppose we had bought and burned these factories and obtained from England the quantity of steel rails we have laid down in the United States, of our own production, amounting to say 6,000,000 tons to this time, what would have been the consequences to us? The price of steel rails in England in 1873 rose to about £18 per ton. Assuming that the price would not have increased under the stimulus of such an American demand, and that we could have paid for them, we should have taken out of this country and have distributed in England say $540,000,000.

Steel rails, according to Mr. Knight, last six times as long as iron; according to Mr. Wells, twelve times. All railroad men agree that they save the rolling-stock, cheapen transportation of all kinds, and promote the comfort and safety of passengers. How can any American not misled look otherwise than with satisfaction and with pride upon this instance of success in a great industry? Every interest in the country, agricultural, commercial, and manufacturing, participates in the advantages derived from this production. It shows conclusively the general beneficent operation of the tariff.

Notwithstanding, however, the benefits arising from the tariff of 1861, and its amendments, the belief is now entertained by a large portion of the people that a greater amount is collected from importations and from excise duties and taxes than is consistent with prudence and economy, and a reduction in the amount of both sources of revenue will undoubtedly be required by them from the present or the next Congress.

The question, therefore, arises whether this duty, as regards both sources of revenue, shall be performed by the present Congress, containing a majority of the friends of American industry, and so be in the interest of these industries; or it shall be left to the next Congress who may make the reduction, as in 1816, 1833, 1846, and 1857, in the interest of the foreign manufacturer.

We respectfully submit that it would be a fatal mistake to fail to pass a law reducing the revenue this session, and to pass it in the interests of protection to home industry and labor, and thus enable the friends of that policy to oppose, with a greater chance of success in the next Congress, any advance in the direction of free trade and low wages.

We present for adoption the following preamble and resolutions:

Whereas Great Britain, through ages of effort, has built up a manufacturing industry which makes her skill and power in this respect unequaled among the nations, and has accumulated the capital which makes London the great center of commerce, and the settling place for international trade, the place where the price is fixed of all the great articles of human industry, whether of near or of distant production, and now commands the carrying trade of the world, advantages which give the highest degree of protection, and constitute in the international competitions of industry an



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unequaled, aggressive, and destructive force, ever wielded, as our history shows, without restraint, for her own benefit alone;

And whereas France, Germany, Austria, Belgium, Italy, and Russia are compelled, from the greater superiority of the English in capital, in finance, in industry, and in the carrying trade, to resist this superiority by protective tariffs;

And whereas the United States, on account of the vacillating policy of its legislation, the condition of its finances, and the higher rate which is cheerfully paid for American labor, is unable to compete with the cheaper foreign labor thus amply protected;

And whereas in our history disaster and distress have uniformly followed every resort to free trade, and prosperity has, without exception, attended the proper protection of our industries: Therefore—

Resolved, That the giving of adequate protection to American industry and of steady and profitable employment to all laborers in the United States is the true American policy.

Resolved, That in view of the excessive amount of revenue now collected by means of import and excise duties and taxes it is deemed incumbent on the present Congress to reduce the same, and to reduce the duties in the direction indicated by the report of the tariff commission within reasonable limits, so as to prevent imprudence in expenditure; and that this should be so done as to give adequate protection to our own industries and labor, against destructive and pauperizing competition from abroad.

Resolved, That we are in favor of restoring ocean navigation under our flag to the position required by the exigencies of trade, commerce, and manufactures and the advantage and safety of the country, but in American built ships, and that it is one of the highest duties of Congress to place the great industry of American ship-building on the foundation necessary for successful competition with the world at large.

Resolved, That we recommend to the legislature of the State to pass laws authorizing all domestic business corporations of magnitude to make allowances or pensions for faithful and long continued service in their behalf by persons who have become old or infirm in such service.

COOPER INSTITUTE MEETING,
*New York, February* 1, 1883.

### JAMES E. MAHN'S SUGGESTIONS.

The CHAIRMAN. I wish to file a written communication from James E. Mahn, corner of Furnace and Amy streets, Syracuse, N. Y., addressed to the committee, who is desirous to file his testimony before us at the risk, even of being considered a crank. I think I have heard that expression from some other source, "I am a laboring man," &c.

The communication is as follows:

SYRACUSE, N. Y., *September* 3, 1883.

*Senate Subcommittee on Labor and Education:*

HONORABLE SENATORS: My own special interest in the labor question impels me to thus volunteer my testimony before your committee at the risk even of being considered by you as cranky.

I am a laboring man, with no special trade or occupation, though I earn my subsistence by the sweat of my brow. I am fifty-two years of age, and was born and raised in the State of Indiana, and have held some responsible positions, both in civic and military departments. My foster father was the paternal sire of James N. Tyner, Postmaster-General under President Grant's administration. I have long felt a warm sympathy for the cause of honest industry, and taken much pains in informing myself in matters concerning the laboring classes, their moral and intellectual improvement, their prosperity, and general condition. So much as introductory remarks.

### DESIRE FOR WEALTH!

The two great objects of desire among mankind are the accumulation of riches in this world and to secure happiness in life hereafter. To

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these ends the chief energies of men are directed, for without wealth no man can enter heaven—in the estimation of the world generally, and as we know nothing of that bourne, except from living human testimony, we have secured that goal, so far as the world can be cognizant, when we have got the public sentiment in our favor.

### WHY WE LABOR.

Men do not work for the immediate enjoyment and pleasure afforded from active employment, but for the pecuniary reward it brings. A life of arduous labor and toil is one from which every workingman hopes to be relieved sooner or later in life, but no wealthy person desires to change his condition of affluence and plenty for one of poverty and want.

### WEALTH NOT ALWAYS IN PROPER HANDS.

Wealth is not always to be found in the hands of proper and deserving individuals, but oftentimes belonging to sordid-minded and selfish people, and no statutory provision can ever place it always in the hands of just and honorable individuals. The honor and respectability shown by society to persons of wealth, even to those without intelligence or culture, makes the acquirement of riches desirable among all classes. The same selfish, avaricious disposition pervades all grades of people; every one wants to be richer than his neighbor.

There is no evidence to show that if the fortunes of the rich were taken from them (a spirit of agrarianism that should not be tolerated) and given to an equal number of the poor that a better condition of affairs would thereby be secured. It would be a change that would only affect the few without benefiting the many. Indeed, if such could be brought about, it would be an unwise policy to so suddenly change the life and habits of a class accustomed to active employment and strong diet to one of ease and luxury If the poor were made rich they would prove as exacting, or more so, than those brought up in wealth. The only remedy for such a disposition in mankind is a purer Christianity and higher civilization, which will not grant so much deference and respect to wealth without virtue, and show that intelligence and sound integrity are of greater importance than riches. This can be attained only by the more general education and the diffusion of knowledge among the laboring classes. We have many good and skillful mechanics and laboring men who are deficient in the science of social and political economy. A liberal system of education for the lower classes by the Government, and a less fostering care for the institutions of learning for the rich, is what our country is in need of at present. But we cannot afford to educate the poor of the whole world.

### WAGES.

The wages of mechanics and laboring men, so far as my information goes, are far better in this country than in any other country, unless it may be in some of the British colonies, in tropical climates, and they are better sheltered, clothed, and fed. At any rate, we find the working people from all parts of the world flocking to this country for the purpose of bettering their condition. At the same time it is true that capital is given a larger percentage upon investments. A high rate of percentage and wages arises from the active circulation of wealth and the large amount of labor employed in developing our resources and carrying on new and extensive enterprises.

In individual and private enterprises I think the profits of capital

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and the wages of labor are more justly proportioned than they are in those of large corporations and monopolies. In my opinion this inequality between labor and capital in the latter is caused by unscrupulous and unwise legislation; in discriminating in favor of capital by our law-makers in granting subsidies, bounties, and franchises, and making tariff rates for the special benefit of moneyed corporations. The country has been injured by too much special legislation. The petition and prayer of all laboring men should be, "Honorable Senators and Representatives, let us alone; but if you must help the rich, help us the more, for we are in the greater need of help."

All enterprises not having special reference to national welfare, and engaged in for private gain, should be carried on by individuals and open to competition, but all enterprises of a national character, involving the interests and welfare of the people of the different States, requiring a large aggregation of capital, that in their nature are exempt from competition, such as banking, postal service, telegraph and trunk railroads, should be carried on by the General Government, but in such a way as not to allow the patronage to be used for the purpose of political aggrandizement. But the Government should have no more of such enterprises than are absolutely necessary for the protection of her citizens.

## PRISON LABOR.

Prisons should be made not only self-sustaining but a source of revenue to the State, to reimburse it for outlay in prosecuting criminals. It should be kept as a boarding-house for the indolent, but made as undesirable a place as possible consistent with the feelings of humanity, so that none should crave its hospitalities. Prisoners should be employed at such work as would be the most profitable to the State, regardless as to what class of workmen such labor might come in conflict, for no matter what they do they will come in competition with some of the wage-earning, and one class has no more right to be favored by the State than another. The labor should be with a view also of fitting the prisoner for making an honest livelihood after leaving the prison. Skilled labor is far less overstocked than unskilled, and, as a matter of justice to all, the convict should be taught some branch of skilled workmanship, where he would injure the fewest with his labor.

That the use of convict labor in manufacturing does not injure the prosperity of a place as much as where it is used in unskilled work. I would refer you to Auburn, N. Y., and Perryville, Tenn. One of the State's prisons is located at Auburn, and the convicts are employed in some of the trades, and the city is one of the most thriving places in the State, and boasts of its large manufacturing establishments. In the neighborhood of the other place named are coal mines, and the convicts are employed in digging the coal. The consequence is that the place has gone to decay; all the stores and shops are closed for want of patronage, for the convicts are supplied from contracts with outside parties, and there is no chance for industry or enterprise of any kind there.

Sirs, I believe if Congress would repeal all special laws enacted for favored corporations and individuals that capital and labor could adjust all their difficulties satisfactorily among themselves, through competition and by arbitration. It would be as impossible to pass a law for either that would be satisfactory as it would be to enact a protective tariff that would satisfy all the different interests of the country.

Hoping that you will give the subject your impartial deliberation, I am, respectfully, yours,

JAMES E. MAHN.

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OTHER COMMUNICATIONS.

The CHAIRMAN. There is a large number of other communications all bearing upon the subject-matter of the inquiry and which I will place on file as soon as I get time, making acknowledgment of their reception in that way.

POSTAL SAVINGS BANK.

J. A. EMERSON sworn and examined.

By Mr. CALL:

Question. Where do you reside?—Answer. Now in New York.

Q. Have you had any special experience relating to the subject you desire to present to us?—A. I know considerable by experience and observation.

Q. Have you been connected in any way with the postal department?—A. I was.

Q. Have you been abroad?—A. I have been. I was educated in England, and have lived in England.

Q. You have given special attention to that subject?—A. I have for some years.

Q. Are you advised of its operation in England?—A. Thoroughly.

Q. Now, please state what you have prepared in the order you desire.

The WITNESS. I have been requested to submit to your committee a few remarks and some statistics in support of the following proposition: That the Congress of the United States be asked to extend to the working classes the benefits of the postal savings bank system, offering as it does convenience and facilities superior to any now existing for saving and accumulating part of their earnings for future use, and, above all, absolute security to the depositors.

This proposition has been discussed in the press occasionally, and I invite further discussion from the press, and the New York Herald, in whose columns, if my memory serves me aright, I have seen it favorably discussed, I trust will give it more extensive and favorable consideration. The postal savings bank system has been in operation in Great Britain for over thirty years. The increase from year to year and the large amount of accumulated deposits is the best evidence of its usefulness and its signal success. It has been there, and undoubtedly would be here, a great boon to the working classes throughout the country, but especially would it be so to the colored men of the South, the working classes of that section of country, who, since the collapse of that huge swindle known as the "Freedman's Savings and Trust Company," involving a loss to them of nearly $3,000,000, and the omission of Congress to make good the losses to the depositors as it ought to have done, as I shall hereafter explain, lost all confidence in savings banks operated under State laws or by private banking companies. They are therefore without any encouragement or incentive to practice habits of frugality, thrift, and economy, and save judiciously for a rainy day or when sickness, affliction, or old age overtakes them. The establishment of postal savings banks would offer this incentive, and the further inducement that they would know beyond the possibility of doubt that they were *this time* depositing their hard-earned savings virtually in the United States Treasury to be invested in United States bonds, and that the Government would be responsible to them for the repayment with interest of every cent.

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I will now give you a brief outline of the circumstances under which postal savings banks were established in England, and how every money-order office in the United Kingdom is made a savings bank, bringing the invitation to be thrifty and saving to every home.

For many years the project of postal savings banks had been discussed in the press and by many eminent men who were laboring for the amelioration and improvement of the working classes.

In 1859, at the annual meeting of the Social Science Congress, held at Bradford, Mr. Sykes, a banker, of Huddersfield, a large manufacturing city in the north of England, read a paper evidently prepared with great care, which covered every detail of the subject, and advocated the immediate establishment of postal savings banks in connection with the money-order department of the general post-office. The subsequent discussion by the press seems to have arrested the attention of influential and public men. Mr. Sykes's plan was examined by competent authorities and found to be so clear and to promise such excellent results to the working classes, without any serious expense to the Government, that the postmaster-general adopted the measures and pressed it to success.

In 1861 Parliament passed an act establishing postal savings banks in connection with the money-order system, and provided for the investment of deposits in consols or exchequer bonds, and empowered the postmaster-general to act with the treasury and the national-debt commissioners to carry out the provisions of the act, designating their duties respectively.

This act also provided for the transfer of deposits from private savings banks to postal savings banks, and in 1863 Parliament was induced to pass an act establishing the mode of procedure whereby any savings bank may be wound up and closed, and the claims of depositors transferred to the post-office savings bank. This was done to relieve the small savings banks that the working classes had been depositing their savings in with considerable misgiving, the postal savings banks having absorbed their customers.

It is hardly necessary to observe that every provision is made by the Government and every precaution taken by the proper authorities to make the postal savings bank system perfect. Each depositor is provided with a deposit book, each deposit is entered in this book and is attested by the receiving officer and by a stamp of his office of the same date. The amount received is reported on the same day to the postmaster-general in London. Acknowledgment of each deposit is transmitted to the depositor, and this is to be conclusive evidence of his claim to repayment with interest. The depositor is entitled to repayment of the whole or any part of the deposit on making demand in prescribed form at any of the offices (not necessarily the one at which he made the deposits) within ten days after demand. The names of depositors and the amounts to their credit are not to be disclosed except to officials immediately concerned.

All the moneys are paid into and received back from the national debt office on the authority of the postmaster-general. Interest at 2½ per cent. is allowed on all deposits as soon as they amount to £1 ($5), but none on fractional parts of a pound. Facilities are provided free of charge, by means of certificates for transferring deposit accounts from ordinary savings banks to postal savings banks, and *vice versa*. All expenses are refunded to the post-office department out of the deposit fund.

A detailed account of the proceedings is required by law to be pre-

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sented to Parliament annually by the postmaster-general and also by the registrar-general of savings banks, who exercises a supervisory authority over these banks.

The system of postal savings banks was put in operation in Great Britain in September, 1861. In March, 1864, a little over two years, it numbered 372,955 deposit accounts then open, with £4,097,492 ($20,487,460) accumulated deposits and interest, and also 2,000 friendly, provident, and charitable societies who seek the perfect security offered by the postal savings banks.

Year by year the number of depositors has increased, and in the last annual report of Postmaster-General Fawcett, of Great Britain, just published, it is stated that the total amount due to depositors, including interest, is £40,000,000 ($200,000,000), with an increase in the average annual amount of deposits of £3,000,000 ($15,000,000), the number of deposit accounts now open numbering over 1,500,000. Here is evidence of the most gratifying results from this system, and in the light of such authentic facts and figures as are here presented, one feels justified in saying that the establishment of the postal savings bank system by Congress would surely supply a much needed want, and be eminently wise and benificent legislation.

It is worthy of remark, and may serve to allay any hostile feeling to this measure in certain quarters, if I say that this new system is not a mere transfer of deposits from the old savings banks. It is almost wholly an addition to them, as the following statistics will show: Just before the postal savings bank system came into operation there were 1,600,103 depositors in the old savings banks, with accumulated balances amounting to £43,278,656 ($26,393,280). In March, 1864, two years after the postal savings banks had been in operation, the number of depositors in the old savings banks had increased to 1,887,510, a net increase of 287,407 new depositors, clearly showing that instead of injury the postal savings bank system had been a positive benefit to the old banks, and that there is evidently room for both.

Before leaving this subject I may be permitted to state for information and comparison that taking the old and the new savings banks in Great Britain together, there is 1 depositor for every 7 inhabitants of the London postal district, comprising in round numbers 4,000,000 persons; 1 for every 14 in England and Wales; 1 for every 17 in Scotland, and 1 for every 68 in Ireland.

The establishment of postal savings banks is of national importance, and will, in my opinion, be a national benefit. But, as I said at the outset, it will be of especial benefit to the freedmen of the South, who are so unjustly and maliciously accused of improvidence and thriftless habits, while the truth is, to say nothing of the cheating and shaving that is practised on them through their ignorance by the middlemen, if they had the opportunity and encouragement which is so abundant in the Northern and Eastern States, with the assurance that what they had accumulated through economy and self-denial would not be swept away by official swindlers, as in the case of the notorious "Freedman's Savings and Trust Company," they would gladly commence again to save and accumulate and become better and worthier citizens.

I now return to the statement I made that Congress had omitted to make good to the depositors their losses as it ought to have done, and I reaffirm it. I ask your attention to what I submit to sustain my statement. On March 3, 1865, at a session of the Thirty-eighth Congress, Congress granted a charter incorporating the "Freedman's Savings and Trust Company." Observe, the institution was not founded to carry on a banking business, nor did the charter empower the trustees to do a

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banking business. The sole object of the "Freedman's Savings and Trust Company," as defined in the charter by Congress, "was to receive deposits on behalf of persons theretofore held in slavery in the United States, and of their descendants, and invest the same in stocks, bonds, treasury notes, and other securities of the United States." The interest on these investments was the only income to be derived from these investments, and this was to be invested in like manner as the deposits themselves.

The institution was organized and proceeded to carry out the provisions of the charter. At the end of the first year the accumulated deposits of the freedmen amounted to $200,000. In 1870 the managers of the bank, unknown to, and without the authority of, the depositors, applied to the Fortieth Congress to alter and amend the charter so as to empower them to use the deposits, which had then accumulated to over two millions, in loans to private individuals on real estate security as well as on other securities paying larger interest than Government securities, urging speciously as a reason for the proposed change that the freedmen would be greatly benefited by it, when in reality their purpose was to embark in questionable and dishonest schemes, as the sequel proves. However, on the 6th of May, 1870, Congress amended section 5 of the charter, so as to allow investments to the extent of one-half of the deposits in bonds, or notes secured by mortgage on real estate in double the amount of such loan. Of course the power of Congress is illimitable. But in altering this charter without the knowledge or consent of the depositors it violated their rights, impaired their security, and opened the door for all the fraudulent transactions and losses to the depositors with which the public are familiar; and the freedmen and their friends, while they insist that it is the duty of Congress to indemnify them for their losses, do not do so on the score of humanity or philanthropy, but they claim it is an act of simple justice.

The condition and assets of the Freedman's Savings and Trust Company may be learned by reference to the report of a committee appointed by the Forty-third Congress to inquire into its affairs. From this report, dated July, 1874, it appears that the assets of the bank at that time amounted to $2,693,095.20, and its liabilities were $2,870,031.78, leaving a deficiency of $175,936.58. This deficiency, although in itself a large sum, was only apparent, however, for the greater portion of the assets were represented by worthless securities and insolvent debtors. The bank suspended on the 30th day of June, 1874, over nine years ago, and three commissioners were appointed to administer its affairs. During this time they have paid at intervals of two or three years small dividends to the depositors, amounting in the aggregate to 62 per cent. without interest. The fact remains that the freedmen were swindled by this operation out of about $3,000,000, and that in common justice Congress should indemnify them.

I will close this statement by quoting a part of the report presented to the United States Senate April, 1880, by Hon. B. K. Bruce, chairman of a committee appointed to investigate the affairs of the bank. In this report, submitted to the Senate, Senator Bruce, chairman of the committee, says:

> Until 1868 the spirit and letter of the charter seem to have been recognized very faithfully by the trustees and officers who administered the affairs of the company, and until the beginning of 1870—
>
> The period when the charter was amended—
>
> there do not appear to have been in the administration any serious practical departures from the kindly and judicious programme indicated in the act creating the insti-

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tution. In May, 1870, an amendment to the charter was secured, which embodied radical, and what subsequent events proved to be a dangerous and hurtful, change in the character of securities in which the trustees were empowered to invest the deposit of the institution.

Q. Have you anything further?—A. I have nothing further to state.

Q. What you have said comprises all the facts you wish to submit?—A. All the facts that I have to furnish to the committee at present. Any further elucidation the committee require I shall be happy to supply if in my power. My object is to bring the matter before the public for discussion as one of great importance, and one calculated to benefit the working classes immeasurably, I think.

Q. Do you think the Southern colored people would avail themselves largely of it?—A. I know they would. You know as well as I do that they have no means of saving now. If any saving is done in the South now, it is done on the personal reliance of colored men in old citizens whom they have known and whose word they think is as good as their bond. A good many of them have private banks, and with them they deposit small amounts, but the facilities for saving which are so common in the North and East are utterly unknown in the South.

Q. A prosperous colored man generally gets a piece of land as soon as he can?—A. This would lead to that result. A man would see the advantage of saving money and what he could accomplish with it. It would enable him to possess land, and when you give a man land and tie him to land you give him certain responsibilities which make him a good citizen.

Q. It is a very just view of the subject, I think, that you take. To what sum do you propose to limit the deposits; have you any definite idea in regard to the amount of deposits?—A. In England the deposit is limited to £30 a year. You cannot deposit in any one year more than £30 ($150). You can deposit from 25 cents up to any amount within that. For instance, a man has a deposit made in New York amounting to the maximum allowed by law, and he wants to go to San Francisco; he can jump on board the train and go to San Francisco and present his deposit book at the post-office there. They would communicate with the General Post-Office to know whether the amount stood to the man's credit, and as soon as they receive the necessary information they would pay him the money. So he could get his money transmitted from point to point free of cost, and in a secure way.

Q. The statistics you have presented are taken from official reports?—A. They are official British statistics, published by the proper office in England. If the matter receives that encouragement I hope it will—I have written to England for all the particulars, the act and the *modus operandi* complete, which I shall have in the course of two or three weeks—I shall continue to urge the matter.

Q. Have you any idea of the number of persons who deposit sums like 25 cents and up to a dollar; have you any classification of the depositors by the amounts deposited?—A. I think not. The most they do is to give an average amount of the deposits to each individual depositor; and the average amount in England, according to the statistics of the post-office, is £28 ($140).

Q. The average deposit of each person?—A. The average deposit of each individual is £28 or $140.

Q. Those were the deposits for the year, I suppose?—A. For the year. The remarkable fact that strikes one is the enormous amount the postal savings bank has collected as deposits in addition to the large amount held by the ordinary or old savings banks, because those savings banks

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ave not gone out of existence; on the contrary they are more perfect ıow, because the establishment of the postal savings bank compelled .he Government to exercise a more perfect and scrutinizing supervision of the old savings banks.

Q. Why is that so? What connection is there between that fact and the Government's supervision of the private savings banks?—A. Because the more secure the depositors feel of Government examination and supervision of the old savings banks, the less they will be likely to lose their business. The postal savings bank appealed to the poorer working classes, men who do not know where a bank is, who are not in the neighborhood of a bank, who would feel a considerable delicacy in going into a bank to deposit 25 cents, whereas they go into the money-order offices which are scattered all over the country in England as here, and deposit 25 cents. The thing is simple, immediate, and convenient. It is no expense to the Government. I am not asking the Government to incur a cent of expense. In England it is no expense to the Government; the expenses are paid out of the deposit fund. Even if it was an expense to this Government I do not see why the Government should not assume the expense. I think the Government can afford it. If it can take the duty off perfumery and off bank checks, it should not scruple to spend a million or two for the benefit of these men who are such large producers. Take the yield of cotton produced last year by these men; it is something amazing—6,992,234 bales of cotton. This is from the official figures published recently; this is what these men have produced. Suppose you take into consideration what they consume and see the enormous amount of money one way and the other they put in circulation in this country, helping to build up and increase its wealth.

Q. Have you anything in your tables to show the amount of colored and the amount of white labor engaged in the production of cotton?—A. I have endeavored to get that information at different points in the South, and the best information that I can get is that 95 per cent. of the labor that produces cotton is colored to 5 per cent. white.

Q. That is a mistake?—A. That is what they tell me. I mean the labor in the field.

Q. I know much the larger portion of the population in those States is white, taking all the cotton States together.—A. But the colored labor produces cotton. Take Arkansas; there are more white men there than colored; but how many white men do you suppose produce cotton?

Q. A great many on the Mississippi River.—A. But I am talking now of taking hold of the plow. In the northwestern section of the State, where the grains and cereals are produced, I have seen white men there working in the field.

Q. Even in my State, the most extreme Southern State, there always was, even in the days of slavery, a very large proportion of white people that produced cotton themselves, working it with their own hands.—A. I understand that number has very much decreased since the war.

Q. No, it has very much increased. The number of people who have been compelled to make a living has been recruited very largely from other employments since the war.—A. I have never seen the figures collated, and it is a matter of guess-work. I have inquired at one point and then at another; I have inquired in South Carolina and Tennessee, in Mississippi, in Arkansas, and in Missouri, about two years ago, on that special point.

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Mr. CALL. The cotton upon the river lands, the alluvial lands, is generally made by colored labor, but on the uplands, to a very large extent, by white labor.

CONDITION OF COLORED PEOPLE IN THE SOUTH.

By the CHAIRMAN:

Q. Where do you now reside?—A. In New York.

Q. What is your business here?—A. I am writing for the press.

Q. What press?—A. Two or three newspapers.

Q. A correspondent?—A. Yes, sir; a general correspondent.

Q. You have resided in Washington?—A. I have resided in Washington.

Q. From what part of the country do you come originally?—A. I was appointed from Arkansas to the Treasury Department in Washington.

Q. What have been your opportunities for learning the condition of labor in your part of the country?—A. I lived in the South four years, was mixed up with business operations, and saw something of the political atmosphere.

Q. You were not born in the South?—A. No.

Q. Where were you born?—A. In Europe.

Q. How long have you lived in the United States?—A. Fifteen years.

Q. Are you a citizen?—A. Oh, yes, sir.

Q. You were speaking of the condition of the colored people as being victimized, by reason of their ignorance, by the middlemen. I should like to have you give the committee any information you have in regard to their industrial condition a little more fully than you have in connection with your idea that a postal savings bank would be beneficial to them.—A. In pursuance of what passed between yourself and me, Mr. Chairman, I divided the subject and assigned that portion of it to Mr. Fortune, whom I brought here with me for the purpose of presenting it to you, and he is preparing very carefully a paper to cover that branch.

Q. Is he present now?—A. Yes, sir; Mr. Thomas Fortune, editor of the New York Globe. He is not prepared to take the stand now, but is preparing a paper. I brought him to present him to you this morning, and to make some arrangement about the time he should appear before you. I had begun to prepare some facts and figures on that subject, but after what you said to me I thought I would ask Mr. Fortune to take the whole subject.

Q. You stated to me that you had some knowledge of some business arrangement or understanding between parties in the North and the middlemen of the South. Have you any information in that regard that this other gentleman will not be able to give us?—A. You refer, I think, to what I said of the traders in the South who cheat the laborers. These men who are working on shares open accounts with them. They seek their custom; they go amongst them just as drummers do among their customers and seek their custom. They get them a little in their debt to-day, first by lending them a little money or giving them a little credit. Finally they open an account with the understanding that they are to sell very cheap. They get a pass-book and simply follow what is known as the truck system in the North; they will lend a man 25 cents and charge him 50 cents. At the end of eight or nine months they will have that man in their debt $250 perhaps. I speak from my personal knowledge, for men have brought their books to me. From the first entry of

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that 25 cents they charge them 2 per cent. a month, 24 per cent. per annum, on that money, and if they don't pay that money or make it so absolutely certain that the middlemen will get that money, he garnishees their cotton directly, and by the time it gets out of the garnishee process the man gets nothing.

Q. This, I understand you, is not done by the planters?—A. Not by the planters. What I would call the better classes of Southern men would scorn that kind of thing; they would help the negroes to defeat it.

Q. Did you hear the testimony of Mr. Calhoun yesterday?—A. I did not; I read a part of it.

Q. Do you find that a substantially just statement?—A. Mr. Calhoun's testimony is in the main just and true, but he says certain things that I cannot exactly comprehend.

Q. I do not care to invite any criticism of his testimony at length. You may state any facts, but I do not care to have your statement put in form of an attack upon the testimony of Mr. Calhoun. I understood you to say that generally his statement was a very fair and just one?—A. I think in the main it is fair.

Q. If you have any facts to state you can state them, but not with any reference to his testimony, because I do not want to put gentlemen in the attitude of being criticised.—A. Probably the conclusion that would be drawn from a remark of his he may not have intended.

Q. You may not draw any conclusion from any remark he made here. If you know any fact to present you may give it.—A. Then I will not touch his testimony more than to say that I think in the main it is correct.

Q. Any fact that you know that will throw light on the investigation of course we shall be glad to receive.—A. I have not read the whole of his testimony. I have only read that portion of it published in the Telegram.

Mr. PUGH. That is very imperfect and unsatisfactory.

By the CHAIRMAN:

Q. You have spoken of the "truck system;" how prevalent is it under your observation?—A. It is very prevalent along the banks of the Mississippi.

Q. How in the interior of Arkansas, Louisiana, and Mississippi, among the smaller farmers?—A. It is just as strong there; but it comes more to the surface, more to the eye. In the interior these men help themselves.

Q. You understand it is equally prevalent in the interior as along the banks of the streams?—A. Oh, yes, sir.

Q. How as to any correspondence between the business interests of those traders and parties in the North?—A. These men are supplied by wholesale houses in the North. I have seen several that I know of, friends of mine, within the last week or two here getting their supplies—men right from Little Rock.

Q. The stock which is subsequently sold to the negroes under the system you speak of?—A. Yes, sir.

By Mr. CALL:

Q. Do you not understand that to be general? Do they not cheat the white people just as much as they do the colored people when they get the chance?—A. No; I think not. Illiteracy is not so great among the white people as it is among the colored people, and the white people

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have some means or some friendly associations that enable them to prevent that kind of thing.

By Mr. PUGH:

Q. Are not these stores generally found where there is the larger colored population?—A. Yes, sir.

By Mr. CALL:

Q. Was it not your observation, too, that for some years after the war large interest was generally charged by merchants when they had balances against persons who dealt with them on credit, something like 18 or 20 per cent. a year?—A. That was so to a certain extent, I believe; but I think that was only in certain branches of trade. There are very few legitimate trades that could stand that rate of interest. I am speaking of 1873, 1874, 1875, and 1876; it was a long time after the war.

Q. There are plenty of places in the South where interest is as large as that without discrimination of color?—A. Yes; and a man might pay that rate of interest in an emergency for an amount of money, but if you make that a continuous thing I don't think any man in any trade can stand it.

Q. Still, owing to various causes, I think it was a general fact in the South up to a very recent period of time that very exorbitant rates of interest were charged by merchants and everybody, and even then a great many of them failed; and it is so now in country stores to a certain extent.—A. It is a common thing for these people when they get their cotton proceeds to find that they are absolutely in debt to these men and they have had nothing from them but absolute supplies.

By the CHAIRMAN:

Q. What is the condition of the colored people and of the laboring white people of the South with reference to education in the common-school branches?—A. Do you mean have they equal school privileges?

Q. No; but I want to know the general condition, in regard to actual education in the common-school branches, of the colored people of the South and of the poorer class of white laborers?—A. I think the colored people avail themselves of the school privileges in a much larger proportion than the whites.

Q. Relatively you think they show a stronger disposition to avail themselves of such privileges as they have?—A. A much stronger disposition.

Q. How is it as to the actual attendance of the children of these two classes upon school privileges?—A. That is a matter of statistics.

Q. I ask for your knowledge, if you have any?—A. It seems to me that my answer would be a continuation of what I have just said, that they would go in greater numbers.

Q. You think that actually a larger proportion of the colored children attend school than of the white children of the same class I speak of?—A. I do think so. I am speaking of the laboring class, not of what we call the upper class, the class above them.

Q. Your observation is, as I understand you, confined to the Southwest?—A. To the Southwest.

Q. To Arkansas and that vicinity?—A. All I know of the South is more from reading and correspondence. What I know of the Southwest is from personal knowledge.

Q. You may state whether there are now existing in the Southwest sufficient school privileges or opportunities for the poorer class of colored people and the poorer class of white children.—A. I will answer

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that question by the general statement that there is not. In the first place, the schools are not sufficiently numerous; in the next place, they are not kept open long enough during the season of the year when children ought to be going to school.

Q. State whether or not the pecuniary condition of these classes is to any extent a reason why schooling facilities are not provided in greater abundance.—A. That would depend so much on an elaborate statement that I do not think I am prepared to give it to you.

Q. You do not know whether they are rich enough to take care of themselves in the matter of common-school education or not?—A. The issue is raised in the South that the means for schools ought to be provided by the General Government.

Q. I was not asking you that question. I was asking you whether the schools exist, and you state that the facilities do not exist, and I was asking you whether their failure to exist was owing to any question of insufficiency of pecuniary means on the part of the people to support them?—A. No; they are quite able to support them.

Q. They lack the disposition you think?—A. Yes. I do not know any community in the United States that is not able to support schools, so far as my knowledge goes.

Q. Relatively, are they in that regard as well able to support good common schools as people are at the North?—A. In most places they are.

Q. Where is the want of the necessary disposition, then? You say the colored people possess it.—A. The colored people possess it; but those persons who ought to provide by legislation the machinery for the establishment and conduct of schools do not do it.

Q. To what States does that remark apply?—A. Probably more to some States than others, but as a rule it is practically so in the Southern States.

Q. Is your information of a recent character?—A. It goes back to not later than about twelve months ago.

Q. Have you traveled through the South?—A. Yes; I have traveled all over this country, from one end of it to the other.

Q. Are you aware of anything like a growing disposition among the Southern States to introduce and extend the common-school system among the people, irrespective of class or race?—A. They manifest that disposition certainly.

Q. And you think that progress is being made in the right direction in that regard?—A. I do; there is no doubt about it that they manifest a disposition.

Q. Have you any doubt from the tendency of things that within a few years the ordinary people, the common people, as we call them in the South, will have as good opportunities for education as at the North?—A. I have no doubt of that in the world. The condition of the South has been materially changed within the last four or five years. Some Northern people do not comprehend it. The substitution of home rule for bayonet rule in the South has revolutionized it. There is a better feeling there between all classes; as a rule, the relations between the colored and white people are peaceful and friendly; no doubt about that; they are working out these problems slowly, but in time they will work them out.

Q. You say the relation of feeling between the colored and white people is friendly?—A. It is.

Q. This extends to the masses, the common class of white people, as well as the planters and better classes, or more wealthy classes?—A.

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I am speaking now of the masses of the colored people and the people who form, shape, and lead public sentiment in the South.

Q. Are not that class bringing their beneficial influences to bear upon the condition of the white people as well as the colored?—A. I think they are.

Q. And progress is being made in the matter of education among the poorer white people as well as among the colored people?—A. Oh, yes, sir.

Q. And quite as rapidly, do you think?—A. I do not know that it is quite as rapid. It may in certain isolated sections, but, as a general rule, I do not think so.

Q. Do you know anything of the establishment of higher institutions of learning, academies and colleges and industrial schools?—A. I have not given the subject any thought for the purpose of presentation to the committee.

By Mr. PUGH:

Q. Do you not know it to be a general fact that the laboring white people of the South and the laboring colored people as a general rule live in different sections; they do not live together in the same communities? Do you not know that to be a general fact?—A. Yes, sir.

Q. That explains what you said a little while ago, that where you have been and found a large population of colored people a larger proportion of the children went to the public schools. You have not been in those sections of the South where the country is occupied by the white laborers and seen whether their children go to school. You only state in reference to those sections through which you have traveled among the colored people?—A. Well, I happened to occupy a pretty prominent position in the State; I was personally intimate with the superintendent of public instruction in my State who held office at the time I was in office in the State. I was also intimate with the man who succeeded him, a Democrat, whom I saw on one or two occasions when I went down South, and I talked on the subject with him, and the result of my observation bears me out precisely in the statement I have made here, and it is sustained by the information I derive from both these gentlemen who were superintendents of public instruction of the State.

By Mr. CALL:

Q. The census shows the proportion of white and colored children who attend school?—A. Of course.

Q. Have you ever given any attention to the relative proportionate tax for school purposes in the Southern States and the Northern States since the war, according to property?—A. I knew it pretty well, but I do not know that I have it at my fingers' ends now. It was my duty to know it pretty well at one time, but it has escaped me now.

Q. Can you state whether the tax in the Southern States is as great, if not greater, in proportion to the amount of property, than in the Northern States, for school purposes?—A. I think in some States it is.

Q. I think it is generally so in proportion to property.—A. But the evil there is that in some of these States, where the school teachers are paid in school warrants, you know the warrants are depreciated in value so that literally the teacher gets nothing. I have bought a school teacher's warrants issued to him for a dollar for 15 cents, and did him a favor to buy from him.

Q. When was that?—A. In 1874 and 1875.

Q. In what State?—A. Arkansas.

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Q. You cannot buy them now for that.—A. Probably not; but I will undertake to say that they are not worth more than 50 or 60 per cent. now.

Q. 50 or 60 is a considerable advance on 15?—A. Certainly.

Q. I do not know how it is in Arkansas, but I am very sure you cannot buy such warrants in any other Southern State for much less, if any less, than par. You cannot in Florida nor in Georgia, I know.—A. I am glad to hear that.

Mr. CALL. I doubt, though I cannot speak from personal knowledge, whether you can in either North or South Carolina, or in Alabama.

Mr. PUGH. In Alabama they pay dollar for dollar. The teacher either gets a warrant with 100 cents on the dollar or gets his money in greenbacks or gold or silver, just as he desires.

Mr. CALL. So it is in Florida.

The WITNESS. The change of things in the South has affected the value of these securities.

Mr. PUGH. You are right. Since home rule has prevailed it has restored confidence in the State.

The WITNESS. It has brought confidence and good feeling. I know it. I have relations with gentlemen who are political associates of yours who know all about it.

By Mr. CALL:

Q. Do you not think, considering the uncertainty of values of all kinds in the South at that time, and the general disorders which existed, that the assessment for school purposes was as much as the people could bear at the time you were there?—A. Certainly. You saw evidence of it on every hand; the products were increased, more labor was employed to the acreage; the commerce of the place was increased three or four fold in all commercial cities.

Q. You find no fault with the disposition of the people to establish schools and do the best they could under the circumstances?—A. None at all; but still there appears to be some impediment that I cannot point out that seems to prevent its consummation. Allow me to express the hope that some of the lights of the financial world will think the question which I have submitted to the committee worthy of their attention and favor the committee with their views upon it.

By the CHAIRMAN:

Q. You mean the postal savings bank?—A. Yes, sir; because if some man of note who is familiar with finance and the machinery that would have to be put in operation for this scheme would favor the committee with his views, the subject probably would command public attention in a greater degree than my humble efforts would enable it to do.

Q. You think if these institutions existed in the South the colored people would generally avail themselves of them?—A. No doubt of it.

Q. You think they would have confidence in a Government institution, notwithstanding the break-up of the Freedman's Bank?—A. I am disposed to think that the colored people as a class are superfluously loyal. They believe there is nothing in God's earth that is so perfect as the United States Government; and if you give them the United States Government as security they will deposit their money with it.

## PUBLIC LANDS IN THE SOUTH.

Q. Please give your opinions as to the desirability of the increase of small land-holdings among the colored people and the opportunities in

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the South to obtain suitable lands at prices within their reach.—A. I respectfully submit to your honorable committee that the conditions upon which millions of acres of land are held by some of the Southern States, which rightfully belong to the United States, and which ought to be treated as public land and open to entry under the homestead law, are unjust and injurious to the citizens of that section in general, but especially so to the industrious colored men of the South, who are not able to pay the exorbitant prices demanded for farming land, and would gladly avail themselves of the opportunity to settle upon the land referred to at the maximum price, which ranges between $1.25 and $2.50 per acre, demanded by the United States. There are laws on the statute books which would seem to make it obligatory upon these States to sell this land, which they have not earned but hold and ignore the Government, as well as the wants and equitable rights of the people.

In the State of Alabama it will be found from official sources that there are 1,304,498 acres of land held by the State that should be in possession of the United States and open to entry.

In the State of Florida there are 992,548 acres of the same character that should also be open to entry.

In the State of Louisiana there are 706,405 acres, also the property of the United States, that should be open to entry.

In the State of Mississippi there are 198,028 acres of land which is also rightfully public land, the property of the United States, and should be open to entry.

There are 3,201,479 acres of land situated in a region of the country where labor is abundant and where the laborer would be glad to have the opportunity to buy and till his own soil, and it is hoped your honorable committee will urge upon Congress the wisdom of any measure that may accomplish this end.

The United States laws provide that sections of 640 acres of land shall, if desired by settlers, be subdivided into smaller tracts of 160, 80 and 40 acres, and, as already stated, fixes the price at from $1.25 to $2.50 per acre. If the land in the States named were subdivided in the manner provided, I venture to say that inside of five years there would be 50,000 thrifty homes and homesteads of 40 acres each, to say nothing of those of 80 or 160 acres that would spring up all over the South, increasing enormously her production as well as her consumption. This ought to make the question an important one from an economic point of view.

The public domain has been so rapidly absorbed by railroad corporations during a comparatively short period that it may seem surprising to say that although the first grant of land in aid of a railroad was made to Illinois in September, 1850 (Statutes at Large, vol. 9, page 466), and the number of acres amounted to 2,595,053, up to the present time, a little over thirty years, the sum total of land grants to railroads amounts to 159,354,178 millions of acres, of this land the Government has been cheated out of; but there appears to be no power short of Congressional action that can restore these millions of acres to the public use.

To show your honorable committee how imperative it is that Congress should enact a law that will give proper facilities to the colored men of the South to procure land and build up homes on the soil that has been so abundantly enriched by their patient toil for centuries, I will state that the vast public domain of the United States, which but recently was 1,000,000,000 acres, is now reduced to 250,000,000 acres of available land, of which the various States to which grants were made by the United States claim about 5,000,000 acres; and the estimate of the General Land Office in Washington is that it will require 125,000,000 acres



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to satisfy the claims of corporations, although in many cases the land has not been earned, and is justly forfeited to and is now the property of the people of the United States.

This is a matter of vital interest to the future welfare and industrial progress of the colored men, who appeal to the justice and wisdom of Congress to give the subject early and favorable consideration.

## TRADES UNIONS.

The CHAIRMAN. I have here quite a number more communications that may as well be filed now as at any time.

We have a statement from Mr. Z. Balto, of 19½ Forsyth street, New York City, addressed to the committee, being a written reply to an invitation from the committee to testify before it. By reason of sickness he is unable to appear and sends this communication. He discusses trades unions especially.

The statement is as follows:

NEW YORK, 19½ FORSYTH STREET,
*August* 28, 1883.

*To the honorable Senatorial Committee on Labor,*
*Room* 100, *Post-office building:*

As a severe sickness has prevented me from complying with your honorable invitation of the 13th instant to appear before your honorable committee as a witness in behalf of my branch of industry, with your generous permission I beg leave to submit the following statement:

About my trade a great deal has been said before your honorable body by other witnesses. For that reason I have confined myself to a brief statement about "trades unions," and their "aims."

Among all societies in existence, trades unions apparently enjoy the most ill fame; and yet their aims and doings are not surrounded by any secrecy or disguised by any mystery, but are open to everybody who wants to hear them, and, moreover, who wants to inform himself about them.

To promote the economical conditions of the workingmen, not only at one trade but also in general, and by that means to secure to the vast multitude of workmen a higher stage in social life than they are now able to occupy—such is the aim of a trades union, and all labors of a trades union and all its efforts tend to this end. In short, a trades union is the visible incarnation of what is called the "labor question." But it is said, "Trades unions are the cause of numberless strikes." If the men asserting this would take only a little pains to investigate this question, they would find that strikes are very seldom on record or have nearly disappeared entirely where well-organized trades unions are in existence. It would be learned then that every well-organized trades union, as well as every intelligent workman, considers a strike an evil only to be resorted to when all arbitrary means fail, as a last remedy.

"Trades unions are nursing disharmony or strife between capital and labor," is another frequent accusation trades unions are treated with. Capital is the result of labor, as far as I understand it. How there can be harmony, disharmony, or strife promoted between labor and its product is something I do not understand. It cannot be the meaning that trades unions try to provoke strife between employer and employé; that would come under the heading of "treachery." In this regard I can assure the honorable committee that "treachery" is despised by

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workingmen just as well as by any other class of men. Harmony, disharmony, or strife, have nothing to do with the labor question after all; consequently it would be very useless for trades unions to promote it.

Of the vast amount of wealth labor produces, it claims that the workmen do not get their proper share. What share labor should receive out of the immense wealth it produces, that is precisely the question called the labor question. The labor question is simply a question of "mine and thine"; not of harmony, disharmony, or anything else.

A third monstrosity is generally heaped on the neck of a trades union: "A trades union wants to rule the shop!" This I never have heard said by an employer, but it is a favorite phrase in the daily press. Now, if our most scientific men of the daily press would only once descend from their high position, and for only about two hours examine the interior of a large factory, they would find that in the first place the boss or the bosses rule; in the second place, the superintendent; third, the foreman; fourth, all the help the foreman employs, &c. In fact, there is nothing left for somebody else to rule. The workingmen themselves only care for their work, and if there were 100 rulers more it would not hurt the workmen, as long as they are treated like *men;* but this is what is most wanted, and I do not believe that the request, to be treated like any other decent man, is an indiscreet one.

Sometimes, of course, honest workmen refuse to work with such individuals who have proved themselves to be traitors to their fellowmen, just as well as they are traitors to themselves and their families, and, finally, to the whole community. If that is called ruling the shop, then I must admit that such thing happens.

Finally, I would respectfully call your attention to the Fourth Annual Report of the Bureau of Statistics of Labor and Industry, New Jersey, 1881. It reads as follows, page 117, viz:

"The most important argument, however, in favor of trades unions is the influence they have exerted on their own members. It must be borne in mind that these associations deal with the practical and most essential affairs of a workingman's life—with his means of obtaining a livelihood. While some include within their scope sick benefits, insurance, and other benevolent features, the primary object of a trades union is to enable its members to maintain wages, secure exemption from obnoxious rules, and generally to promote the interests of the craft. In the consideration of these questions the most delicate and subtle problems of social and political economy often require solution, which no statesman has yet been able to give. The meetings are attended by men representative of every phase of the workingman's social life—the good, the bad, the intelligent as well as the illiterate. While it is true that bad counsels sometimes prevail, it is easy to predict which must ultimately win in the struggle between the good and evil, between intelligence and ignorance, between right and wrong. Discussions take place on the most important questions of every-day life, and the better educated consult books of authority for the acquisition of knowledge, which is imparted to others, who in turn learn to think for themselves. Well-defined principles of action thus become understood, reason takes the place of passion and stubborn will. Men are taught their duties, and form new habits and modes of living to which they were strangers before."

All of which is respectfully submitted.

Most respectfully, your obedient servant,

F. BALTO.

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DUTY ON IMPORTED LABORERS.

The CHAIRMAN. We have a communication from Boston signed by "A Workingman," under date of August 23.

The communication is as follows:

BOSTON, *August* 23, 1883.

HONORED SIRS: In the testimony of Henry George, esq., before your committee, he gives his opinion in favor of free trade, and from the fact of his being an advocate of labor against capital in the form of monopolies, I take it that perhaps his ideas run in a form something akin to my own, and they are that protection does not protect, and of which my explanation will be short and to the point.

As all of our laws in regard to the tariff upon importations are for the protection of our manufacturing industries, so I think that such laws should also protect the industry of labor, and in this way.

Now all employers of labor who claim protection for their productions insist that labor is a purchasable commodity, at its market valuation, just the same as their own marketable productions and manufactures, and so long as they make that claim, then, as a workingman, I claim protection for the workingman manufactured in the United States, upon the same basis as of any other marketable commodity which can be manufactured cheaper in any foreign country, and I insist that there should be a duty attached to every imported laborer, manufactured outside of the United States, for the protection of all workingmen that are manufactured within the limits of Uncle Sam's domain.

Then, sirs, protection will protect labor as well as capital, and the poor as well as the rich, and as a well-paid workman makes a good citizen, the country will be all the better for it, and as society only recognizes money bags, our only equality is our *ballot*, upon that rests my claim, as it counts one alongside of Gould's or Vanderbilt's.

A WORKINGMAN.

I dare not give my name; if this is noticed you will hear from me again.

LEGISLATION AS TO STRIKES.

The CHAIRMAN. We have also a communication from La Porte, Ind., signed by L. I. Gildersleeve, on the subject-matter of strikes.

The communication is as follows:

LA PORTE, IND., *August* 15, 1883.

GENTLEMEN: The matter of your investigations—specifically of strikes, and especially as a factor in the labor and education question—induces me to submit some thoughts, the immediate incitement to which is the report of your investigation of strikes in examination of telegraph operators.

Having been identified with telegraph matters more or less for thirty years this branch is of peculiar interest to me, though it would seem to require no special investigation to solve the situation therein at present, which to me seems apparent in very simple terms.

About $20,000,000 of actual investment, nominally representing and actually paying good dividends on four times the actual cost, without competition, and having and exercising the power in an accumulated profit of more than $50,000,000, of stifling any attempt at competition, yet requiring skilled operators with business ability and experience to

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safely perform the work required, this monopoly has gauged the wages of operators by the very natural law of supply and demand, at about the rate of the common laborer.

The reasonableness and justice of the demand of the operators is not, so far as we know, brought in question; nor have we any more ground for surprise that such a corporation, under such control, should refuse to accede to the demand. The advantage, if any be derived from the strike, is simply the lesson that monopolies, by whomsoever controlled, are not to trusted, and, as far as feasible, should be prevented or discouraged, to which proposition there may be very little dissent; but when we ask, *how?* we indeed have a grave question. There is, however, encouragement of its solution in the association of the leading thoughts embodied in the present inquiry, viz, education, labor, strikes. The authority under which the inquiry is made, in connection with the chain of subjects, is specially encouraging.

In seeking for the cause of strikes and the remedy, we naturally trace first to labor and education, not merely with reference to the strike but as the ground of the social and political fabric, all gain being the product of intelligently directed labor, protected by good government; and as good government and wisdom are almost synonymous, so successful popular government and popular ignorance involve a contradiction; therefore, we look ultimately to the elevation of the people as the remedy or the means of assuring the remedy for all ills; but specific evils must if possible be specifically met; and while we look to a liberal education as the ultimate and radical remedy, the education as attained even partially must be utilized through just the agencies now acting, viz, representative effort, and this effort must strike both directly at the great evils and through remedial conditions at the cause.

I would trace back, thus, the telegraph strike is the result of wages actually inadequate to the labor performed and the necessary preparation and ability. The low wages are the result of an oversupply of operators and the disposition of managers of a monopoly to supply their wants at the lowest marketable rate. Another and important consideration is the inability of telegraph operators in general to enter at once any other field of remunerative effort. The importance of some means of at least providing the necessaries of life, independent of a precarious "position," especially when the employer is a monopolist, is apparent; and the most effective union or brotherhood would doubtless be for the operators to take their half rations, if at all, for a few months *before* rather than *after* the strike. Each individual could then control his own fund and be able to maintain his own strike. Monopolists know the power of a mess of pottage before a starving man.

After the direct effort to counteract the monopolizing tendencies of avarice, the province of legislation is to foster the conditions of individual independence, which, once established, virtually and actually breaks the power of the monopolist to oppress. The monopoly of the soil has in all time been the means by which the wealthy enslaved the labor of the poor. The power to monopolize air and water has been but partially and incidentally attained. This slavery—the control of the labor of one class for the benefit of another—is enforced by controling and withholding the conditions of individual independence. While we have free land there need be no severely oppressive slavery; but the use of the eminent domain as a mere vehicle for the accumulated hoardings of successful manipulators of fluctuations, to be controlled and withheld from use at their pleasure, is that at which the power of our Government in its incipiency was aimed to prevent. It is the curse of all old

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countries, and when our lands come to be held beyond the hope of the poor we will have gone far toward the present condition of Ireland and England.

The relief which legislation may encourage in the present emergency would seem to be indicated in the use by the Government in the interest of the people, of the wonderfully increased facilities afforded by the recent improvements in means of communication, instead of permitting them to be used as an engine of oppression.

Very respectfully,

L. I. GILDERSLEEVE.

The adjustment of individual and community rights may be regarded as embodying the science of legislation and government. These are constantly varying with changed conditions, the development of the industries, of science, and customs.

There are, however, rights natural and inherent to which all human enactment must conform, and which cannot be violated without damage to the social structure. This is especially true in the abnormal growth of power of certain industries and individuals, in general at the expense of others, and is mainly the result of special privileges and special powers in holding or controlling certain natural elements which involve conditions of individual existence, and, as a consequence, of national prosperity; for it may be assumed that national greatness is but the result of individual prosperity, intelligence, and virtue.

These conditions of prosperity are, in the main, the free use of the elements of existence and protection in the possession of the fruits of labor. If controlled by an arbitrary power, whether an individual or corporation, a monopoly is constituted and a measure of slavery inaugurated, which may vary in degree from an imperceptible advantage to a levying of the highest tribute the use of the product will bear, and the lowest compensation to operatives which a virtual prohibition of the exercise of their labor elsewhere can enforce. Therefore, the first effort of legislation should be to secure to every one, and especially to the weakest individual, the free use of the natural conditions of producing sustenance by individual effort. It is, in short, to forbid a monopoly of the elements and conditions of production, and to secure to the actual worker the elements and possibilities of the successful exercise of his efforts.

L. I. GILDERSLEEVE,
*La Porte, Ind.*

AUGUST 15, 1883.

MINERS IN CONNELLSVILLE DISTRICT.

The CHAIRMAN. I present a memorial from W. F. Barkley, secretary of the Miners' Association of the Connellsville district, Pennsylvania, which I will read, as it is short, and that class of labor has not been heard before the committee to any extent:

*To the honorable Senate Committee on Labor and Education:*

I would be pleased to call the attention of your honorable body to the condition of the laboring classes in this region.

This is a mining district, known as the Connellsville coke region, which I believe to be the largest coke manufacturing district in America, if not in the world, and the profits, at times, the largest of any coal mines in America, yet the condition of the working classes the lowest.

We have lately attempted to organize a miners' association for the

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purpose of obtaining the enforcement of laws enacted for our protection in this State as well as procuring arbitration in matters of differences which may exist between employer and employé, thereby avoiding strikes and lock-outs.

We organized nine mines; at three of these the men were discharged for joining the association, consequently we have a strike, or what we term a lock-out, when it is a principle and not a question of wage involved. A number of other mines have notified their employés that if they join the association they will immediately be discharged, as they will not have any miners who belong to any labor organization.

At one of the mines the miners called a meeting, without joining the association, for the purpose of electing a check-weighman, a law enacted at the last session, and known as House bill 112, giving them that privilege; but all the miners who attended the meeting were promptly discharged the next day, the companies alleged excuse being that they would not tolerate any of their employés holding meetings.

Some of the company's employ Slavonians and other foreigners who are unable to understand our language and our laws, and with these classes they take great privileges. At one place where we called a meeting the managers stood in the paths leading from the houses to the public ground and beat the Slavish back with clubs. The company has a large number of tenement houses in the inclosure where the works are, and have trespass notices posted in many places; consequently, any one wanting to visit any of their employés at their houses must get a permit from the superintendent.

Some of the association men who left the mines where the strikes exist have been refused employment elsewhere, managers telling them that they had orders not to hire them; some who got employment on a railroad have been discharged, thereby not only discharging us for associating with whom we choose, but preventing us from getting employment elsewhere.

Praying that you give our cause your earnest attention we remain awaiting your investigation.

W. F. BARKLEY,
*Secretary Miners' Association,*
*Connellsville District of Pennsylvania.*

MOUNT PLEASANT, PA, *August* 16, 1883.

VIEWS OF E. C. ALPHONSE.

The CHAIRMAN. E. C. Alphonse, of Orange, N. J., files a memorial with the committee. He is a workman and discusses matters relating to the interests of workmen in a brief memorial.

The memorial is as follows:

ORANGE, N. J., *August* 19, 1883.

*To the Senate Committee on Education and Labor.*

GENTLEMEN: The investigation which you are prosecuting makes very plain at least two facts. First, that the "irrepressible conflict" between liberty and slavery is still on, and will yield to no settlement but that of justice. Second, that the problem of the times is pre-eminently that of capital and labor. And that it is pressing for a just solution and demands, at once, the earnest attention of the statesmen, the pulpit, and the press, and indeed of all right-thinking and justice-loving people. The consideration of the question is called for, not only by the highest patriotism, but by the lower feeling of self-interest (security), that it may guard itself against the possible assaults of outraged

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and despairing humanity. Acquaint yourselves, gentlemen, with the largely suppressed feelings and passions now rankling in the bosoms of tens of thousands of workers, and of the rapid spreading of this dissatisfaction; then you will comprehend the full meaning of my assertion.

Another fact, made plain before you, and to be known by everyone who keeps his eyes and ears open, is that of the over-abundance of labor, of the many constantly suffering for the want of employment, and standing at the same time as bidders for the places filled; thus keeping wages at the lowest point at which man can be had to labor. The exceptions to this condition is found in a few well-organized unions, in which the members stand by their interests with an intelligence and fidelity that merits the success they achieve.

This fact, gentlemen, of more laborers than labor is the tangible something you may deal with in a remedial way. This overplus of workers is due to the ever increasing use of machinery and of child labor. The children should be sent to schools, and kept in them, even at the expense of the public fund, and the hours for labor should be reduced to eight. Then the large standing army of idlers would find employment, become larger consumers, and help to support prices, and the overworked find relaxation from their toil. Congress can help in this matter by enforcing the eight-hour rule in all the Departments of Government. The reduction of working hours throughout the country would produce some beneficial results that would be permanent. Still, if conditions here were very much better than in Europe, the workers there would soon know it, and would rush in until an equalization would be effected. For such are now the close relations of the people of different countries, because of quick communication and cheap passage, labor flows readily from one to the other, as induced by hope of employment or better pay. Therefore, to cure permanently the ills of the producers you must dig deeper and find their root.

In my humble judgment, Henry George has demonstrated that the cause of these ills lies in the private ownership of land and its consequent monopolization; whether he would apply the remedy in the right way is not so clear.

Respectfully submitted.

E. C. ALPHONSE.

It is not out of place to add here that, in my opinion, the masses of the workers place little faith in the disposition of Congress to give them any aid. They think them corrupt and much in the condition of the Roman senate just before the fall of the republic.

E. C. A.

## THE TELEGRAPH OPERATORS' STRIKE.

The CHAIRMAN. The National Federation of Labor Unions, Washington, D. C., through A. M. Kenaday, chairman of special committee, file a series of resolutions adopted at a meeting of the Federation of Labor Unions held on the Tuesday evening preceding August 8. The communication and resolutions are as follows:

NATIONAL FEDERATION OF LABOR UNIONS
OF WASHINGTON, D. C.,
*Washington, D. C., August* 8, 1883.

Hon. H. W. BLAIR, U. S. S.,
*Chairman Committee on Education and Labor,*
*New York, N. Y.:*

SIR: At a meeting of the Federation of Labor Unions held on Tuesday evening, 7th instant, the subjoined resolutions were passed by said

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body, and a committee consisting of Messrs. A. M. Kenaday, A. D. Brock, and John Tyler, junior, was appointed to transmit the same to your honorable committee, and invite attention to the petition contained in the third resolution, to wit:

*Resolved*, By the workingmen of Washington, represented in a federation of labor unions, that we regard the pending strike of the telegraph operators as the most important contest between combined labor and incorporated capital, in its immediate and ultimate results, ever before inaugurated in this country; and, as the vital principle of all labor organizations is at stake, the situation calls for the wisest judgment and most self-sacrificing devotion from every true friend of our cause.

*Resolved*, That we earnestly beseech the duly elected representatives of the laboring men and women of the United States in the general assembly of the Knights of Labor, the National Federation of Trade and Labor Unions, and in all other general assemblies having the welfare of the poor and the industrial classes as a basis of action, to select committees of their wisest and truest men to meet in conference, and devise a plan of organization that will consolidate the laboring classes in one compact body, believing that the occasion will develop the wisdom required and the instruments to put it in execution.

*Resolved*, That we respectfully petition the honorable Committee on Education and Labor of the United States Senate, now in session, to consider the propriety of recommending to the Congress the advisability of authorizing the Postmaster-General to seize, in the name of the people, and to attach to the postal service of the country the entire telegraph system of the United States, taking a full and complete inventory of all property so seized, and prepare estimates to be submitted to Congress, and justly remunerate the corporation dispossessed, and that the entire force required to conduct the business of transmitting messages for individuals, railway corporations, and the public press be sworn in as officers of the Government, and the entire business be transferred to the rolls of the Post-Office Department, subject to such rates of compensation and general regulations as may hereafter be provided by law, and that the committee will trust to the good sense of the people and their representatives in Congress to sustain them when that body assembles.

Respectfully, yours,

A. M. KENADAY,
*Chairman Special Committee.*

VIEWS OF ISAAC H. STURGEON.

The CHAIRMAN. We have also a communication from Saint Louis addressed to the committee by Isaac H. Sturgeon. He says, among other things, that his belief is that the whole trouble may be found in the fact that the working people are overworked and underpaid, &c. It is a long and elaborate statement which I cannot stop to summarize at this time.

The communication is as follows:

SAINT LOUIS, *August* 23, 1883.

Hon. HENRY W. BLAIR,
*Chairman Senate Labor Committee, New York:*

SIR: If you will permit me I will submit some thoughts in reference to the labor problem.

That the laborers of the country are dissatisfied, unhappy, and discontented must be apparent to all from the frequent strikes, the labor

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organizations, and constant agitation that is going on in relation to their interests.

It would seem that the first thing to learn is the cause of this dissatisfaction on the part of our laboring classes. If ascertained that they have just cause for dissatisfaction, how is it to be remedied?

My belief is that the whole trouble may be found in the fact that they are overworked and underpaid. I am further convinced that this overtaxing of the physical powers of laborers is a great mistake in every view of the case. Without greatly benefiting the millionaire capitalist it is injurious to the laborer in many ways. Take, for instance, our large cities when laborers are compelled to live at a distance from their work to get cheap rents. To reach their work, the mother, often of a half dozen children, who has to do the cooking, washing, and mending, &c., for a large family, often her rest broken by a sick child, under our ten-hour system of labor, which prevails everywhere except under national authority, winter and summer must rise by 5 o'clock, which is long before day in the cold winter, to prepare the frugal meal for her overworked husband. He is off for his work by 6 o'clock and reaches it at 7 o'clock, when he works earnestly five hours, and then rests an hour, to resume and work five more hours, which brings him to 6 o'clock. He is worn out by the time the day's work is over; he feels exhausted whether it be winter or summer, but more so in summer. He leaves home before light and reaches home after dark in the winter, and, except of Sunday, scarce sees his children. In his exhausted condition, I know from personal observation, he is apt to take his glass of whisky when starting home to give him some spirit and life to reach home and have some cheerfulness for wife and children, and my convictions are that this overwork leads to most of the intemperance of our laboring classes. This overtaxing of the physical powers of the mother at home and the father at his daily toil is apt to lay one or both into early graves, filling our orphan and half-orphan asylums with children whose parents have literally been worked to death. It seems to me in every view of this matter I can take that the best interests of the whole country demand that every State legislature should imitate the example of Congress and establish and enforce eight hours as full day's labor. If eight hours can be universally established as a day's labor, and enforced both against the laborer and his employer, the question of compensation will regulate itself. If the eight-hour system can be universally established it will give husband and other members of the family two hours a day more to assist the mother, to give attention to the children and lighten the burdens of the wife and mother, and this should be the object of every Government to look after the happiness of the home, to take care of mother and the children. This is best for every nation. Take care of the family and do not allow the greedy capitalist to wear out these toiling millions who are the bone and sinew of the land, simply to swell their already overgrown fortunes. Ten hours' labor is too long. My observation teaches me this—especially is too long for boys and girls. I have gone through tobacco and other factories, where children are compelled to work to help mother and father along, and my heart has been made to ache in looking at many of the little pale-faced children that I could see were being worked to death. If eight hours can be established as a legal day's work it will serve to keep laborers from overworking, and will give employment to more persons and indirectly enhance wages; but to make the eight-hour law operative the legislature of each State would have to make it a penal offense against the laborer as well as the employer to work the man a larger number of hours, for unless this is done many laborers would, for additional pay, work over

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hours and nullify a law for the happiness of all laborers. If the country can be convinced that public policy demands that eight hours shall, by law, be fixed as a day's labor, I imagine there will be little difficulty in finding the means to enforce it. There are many light employments to which such a law should not apply; these can be excepted. The first thing is to decide that the best interests of the laborer demand that eight hours be fixed by law as constituting a full day's labor for certain employments. The matter of compensation for the eight hours' labor cannot be fixed by law, but it is my impression that it will do much in adjusting wages on a satisfactory basis between the capitalist and the laborer. Every one must be convinced by this time that we have arrived almost at a point where we cannot go farther without serious trouble, unless we can allay this discontent with labor. The capitalist must by acts show that he feels for labor, that he takes a real interest in his welfare and happiness, and is ready and glad to make every possible concession to him he can. This is the only way. Labor is every year becoming more intelligent, and they are organizing and will protect their interests. They are the many—the rich, the few—and they are daily learning and teaching each other that capital oppresses them and grinds every dollar it can out of their sinews for the very least cent it can pay. Instead of this, capital will have to show generosity and a care for the welfare of its toiling workers. This will make the laborer the friend of capital instead of its enemy. And this "*irrepressible conflict*" between labor and capital will be more and more fiercely waged until some settlement shall be made, that each will know that the other is acting fairly and justly.

The capitalists are more deeply interested in a happy settlement of this labor question than the laborer, if possible. He has no millions of armed men here to shoot down the laborers; and whilst laborers and all should ever discountenance violence, there is danger unless the amplest justice is done to labor.

I remarked at the outset that the greatest trouble seemed overwork, and underpay. I hold that it is the true interest of every country to pay liberal wages for all employés, for clerks in mercantile houses, railroads, banks, and in all employments where clerical labors are demanded as well as to laborers generally. It benefits all. It enables those who toil for a living in any employment to purchase more comforts for their families. It increases the purchasing power of the country, and consequently more is sold. Business is helped in every way, and the home is made happier.

To enable our manufacturers and others to pay liberal wages to our laboring classes employed by them, we should with zealous interest protect them against the pauper labor of Europe. In protecting the manufacturer we should have in mind the protecting of the laborers he employs. All know we must have revenue to support the Government, and we must get it indirectly by our tariff on imported goods, or directly by internal taxation. So far as it shall be deemed wise to raise any portion of it from tariff duties upon goods imported into this country, it should be done with a view of promoting the interests of our manufacturing interests, and incidentally the laborers they employ. This is essential.

It seems to me, after leaving the question of hours and compensation, that the greatest benefactor to laborers and the man of small means or no capital is the statesman or statesmen who can devise a law or the means to keep money at the lowest possible rate of interest. If the rate of interest on money can be kept down very low, it forces the capitalist into building houses, giving cheaper rents, and into business pur-

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suits of various kinds, affording employment to the masses; but if interest is high he lends his money on interest, instead of using it in manufacturing, opening mines, farms, building houses, &c., that gives employment. When interest is high it is impossible for the poor enterprising man to rise from his condition. The old-established merchant who has no capital to borrow can always keep down competition, as the young ambitious man could not borrow at high rates and compete, but make interest very low, and he will, with energy and economy, become a successful competitor with the capitalist; and this seems most desirable to offer a stimulus to the rising worthy poor young man, whilst by forcing capital into business and the development of the country employment is given to many persons. There is nothing much worse than to make it the interest of capital to be loaned out at high rates of interest. I regard it as at war with the best interests of the laboring classes and the country generally.

We have a most discontented set of laborers known as railway employés. They are the worst paid men, as a class, in this country, and whilst from their helpless condition we do not hear a great deal, there is certainly great discontent. And it is very natural this should be so. There are what are termed railway kings or magnets floating about through the country in their private parlor cars, drawing salaries varying from $10,000 to $100,000 for virtually doing nothing, and who never put one dollar in originally to build a railroad, and these men with bonds and stock enriching themselves, when not a cent of the stock or bonds ever was put into the road in any way, but went right into their pockets; and whilst doing all this they are grinding down every employé and brakeman to the very lowest wages. There should be found some remedy against thus loading down railroads with bonds and stock that was never put into the road. It is a fraud upon the public, and it is no wonder that that large and most respectable class of our toiling millions who earn their bread by the sweat of their brow should organize Granger societies against such nefarious practices. They know that all this increase of water bonds and capital is war upon them. They know that their hogs, horses, mules, cattle, sheep, stock, and poultry of all kinds, and grain, could be carried to market at less than one-half of what they pay if it were not that the railroads of the country are loaded down with bonds and stock upon which dividends are expected to be made, but which never went into the construction of the road in any way. I wonder that the farmers have not made open rebellion against being robbed of their labor to thus enrich men, many of whom never scarcely in their lives earned an honest dollar, and who spend their lives in bulling and bearing stocks to the great demoralization of the country and terrible wrong to the producers and consumers of the country. The addition which the farmer pays for getting his products to market is a charge upon every consumer, and affects most the laboring classes.

Another matter that needs remedying is the margining the grain, pork, lard, and other products, giving a fictitious value to flour, meat, and nearly all we consume, and operating most injuriously upon the poor laboring class, as the rich can bear what they cannot. The legislature and the courts of the country should cut up, root and branch, all this gambling in stocks and the provisions of the county as against public policy, and declare all such transactions fraudulent and not to be enforced by the courts or tolerated by the laws of the land.

With great deference and respect I submit the foregoing thoughts hastily penned at my desk this evening.

ISAAC H. STURGEON,
913 *Garrison Avenue.*

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## ISAAC COHEN'S VIEWS.

The CHAIRMAN. We have also a memorial from Isaac Cohen, treating the subject from the standpoint of a workman. The point of his communication is that very substantial legislation touching the constitutions of the States and of the country is necessary, and that all constitutional amendments should be voted for by the people directly.

The memorial is as follows:

*AN OPEN LETTER TO THE HON. SENATE COMMITTEE OF INQUIRY.*

GENTLEMEN: As it seems to be your purpose to investigate what reforms, if any, can be adopted by the legislative powers of the land to better the condition of the people, permit me to call your attention to one already recognized in our political frame-work and which to be effective needs only extension. You are aware that an amendment to the national or any of the State constitutions, while proposed in different ways must be voted for—adopted—by the people. This gives the people the power to express their will. This power may heretofore not have been always wisely and judiciously exercised, which could not be expected when they were but seldom called upon to exercise this privilege; but if it were extended so as to apply to the making and unmaking of all national, State, and local laws of any importance, it would answer the double purpose, first of educating the people, because all laws after being formulated by bodies for that purpose should be submitted to the people a certain length of time to be published, thoroughly discussed, and finally voted upon. Under such conditions the judgment of the majority which would be irrespective of partyism could be trusted. Secondly, it would place both the power and the responsibility with them. You will discern in all the complaints brought before you that the people know that they are not, and that under our present system of franchise they cannot be, honestly represented. That reform in this respect is under the adopted system impossible, hence become more and more indifferent so as to leave the field to the unscrupulous. You will agree with me that it is as easy for a voter to vote for a measure than for a man who is to vote upon the same. If it be held that the people are incapable of wisely voting for their own laws then it follows that they are equally incapable of wisely selecting the men who are to make them for them. The objection of distance and territory with present and future facilities of communication will not hold good, nor will the objection that it would constantly confuse and call the people together, because let the fundamental laws once be established to suit and work in the interest of all the people, not one bill out of every one thousand now brought forth would be proposed. The consequence would be fewer and better laws. The difference is between the representative and the original. In regard to its money affairs, paper money being but representative and coin money the original, the Government seems to be unwilling to trust the representative but adopts the original. If the Government cannot trust a harmless representative, why should the people trust treacherous living representatives?

So long as the passage and execution of laws however good, are at the mercy of men who are liable to be in office to-day and out of office to-morrow, and who by the laws of nature (human and divine) make hay while the sun shines; so long as men are elected to represent their own or special interest, it will remain simply a competitive warfare in which the strongest (the money) power will come out ahead every time.

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To honestly expect any reform under a system which subjects both the franchise as well as the representative to corruption is as you will see at a glance a mild form of delusion.

Suppose the working people were to elect every officer in the land, would that necessarily better their condition? No, because human nature, under the same conditions and surroundings, has always proved about the same. So long as the people do not themselves make the laws that govern them, they are sovereigns in theory but slaves in practice. So long as the people do not themselves make the laws they can in justice not be held responsible for them. The old motto applies: If you want a thing done well, do it yourself.

I am bold to assert that no measure of reform more radical and yet perfectly simple, legal, and peaceable, and capable of being used by all the people in the interest of all the people has as yet been submitted to you. It embraces all.

I am, with great respect, yours, &c.,

ISAAC COHEN.

## VIEWS OF JOHN P. GREGSON.

The CHAIRMAN. We have also a communication from John P. Gregson, of Mound City, Ill., in which he answers sundry questions bearing on the strike of the telegraphers.

The communication is as follows:

MOUND CITY, ILL., *August* 21, 1883.

Senator BLAIR,

*Committee on Education and Labor, New York City:*

SENATOR: Answering your favor of the 18th instant, would say that Master Workman Campbell, of Telegraphers' Union, failing to answer the question "Can you suggest an equitable distribution between capital and labor," the following is suggested, metaphysical distinction being ignored.

Intercommunication to-day is beyond State control, separate States cannot be brought to act harmoniously and intelligently, hence action on the part of the National Government becomes imperatively necessary in the interest of the general welfare.

Two modes are open. Great Britain furnishes an example of the first, being *absorption*. Our changing civilization requires that all and every mode of intercommunication shall be the property of the whole people, not of the favored few, to be managed for and in the interest of all.

If this change from existing system is for the moment impracticable, then by using the taxing power to limit the income of overgrown corporations to the extent of a fixed percentage on bona fide capital actually invested, the pay of superintendence at quintuple average earnings of our people, the remaining earnings divided between maintenance of lines and operating expenses, an equitable basis of distribution appears, and, as a result, a stable income to more investors, better service to customers of lines from improved facilities, increased pay to operators at a minimum of cost.

As State bank currency of ante bellum days has been driven from circulation by a 10 per cent. tax on circulation and a satisfactory substitute furnished, so may we reasonably conclude corporations analogous to State banks will see the way to establish harmonious relations with the great public from whom they receive such astonishing privileges and by whose tacit consent they continue to exist.

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A brief résumé of the idea sought to be conveyed shows, first, an allowance for use of money invested; secondly, pay for brains and superintendence; thirdly, living pay for operating; fourthly, provision for maintenance and extension, and inferentially reduced cost of working.

Respectfully submitted by your obedient servant,

JOHN P. GREGSON.

The CHAIRMAN. We have a long printed communication from a gentleman in Davenport, Iowa, Mr. A. C. Fulton, in which, speaking of the labor question, he discusses in one article "the common sense of the matter," and in another "capital as a helper to labor."

The communication is as follows:

DAVENPORT, *August* 4, 1883.

THE COMMON SENSE OF THE MATTER.

EDITOR OF THE GAZETTE: If cutting cord-wood for a living at 50 cents per cord, and working in the field thirteen hours at 50 cents per day, and saving a portion of the pay, and having been threatened and snubbed because I refused to join in a strike, constitutes a laborer, then I am entitled to enter the Gazette's parliament.

The experience of centuries prove that the quantity on hand and the demand, whether of wheat or labor, controls the price. A corner in wheat or a strike in labor may create an unhealthy and temporary rise to be followed by a corresponding or greater depression. But, independent of a scarcity or a demand for labor, there is a humanity and right that should have an influence on capital and the employer in directing their sympathy and influence in behalf of the more needy and dependent of the working classes. There are a numerous class who merit the influence and sympathy of their employers, the people, and the press, far more than do the Chicago bricklayers who received $3 and $3.50 per day, and demanded $4 and $4.50 per day or strike; or the wire ticklers who, according to the press, received from $45 to $85 per month, and demanded that it should be nearly doubled.

I refer to the laborer who receives only from $1 up to $1.50 per day, and the men and boys in the various mills and factories, many of whom work at piece-work and who have to work from early morn until night at race-horse speed, never ceasing, to earn 60 cents to $1 per day. I also refer to the widowed mother, and the sewing girl of the attic and the garret who ekes out a miserable existence making drawers, undergarments, and overalls, at 6 to 12 cents per pair, and pantaloons at 30 to 80 cents per pair.

I solicit the press, as soon as it rights the wrongs of the "brotherhood," to extend its columns and sympathy to the neglected, weak, and oppressed sisterhood. No doubt the telegraph companies could and should have increased the pay of their forces, and perhaps a small advance at an early day would have prevented the present embargo. But to establish an eight-hour system would be of more injury than benefit to the people as a nation. Life is too short to use but one-third of our working hours in building up the world and keeping it in repair. Mills, factories, and farms cannot be run on eight hours out of the twenty-four, nor could they maintain a shift of hands; it might please the wire ticklers, but it would be baneful to the general good.

A combination of proprietors to raise the price of commodities or provisions beyond their real value is an act of injustice to the people, and

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cannot come within that good rule of doing unto others as you would desire others to do unto you.

Capital and labor to succeed must act in harmony. Their interests are mutual. When I speak of capital I do not mean the mere dollars and cents that an individual or company may possess, but also the credit that they possess, which is more potent than the dollars and cents, and this credit is of value to labor, as it extends business and creates a demand for labor.

Many persons and journals are crying, "Give us cheap goods, cheap commodities," but those same parties strenuously object to the people and authorities putting all their force to work to produce those cheap goods. They declare that the convicts throughout the Union must not labor, but must be supported in idleness by a working people because the convicts produce cheap goods. Right and justice says, "Feed the convicts well and put them to work to the best advantage to produce cheap goods, then they will be useful to the State, enjoy good health, and return to liberty with a good trade."

If the sole object of a portion of the press and the numerous societies is to raise wages all that is necessary to do, gentlemen, is to amend the Chinese bill so as to include all European emigrants, and, as the various orders of workmen prohibit teaching apprentices, wages will go up to the upper notch, as Dennis Kearney asserts they have on the Pacific slope. This act would be far less atrocious than massacreing those who refused to enter the Pittsburgh strike.

To demand an increase of pay, or exorbitant pay, is right and proper; to abandon work at pleasure is also proper; but the despot "strike" is not content with enjoying those rights and privileges. No; the tyrant must constitute itself a legislature to enact laws for others and create a court and appoint a head center to act as judge, jury, and clerk of the court to decree who shall teach apprentices and who shall not, and who shall labor and who shall not. And should the unhallowed decrees of this court be disobeyed the club, the boot-heel, the shot-gun, and revolver are freely used to pierce, to bruise, and slay the body of him who was created in the image of the living God. And this scourging and death because the poor victim dared attempt to earn bread for his wife and little ones.

A. F.

## CAPITAL AS A HELPER TO LABOR.

EDITOR OF THE GAZETTE: I appear in the Gazette parliament to take up the labor and capital question where I left it in my article published in your issue of the 5th, which article on account of my modesty I issued over the initials A. F. I will endeavor to speak plain and give facts.

There is a very perceptible and growing disposition on the part of socialists, strikers, and no small portion of the press to envy, rail, and rant against moneyed men and moneyed institutions. At the same time there is not one of those persons that desires to emigrate to a country, or locate in a city or village, where all are as poo or poorer than themselves. They possess an instinct that tells them that to procure a living or wealth they must locate where wealth abounds. They who create or accumulate wealth are the "garners of Egypt" from which we draw in time of need. They can and do supply the wants of the destitute, and have built up the most valuable and important institutions of our country. If space permitted I could name hundreds of wealthy philanthropists. I will

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mention the wealthy banker, Mr. Peabody, who bestowed millions on useful and lasting institutions in both England and America. I will also mention Stephen Girard, who was in his day the most wealthy man in the Union. He for years sheltered, clothed, and fed hundreds of the poor and needy, while also making provision for and had erected the most gigantic and grand combination of college and resident buildings that this Union can boast of, wherein thousands of youths have been clothed, fed, and educated, and an ample income provided to keep up this unequaled institution to the end of time. Let us for a moment come to our own city and look at the Griswold College and grounds, procured from "the garners" of Eastern millionaries. Very soon, too, $30,000 more will arrive towards establishing a college for young ladies in Davenport.

I have conversed with many strikers, and the prevailing opinion seems to be that to succeed in a strike will immediately put a surplus in their pockets. After succeeding, they find that they who did not save a few dimes per week out of fair wages will not save a few out of the larger sum. Mechanics, artisans, and laborers must learn that it is not the $9 or the $30 per week that we receive and spend that counts in sickness or old age, but the $1 that we save.

As evidence I will name a few instances in Davenport. I could name many of the dollar-saving people. Some years ago Mr. Keyser, a Swede, a rough carpenter with a family, came to Davenport with $4 on hand. He worked for a small capitalist with a large credit, who built for himself to rent or sell. Mr. Keyser at first received $1.75 per day, which was in time increased. His employer assisted him in purchasing a home; he saved, and built several small houses, and within eleven years sold out and purchased a large and well-stocked farm in Kansas for $8,000 cash. During this same period a Prussian laborer, John Litze, arrived with his family of five and a few dollars. He went to work for the same capitalist, and is now working on his twenty-eighth year with his first employer, who purchased for him the half block on Ripley and Thirteenth streets, where he has two fine dwellings, and one of Davenport's best physicians is his tenant. He has raised his family and is clear of debt, and $10,000 will not purchase John Litze's possessions. The question is, did those workingmen build up the capitalist or did the capitalist build up the workingmen to independence? Or, were the benefits mutual? In no other country on the globe could those men have settled and reached their present independent position.

Discontented workmen and the journals that encourage their discontent cry "bloated merchant," "mammoth factory," &c. They do not examine the small beginning, the economy, and years of toil that produced those mammoth factories. Envious mortals, go with me to the vast locomotive works of Baldwin, in Philadelphia, look back through the years of the past to their conception, and you will see a pale-faced boy of seventeen learning to turn iron; then the same boy, as the inventor of a valuable and now extensively used engraving instrument; then comes in its order acres of costly workshops, with a net-work of machinery, the motion of which causes your head to swim, and the product of which is this day benefiting the inhabitants of every quarter of the civilized world. Hark! the bell taps the hour to cease work, count if you can the hundreds of workmen that depart from this vast hive of industry? Messieurs journals and discontented strikers and socialists, do you envy the pale-faced boy, and claim a portion of his extensive possession.

There can be a wrong in even trivial acts, even in cutting a telegraph wire that is the property of another. Suppose a man in early spring



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places a grain of corn within the earth; it springs up, he hoes and waters the growing stock, and looks with pleasure towards early autumn, when he shall feast upon the ear it bears; but, when autumn comes, a man slips in and steals the ear of corn and eats it. Would you not consider him a very mean man thus to steal the product of another's industry?

A. C. FULTON.

DAVENPORT, IOWA, *August* 11, 1883.

### VIEWS OF THOMAS MAYES.

Mr. Thomas Mayes sends a communication to the committee from 117 Madison avenue, Albany, N. Y., in which he attacks corporations.

The communication is as follows:

171 MADISON AVENUE,
*Albany, N. Y., August* 1, 1883.

HONORABLE SIRS: I chanced to see a paragraph in to-day's Times stating that you would meet at the general post-office to investigate the cause of labor strikes. I believe the colossal organism A has its emissaries B. B pretend to be the independent strikers. B demoralize C. C is mixed, say two or three per cent. of B. My experience commenced 1847 or 1848. I was bothered and annoyed, so I watched other and large places of business. One I am told done full $420,000 a year. It is now closed. I noticed this as I am familiar with a similar business in Europe that is still doing a prosperous business: Cause the organization A and B cannot do there quite as they do here. I have been in a perilous position for some years. The A and B have made several attempts on my life. It was only mere chance that I was not murdered on three or four occasions. If I can be of any use or give any evidence that will aid in stopping those misguided people I shall be pleased to do so.

Yours, respectfully,

THOMAS MAYES.

Hon. H. W. BLAIR and others.

### STATEMENT OF WILLIAM O. SHELLEY.

The CHAIRMAN. Mr. William O. Shelley, of Rome, N. Y., formerly a telegraphic operator, sends a statement of facts for the consideration of the committee.

The statement is as follows:

ROME, N. Y. *September* 5, 1883.

Hon. Mr. BLAIR:

DEAR SIR: I wish to call your attention to the following facts: Jay Hatheway was postmaster in 1840 and 1848. In 1846 I was called to the post-office—Gus Swan was called to the telegraph, 1st office; 2d operator, John Raymond; 3d, William O. Shelley operator. The second office I took was Lockport, N. Y., called Buffalo, Lockport and Canada Junction Telegraph Line. In this office I staid a long time. Next to Syracuse, N. Y., *Bain* line, some three or four months, Mr. Faxton as president, George Curtiss, president. He took William O. Shelley and placed in Albany. Then he removed him to Utica, that being a repeating office. Mr. Curtiss removed him again to Rome; there he staid till 1883; that would make him (1846) thirty-seven years in the business. In April S. B. Gifford, superintendent—having been appointed superin-

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tendent of the Western Union Telegraph Company later—together with my daughter, told us we would not be needed after May 1, 1881. We asked him if he could give us a little more time. No, he said, he could give us no more time. We went down to New York and we looked around and found Governor Morgan, who said that our services were needed, and go back and it would be all right. We staid here in Rome, N. Y., and all was lovely. Governor Morgan, of New York, died April 18, or thereabouts, 1883. Then I told my family to look out. We did not see or hear from Mr. Gifford in some time, and I got rather nervous about the matter. Telegraphed to him and he answered that he would be down soon, as it was long in the end of April; he came down here, not till the end of the month—the last minute in the time came; he gave me no time to talk with him. Mr. Gifford sent a telegraph to Spencer and White, saying that he did not want his store, not till 7.30 p. m. I suppose he did not want me to put in another letter like Governor Morgan's. And that would be thirty-seven years I worked for the Western Union Telegraph Company. You can bring this statement to what Dr. Green said about your letter, will you not?

Yours,

WILLIAM O. SHELLEY,
*Formerly Operator, Rome, N. Y., Office.*

VIEWS OF FREDERICK KOEZLY.

The CHAIRMAN. We have here from Frederick Koezly, a resident of this city, a statement addressed to the committee.

The statement is as follows:

182 EAST EIGHTIETH STREET,
*September* 5, 1883.

HONORABLE SENATORS: By reading the papers I see that you try to find out the evils and complaints under which the workingmen suffer, and what remedies they propose and wish adopted; therefore, I take this opportunity to give you also my opinions and reasons for them, as appear to me the cause of all or some of this dissatisfaction. In obtruding myself it is not egotism. I am not a leader, but simply a humble citizen of this great Republic (and am afflicted with deafness), but should like to see and work for a better adjustment of our social system.

That there exists great dissatisfaction among the working classes is admitted on all sides, and why? Because they come to think and see that they are the producers of all the wealth, for which, however, they receive but only a very scanty living; they have to live on the coarsest food; clothe themselves cheaply and sparingly; dwell in huts and hovels, with few pleasures and no time for themselves, and over which circumstances, a man born poor, has *no* control, while at the same time millionaires, born so, live in all luxury on the fat of the land, dress in silk and velvet, live in palaces, some without having ever done one day's work, and spend their time in pleasures only. Can a man of the least understanding and common sense call such a state of our social affairs *just* and *right?* This social state has been brought down to our generation from a barbarous age, as so many other evils which have been abolished, and our *present* society will and must be reformed, either by wise legislation, or at last even by revolution. There is no escape from it; all laughing and ridicule will not prevent it. The criminals come mostly from the degraded poor, who have grown up in idleness, the curse of mankind, and do not belong to the *working* class; this idleness is equally the curse of the rich, who have the time and money to demoralize our

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young women, and are given to gambling, but never brought to justice and punished.

Now, the workingmen begin to see this injustice and unfairness, and get restless. They are in a majority, but without sufficient intelligence, time, or money, are without power or influence, of all of which the rich are possessed in plenty, and know how to wield the power and keep it until taken from them in time by force, as history furnishes the examples. At present the workingmen are taxed the most. Tobacco and liquors are taxed the heaviest and used *mostly* by them (I am sorry that it is so, because they are an evil), but so far no legislation or taxation has been, nor will be, able to eradicate it. The men will use them as a pleasure to them, tax or no tax.

Peddlers and cartmen who follow it for a living are taxed and licensed, when at the same time all carriages of the rich are free!

About one-third of our population is this city live in large houses for one family, on about one-half of the land between Third and Eighth avenues, and the other two-thirds of people have to live packed in tenement houses on the other half. The well-housed ones have all the parks, while the ill-housed ones have not one; with the exception of Tompkins Square, which, until now, has been only a *barren* waste, and not a *park!* Then, streets and avenues in the thinly peopled half of the city are often swept twice a week, while in the crowded and narrow streets sweeping is done but once a week, if that much. Still they are equally taxed, if not more than the others. Is this right, fair, just, and well for the community? No sane man will dispute that it would be desirable for the welfare of a country to have its wealth as equally distributed as possible among its inhabitants. To attain this end, I propose this remedy: Abolish all our present taxes, and have *entire* free trade; all and every monopoly taken or regulated by the Government for the people. If the distance from Europe is not protection enough for any business, then it will not be worth while to develop it; for the nation establish a progressive income tax, the most just tax of all taxes and easiest borne. I would propose it on this scale: add one per cent. with every thousand dollars of income; tax $1,000 $10; $2,000, tax first $1,000 $10, and the second $1,000 tax $20, total, $30; the third $1,000 tax more, $30, total $60, and so on up to 90 per cent., and below $900 free. If in use it could be easily paid; the more a man had to pay, the better able he would be, and no man freed from it would be envied. This is *no more* confiscation than *any other tax;* no harm done to any one. A man who has amassed millions by his genius, whether honestly or not, can afford, and ought to pay, taxes, as he very often bleeds the whole public by his playing corners in all kinds of produce. For the city and State establish a *ground tax only.* No buildings or improvements on land should be taxed, as this would accelerate the building and farming business and stop speculation in lots and lands. This would encourage the industrious poor man, and give him great help to become possessed of some property, and in a comparatively short time a great middle class would spring up. Idleness could not be encouraged by it, but it would render it difficult for a man to amass millions, of which no one has any *need.* Trade, commerce, and all business would prosper if we would not have any millionaires among us, so neither would we have any paupers. We would have many less criminals, and not hear and read of one-tenth the suicides from poverty or being unable to obtain work. It would be better for all, even for the rich; their lives and property would be safer.

Yours, respectfully,

FRED'K KOEZLY.

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## THE LAW OF COMPETITION.

RICHARD J. HINTON sworn and examined.

By the CHAIRMAN:

Question. Where do you reside?—Answer. My home is in Washington. I have just come from Texas and Mexico. I have been away a number of months.

By Mr. PUGH:

Q. What is your profession or pursuit?—A. Journalist.

Q. Please state the opportunities you have had of understanding the labor question and its relation to capital in this country and abroad; what thought you have given the subject. State any facts within your knowledge. Give us the benefit of your information and opinions on the subject.—A. I have been a journalist and writer, both upon general and special topics, for the last twenty-seven years, and since the civil war closed I have paid a great deal of attention to what is known commonly as the labor question; I do not call it so myself. I went to England in 1867 to study the co-operative movement and the trades-union movement. I went again in 1873 on other business, but made use of my time to continue my investigations. I think I may fairly say I have been a student and, I believe, a careful student as far as I am able, of the issues involved. In this country I am disposed to believe as a result of that observation and such thinking as I have been able to give, that what is termed "competition" is likely to prove as a system of society an utter failure.

Q. Competition between labor and capital?—A. The general form of trade and commerce and business. Students of sociology call this the competing form of life. The present form of life is commonly so termed by economists. I believe that it is likely to prove a failure, because true competition, the natural and acquired force of each individual in industrial and economic pursuits, is destroyed and rendered nugatory to a large extent by the possession in private hands and as a means of individual profit-making of the great natural forces and of the greater functions of civilization itself. By that I mean—speaking in the abstract, not as a concrete question at this time—that the land, the mines, the forests, and the water, instead of being instruments of general wealth-making, are perverted by the social system and legislation into instruments of oppression and monopoly. I mean further that the discovery and application of steam and other incomparable forces to scientific machinery have revolutionized industry to so great an extent that the practical effect is to form not simply a new plutocracy, but a system of feudalism by which, what may be termed in some expressions, the captains of industry become the lords of the land. I believe myself from my own observation that there is a fair and just competition of individuals. I do not believe in what is termed "communism," and I am not a "socialist" in the European sense of that term. I believe, however, that there are common properties and common forces which should be under the supervision of the community, and are not property in the sense that my coat, my watch, my purse, and my individual energies are property.

Q. You mean individual property?—A. I mean they are not individual property in that sense. Therefore as an observer and a student I have long since come to the conclusion that in this country at least the artificial person called a corporation, who is in possession of the public functions of a community, such as the railroad, the telegraph, and the

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bank, is a person, speaking of him as an artificial person before the law, whose existence is dangerous to the safety of the Republic. I am a believer—and I may be called a "crank" for so believing—that it is quite possible to discover the difference between what I term common property and that which is individual property, as it was possible in the early days of this Republic and in the struggles that have followed since to discover a law of equitable distribution of power by means of the ballot. I think the want of to-day and the want of labor, and I would make that a larger term, and say the want of the producer, is the gradual and speedy, too, evolution of a law of equity in the distribution of the results of industry. At present all legislation tends to the destruction of men and the preservation of property, whatever form it takes. I do not hold that to be a crime against those who legislate. It is rather a condition of society. In this country no love of property ever sprang in the main from any body moved. We were turned loose on this continent to cultivate it and capture it, and we have done it, and the very intense respect for property, much of which is not in any honest sense of the term property, grows out of the American peoples' reverence for law and a respect for their own individuality and the struggle that has ensued.

So much for my general theory. I believe the only possible way by which equity can be reached is the lawful evolution through the growth of public opinion of some form of legislation (and I say "legislation" because legislation has made the present system) which will tend directly and positively to produce a more equitable distribution of the results of industry and the productions of enterprise and of skill. At present the creditor class runs the country, not the enterprise that is struggling, but the men who have already achieved and have won.

Q. The same capacity for self-government upon which our political system is founded, you think is insufficient to secure an equitable distribution of the proceeds of the labor of the members of this mass upon which the Government depends for its existence?—A. We have only developed, in my judgment, one side of the problem that is before us. We could not do anything else besides developing one side up to a certain point in our history, or the history of any modern nation struggling out of old conditions. That point of resistance and development was the political, the securing before the law of the equal rights of every individual. That we had to fight through. I am myself a thorough believer in the doctrine of Demosthenes, that a democracy is not to accomplish all its results through law, and for that reason I am not a believer in the sneers that are so common in unthinking newspapers or writers of newspapers about paternalism; about a paternal government. I am not afraid of a government that co-operates with the people in an endeavor to correct the evils that may grow up in any community. I believe we are upon the verge of a period when we must settle what perhaps is termed the social question, the economic question, when we must determine whether society cannot be so organized that at least seven or eight out of every ten human beings in it who work for living are absolutely liable to penury or poverty of the worst kind if by any accident or by any unfortuitous set of circumstances the bread-winner becomes disabled. In this city six-tenths of the people here, if they were sick a month, would be paupers, dependent on the charity and kindness of their family and neighbors. I believe that we cannot have liberty unless we can organize that species of poverty some time out of existence. It is a species of poverty which largely bears on the environment of the social and political order, in the creation of vast fortunes by means of legislative franchises, in the indifference which that struggle produces to the wants of

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men, to their necessities. I think that we have got to face this question of whether or not a grinding poverty is the law of civilization. At present we do everything we can not to face it. No man states it but he is denounced as a communist; no man thinks of it and utters his thought aloud but he is pronounced to be a crank. It is the serious question of the day, in my judgment, and no profession on this continent is so open to that objection as the one that I have followed for twenty-seven years. There are no men who lie so distinctly by inference as the ordinary writers for the newspapers on all these theories.

### THE RAILROAD SYSTEM.

Q. What part can the Government take in remedying the condition of society that you describe?—A. No railroad exists except by virtue of legislative action, securing a public franchise, exercising the highest evidence of sovereignty—the right of public domain. I think that it is fairly within the power of State or nation to exercise in this country a power of supervision and direction—I do not say ownership—I say power of supervision and direction.

Q. How far should that supervision and direction extend?—A. In my own judgment the tendency is towards direct ownership.

Q. Direct ownership by the Government?—A. Yes, sir; of the system. That is my judgment, and a man has no right sitting in such a position as this without he gives some reason why he has an opinion. It fell to my lot once in doing some work for a public man to make a thorough examination of every law at that time, 1875, there was in any statute-book of any nation using railroads in the world. Those that I could not read myself were translated for me. I made a thorough examination of the railroad system in every civilized nation, and I find that the United States is the only country in the world through its States and its national authorities that does not intend under some form or other to exercise sovereign supervision over that great function, the transportation function. England comes next; but England has upon her statute-books laws which give her at any time the right to assume direction, and she always has preserved the power of supervision and the power of lessening profits. She has not exercised that, but she has preserved it. I find as a part of my own investigation that the one country in the world—a small country it is true—where the railroad system has been most admirably managed, where I believe there has never been an accident of a serious character, where for the distance traveled the cost is less—and that is Belgium. The King of Belgium at the time of the inauguration of the railroad system, standing on his throne and addressing his parliament, declared that in his judgment railroads were a public function equivalent to the arteries in the human body, and that to surrender them to private profit was to betray a trust which the health of that body required should be maintained. That was the substance of his remark. Belgium has never surrendered the main lines of travel, has always conducted them by the state. They do not travel as fast in Belgium as we do, but they travel safer. They do not have as many luxuries on the cars, but they pay less for what they get, a great deal; they are quite as civilly treated, and they have their remedies before the courts because they have only the state, which they help to make. There is not a Latin nation in the world which does not preserve the sovereignty over the railroad system. I have just come from Mexico.

Q. You are aware that our Government, where it delegates these

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powers to private corporations, claims the right of supervision that you say we ought to have, and the Supreme Court of the United States has affirmed the existence of that power in the Federal Government, so far as the railroads chartered by the Federal Government are concerned, and the States undoubtedly claim and exercise that power.—A. I am perfectly aware as a legal proposition that that is true, but I am perfectly well aware also that we never exercise it, and that the statement is of the vaguest and most shadowy character when it comes to be put up as a practical factor, and that all the legislation of the land has been in the other direction.

Q. The State of Alabama, for instance, and the States of Georgia and South Carolina, that I happen to know personally about, have commissions that exercise powers over the rates of transportation, a very efficient board in each State, who seem to be giving very general satisfaction in their control and administration.—A. I have some knowledge, a knowledge which a newspaper man gets who edits papers, that since the inauguration of the idea of State supervision by the State of Illinois some twenty-two or twenty-three or twenty-four States—I forget the exact number—have established a system of commissions and supervision more or less positive in character. I take it it is part of the growth of the republican idea. By that I do not mean party idea; I mean philosophical idea.

Q. The abuses of the power of these private corporations created the necessity for this supervision?—A. Undoubtedly, and I believe that there will be a greater supervision; but I take a point beyond the question of abuses. I stand for my own self upon the belief that you cannot surrender these great functions, so far as the entire question of public transportation is concerned, to private individuals, called a corporation, in the manner we have done, without tending to enormously accelerate the tendency towards those vast accumulations of property and wealth in private hands, and I do not believe that wealth can safely accumulate in that form and in that manner in the hands of men who are practically irresponsible tax-gatherers. For every dollar they get above the legitimate amount of profit it seems to me they are gathering a tax from the community in which they are operating. I do not believe that these men—they are easily named and easily thought of everywhere—are safe citizens of a republic. I believe the power they exercise for the control of political action, for the influencing of public opinion through newspapers and various forces, is of a dangerous character, and must ultimately do one of two things: it must produce an oligarchy under the name of a republic, or it must bring about by the attrition of public agitation a change in the method of control.

Q. What are the two most powerful elements in society that regulate the price of labor and property? Are they not transportation and currency?—A. I think so myself.

Q. The power to furnish a transportation and furnish a currency is the power of regulating prices of labor and property?—A. In some degree.

Q. You can proceed.—A. I should not make the statement as broad as your question would indicate. I think the control of the transportation and currency ist he control of the two forces that, in the large and commercial sense, make conditions, which conditions more directly affect—they do not directly affect. My point is, that the general capacity of these functions or forces of the economic condition is such that they make the environment in which labor and the producer live without so immediately and directly, excepting in isolated cases or class interests,

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unaffecting him personally, until the conditions of society have been built so that he is then affected and cannot move out of his case. I am of the opinion of Charles Francis Adams, that railroads, banks, and telegraphs are irresponsible tax collectors. I do not know what Mr. Adams' present opinion may be since he has become a great railroad magnate, but he so put it into a book once, and it stands there. That was his judgment, that for every dollar a railroad or telegraph company collected—he was speaking of railroads more directly—over and above the legitimate profit belonging to its outlay and to the administration of the system, was, in that degree, a tax upon the community.

I think there is one formula which has been often expressed in the American press, which was first uttered by Sir Henry Tyler, who was then the chief inspector of the British railway system, and it was afterwards made from the bench by Lord Coleridge, who is now in this country, that railroads are public trusts charged with remuneration for private capital invested. It seems to me to cover the entire thing. If that remuneration is left entirely to the hands that administer that public trust, whether it is direct or through private agencies, so that they make a personal profit of it without regard to the conditions that surround society, of course it is going to be made as large as possible. That is human nature. If I were a railroad manager I should try to get all I could, and so would any of us.

Q. Have you any fear of the abuses that would grow out of the control of railroads and telegraphs by the agents of the Government under the control and supervision of the Government?—A. I have not as much fear as I have from the other source. I realize, of course, clearly that in the present inefficient machinery of Government, and especially of the "civil service" (using that term which I do not like—I would rather say "civil administration"), there may be a great many evils; but taking the country which, perhaps, is nearer to us in its public manifestations of personal liberty, that is Great Britain, and taking the one example we have had in Great Britain of the absorption of one of these functions by the Government, that is the telegraph, no one who has studied that question will deny for a moment that there is better service, more honest service, more prompt and speedy service in every way by the English postal system than there was under the private system. I am an Englishman by birth, though I am an American citizen and have lived here thirty years; I have been backward and forward, and I have kept up the interest that belongs to my birthright, and I think that is true. I think any one who has studied that question will come to the conclusion that the result of the English postal system has been to give Great Britain a better telegraph service than she had under private corporation management. I think the result will most distinctly be the same in this country, and in the change that I believe in I think the postal telegraph is the first step in that direction, and one which is coming.

I do not myself believe that such a change as the ownership of the great corporate public functions, such as the railroad and the telegraph, will be sudden, nor will it come to ownership for a long time. I believe the process of evolving that change will create the staff of assistants and servants to carry it out and the means of protecting the country against any undue influence that they are supposed to exercise. I have been a political writer and an active partisan, and I am not so much afraid of the public servants as the general talk of the doctrinaire gentlemen who sit in their closets and never go out among the people. I think Mr. Jay Gould, for instance, to-day has more power than the President and the whole of his Cabinet to elect members of Congress,

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any number of them, within the range of his seven or eight thousand miles of railroad that he directly manages not a direct influence but an indirect one. I think that he can nominate and control the election of more members of Congress than any President and Cabinet; that if we had control of his roads, the public opinion of everybody along them, the education that would be evolved by an examination of accounts, the alertness with which every farmer would look into this public service to see whether his freights were carried at proper rates, would bring about an education that must all the time tend to correct abuses.

I have worked as a telegrapher in my time, and, so far as my knowledge is concerned of telegraph operators, I have never found a working operator anywhere who has not been in favor, if he has thought anything at all of the question, of a Government service instead of a private service; and if he was an intelligent man he would usually give very good reasons for it, and reasons which would tend to show that his employment as a specialist, an operator, by the Government would make him prouder, more self-respecting, feeling more dignity, and much more likely to do well, and none the less a citizen. I have a belief, too, that if the changes of the functions of government go in this direction, the fact that the people you have to employ are specialists, experts, will put them outside very much of the range of the direct influence, which gentlemen fear so greatly, of Governmental control of politics. There may be something of that sort done.

As to another question, take the telegraph. I know it is very generally supposed that the Government might obtain control of the secrets of the telegraph. I do not think there is half as much danger of that as there is in the present Western Union system. I have had some experience during the last few months of how leaky the Western Union telegraph office may be, but I prefer not to mention the office, because it would reflect on the unfortunate man at the head of it, and he might lose his place. I have done an immense amount of telegraphing.

Of course these are only theories and deductions from my own observation, but I think a newspaper man who pays attention to his business ought to be a pretty well trained observer after he has done a quarter of a century's work, and his views have some force in them if they are really honestly and fairly expressed. I have paid a great deal of attention to this subject; I have written a number of papers at different times relative both to the postal and railway systems. My own belief is, to return to what I said at the first, that competition is impossible where combination is possible; that the tendency to-day is to throw all the functions of society, or the great ones, into the hands of private individuals by means of combination. It is the establishment of the wages system. To change to a system of that kind would be simply to establish a system of scientific slavery without ownership, which does limit a great many of the evils that chattel slavery might produce. It would make labor simply the creature of society, and it would continually swell the ranks of labor by lessening the number of the middle class. They would be ground out all the time. The people who are most bitterly hostile to-day to the discussion of the labor question are the people who are going to suffer the most by the growth of the plutocracy and the proletarian; that is, the middle class. My friends in the newspapers are ground a great deal, and are likely to be with every increase of capitalistic power over the press. There is no longer any freedom of opinion except in specialist work. The editors have no freedom unless they own the paper that they manage. I do not agree with Mr. John Swinton on that subject—I saw his statement—nor do I agree with his statement about the wages of journalists.

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PAY OF JOURNALISTS.

By the CHAIRMAN:

Q. State your knowledge about that matter.—A. In my opinion there are not 500 men known as reporters—of course there is a distinction to be borne in mind—technically, there are not 500 men in the United States as reporters who earn $40 a week by the exercise of their profession as reporters. I do not mean shorthand reporters who have certain specialties; I mean men who are employed as local reporters upon the daily press of any great city. Instead of its being the average it is rather the exception. It runs much nearer to fifteen or twenty-five dollars a week than it does to forty or fifty. A witty friend of mine said to me, writing from Boston: "Don't come here, Hinton; reporters in Boston get less than car conductors, and have no opportunity to knock down." My experience on newspapers in the great cities is that the only way to preserve any species of independence is to become a specialist, to write about particular topics, special things that they want to know more about. Then you can preserve a certain amount of freedom of brain that you cannot get otherwise. An editor is simply a manufacturer, a mental mechanic, working what is ordered. It depends on whose hand is on the crank as to what the work is that he is doing. That is true of the great city press of this country, and I have edited and worked on newspapers from here to San Francisco in nearly every leading city. It is not creditable, in my judgment, to the insight of the keen-witted and clever young men who are on the press that, as a rule, they are the meanest in their criticisms of all attempts to change conditions of that kind by being the loudest in denouncing every man who has an opinion different from the conventional idea about social economic matters, as a crank or a communist. They get less pay and work harder as a rule than any other class of employés in this country who bring to bear anything like an equivalent amount of intellect and capacity.

Q. Is it not then a fact that they are more closely enslaved, if the word is a proper one to use, by their environment?—A. I do not think so.

Q. Do you think they are in a situation to do otherwise than to manufacture, as you say, to write that sort of thing, to produce that sort of commodity which their employers want to deal in?—A. I do not think they are.

Q. In other words, you mean that the newspaper industry is reduced to a lower and worse condition than that of the factory operative?—A. I would not say that quite.

Q. What is it?—A. Because the men employed on newspapers are men, as a rule, of culture and character, and they make socially for themselves personally a better environment than the factory operative can do as a rule.

Q. I do not have reference to what is outside of the employment, but in their relations to those who pay them?—A. I think that is largely true.

Q. Suppose that a man produces what the proprietor does not want, he does not sell it then?—A. He does not get an opportunity to sell it.

Q. He neither remains employed nor can he sell that piece of property?—A. Certainly not. He has to be versatile enough to do that. I brought in this illustration and made this statement first because I am a journalist myself, and secondly, because it seems to me that the bondage, if it may be so called, of the metropolitan press to the great capitalists is due to the present form of the telegraph system in this

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country, and also to the other agency, the Associated Press, which is necessarily a servant or co-partner of the telegraph. If we had a postal telegraph to-morrow in working order in this country there would be a larger amount of journalistic work, more independence of action, more newspapers like those that Greeley founded in the past and others that I could mention, than there is at this day in any of the great cities of this country.

Q. Do you not think that the Associated Press as it is now managed really makes an effort to secure whatever events occur and to transmit the information to the various newspaper establishments, leaving them to select and work over this matter as they may see fit?—A. That in the large sense is true, but in another sense it is not. All the great news which affects any great corporation is entirely biased in its transmission. Take the telegraphers' strike. I was editing a daily paper at El Paso, Tex., at the time. The great daily papers from this city and from other cities came from two to three and four and five days after the telegrams. Unmistakably, the work of the reporters in their interviewing and their gathering of the news which appeared in the columns of these great daily papers presented a different aspect of public opinion from that which the Associated Press dispatches presented.

Q. In what respect different?—A. The Associated Press dispatches were unmistakably favorable to the Western Union, to the corporation side; not altogether, of course, but I mean the general tendency. The reports printed in the daily papers and the editorials of leading papers in this city and elsewhere were of a character adverse and critical of the action and position largely of the Western Union Company. These were not transmitted; these facts were hardly ever stated. If they were stated by special dispatches to the great city press that was one thing, but the great country press did not get them. The majority of the three or four thousand presses belonging to the various associated press associations did not get these things; they got what the Western Union Telegraph Company wanted to have sent, in the main. That is my judgment. I sat night after night watching it, and that is what it seemed to me.

By Mr. CALL:

Q. Would not that same line of argument in regard to the evils arising from the large amounts of capital invested in the press and the domination of money over the editors, lead to the conclusion that the Government ought to own the press and do the intelligence business too?—A. I can only answer by the one country in the world which has a free press, as free as our own.

Q. I speak of the argument, not the example?—A. I do not think so, because this Government is a government co-operative, belonging to the people, and influenced and affected by the people.

Q. Those are reasons that flow from the Government; but I ask does not the logic of curing the other evils by the public action of the Government lead to that direct conclusion?—A. To the Government's having the same influence over the press?

Q. Yes.—A. I think not.

Q. Why?—A. The reason why I think not, speaking on the spur of the moment, is that the vast number of opinions and forces which go to make up what we call the Government are so diverse on matters of this kind, and would be, that there could be no concentrated influence, no manipulation of press dispatches by Government agents. In a conti-

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nental country like this, whose eastern and western limits are nearly 6,000 miles across, taking in the Aleutian Islands, you cannot possibly reach a concentration of opinion.

Q. Neither can you with a railroad?—A. Yes, you can; because the tendency is to that kind of combination, and the law of self-interest, no matter what the local necessities may be on the general proposition which will affect the railroad system, will secure unity of action everywhere among railroad men or among telegraphers.

Q. I just understood you to say that that unity of action was already secured over the press by the control of capital, and that the editor was like a crank turned around that belonged to the man who owned the machine. I am only asking if the logic does not lead to that result; I do not question the force of the suggestion as to the great power of money everywhere?—A. I realize, of course, the force of your suggestion. I hope I have not conveyed the idea that I have only looked at one side of the question.

Q. I am impressed with the force of the analogies you make?—A. I am thoroughly a believer myself individually that in a country where there is freedom of action through free discussion these evils cure themselves much more rapidly, but unmistakably such evils will exist. There are lapses and laches and ignorances which grow up in public opinion, but the attrition of public opinion is worth more. You cannot shut up the officers who manage the Government in a bank parlor; you know what they do; you can drag it out into the light and discuss it.

Perhaps also I might give a little illustration, which has often occurred to my own mind, of what I mean by the way people are educated in governmental work. Mr. Chase, during the middle of the war, deemed it necessary that the public should know something about the Government finances. He had to appeal to the general public in the States that were defending the Union at the time, and he without law caused to be published a monthly statement of the condition of the Treasury. I am sure that any middle-aged journalist and editor will recognize the truth of the statement I shall make, which is, that before the war very few men connected with the press or anything else had any idea from month to month of the general condition of the Treasury of the United States. I think that now the poorest and most indifferent printer running the most indifferent country newspaper anywhere on this continent knows a great deal more than the great city editor used to know before 1860. These constant publications have laid open the general condition of the Treasury, and they have got in the habit of considering it, discussing it, thinking of it, talking about it, and knowing about it. I think in the same way much of the evil which you can see now in regard to railroads and other things under governmental supervision would be gotten rid of by the rapid process of such education, such discussion.

(At this point the examination of the witness was suspended, to be resumed hereafter.)

The committee here took a recess till 2 o'clock p.m., at which hour it reassembled.

## INDUSTRIAL ART SCHOOLS FOR WOMEN.

Mrs. FLORENCE ELIZABETH CORY sworn and examined.

By the CHAIRMAN:

Question. You are a resident of this city?—Answer. Yes, sir.

Q. State your employment?—A. I am the principal of the School of Industrial Art for Women, and I am a designer.

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Q. State to the committee, in your own way, the subject-matter you have in your mind in reference to your pursuit and the school which you have established, its efficiency, and its present and prospective usefulness in the way of furnishing occupation and culture to women?—A. Perhaps it would do as well to tell a little of my own experience first. Seven years ago I wished to become a designer for carpets, having made up my mind to that effect by seeing a very ugly carpet and wondering why more beautiful ones were not made, and I could find no one who could tell me where I could learn anything of the kind, or even where carpets were made. I looked in the encyclopœdia and found very unsatisfactory instruction there, telling me merely that carpets were made in the United States, but not telling me where they were made or how. Finally, during the centennial year, I was looking through a pile of papers, Harper's Illustrated Weekly, and they were filled with illustrations of the centennial exhibits. Among others was one of the carpet department at the Philadelphia exhibition. This design was made with divisions, and over each division was the name "Yonkers," "Hartford," "Lowell," &c. I took the first name I came to, which happened to be Hartford, and wrote a letter to the Hartford Carpet Company asking them if designs were in demand, how much they were paid for, how they were made, whether one was restricted in color, and where I could procure the paper from which to make these designs, if they were made on paper. I waited two weeks and received an answer, stating that designs were in great demand, that they could not possibly fill the demand in this country for designs for carpets. This happened to be for carpets alone, not for any other industrial branch. They were very much pleased with the idea of a woman thinking of designing, as I seemed to be the first one who had ever thought of anything of the kind, and Mr. Martin, the agent of the Hartford company, who wrote to me, said that as women bought carpets he thought it was a very good thing for women to design them, as they would know better what women would like. He sent me as full instructions as he could by letter, five designs to look at and several sheets of paper. I made three or four designs and sent them to him, having had no instruction in drawing or painting, or anything of the kind. Of course they were returned to me as being very imperfect, but he thought with instruction I might be able to please them, and advised my going to the Cooper Institute, in this city. I gained admission to the Cooper Institute, and came here and found that they knew less about it than I did myself, because in the three months that intervened I had been finding out as much as I could about it. In the Cooper Institute, in the women's art department, there is a normal class, in which they profess to teach designing. They do teach the elements and principles of designing, and teach them well, but they do not teach practical designing; they do not teach it as applied to any one practical purpose, neither do they teach it in any other school in the country that I know of. The Institute of Technology in Boston comes the nearest to it. For instance, at Cooper Institute they might teach a young lady, as they would say, to make a wall-paper design; set her down with paper and brushes and colors, and it might be a very beautiful design that she would make, but she would not know, and neither would the teachers, whether that design could be printed by the machinery or not. She would not know how many colors she should use, how the colors should fill the size, the dimensions of the drawings, or anything of the kind, because the teachers do not know. I was very much disappointed in that way at not learning anything really practical.

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I visited all the carpet departments in all the principal stores here in New York, and studied carpets. I finally found in one of the carpet departments in A. T. Stewart's, a book called the "Carpet Trade Review," which gave me the information I wanted to know—that is, where carpets were made, and whom they were made by. I found that a number of the agents were here in New York City, most of them in Worth street. I went to Worth street, and almost the first person I called on was Mr. William B. Kendall, who was president of the carpet association of the United States, and agent of the Bigelow Carpet Company. He was very much pleased with my idea, and sent one of his designers up to give me a lesson. It was the second lesson really, because old Mr. Barber, of Albany, just before his death, gave me my first lesson in carpets. Then Mr. Kendall sent me with a note to the head designer at the carpet factory in the city. There is only one factory in this city, and that is Mr. E. S. Higgins', at the foot of West Forty-third street. He sent me there, and the head designer very kindly offered to give me six weeks instruction, which he did. I learned a great deal there. At that time I was still a pupil at Cooper Union, but by the end of the time I had taken this practical instruction they thought me competent to teach a class at Cooper Union, and I taught a class of seventeen girls and women, which was the first class of the kind that had ever been taught in this country, and probably in the world anywhere; at least they told me so at that time. Then, three years ago, I taught a class at the Ladies' Art Association rooms on Fourteenth street, a very small class, however. At that time I was not a teacher, and did not profess or intend to be. I was a designer, and earned my living in that way; but there seemed to be such a demand, so many women wanted to know, so many were trying to learn at Cooper Union and the other schools, and had met with the same difficulty I had encountered, that is, that the instruction was not practical, and many of them hearing of me, came to me and asked me to help them. I presume I helped hundreds of women in three or four years, by giving them instruction, giving them hints, and telling them as well as I could, until there began to come so many of them that I could not attend to my business and them too, and I decided to start a school, which I did two years ago, classifying them, of course, and confining them to regular hours, so that I had leisure for my other business and to teach besides. I think that answers your question.

Q. Is there any other school like yours in the world that you know of?—A. There was no other school when I established mine.

Q. Either in this country or any other?—A. Not that I know of, exclusively for women. There are other schools of design; there are very fine schools of design in Paris; there is a very good school at South Kensington, in England, connected with the South Kensington Museum; and there are schools of design all over Europe, but none that are exclusively for women that I know of.

Q. Yours is meant to teach women what they teach men?—A.—Yes; to teach women what they teach men, and in the Lowell Institute they teach men and women both, as far as they go. They teach designing for prints and they teach designing, I think, for some wall papers practically, but they do not teach all kinds of industrial training practically.

Q. Give us some idea of the opening that seems to you to exist in this direction for employment for women.—A. I think it is one of the best openings for women labor in the country. It is remunerative; it is easy work; it is just as easy as for a lady to sit down to paint any-

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thing for her own amusement. There is a great demand for patterns which cannot be filled by the designers already in this country. There is not a manufacturer of any extent in the country but that sends abroad for hundreds and some for thousands of dollars' worth of patterns yearly. They are not all patterns that can be woven or printed just as they come. For instance, a wall-paper manufacturer when he sends to Europe for patterns does not send for a pattern that exactly fits his own machinery, and they are not always, strictly speaking, wall-paper patterns. Sometimes they are silk, and chintz, and cretonne, and bits of carpet, anything that will be a good idea for the manufacturer. After they are brought to this country the designers that he employs adapt them to their own requirements. Sometimes they will take a flower from one piece of chintz and a geometrical figure from a piece of wall paper and other forms from other things and combine them all and make one design out of the four or five. In that way they waste a great deal, sometimes buying a pattern for merely one form that is in it and the rest is useless. These designs are brought from England, Scotland, France, and all over Europe. They send men over there, pay their expenses, and pay for the designs, hundreds and, some of them, thousands of dollars yearly. These designs could be made just as well in our own country and by women. Women will be just as competent, after they are trained, to do it as men, and some of them are as competent and more so than some of the men now. Of course it takes time.

Q. For what purposes are patterns and designs needed? You mentioned prints, wall paper, and carpeting. In what other industries are they wanted?—A. In this country carpets of all grades, wall papers of all grades, silk for dresses and handkerchiefs and ribbons—everything of that kind. There is very little lace manufactured in this country and I think no lace curtains, though they are talking of establishing a factory now for that purpose, but there are embroideries of all kinds, those made by machine, and the Hamburg edgings are made in this country. Furniture chintz, which I did not include in calico, tile, all kinds of repoussé work in silver and gold and brass, carpets, designs for furniture, gas-fixtures, almost anything you look at that is ornamented is made in this country and there is a demand for designs. Of course some factories require more than others.

Q. State a little more fully as to the competency of women to do this kind of work, to receive the necessary training, and what aptitude do they develop for actually doing this work as well as men do it.—A. They learn very readily. I would not hesitate to take any young girl or lady of average intelligence, and I am quite sure I could teach her to become a designer in two school years. Of course a girl having natural taste and regular genius for this kind of work would do much better than one who had not, but any one with any intelligence at all can learn to design, although some will do better than others; but if they can understand the machinery and the requirements of it, and I see no reason why they should not, they can learn to design and to make designs to meet the requirements of the machinery. Every kind of machinery, of course, has different technicalities and requires a different kind of pattern to be made for it. Even in carpets every grade of goods has to have a different kind of pattern made in a different way and adapted to the loom which will weave that grade of goods, whatever it may be.

Q. How many have you instructed these two years, and between what ages?—A. Two years ago I opened school with 2 pupils; at the end of the third week I had 5 pupils, and at the end of the school year I

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had 41 pupils. The second year I opened the school with 38 pupils and closed with 75 pupils. Then I presume in the two years I have had 20 or 30 private pupils who were not regular pupils at the school. This year the school opens on the 1st of October, and I cannot say just how many are coming because I am receiving letters of application every day, and calls four or five every day. I know that the school will open with large classes this year.

Q. You are, of course, obliged to employ teachers in addition to your own services?—A. Yes; I have a teacher, Miss Perkins, who has been with me since the opening day of the school in the elementary class, and Miss Charlotte B. Coggswell, who has taught wood engraving for ten years at Cooper Union, will teach for me this year. Mr. Stone, who has been foreman of the Gorham Manufacturing Company, I think, but I will not be sure of this—either the Gorham or another firm quite equally well known—twenty years, will teach repoussé work on brass, silver, gold, and copper. I am to have architecture taught in the school also, but the practical designing I teach myself.

Q. How old are these pupils?—A. Last year the youngest pupil I had was fourteen years old, and the oldest one was sixty-two or sixty-three, I would not venture to say. I have a number of pupils with gray hair and glasses. The first year of the school all but four were older than myself; perhaps you can judge.

Q. That would not be making you very old.—A. Thank you.

Q. Can you give us some idea as to the remuneration which they command when they are fairly well qualified to be employed?—A. Yes, sir; I can tell you the remuneration that men receive, and women should receive as much, and I think they will when they are employed regularly by a manufacturer. They receive a regular salary, just as any business man does employed by the year, and the salaries are variable. A first-class designer for body Brussels will receive anywhere from $3,000 to $6,000 a year. They generally receive about $4,500 or $5,000. An ingrain designer receives less. I do not think a good ingrain designer could be employed for less than $2,500. A moquette designer receives a little more than a body Brussels designer, but not much. Six thousand dollars is a good salary for any designer for any purpose, although they have received more. I believe one designer receives as high as $10,000.

Q. Are they Americans, or foreigners who have come here?—A. Almost all foreigners. There are a few Americans, but the best designers, as a rule, are foreigners, for this reason, that the foreigners have schools, and the Americans have not. Foreigners are trained, especially the Frenchmen. They have free good schools where any artisan, without pay, can go and receive instruction in all these branches; here we have not, and, consequently, we have to suffer for the lack of them.

Q. The salaries which you have mentioned, of course, apply only to those who are the most skillful?—A. Yes.

Q. The leaders in the art; but what can an ordinary designer earn?—A. Those are what they call the ordinary designers. For instance, take Mr. Higgins's carpet factory on Forty-third street, as that is in the city. They have one head designer, and then they have under him anywhere from fourteen to sixteen altogether, men and boys. The boys are employed at the rate of about $3 a week when they first begin, and all they have to do is to grind colors. They keep them grinding colors for the designers—mixing shades and grinding colors. Then, if they are at all competent, from that they get to copying, that is, with simple patterns, ingrains; then they will be paid from $7 to $10 a week.



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Then from that to laying in bronze, and finally working on the higher patterns, and if they have a taste and genius in that way, by that time they should have picked up a great deal from seeing the other designers work, and finally become designers themselves, and that is the only way in which people in this country can become designers, by entering young and learning the business from what they can pick up, because designers will not teach it and there are no schools. Designers are afraid to teach it, because those taught might do better than they, and take the bread out of their mouths.

Q. Relatively, as shown by facts. how does the work of those who have been educated with you compare with that of other designers?—A. Very favorably. The difference is just here: my method of instruction is thoroughly systematized. I begin at the beginning, and any pupil that is graduated from my school understands thoroughly all the technicalities for all the fabrics. For instance, if she enters the carpet class for all fabrics, she learns the technicalities of all, which is more than many male designers in this city can say, even the best. You take a designer here in this city or in the country anywhere in any of the carpet factories, and as a rule he understands only one kind of designing. For instance, an ingrain designer does not know anything but ingrains. He may know a few points, but he does not know thoroughly well the technicalities and practicalities of body Brussels. A body Brussels designer may know nothing whatever about ingrains. But my pupils can tell you every technical part of every kind of fabric, of every quality of goods. They may not be able in two years, and of course they would not be, to make as pleasing a design as a designer who had worked for ten, twenty, or thirty years, but I think they would understand machinery quite as well, if not better, and it requires practice, of course, to be able to make the designs.

Q. Can you answer from your observation this question, Whether women appear to possess as much natural aptitude for this work as men?—A. Yes, sir; I think they do and more. I think they have a greater taste. It comes more natural to them.

Q. You think that here is a field of industry specially open to women?—A. I do most decidedly. I think it never should have been occupied by men, and I do not think it ought to be any longer when women are trained to it. It is pleasant work; it is very simple; it is what a woman can do; it is not hard at all, and I do not see why the men cannot go into the harder fields of labor and leave the simpler fields to women; not that I am strong-minded at all, but a woman certainly has the taste, and the skill is nothing, any more than to learn to paint a picture, and you all concede that women can do that.

Q. You think they are certainly reduced to the condition with sharp competition of being able to hold their own?—A. Yes, after a little while; not now. I do not think they need fear us for four or five years to come, but then I think they will. There are few now; in fact I am the only real full-fledged woman designer that there is; and then there are my pupils, of course, but the school has only been opened two years, and I do not profess to graduate them before two years.

Q. Have you any objection to stating in what directions you work principally as a designer yourself?—A. On carpets, almost exclusively. I have made designs for wall-paper and for tile and for various things, but my business is carpets.

Q. For what firms or establishments do you do work?—A. I am not employed by any one firm. I make designs and sell them and receive orders from different manufacturers. I received within the last month

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two orders from England for patterns, one from Leeds and one from Warwick. I have had orders from Philadelphia, and I have worked for quite a number of firms. I have sold oil-cloth designs also to Messrs. Potter & Co. and to Messrs. Bailey & Co. I have worked for the Bromley Carpet Company, one of the largest carpet firms in Philadelphia. I am not employed by any special company, but sell designs as I make them to whoever wants them or whoever will pay me the most.

Q. Have you any reason to think that your work is not valued as among the best they can get?—A. Last year one of the patterns that I made was exhibited at Sheppard Knapp's as the handsomest carpet they made that year. I think they sold as much of it as of any carpet they had in the store at the time. That was one of the Bromley goods.

Q. About how many carpet factories are there in this country?—A. There are from 75 to 100 carpet factories in the United States. The greater number of them are ingrain factories, and they are centered in Philadelphia. Of the best factories I think there are five probably that stand on a par as far as the quality of their goods is concerned.

Q. Do I understand you that this business opens out in the direction of all manufacturing where forms of beauty and of utility and adaptations to good taste are required?—A. Yes, sir; and not only as applies to manufactures, but to other things. For instance, we teach in the school interior decoration.

Q. What do you mean by that?—A. We teach women to understand what is beautiful and true, so that they can decorate their homes or become decorators for other's homes, and to decorate rooms and buildings, making them beautiful at the smallest possible expense, because all the tasteful things are not expensive by any means. Some of the most beautiful things are very reasonable, if women only knew how to look for them and use them.

Q. Do you think any common country or city girl could better qualify herself for the duties that naturally devolve on the sex by instruction in this art?—A. Yes, I think she could in this way: I think she could make her home happier and more pleasant by making it attractive, and where it is beautiful it is attractive. Of course the more attractive she can make it and the least expensive, the better that will be for her husband.

Q. I should think there was in that direction a great field where this sort of instruction might be given to advantage, and I should think homes would be more likely to be established under these circumstances. What do you think of the cultivation of this quality that you speak of as an accomplishment to women as compared with music and painting? Which is the more important for women to have really, this quality you speak of and this power to decorate a home, or the other accomplishments I have mentioned?—A. I think industrial art by all means, for several reasons: In the first place, as far as painting goes, any one with any taste whatever would not care for a picture unless it was really good, and there are very few who can make really good pictures. There are a great many who daub and make something that is very pretty and paint something on silk or satin, frittering away their time and not counting that time, but consuming time. Half the money expended on industrial designing would teach them to do something really good, and if they were compelled, through force of circumstances, they could turn it to good account. When it comes to music, there are hundreds of thousands already in the field. There is hardly a house now but has a piano, which is drummed to the annoyance of the neighbors and most of the people in the house; but this art is something new. It

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does not offend any one; even if you do not accomplish anything you do not do any harm by it. Of course it does not require as high a talent to make a good designer as it would to make a good picture-painter by any means; it does not profess to be higher at all; it is within the scope of every intelligent person.

Q. Can you give us some more definite idea as to the extent of employment as a business that might be afforded to women, and to what extent there might be an outlet for employed women in this direction?—A. It will be some time, of course, before women can practically compete with men already in the field, even though they have to send abroad for patterns, because there is that prejudice against women which there is in every new avenue opened to women's work. I do not care what women start to do, they are always opposed by men at first, but they have succeeded a great many times, and I think they will succeed in this. I speak of them altogether, and not any special men. I think women will compete successfully with men, and I think it will not be many years—I hope during my life-time—that the designers will be all women, and that the men will find something more manly to do.

Q. How expensive is instruction in this art? I do not mean to ask in regard to your own school, but if these schools should spread generally, and there is no reason why they should not be in every city and village.—A. No reason. I only wish they would be. I am fitting a number of my pupils now for teachers. They prefer to be teachers than designers.

Q. As this taste is cultivated, of course a demand would spring up in every home in the country?—A. Certainly. It is already springing up.

Q. Tell us more about that. Is the cultivation of this knowledge in women going on generally?—A. It is, most decidedly. About eight or nine years ago—I will not be positive about the time, but it was not later than that, though it may have been longer ago—Christopher Dresser wrote in his "Principles of Design" that judging from the carpets Americans used on their floors and ordered from England—at that time a great many people would not have anything but an English carpet; they considered that an American carpet was not half as good, whereas it was better, but they did not know that, and American manufacturers used to put the English marks on to deceive the public—the Americans were the most uncultivated people on the face of the globe. That is changing. The carpets used to be execrable with large flowers. I have seen flowers as large as a man's head and larger, roses in the most brilliant colors you can possibly imagine, bridges, fences, baskets tipped over, pagodas, almost anything and everything you can think of that ought not to be walked on put upon a carpet. Carpets of that class now are almost entirely dropped; where they are made at all they are confined, you might say, exclusively to tapestry, which is a poorer grade of carpet, a cheaper grade of carpet, and is bought by only the common, uncultivated people. You will see them hanging out on the Bowery, over on Ninth avenue, and such places, and you will find them all through the West, but the best houses, such as Sloan's, Arnold & Constable's, and all the large stores that have large carpet rooms, have the better grade of goods and handsomer patterns, patterns in quiet colors, tastefully arranged, and really beautiful works of art, with nothing that could offend the sense of propriety of any one in walking over them, or offend the taste in any way.

Q. Will the sunflower soon be obsolete?—A. I thing so, if it is not already.

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Q. How in regard to designs for furniture?—A. I cannot tell you as much about them. They have been making good furniture in this country longer than they have good carpets, but I think that most of the designs come from England for furniture, or the ideas. They are reviving the old furniture of Queen Anne, and the old Chippendale furniture, making designs after that style. Eastlake started the ball rolling as far as furniture is concerned. There are furniture designers in this country.

Q. Do you think that sort of thing is to curse us very extensively in this country?—A. Yes, sir; I do not think that after a few years they will send for designs for anything abroad.

Q. As bearing on the question whether this culture is within the reach of those of ordinary means or those who may be actually dependent on themselves for a living, I should like to know, in a general way, whether these pupils of yours have been persons of wealth or persons of ordinary means, perhaps a little short of the money that is necessary to get on with in this world?—A. As a rule, persons of ordinary means; some of them poor, quite poor. I have only had two or three pupils that might be called wealthy, and they were girls, as I considered them of a great deal of intelligence, who wanted something to do besides just frittering away their time, and thought it best to learn this art, so that in case of reverses they might have something to depend upon. If they never needed it, certainly they would be learning something, and it would be an employment and an amusement to them now. Then I have had pupils who were very well off. Every pupil I have ever had has been cultivated. I have never had an ignorant pupil yet.

Q. They have an idea they had better do that than nothing?—A. A great deal better. They like it better, and, as I say, it may be turned to account if they ever wish to do so, or ever find a necessity for it. Last year I gave free instruction in the school to eleven pupils who could not afford to pay. I have had to make easy terms for some, reduce the terms, or give them a longer time to pay in.

Q. Must there not probably also spring up a large occupation for women in teaching, in the instruction of this same art?—A. Yes; quite a number of my pupils have become teachers already. I think not less than eight or ten are teaching now. Some two or three of them have formed small classes in this city, not in the schools, however, because as yet the schools do not seem to take it up—for instance, the public schools. I wanted to introduce this in the public schools in New York City, and I saw one or two of the members of the board of education. I saw Mr. Edson, the mayor, who was very favorable indeed to my project, which was to give free instruction. I offered to give instruction free this year on Saturday mornings to one pupil from each grammar school in the city, the pupils in the grammar schools to compete—the drawings they are obliged to make in the school any way—that each teacher should have the privilege of selecting the girl pupil who had made the best set of drawings throughout the year in that school, and she was to come and join this class. Mr. Edson was very favorable indeed, and wanted it carried through, but Mr. Walker, the president of the board of education, said that they had decided they could not form an arrangement with any private school; they had only done so in one case; that was in the case of Bushnell, where there were various influences brought to bear, and they did so, but they should refuse to do so again. It is just the children of that class of people who send their children to the public schools who ought to be educated in this branch, and whom I most desire to reach.

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Q. Explain to the committee your method of instruction.—A. I begin with a pupil who enters the school and knows nothing whatever of drawing. First, she is taught to judge of distances by making lines of certain lengths and judging the lengths by her eye. For instance, I say to the pupils, "Draw a line three inches long." Nothing is copied in the school; everything is drawn either right from the mind or from the object. They draw this line. Probably not one in the whole school will make it just three inches long. After it is drawn they test it, find out whether the line is too long or too short, and find out what the difference is, and draw another one, which, of course, more nearly approximates the proper size. After they have had exercises of this kind I give them lessons in dictation. For instance I say, "Draw a square three inches square." The only guide they have is the hand and the eye. They draw a square. Then perhaps the next dictation will be, "Draw its diagonals and diameters; then bisect the sides, and from the points of bisection draw lines," either diagonal lines, vertical, or horizontal, anything I have a mind to dictate. So I go on from step to step until the first thing they know they have a design. They did not know what it was to be; it may be a chair, it may be a goblet, or just a haphazard design that would do for a tile. They all have the same thing without seeing each other's drawings or seeing anything at all—just from what I tell them to do. That gives them the idea of how to lay out a design systematically and geometrically. Then I tell them, "Now make that design yourselves in the same way; draw a square, circle, triangle, any geometrical form you wish; divide it with any subdivisions you like, and connect these points by lines, either curved, straight, or any kind of lines you like, and see what the result will be," and before they know it they have made a design. They hardly understand what they are doing until they have made one or two designs. Then they begin to see how it is that you lay out these designs, and from that go on step by step. All the floral forms they have to draw from nature. I have flowers in the school, and they draw and paint them. That is one of the steps. Then when it comes to the advanced design, by that time they have learned to make pleasing forms, and when they draw a flower they not only draw the flower and paint it as the artist would do, but they resolve it into its elements; that is, draw the flower front view, back view, side view, front and back of the leaf, the roots, every part of the flower they can get, the more the better. Then they pick this flower to pieces. They draw and color one pistil; they draw and color a stamen or the pistil; they cut the side part in two, and see what geometrical figure that is, for every flower and every part of every flower is based on some geometrical figure. That is one of the first things they learn. They also learn on what geometrical figure each flower and leaf is based. For instance, I hold up a flower or leaf and ask them "What figure would inclose that best?" whether it is triangular in shape, oval, elliptical, or what it is. Then this flower, as I said before, is resolved into the elements, and each element drawn separately. Consequently by the time they are through with that flower they understand its manner of growth and everything that belongs to it, and they have ever so many, say from seven or eight up to twenty or thirty, different forms to derive from the one flower. When they come to combine these elements into a design that design will be pure; if they make a design from a rose there will be nothing but rose elements introduced; there will be the rose seed-pod, the thorns, the rose itself, and all the various portions; so that it must be pure throughout. Another thing, they will never make the mistake, after studying a

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flower in that way, of putting ivy leaves on roses, and putting spring flowers with those that bloom in the fall, and so on. They know every flower they study thoroughly through and through. They begin with the natural plant and the natural drawing, and finish the full size working design derived from that.

Q. This process is repeated for the two years?—A. Yes, sir. The first year is taught what I have just been telling you, the geometrical arrangement, the conventionalization of flowers, the drawing of flowers from nature and adapting them to the simple designs, the designs in which I can teach the technicalities in the first year; that is, print designs. The technicalities are very simple as concerns wall-paper, chintz, calico, or anything that is printed. In the second year I teach the principles and the technicalities of machinery, and teach designs for all fabrics upon which the design is brought to the surface by the Jacquard loom—for all designs that are woven are brought to the surface by a Jacquard loom—whether they are red and white table-cloths, linen table-cloths, carpets, silk, or any fabric in which the design is brought to the surface by machinery and not printed on the surface. There are three ways of applying a pattern to surface. The first is by weaving the cloth or manufacturing the paper, whatever it may be, and printing the design on the surface after the surface itself is finished, as in calico and in wall-paper and some kinds of silk, and in other things, too. Then another way is by printing the threads before they are woven, as is done in tapestry carpets. Tapestry carpet is formed of only one thickness of wool. The threads are wound around a drum and a pattern corresponding to the pattern we have made on paper is printed on these threads. Afterwards the thread is put in the machinery and woven, and as it is woven the pattern comes up in spite of itself, as the threads bring it up to the surface. The third method is by taking wools of different colors—that is, each wool is all one color; it is not printed in bands or strips of color—these different colored wools are brought to the surface in their proper place and form a pattern by means of the Jacquard. That is the case with body Brussels, Wiltons, silks, and a great many other fabrics.

Q. You are a lady of American birth?—A. Yes, sir; I was born in Syracuse, N. Y.

Q. So that you have demonstrated in your own case that an American woman can do this if an American man can?—A. Yes; and I have had no instruction at all further than I have told you. Everything that I know I have picked up myself and bored people by questioning them to death. I visited a representative factory, of not every industry in the United States, but of a great many. When I finished the carpets, then I attacked wall-papers; when I finished the wall-papers I went to Paterson and visited the silk mills, and so on; so that I understand the machinery thoroughly, and can tell you all about the manufacture of almost every industry in the United States. There are very few that I cannot.

Q. Have you any knowledge which might be useful to the committee in regard to the extent to which women are needing employment?—A. Yes, I can tell you a great deal about that, but I do not know that I could make you realize it by telling you. If you could see the women that come to me, widows, orphans—I cannot tell how many of them—clergymen's widows and children who come to me by the hundreds for help, you would realize it. They want to learn designing, want to know what they can do, think they never can design, and want to know if there is anything else they can learn in that way. I cannot tell you the

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number, but really it is pitiable to see the number of women who need work right here in this city and cannot get it. There are hundreds and hundreds of them. I have had them come to me with poems that they have illustrated beautifully, wanting to know if there was any way they could get them published. One lady was sent to me by Miss Grace Dodge, a daughter of Mr. William E. Dodge. She is quite a friend of mine and she sends me a great many that she does not know what to do with and hopes I can find something for them to do. The lady she sent me had made a beautiful clock. It was a lovely design. It was very elaborate on the face. Each hour was represented by a figure; I do not remember it all, but it was a very handsome thing. She had taken it to a number of jewelers, but none of them were ready to make it just then. Mr. Tiffany said they were very busy, indeed they had more orders ahead than they could possibly fill; after a while they might take it, and so on from one jeweler to another. Some would not even look at it. Finally she came to me in despair to know if there was any one she could go to, or any one I could send her to, or anything she could do with it; if she could have it published as a book illustration. I do not think the poor woman ever found a market for that clock.

Q. How great was her necessity?—A. That particular woman, I think, had not one cent in this world, had nothing only what friends gave her, and that was of very little dependence to her as it happened. Others have come to me. One poor girl came to me not very long ago who did not know where she was going to get a bed to sleep in that night and must have something to do. The lady that I boarded with two years ago was very charitable in that way; numbers of girls and women she has let sleep there for two or three weeks and given them their board—cultivated girls, too.

By Mr. CALL:

Q. Residents of the city here?—A. Yes, some of them, and some of them come here to study and do not like to go home. There was one lady came to me yesterday who said she had nothing to do and must get something to do. She did not want to go home. There was a pride about it. She had come here to earn money and had expected to do so, but found that she could not. What she had expected to do she could not get to do, and she had either to get something else to do or go home, and she said she would not go home, she would die first.

By the CHAIRMAN:

Q. She probably will die, then, or will she find employment after a while?—A. I hope she will find something to do. It seems very hard.

Q. What is there that women can find to do?—A. Heretofore they studied phonography and stenography and telegraphy and photo-coloring; quite a great many have found employment at photo-crayon where they wished to take up art work. A great many of them have become agents for selling books and things of that kind. That seems to be the last step when they cannot find anything else to do. The trouble with my work is that it takes some time to learn it. A girl cannot go right in and go to work. It has got to be learned first, and that takes time.

Q. I suppose they can probably get so as to earn a living in some of the least difficult forms of work in a year?—A. Yes; some of my pupils who entered the school last year found employment almost right away. One lady came from Lafayette, Ind., and one came from Utica, N. Y. The one who came from Utica was the grand-daughter

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of a clergyman there, Rev. Dr. Gazzam, an Episcopal clergyman. She was quite a genius. They entered the school on the 1st of October and on the 1st of January they both got situations in Mr. Hobbs' wall-paper factory in Brooklyn, one as an original designer and the other as a colorist, one at $10 a week and the other at $15, which was very good indeed to begin with. The youngest pupil that I had, who was only 14 years old, sold two designs, one at $8 and one at $10, and then she got a prize of $20. All that more than paid her tuition. Several of my pupils earn money; many of them paid their entire expenses, and some helped to pay their expenses, while others did not make anything, and never will.

Q. Do you think that there is any city or village having two or three thousand inhabitants where such a school as you speak of would not be useful and well sustained?—A. It would be useful, and it might be sustained in a measure, but it would be difficult to sustain a school very far away from a factory, for this reason: it is not always pleasant and it is not always best (because all these business men are not reliable, I am sorry to say) to send your designs to them. Such things have been known as designs having been sent, copied, and returned with "we don't want them" after the copy was taken. If you are near a factory and can go yourself with the designs, you stand a great deal better chance of selling them, or, if you do not sell them, you take them away and you know that they are not stolen. So I should not advise any one to start a school or work to any very great extent very far from a factory. If you were near enough to a factory to go, say, two or three times a year, or to the agent or some member of the firm, and sell your designs, that would do very nicely.

Q. But outside of the hope of immediate employment of the girl for a livelihood, with reference to her future condition in life, this education, I take it, you would hold to be quite essential and important?—A. Yes; as far as that goes.

Q. Wherever there is to be a family it would be well that the wife should have this same instruction?—A. Yes; it would be a very great benefit if the women of the country knew more about it, I think—beneficial to the country and to the people. It would bring a great many dollars into the country that now are expended abroad, and there is no reason why all this money could not be made by people at home, and by women as well as by men. Certainly full grown, intelligent women ought to do as well as boys. They take boys in the factories when they are 13, 14, or 15 years of age, just common boys, not particularly cultivated, workingmen's and artisan's boys who had a common-school education, and some of them hardly any. Some of them turn out to be designers and others do not. It seems as if women ought to do as well as that. They earn their living. Of course they do not get as high salary as if they understood more about the business.

Q. Is there any other matter that occurs to you that you would like to state?—A. You asked me something about the expense of learning. I cannot tell you anything excepting as regards my own school for the reason that I do not know where women can learn; no one will teach them. A designer will not teach them at any price. The manufacturers will not allow their designers to teach them in the first place, and the designers would not do it if they did, and there are no schools with the exception of my own, that I know of.

Q. The designers are as bad as the trades unions in that respect?—A. They are certainly. In my school there are two terms throughout the school year in every year. In the elementary class the terms are $15

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a term or $30 for the entire year. In the advanced class the terms are $25 a term or $50 for the entire year. The terms were put down just as low as they possibly could be to cover expenses from the very fact that the girls and women who came there to learn could not afford to pay high prices; if they could, it would not be necessary for them to learn this branch of industry, and as they had to learn to earn their living the terms were made as low as possible.

Q. Where in the city is your school?—A. On the corner of Twenty-third street and Eighth avenue, in the Grand Opera House this year. In has been in my own private residence, 251 West Twenty-third street, heretofore. This year I have leased the former rooms of the Erie Railway Company. There is one very large hall that seats between five and six hundred people comfortably, and three offices. One was the office of Hon. David Dudley Field, one Mr. Jay Gould's, and the other Mr. James Fisk, jr.'s. I do not know how long ago they gave up their offices, but the rooms are very handsome, very large.

Q. Instruction is given by the blackboard very largely, I suppose?—A. Yes, sir; my instruction is given entirely by lectures. I have a small platform and I give a lecture. If they have had lectures before I tell them at the preceding lecture to this one just what my lecture will be this time. For instance, I tell them "in the next lecture I will tell you about ingrains." Then I give a lecture on ingrains, telling them all about the machinery and illustrating it on the blackboard as I go, telling them all the requirements to make the design, just how to do it to the minutest particular. I leave nothing undescribed, and I illustrate what I say by designs already made by good designers, so that they can see just exactly with the illustration I make on the board what is required. My lecture lasts anywhere from twenty minutes to an hour, depending on the subject. Some are much more lengthily described than others. I only give them one kind of a fabric or one kind of an industry at a lecture. Then they pass to me the designs they have made since the preceding lecture. I hold up each design before the whole school and criticise it before them all, so that they may not only get the benefit of their own mistakes but those of other pupils, and that is a great benefit. They learn as much by their mistakes as by what they do right. I criticise them very severely, and then give them instruction as to what to do for the next lesson. That ends the lesson as far as I am concerned. Then they can either make at home or at the school their designs and drawings to bring to me at the next lecture.

Q. I should judge from your description that practically there would be hardly any limit to the number of pupils you might instruct at the same time?—A. Any number, provided my room was large enough to hold them.

Q. Do the other teachers you have mentioned give instruction in the same way by lectures?—A. No, they cannot; for instance, with brass *repoussé*, which is very noisy work; it is hammering all the time. When you get 20 or 30 girls hammering on brass you cannot expect them to hear a lecture very well at the same time. In the elementary class they require more individual instruction than they do in my class.

By Mr. CALL:

Q. How many scholars have you?—A. I closed the school last year with 75 pupils. This year I do not know how many are coming, but I think the school will open with very nearly that number, if not quite.

Q. Has that been the average?—A. That was the actual number, 75 pupils last year.

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Q. How many the year before?—A. I closed the school with 42 pupils the year before, but my school does not open with as great a number. The first term they do not all come; the second term, after the 1st of January, the school is full. Perhaps two-thirds of the total number enter the first term. One reason for that is that a great many of them are not in the city as early as the school opens and a number of them have a great deal of holiday work on hand, because a great many of my pupils are earning their money, and have to earn their money to go to school with, and they paint on silk and satin for the various stores, and make things of that kind for the Christmas holidays to sell, and they could not have time to do that and go to the school too. So they wait until the holidays are over and then begin the 1st of January. Then again, others have studied some and do not need the first term's instruction, they know all that we include in that, and enter the second term and then go right on with the class in the second term.

Q. How many assistants have you?—A. Last year I had four, this year I have six.

By the CHAIRMAN:

Q. Do you give instruction daily, or not so frequently?—A. There is school daily, but the classes have had to alternate heretofore on account of my not having room enough. I had my school in my private house, in the parlors. I gave up the second floor to the school. The classes were very large, larger than I expected, so that we had to have alternate days; but this year I shall try to have the instruction daily. I have not really decided.

Q. This seems to be a very fine opening for perhaps the great mass of American girls, either in the direction of an actual occupation or the acquirement of a very practical or useful accomplishment. Do you know of any way to reach the girls who are not able to pay for this instruction?—A. That is what I want to do. I am not a business woman aside from the school, so that I do not know that what I am now going to say is right. I want the members of the legislature to establish a school in this State where girls and women can go and receive free instruction just as they do at Cooper Union, free instruction in industrial design. It ought to be introduced into the public schools, but it seems very hard indeed to get it practically in the public schools. They do teach drawing, but they only teach it one day in the week, and the poor children forget from one week to another what they have done the week before, and it really does not amount to much. I do wish there could be a large school built here in New York City where girls and women could go and receive free instruction. That is the dream of my life.

Q. You do not look on this then as a new and useful thing which you want to utilize wholly for your own benefit?—A. No, sir; I do not. I would not want to teach for nothing, though.

Q. Do you know of any way to reach the women and girls who need employment and who are now without it?—A. I think I should find a way very quickly.

Q. How?—A. I should announce it in the public schools in the first place. I should go to the teachers in the public schools and have them announce it to all the pupils in their school; then I should go to the Young Women's Christian Association and all associations of that kind where poor girls are apt to go; I should also have notices in the Cooper Union and such buildings, and I should advertise. I am a great believer in advertising. I advertise largely.

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Q. After all, do you think that this would relieve to any great extent the demand there is among women and girls for work, for an opportunity of supporting themselves?—A. I do certainly, but it would take time. They would have to be instructed well, and they would have to have a certain amount of practice before they could successfully compete with men, because the men designers have been in the business for years. When establishments get a designer they will do almost anything to keep him, because they are very hard to get, they receive good salaries and, of course, they will not let them go.

Q. Disregarding this specialty altogether, take the poorer people in this city, those who have less than they really ought to have of this world's goods, do you think the men and the boys or the women and girls are really the most suffering and the most needy?—A. The women and the girls, there are so many things that a man can do. If a man is out of work and out of a job he can find something to do by going and cleaning somebody's yard. He can do something of that kind and get a few pennies anyway; he can be a tramp, if necessary, and as a rule he would reap what little benefit he got, whereas the girls and women seem to have so few things they can do. When it comes to sewing that is starvation almost. I think it is terrible, the prices they pay women for sewing.

Q. What are some of the prices?—A. I cannot tell you exactly. I have read, but I do not remember the exact amounts. I know in some of the wholesale furnishing stores they make coats, and vest and pants and shirts, for six cents apiece, vests for three to six cents. I will not be sure on these points. I have read them. I know it is perfectly terrible to think of a woman's wasting her life at such work and for such prices,

Q. Do you come in contact with any of this class at all?—A. Not very much. I have a little, but not to a very great extent with the very poorer classes.

By Mr. CALL:

Q. Have you any idea of the number of persons who might be employed in this work of designing?—A. Yes, a slight idea. I cannot tell you exactly; it would need statistics for that. As I said before there are from 75 to 100 carpet factories; I know there are over 75; I do not think the number reaches quite 100 in this country. Some of these factories employ only one or two designers and buy a great many outside designs; others employ 15 or 16. I think 20 would be a large number of designers for any one carpet firm. Then when you come to silk and wall-paper and all the other things, it is just about the same. I cannot tell you exactly, but the large wall-paper factories employ about the same nnmber of designers that the largest carpet factories do. There are hundreds and hundreds of men in this country employed as designers.

Q. They find employment in these large factories?—A. Yes, large and small both. The small factories pay just as good a salary to a designer who can do the same work as a large factory does, only they do not require as many of them, for they get out a smaller quantity of goods.

Q. Besides the carpet factories, the wall-paper factories, and the silk factories, what others are there?—A. There is a large factory on South Fifth avenue where they embroider by machinery tidies and all kinds of decorated work, piano covers, table covers, and things of that kind. They employ a great many designers, and pay them $25 a week. One of my young lady pupils secured a good deal of work from them.

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Q. Are they employed in factories that make shirts?—A. Yes, sir.

Q. In cotton factories?—A. Yes; everything that has a pattern has to have something to make it by.

Q. Laces too?—A. Yes; but there are very few laces made in this country; no lace curtains; no large laces. I think there are only one or two lace factories where they make lace edging; but very little of that is made in this country; that is almost all brought from abroad. The Hamburg edging, white Hamburg, is made a great deal in this country.

Q. You think, then, several thousand persons at least could find employment in the present state of the art?—A. Yes, indeed. The furniture trade takes a great many designers, but to design for furniture you have to be something of a joiner and understand carpentering. You might make a beautiful design, but you must make a practical working design as well, drawn to a scale.

Q. Have you known any women who had learned that branch of the art?—A. I know of one or two who have designed successfully for furniture. I do not know them personally. I know that in Chicago there is one lady who has designed for a furniture house for some time. I do not know her name; I have read of her.

Q. What were you saying about working in brass?—A. Brass *repoussé*. It is a new industry for women, although it has been done a great deal in this country, more particularly, however, on copper and silver and gold. It is raising a pattern on the surface of brass by pounding it out from the back. You draw your pattern on a piece of brass and lay it on a board of soft wood, pine or something of that kind, and pound it on the back and that raises it up on the surface on the reverse side.

Q. That requires a good deal of skill?—A. Not much. My little girl can do it. She has made quite a number of pieces in brass *repoussé* candlesticks and things like that. That is easy work.

Q. Do you think that would afford any extensive employment?—A. As far as that goes, I do not think it is anything that will last very long. It is a popular thing at present, and a person may make a great deal of money just now, but it is not standard, and will not last as long as the other industries.

Q. Have you given any attention to the subject of other employment for women?—A. Not particularly; I have not had time, I have been so busy in this one branch. Of course women come to me all the time. A number of people have asked me to join different associations and societies, but I have not time. I have all I can do to attend to my own work; still I am always interested, and I hear a great deal one way and another, but I do not pay any special attention to it.

By the CHAIRMAN:

Q. Is there any other matter you would like to tell us?—A. I think not. I do not think of anything just at present.

By Mr. CALL:

Q. Are not women finding considerable employment now as clerks in stores?—A. Yes; quite a good many. There is only one disadvantage to that, that so many of them have to stand all day, and it is a very severe strain. If seats could be provided for women, as they have in one or two stores, I believe it would be a very pleasant employment, but I do not think it is a particularly remunerative one; it is fairly remunerative.

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Q. Is there any reason why they should not be in the drug stores?—A. None at all. I think they would be very nicely situated in drug stores. I think it would be a thing they could do easily. They are employed as telegraphers a great deal. That is a very pleasant employment for women.

RICHARD J. HINTON'S examination resumed.

EFFECTS OF CORPORATE CONTROL OF THE TELEGRAPH.

By Mr. PUGH:

Question. If you have any facts which you have collected in the course of your researches in reference to special industries or industrial education, we should be glad you would give them to the committee.—Answer. We were speaking of some matters in relation to the postal telegraph, opinions that I have had the audacity to entertain. I came down this morning from the town of Newburg, and, as an illustration of the difference between a private corporate enterprise such as the Western Union and a postal telegraph run by the Government as I conceive it should be as part of the postal system, I should like to call the committee's attention to a fact or two which I learned yesterday from the editor of a Democratic newspaper there, the Register, in conversation with him. I observed in the paper yesterday afternoon and the day before a very good compilation of news, headed, "From the American Press Association." The first day that I saw it it contained a number of dispatches which I had read in the New York City papers, abbreviations of them. I made some inquiries where I was staying. The gentleman of the house was an old editor, and he told me that it was furnished by a company who took the morning papers as soon as they were issued, the earliest copies they could obtain at half-past three in the morning, made this abstract of the news, had it set up, stereotyped, and sent the forms by express ready to go into the columns to as many towns as they had patrons within the circle of accessibility. I was interested to know about it, and during the conversation with the editor he informed me that some months ago they were receiving what were known as the Mutual Union Press Association dispatches by the Mutual Union Telegraph Company's wires. They had enlarged their paper for the purpose of admitting this telegraph news, and in order to secure a larger circulation. There are two papers in the town, and and the other paper has what is known among newspaper men as the franchise, that is it has the Associated Press dispatches, which no other paper can obtain without the consent of the association of that town. The morning paper in Newburgh will not admit the afternoon paper. The afternoon paper had secured what were known as the Mutual Union dispatches. This was some six or seven months ago—I forget about the date—when the Mutual Union was merged into the Western Union, but it was about that date. The association known as the Mutual Union Press Association were entering into contracts with papers like the Newburgh *Register* and others throughout the country, making a large circuit, for the purpose of leasing wires themselves and running wires into each office and putting an operator in the office to receive the news from the headquarters in this city. The prices for which they offered to do this work I was informed of, which placed every paper independent of the telegraph office and the telegraph boys, and actually placed them independent of all the commercial business of the telegraph office. They had leased wires as far as the Mutual Union would go, and expected to

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lease over the Western Union. This particular paper—and he said it was the same case in other instances of which he knew—had enlarged its columns, gone to expense to admit this news, when the Western Union Company absorbed the Mutual Union and destroyed the whole thing, and the day after the absorption they were notified that they could receive no summary of news, no news dispatches, except at the regular commercial rates, which, of course, destroyed the enterprise at once. I bring that forward as an illustration, which I think every practical journalist will understand, of the continued operation of this corporate form of control over great functions of civilization like that of gathering the news and transmitting messages and intelligence.

In England no less a person than Mr. Gladstone has said in a public speech, not once but several times, that the effect of the postal telegraph has been to remove from London the seat of public opinion and power and to transfer it to the great provincial newspapers, who are able to secure in London or elsewhere at moderate rates of transmission all the best information and the latest news from the highest sources without any effort of private corporations to destroy them.

I have taken leave to say this because I do not want to be misunderstood about the remarks I made this morning in regard to my own profession. I do not mean to infer that editors, as a rule, are slaves or, knowingly, sycophants or anything of that kind.

By the CHAIRMAN:

Q. I did not understand you to intimate that, but that they were put in the attitude of the professional man, perhaps, who advocates a cause?—A. I have no doubt at all that there are plenty of newspapers who will say I said that. They are all independent and honorable, but a man writes a hasty report, he gathers only the salient points, and it goes over the country as the thing you said without any of the adjuncts and without any of the side issues, and every newspaper in the land takes up that partial statement and pounds away at the man who makes it. I have been through it and I know it myself. How can they do otherwise?

I have the names of two gentlemen that I took down from my friend's lips. The name of the manager of that Mutual Press Association was Mr. Schoonmaker, 169 Broadway. It struck me as very strong proof that so far as free trade in news was concerned, it was a matter worth bringing out.

I have been listening with great interest to the testimony of the witness who has just preceded me, and I have some little knowledge, as Senator Blair knows, of the general condition of industrial education.

## INDUSTRIAL EDUCATION.

By Mr. PUGH:

Q. We should like to hear your statement on that subject. Give us any information you have.—A. I have done considerable work in the last few years both for magazines and the Bureau of Education, and paid great attention to that subject. I find, in discussing the question and hearing people discuss it, that there is a general mixing of two things in regard to the public schools and industrial education. One is the idea of trade schools, specialist schools, to learn a trade. Nearly every educator to-day, so far as I am able to remember, objects to the idea of the public schools being made a vehicle for teaching trades. I think myself that such an objection is an entirely valid one; but industrial education does not necessarily mean, as applied to the public

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schools, an education in a particular craft or trade. It may be and it should be an education in the principles and applications in a general form which control that particular trade or that particular occupation. In conversation once with Mr. Kittle, who was formerly superintendent of public schools in this city, some years ago, when I was engaged in the preparation of a paper for the Bureau of Education, the idea he broached, if I am not mistaken, was, that after passing beyond the primary and secondary and grammar school, where the pupil wanted to go to the high school, instead of studying what the old teachers called the "humanities" and we "accomplishments," the languages, the high school should practically in all great cities or counties be divided so that a boy who was going to sea should be able to go from the primary schools to that school which would teach him navigation, commercial law, and one or two languages perhaps; that another boy or set of boys going to learn the building trades should not be taught to put plaster on walls, or to take a stone out of winding, as the masons call it when they square one, or to lay bricks in course, but that he should be taught all the scientific knowledge which could be practically applied to these pursuits, and so all through. None of these things are taught except in the vaguest and most general way in the public-school system, and a good many years of continued observation have made me believe that the public-school system of America is in danger of being doomed by an antagonism arising on account of too vague intelligence, a want of training in these directions. In my observation and investigation there are only two States in the Union that teach industrial drawing, and only one that practically makes a specialty of it. Those States are Massachusetts and Pennsylvania to some extent. I do not know of any others.

Q. There is a school in North Carolina.—A. All the schools teach a certain amount of line and figure drawing, but I mean that kind of direct training in a certain direction which will bring about certain results. I think the schools of Massachusetts do that. There is a law on the statute book of Massachusetts allowing every town of 10,000 inhabitants to establish free drawing classes in the schools for that purpose, and I think that there has been great progress made in Massachusetts in that direction, progress which is being found very effective in the practical application of designing to industrial art in the machine-shops, among the boys, and in print-works, among the women and girls.

In Philadelphia there is a very marked improvement in all these directions both, in the public schools and in private schools since the centennial exhibition there. Some three years ago I made some inquiries about it, and I have not lost sight of the threads that were in my hands at that time, but have followed them up. There has been a great increase of interest and actual practical work in the direction of ceramic designing on porcelain and in the direction of furniture designing. I was told two or three days ago that so great has been the increase in designing and painting as a commercial matter among private families, for sale, that it is the practice of several of the great potteries of Philadelphia to set aside a day or two in a week to bake the porcelain articles decorated by ladies in that city, which are made, not for private use but for sale, and that General Tyndale's store does a large business in it. He is the largest dealer in fine porcelain there.

I believe it is possible to largely improve the welfare of the workingmen and women in this country, for instance, by legislative endowment and supervision over industrial education by State, community, and nation. This country has given, through its legislation in Congress, a vast body of public lands to agricultural and mechanical colleges. Un-

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mistakably none of these colleges, or hardly any of them, have done anything for women. There are four or five in the West that have systematically endeavored to educate women industrially, but for want of intelligent supervision, as it seems to me, or for some other reason, until recently there has been no achievement, except in the direction of agriculture, equal to the endowment they have received. I think Cornell University, in this State, ought to be required to establish the very school the preceding witness has urged; it ought to be so required by the State and nation; it has had enough money, it has gained enough out of the grant it has received to do just that thing.

The English system of aiding education largely tends to supplement personal and private effort or municipal effort. It does not proceed so directly in the way that we do, by the levying of taxes for a direct purpose. All through the English system you will find during the last fifteen years the most strenuous effort made to educate its artisan class. I think there has been no movement whatever from a public source in this country equivalent in any degree to that which has existed in England for the last fifteen years.

In France you will find industrial schools, agricultural, forestry, veterinary, weaving, watchmaking—a hundred different occupations—scattered all through the country, while in Paris that which is equivalent to our Patent Office is made the basis of instruction, free for the mass of the artisans of that city who choose to avail themselves of it.

In Belgium the entire country is overrun with special, technical, and trade schools; and so in Switzerland, and largely in Germany, though the system in Germany comes more near what I think should be adopted in this country, that is, the training of the mind in the direction of the avocation that the boy or girl is likely to pursue, rather than the training of the hand in the school-room. I think labor has a right to complain of the indifference of wealth in this country to all things of that kind.

By the CHAIRMAN:

Q. You have been speaking of the opportunities to receive instruction in the direction of industrial qualification of the head, at least so that that of the hand may be more readily acquired later on. I should like to know whether there is a greater or a lesser disposition among the wealthier classes abroad to help the poorer classes to the acquirement of trades and occupations for their maintenance in later life—what is the disposition of wealth abroad as compared with wealth here in that regard?—A. In some respects, if you take England and France as examples, especially England, an older state of society, in which there is accrued wealth, and in which there are thousands of persons who have not had to fight to get it, and who have not had their sympathies blunted with the struggle of trade, there are thousands of persons, large social forces, that are on the side of the social progress of labor. I suppose when we get along a little further, if we get on with the present system, and there are people who inherit great fortunes and have not been blunted in the acquisition of them, we shall probably find a lot of persons who have that feeling. There are some who do it now, it is true. I think the struggle for wealth is so new and so fresh here that people do not bother themselves, do not trouble themselves except to give out of their hand a sum of money when any wrong comes to them, rather than give their time and intellect to the correction of that wrong. I think this city is an illustration of that. Individuals in America are more liberal than public spirit is, but they do



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not want to be bothered by directing their personal efforts in any direction. They will give money largely.

Q. They value their time more than their money?—A. Undoubtedly. They value their time and their energy of brain far more than they do the money they have in their pocket; and, if you go to them with any reasonable thing, thousands of persons will give you means toward that end, but you cannot get their supervision, their care. It is quite a wonder, for instance, to find a firm like the Pullman Car Company, and it is heralded all over the country that it is building a village with proper sanitary conditions, building dwellings for their employés, putting up halls having libraries, and doing various things of that kind. These cases are not uncommon in England; they are not so uncommon as to excite, as the Pullman car village enterprise does, the astonishment of everybody who comes across it. I do not say that in disparagement of Americans, because I am an American by choice and by brain, feeling, conviction, but simply as a matter of fact. I think it grows out of an older life, settled wealth, older conditions of social order more than anything else. It grows there out of the fact that the struggle of labor and capital has been severer. I was born in the midst of it, and I have followed it up all through my life. There is a struggle in England with the trades unions and the labor organizations; the fights and strikes have been severer; they have been closer together, and the men of wealth and influence in England have been obliged to do things they perhaps would not otherwise have done; they have been forced to them by the contest.

In England there is no question that the interest in industrial education took its initiative movement in the belief of the English manufacturers and of the English government that they were falling behind in the manufacturing race in competition with Switzerland, France, Germany, and Belgium. It was a purely selfish thing on their part. We have got that to go through with.

It is quite possible to supplement our public shool system—to increase its usefulness, I should rather say, than supplement it—by techical industrial training, which need not prevent at all the general intelligence that is now its chief characteristic.

Q. How, generally, would such a system as that need to be localized?—A. If we were to modify and adopt the objective mode of teaching, Froebel's, we probably should begin it with the primary school in every township in the land—if we adopted the objective process of teaching instead of the subjective; if, instead of memorizing, we taught the eye and the hand. I am not a teacher, and never have been, and so I do not want to speak technically, but I have been on boards of education, have been trustee of common schools, and know something about them.

By Mr. CALL:

Q. You said that educators were generally opposed to special industrial education, teaching the trades. What are the reasons for that?—A. They think it makes the school too much of a specialist form and not general enough. That is my judgment about it. Of course my judgment is formed chiefly upon observation and not upon practical teaching as a teacher, and upon a very careful and long-continued study of documents accessible in the Bureau of Education. I have prepared a number of reports at different times that have been published by the Bureau.

Q. Would trades have to be taught in some way by somebody?—A. Yes, sir; my idea is that the schools should prepare the boy or girl to

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go to the practical learning of his or her occupation. If a boy wants to go to sea it would be a very good thing that he should learn navigation and that he should learn the elements of ship-building and various things of that kind, all of which might be taught him without teaching him to be a sailor.

Q. It would be only one step further to make a sailor of him.—A. Yes; I was, however, speaking of the public school system, not of any special school that might be adopted or set in motion by any community, because I recognize the fact that a city may have a school-ship, for instance, or a State may have a special agricultural college or a school of forestry. I am speaking of adopting the present common school system, paid for by the common school taxes of the country and open to everybody in the land.

Q. I understood you to say that in France and Germany they had adopted as part of their public system industrial schools teaching trades and the arts?—A. Germany has a very elaborate system. My more thorough knowledge would go back almost to the beginning of the present German Empire. Prussia, Saxony, Bavaria, Westphalia, and other German States will have a very elaborate system, nearly all of them, in connection with the Government. They will all have a school of forestry, they will all have a school in connection with the postal system for teaching logistics and many things connected with that. They now have in Prussia, and I think there are imperial schools in connection with the railroad system, as most of the great through railroad routes have passed under the control of the Imperial Government. Then different States and different communities will have in connection with their system of primary and secondary schools, special schools for teaching different avocations or different semi-professional pursuits. In France, as as far as I now understand, the system seems to have been more communal and local, more civic than national. In Besançon, for instance, they will have a very elaborate watch school. They make a great many watches. At Mülhausen, before it passed under German rule—I was there in 1873—there were seven or eight very fine institutions or schools for teaching the different branches of weaving, designing, and everything connected with it.

Q. Established by the communal authority?—A. Established by the commonalty in two or three instances. There were two or three great schools there started by manufacturers, but in every instance they were supplemented by communal appropriation. Two years ago in assisting to prepare the report on agricultural colleges which has recently been printed by the Bureau of Education, I had occasion to go over the French laws and I found that the appropriations made by the national assembly include large sums of money for that purpose, national appropriations for forestry, for agricultural, for mechanical, for mining, and for distinct and separate schools in various details.

Q. Are those schools confined to either sex, or do they apply to both sexes?—A. I think the larger proportion of them belong only to the men, but in France there are schools specially for women in various occupations, and there is no exclusion, so far as I remember, but I shall not be positive of that.

Q. Do you regard that system favorably; do you think well of it?—A. I do. I think it is the duty of the States in this country, and I should like to see the United States aid by a general large appropriation the progress of some system of that kind. I think it is the duty of the States to endeavor to utilize and direct more practically the enormous advantages that our public school system gives us. Take

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your own States, Senators, would it not be better for the negro to learn something of the land?

Mr. CALL. Decidedly.

The WITNESS. Of the rotation of the seasons, of the crops, all of which could be taught without taking him into the field. That is my idea. Taking labor agitation, in every instance I have found all labor organizations that have stepped out beyond the mere aggressive or protective form of the lower germ of the union, supporting some idea of this kind, and I do not think that there has been that discussion and that respect paid to their wishes which, considering their number, and that this is a country run by the majority, or supposed to be, there should have been.

Q. I understand you to say that there has just been published by the Bureau of Education an elaborate report of yours on this subject?—A. I helped to make it. I do not say it is mine. I am simply speaking of that as an investigation. The reports are by the chief of the bureau. I worked for some considerable while over the latest report that was made on agricultural colleges. It was not finished by me, and therefore is not my report. I was simply employed because I paid great attention to this thing. Some years ago the bureau did print several papers of mine with my name attached to them.

## HOURS OF LABOR.

I have believed in relation to this very thing that it was absolutely essential also to shorten the hours of labor by legislation, I think, both as regards the opportunity of labor, of all toilers to achieve better knowledge, and also as one of the minor equities. Machinery has increased production immensely; it has also increased the strain upon those who attend it. I cannot give you now from memory the exact figures, but in 1870, I think it was, the New York World was publishing a series of remarkable papers on these questions, and, among others, they printed a letter from George Icarius, a tailor of London, then known as the secretary of the famous International Workingmen's Association. In that letter George Icarius stated, what I have looked up for myself since and verified to some extent, something like this—I do not give it as accurate, but I think near enough—that the vital statistics of the factory districts of England, as well as the statistics of the inspectors of factories, a system which has been in vogue for about forty years in England, Government inspectors showed, first, that production had increased to something like, relatively speaking, 80 per cent. within thirty years, or, that the profit of production, I should say, had increased, relatively, something like 80 per cent.; that machinery had quadrupled its power of production; that the cost of living had increased for labor about 28 per cent.; that the increase of wages was about 18 per cent.; and that the increase in mortality in those occupations was something about 23 per cent. That is the relative proportion; I do not give it as absolute fact.

The explanation is that forty years ago a girl or a man earned a day's wages by attending to a spinning jenny with 400 spindles, and that now he or she attends one with a thousand or fifteen hundred, and there is a greater strain. They have just as many hours of labor, or within half an hour of as many hours of labor, as they had thirty-five years ago; they do a larger amount of work; their wants have largely increased, because society has changed its form; what were luxuries forty years ago are now necessities largely; the cost of living is nearly double

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what they have gained in wages; and the strain upon them in the attendance upon machinery becoming more vitalized, if I may use that term, more nervous, finer, is much greater. I think it is demonstrable as a matter of health that in all occupations where machinery is the basis of the tools, less hours of labor is a matter of absolute necessity.

Then, as to the question of profit-making, there seems to be in the present form of economic life no other way of reaching an equity in distribution so much as to lessen the hours of labor and pay the same rate of wage for it, because the profit has increased largely.

Q. Does it occur to you that that is possible to be done under our economic system as it exists?—A. It has been done in England. It may not be done by the nation, but it is possible to be done by the States.

Q. Is it done in England by legislation?—A. It is done in England by imperial legislation.

Q. Do you mean to say they pay the same rates of wages?—A. As a rule, yes, sir.

Q. There is no law prescribing that?—A. No; they make a legal day by legislation, and the organization of labor is sufficient in England, and I would it were here, to compel the payment of the same wage for the day. We have got a law on the statute-book of the United States which every administrative officer in this country thinks it is his right to violate whenever he chooses to do so. It has been violated two-thirds of the time; every quartermaster on the frontier violates it, every naval officer in a navy-yard violates it at his own choice, and nobody interferes with him. Every now and then when there is a political agitation. they go to work and enforce it.

Q. You do not apply your argument to quartermasters on the frontier. They are not machinery men?—A. No; but the eight-hour law as passed is the law of the land for all work done for the United States; the eight-hour law standing on the statute-books of the United States is the law of the land so far as the mechanical work of the United States is concerned.

Q. But what the necessities of the military or naval service may require is foreign to your argument?—A. Certainly, it is only an incident; it is not necessarily attached. The point I want to make is simply that industrial organization is being organized into higher forms everywhere; it is almost in everything; it is assuming the shape of making the units employed in it, the individuals, mere cogs in a wheel, parts of a machine, and unless the community in some way comes in to protect those units against the undue pressure brought by the action of any machine, they will simply be ground to pieces.

Q. I understand you to say that in England the prevalence of these ideas and their moral force and effect and the existence of the organization of labor have been sufficient to produce this result to a large extent.—A. It has been sufficient to undo legislation which hindered it. For instance, my father was president of a trades union when I was a lad eight or nine years old. I have heard him tell that at that period there was not a night that he initiated any member into the union that he was not in danger under the combination laws of Great Britain of transportation, of being made a convict. Agitation in England has been strong enough to break down the combination laws; it has not been quite strong enough to prevent some governors in this country proposing equally as vile combination laws here within a few years past. It has also been strong enough, as in the coal mining, within forty years to abolish old codes and customs which existed, partially local and par-

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tially national, in regard to coal mining. It has swept them out of the way and it has secured for all these great trades legislation of a protective character against known evils that existed; it has secured an inspection of factories so that safety from fire and sanitary conditions are under regulation, and manufacturers who should undertake to employ persons in buildings that were unsafe in any direction would be liable to punishment; and it has lessened the hours of labor by direct enactment.

Q. Have you no such laws in the States here which are manufacturing States?—A. We have to some extent. I think the Massachusetts law provides eleven or twelve hours a day, I forget which, and has some very general provisions in regard to fire-escapes and sanitary conditions, but there is no inspection. The moment a workman or any *doctrinaire* proposes to do this, that moment there is a howl about "paternal government."

Q. "Paternal government" cannot relate to the States, though.—A. The same argument applies in the same direction—an interference with competition and private action.

Q. But how is it that in England, where the people have not near so direct and immediate an influence on the power that governs as here, they have brought about these results and our people have not here?—A. Because in the earlier days of this agitation in England everything assumed a revolutionary aspect. From 1810 until about 1850 the labor agitations were more or less revolutionary in character, property was disturbed, the country was small, there were great political evils in the state, and it was very easy to raise a row. They could not afford it, they had too strong competition, and they concluded it was cheaper to do these things. It was purely on selfish grounds.

Q. It seems to me that many of the evils you complain of are easily within the reach of labor in the State legislation of the different States.—A. I think they are, and I am glad to know that labor everywhere is endeavoring to reach these points; but so far as my observation has gone in nearly all the great manufacturing States it is the capital that controls the legislature and opposes these things. They are successful in their opposition chiefly because the average middle-class American who does not work for wages is led by the nose into believing that this is all some sort of a European howl that has been got up; some sort of communism. They all look back to the days when they were born in some little American village where, if a man had $50,000, he was supposed to be a magnate, and penury was not a common thing. They have seen their time and opportunity of getting on in the world, and they think that is the condition of society to-day, when it is totally a different condition. I met an old gentleman some days ago, who was berating the ignorance and the vice and intemperance of labor and its extravagance, and telling how he lived on so much, and I happened to know that he used to wear leather breeches when he was a young man. I asked him how long he wore the leather breeches. He said several years. I asked him if he would like to wear leather breeches now. No, he would not. Said I, "it costs a great deal more now to get enough breeches to cover your nakedness for the period you would use a pair of leather breeches, consequently you have to spend more; it costs more." Nearly all the people of middle age that I come across in the United States, American-born I mean, who are not of the labor class, seem to me to be men who have some totally different form of industrial organization from that which is now evolving in other men, certainly from that which exists in the great cities.

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By the CHAIRMAN:

Q. It is quite natural they should hardly be conscious of the revolution developed by the introduction of labor-saving machinery.—A. Of course it is.

Q. You must remember that almost everybody who governs the country comes from the rural districts, and these men naturally bring with them the recollections and associations of youth and it takes them some time to ascertain the deviltries of city life.—A. I agree with you.

By Mr. CALL:

Q. Do not what you call "labor," or the people that labor, constitute a vast majority in every State? These evils of legislation must be because capital influences the laboring people in their votes.—A. Limitedly, I suppose the term "labor class" is generally employed to represent the trades and labor occupations for which a day's wages are paid.

Q. Take Rhode Island. There must be a large majority of the men of Rhode Island who work at trades. I suppose the agricultural portion of the community constitutes very few. In some of these States the trades, confining the word to the trades alone, must constitute a majority of the people.—A. Undoubtedly.

Q. And particularly when you regard them in point of intelligence, they are a very intelligent class of people.—A. Yes. I should personally dislike to see any political organization or political movement, as such, started that was based on a class issue. I should very much regret that. I should think it anti-republican, anti-democratic, and destructive. The greater body of these people are identified with the old organizations; most of them are men who have gone through some experience in regard to them. We have gone through considerable of a revolution in the last twenty years, and we are approaching, I think, another one, only of a different type and character. They are constantly being added to in numbers by new immigrants, who are not thoroughly informed, however desirous they may be of becoming so, as to American methods and means and ways. They very seldom have any newspapers of their own, and very naturally the village and town and city newspapers are under the control of the dominant forces—the respectable money-holding and money-making people.

Q. Still I should suppose that such legislation, so very evident in its necessity and propriety, as proper sanitary regulations for a factory and proper conditions of health and life in it, would meet with the general approval of any community when urged by a large body of men interested.—A. They do undoubtedly. I remember when I was connected with a Boston paper, being interested with others and going before a legislative committee where bills were passed; but most of the legislation, State or national, of that character in this country is passed in general terms without any special means of enforcing it; without any officer whose business it is to take it up, and it is very easy for men of means to manipulate, and everybody is too busy also to stay long in the channels of an agitation directed towards any special purpose.

Q. Those are only evils of detail.—A. But there is not in any statute-book of any State in the Union that I know of, any proper, complete, operative sanitary and protective legislation worthy of the name in regard to the protection of life either from fire or improper sanitary conditions. There may be, but I have no recollection of it at this precise moment. I have not looked it up during the past two years, but two years ago I do not think there was anything of that sort. Labor has a right to complain of these things.

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Q. No doubt of that. I should think it would be the interest equally of the employer and of the laborer to have such legislation.—A. One would think so, but they do not seem to proceed on that basis.

PAY OF MANUFACTURING LABOR.

By Mr. PUGH:

Q. What is the extent of your information as to the compensation of labor in this country employed in manufacturing?—A. I doubt whether I have that definite information which would be valuable to Congress. I have examined the census; I have looked over various sources of information.

Q. That are accessible to everybody?—A. Yes, sir. I have inquired and talked—I have never been a labor agitator, but I have always talked with everybody who had anything to do with that sort of business.

By the CHAIRMAN:

Q. How generally have you circulated among manufacturing people and in factories and among workingmen?—A. During the past three years but little; before that a great deal.

Q. Have you knowledge in regard to the labor agitations in Europe, and perhaps of the secret organizations there?—A. Not much as to the secret organizations. I have a good deal as to the English trades unions, and as to the co-operative movements on the continent.

Q. And the relative condition of laborers there and here?—A. I have.

Q. You have associated much with the laboring people there as well as here?—A. I have corresponded, and written, and seen. I have not associated as much because I have been here for most of the last thirty years.

Q. I understood you to say you had been across the water several times.—A. Yes, sir, and always with that idea in my mind.

Q. And on the continent?—A. Somewhat. I have been in Germany, Austria, France, and Spain.

The committee adjourned until to-morrow morning at 10 o'clock.

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NEW YORK, *Saturday, September* 15, 1883.

The committee met at 10 o'clock a. m.

PAY OF OPERATIVES.

RICHARD J. HINTON'S examination continued.

By Mr. PUGH.

Question. You were to give us your information on the subject of the wages paid to manufacturing operatives in this country.—Answer. So far as I am able to judge by statistical information, and conversation with various leading labor men, I should estimate the average wage to a man in manufactures in this country at not over $450 per year. The census would seem to show a considerably less sum, but, of course, that takes in the women and children.

Q. You exclude the women and children from your average estimate.—A. When I put that estimate of $450 it is for adult males. I find by the last census that there were 2,742,595 persons, men, women,

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and children, employed in manufactures in the United States. I find that there was $947,953,795 paid in wages for the year 1880; and my calculation would show that that is a little over $300 per capita. I put it at $321, and estimating the difference between adult men and women and children I should calculate that the average wage would be about $450 a year for adult males. The average employment could not exceed in most trades from nine to ten months per year; in many trades less than that.

Q. Is there any difference in the pay of operatives in cotton and woolen mills, and in silk manufactures?—A. I cannot tell that. I have not recently gone into these figures. There is a difference between operatives employed in factories of any kind and those employed in iron foundries and occupations of that character favorable to those employed in iron manufacture. They get large pay.

Q. That is a much harder work, is it not?—A. Yes, sir; they get larger pay and, as a rule, more steady employment. The coal miners in this country, I think, do not average over seven months' work in the year. They certainly did not in 1871, 1872, and 1873, when I was familiar with them by being sent there to investigate the strikes. My recollection is that at that time the average of a good miner, his own pay, irrespective of what he paid his laborers, would be about $85 or $90 a month.

EFFECTS OF MACHINERY.

Q. I understood you to say yesterday that the management and running of machinery was a greater draft upon the physical powers of the operatives than was made before the invention of machinery?—A. Not quite that; I was comparing earlier machinery—more imperfect in character at the beginning of the factory system—with later machinery. You will remember that I said that I referred from memory only to an article which appeared in the New York World and had myself verified afterwards.

Q. Is that the fact in reference to the machinery now in use?—A. My statement is that the machinery now in use is of a finer and more nerve-wearing character than that which was in use forty years ago, and it makes a greater draft on the vitality of those employed now.

Q. What machinery do you refer to?—A. I was speaking at that time, because the figures and illustrations that were in my hand were those, of cotton factories. I used this figure, you will remember, that a girl would attend a spinning jenny or mule, whatever the technical term is, on which there would be 500 spindles years ago, whereas she would now attend one in which there would be 1,500.

Q. I was in the cotton mill at Ashton, R. I., last week, went all through it and females were mostly in charge of the spinning-jennies, as they are called, and my attention was directed to the fact that those females were in charge of two and four spinning-jennies and most of them were sitting down comfortably and merely watching the running of the mule. There did not seem to be any strain on them whatever. As long as I was there they were sitting down comfortably and the machines were doing their part very intelligently and perfectly, and those who were attending them were seated there merely viewing the work. That fact struck me.—A. I made my statement from the recollection of this argument, which I have not examined recently, but which could be obtained, I suppose, from the files of the New York World. It relates, of course, to English manufactures in the main, and it is sustained by the vital statistics and the factory inspectors' statistics of that

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country. It was used there with great effect I know in arguments before a committee of the House of Commons to secure a further shortening of the hours of labor and to prevent the employment of young persons. My recollection of the discussion is—of course I may be mistaken after the lapse of ten years—but it seems to rest in my mind that the argument of Mr. Icarius, backed up as it was by the figures, was a very considerable factor in securing the passage of the present law existing in Great Britain whereby no child under fourteen years of age can be employed unless it has gone to school a certain period in the year, and then only for certain hours, less than the average, and none under twelve years can be employed at all, even by parents, in steady, continuous labor.

Q. The machinery for the manufacture of silks and silk velvets I understand is more complicated and requires more attention. Is that the fact?—A. That would be my impression. I have not personally examined it for a long period. I have been through silk factories, but I have not made any special examination of them.

## EDUCATION IN THE UNITED STATES.

By the CHAIRMAN:

Q. You have been connected with the Bureau of Education, at Washington, and have prepared a great deal of special matter. Will you take a few minutes to give us your understanding as to the actual condition of education throughout the country. I have got sick of divisions of the country into North and South on the educational question myself. I look upon the condition of the Northern States by reason of the dominance of great cities, especially in those States and their condition, as quite as dangerous in that direction as the condition of the Southern States; and I am sick of the distinction of the country into North and South on the educational line or issue. I want you to go over that matter of the condition of education in the United States, as you understand it, and what is being done; what is the existing public sentiment on the subject; whether alert and powerful, as it ought to be, whether it is aware of dangers, if there are any, that seem to be approaching and threatening; and what is not only the tendency of thought but the tendency to the adoption of particular measures in the promotion of the interests of education throughout the country, either State or national?—A. Taking twenty-five years of observation, I should say that there was not in the rural districts of the country any less personal and direct interest in the welfare of the common school than formerly, but that in the growth of the large cities and the large towns, and the increase of the modern system of industrial activity, profit-making, and competition, there is a decided lack of interest exhibited by what are so often termed the better classes, because they have more money. I have found that in my journalistic experience in cities where I have lived, from this city and Boston to California, and in the South somewhat, though not to so great an extent there. Among the labor and middle class, if we may use those terms, there is as much interest as ever, but the interest seems to me not to go deep enough and to pay but very little attention to the administrative details of the system. In the large cities one tendency that I have found, especially in new cities growing rapidly in the West, is towards a shoal system of education, to pay large salaries to principals and small salaries to teachers; to make the high school of great consequence and the primary school indifferent; to build fine buildings and furnish them well for the higher class and care very

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little for the condition of the children who belong to the primary division.

I believe that whatever corruption there may be in the administration of the school system rests in isolated circles and circumstances in that direction; in the building of the schools; in the payment, compared to other salaries, of extravagant salaries to principals; in the encouragement, in Western cities especially, of studies that are not really vital to the fundamental idea of the common-school system. I should instance San Francisco for one, and other places might be named where that sort of thing is to my mind very apparent, where it has become a sort of advertisement to build a very expensive school-house for the grammar and the high schools, and to care but very little for the character and condition of those that are to accommodate the primary scholars.

Q. What have been your opportunities of knowing in regard to San Francisco?—A. I was there for three and a half years as editor of one of the daily papers, and paid very considerable attention to the working of the school system, made personal examinations, wrote these criticisms, and applied them to the community while I lived in it.

That objection is seized upon, particularly there, by church and tax-paying interests to oppose and deride in a large degree the whole system of common schools, to try to reduce them to a mere teaching of the "three r's," as it is so often said, and I think a wasteful administration in many of these directions is a potent instrument in the hands of sectarian and capitalistic influences that are indifferent to the schools, and also to those with old associations who have not had much interest in past years in public schools at all. I have seen it in other States and other sections. I have seen it in Massachusetts even, in less degree, in the same way.

I find generally throughout the country, in the towns and cities I am speaking of, largely a lack of proper and complete accommodation in the primary departments. I have seen the statement made as to this city that there are a number of thousand children who cannot obtain accommodation in the public schools. If I had my own way I would not allow a dollar to be expended in any species of education till there was a desk and a seat for every scholar in the country in a primary school. After that I would educate up to the university, if it were necessary, but I would not allow a single dollar of public tax to be expended anywhere under any circumstances, for any purpose except that of first providing for the accommodation of scholars in the primary department.

Q. I suppose you would consider an essential part of that system the education of competent teachers to instruct them?—A. Of course. I want to say there that I found by my observation recently in Texas, and by travel at different periods during the last fifteen years through the South, a very great and a very beneficial change, a desire on the part of the ruling forces in the Southern States to establish normal schools and schools of higher training for teachers. Texas has eight or ten normal schools proper for the whites and four or six for the colored people. I think it has that number of institutions. It has two or three large ones, and there are smaller ones that are put aside in divisions of the State. During the last summer it has maintained what it calls normal classes at different points in the State during the vacation of the public schools, for the training and education of teachers. I think it is doing more in that direction than it is really doing in the direction of establishing full and complete primary education, but whichever way

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they begin I am perfectly willing they shall go forward, because I understand that it will bring about the same result.

Q. They might begin at both ends?—A. That is what I would do. The State administration before the present one in Texas was under the control of a very estimable old gentleman as governor, who had a very strong opinion, and he was able enough to impress it on the legislature, in opposition to the public schools, and during his administration—Governor Roberts I speak of—the establishment of schools through the State was greatly hindered. Under the present administration I am satisfied that every effort is being made in that great State of Texas to organize the common schools of the State as rapidly as possible. The newspapers of Texas—and they are quite able—are universally strong advocates, without much regard to politics, of the establishment and maintenance of a proper common-school system. I found the same thing, I think, in Arkansas, and not to so marked a degree in Louisiana, but still marked. That is my more immediate observation in the South, because I have been in the Southwest in years past. I saw the beginning of it, and watched it go along as an observer by traveling from Washington occasionally to the South and by studying their documents.

I have believed, and still believe, that there ought to be a wider and deeper interest felt among all the people in the maintenance and proper conduct of the common-school system. It seems to me that there is a lack of that in many directions. That is the first thing I found.

The second thing, I should say, was that there is less interest felt in the primary departments than there should be, and more interest in the upper schools, with their accomplishments; that in all our cities there is a lack of room and proper accommodation for the primary and secondary schools, especially for the primary; that the growing pressure of the present system of combination in all occupations—and when I say "combination" I do not decry it, because I understand the economic law tends in that direction, but it is now entirely applied only for the selfish side of individual profit-making, and without any protection to the mass of the people whatever—has a tendency to fasten labor more and more into grooves and classes, as has been done in the Old World; more and more to make the cobbler's son a cobbler and the tailor's son a tailor in the cities, and that the pressure of the struggle tends to make workmen take their children away earlier from schools; that as it goes on they go less to school than they did formerly, and they learn less, and they have less interest in it, grow up more ignorant; they are satisfied with a very superficial amount of reading and writing. I think, to a very great extent, the columns of illiteracy in the census are misleading, because practically a very much larger proportion of persons is illiterate; they know but little; they are a little like the Prussian peasants, who are forced to go to school for a certain period, and yet when they come to be thirty years of age can hardly read and write. I think there is a good deal of that sort of superficial education. My correction of it as to labor would be to give labor a greater interest in the schools by training in the direction I said yesterday, by making labor feel that the years spent in the school-room were spent more distinctly for purposes which would help them in their struggle of life, to give them the opportunity of developing in the direction of the occupations that the boy and the girl will be likely to follow. Most boys of the wage class at ten or twelve years of age have a very distinct idea of what business they are going into, and they would have a still more distinct idea, in my judgment, if they knew that in the public

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schools they could get a training in certain directions. I think that is one of the things needed.

Q. In order to accomplish that it would be necessary to have teachers qualified and therefore previously instructed in the normal and other schools, so as to be able to adapt instruction in such a way as to be suggestive of the application of the principles that appertain to the avocation to be followed?—A. Yes, sir; teaching is a wage-labor system and requires training just as much as iron-making and perhaps a good deal more. The teachers need to be taught and trained, and therefore the normal school is a necessity in all its directions. Intelligent supervision is one of the very great features, as it strikes me, of a proper school system. I think particularly in the South the greatest mistake that was made when certain political changes occurred a few years ago was the dropping almost universally in the Southern States of the idea of superintendence; whatever the motive was, I think it has been generally resumed in almost very State. State and district superintendents are now elected or selected and are kept in place. I think some years ago they pretty generally dropped them out of existence. Everywhere wherever there is intelligent and close supervision there will be found to be better and more active teachers and more interest among pupils.

I should like to say for the Bureau of Education at Washington, in which I have been personally greatly interested, that I think it has done during the period of its existence a great service by its gathering of statistics from all the various school systems, by its presentation of the different and differing laws of the States, by enabling educators and teachers through the documents that have been issued to see the points of excellence and the points otherwise, and so to compare, and that without any operation of law whatever, simply by the evolution of common sense, comparison, and observation—not a uniformity, but a certain regularity or interchange of systems is going on all through every State in this Union in the machinery and administration of the public schools, a result which I think is due almost entirely, probably entirely, to the systematic gathering of statistics, the comparisons which have followed, and the distribution of the documents which the Bureau of Education has been authorized to publish. I have talked with a great many educators, superintendents of cities, on that point at different times. I have always had a considerable interest apart from any work I was doing, and wherever I was working whenever I could I have talked with men interested in the administration of the public schools, and I found that statement generally accepted by them, that the publications of the Bureau of Education at Washington have greatly facilitated their work in enabling them to see the points of excellence in other systems and so to enable them to adopt them. It has been a sort of national exchange of ideas and facts in regard to education. It has been done without any interference with any State system, because there was no power to do it. It has been done simply by knowledge acquired.

Q. I might say myself on that point that I have been brought in contact within the last two years with the superintendents of education of nearly, if not quite all, of the Southern States and many of the Northern States, and the warmest supporters I have ever found of the Bureau are the superintendents of public schools in the Southern States at the present time with not a single exception.—A. That is my own judgment. I was at an educational convention in Kentucky and one at Saint Louis within a few years, and I met a number of gentlemen in Texas interested in the school system, and I found that.

There are two hostile feelings apparent, it seems to me, to any ob-

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server towards the public school system almost everywhere, neither of which I regard as absolutely formidable, provided there is proper attention in every detail to making it as broadly useful as possible. Those two hostilities are sectarian feeling in certain directions, the belief that the secular school is a Godless school among large and important sects, not simply one, but several; there is no occasion to mention or to particularize. The other is that there is a distinct indifference among people who own large quantities of property that necessarily bear heavy taxation, as real estate, who wish to avoid their share of the obligation, who cavil at the taxes, and make points against the system. That selfish side of the capitalistic influence is in many places growing, and is more distinctly exercised against school taxation. I do not believe that either of them is formidable enough to seriously injure the school system of this country, except by its own laches, its own neglect, and the indifference of large bodies of citizens towards the welfare thereof.

I should myself insist, first, as I said, upon the fullest and most complete accommodation for the primary departments, upon giving a more practical training to the education achieved there, and to preserving with rigid power the inspection and supervision, first, of the municipalities, secondly, of the State, and, if not unconstitutional, wherever the power of the National Government would come in there. I would like to see in every State of this Union a State university like that of Michigan open to the scholars of the public schools, free when they have the wit and the courage and the energy and the capacity to go there. While I want the primary school as broad as the country itself, I should like to see it crowned with the free university so that everybody can go to it, and I should like to see the State support that too. I think the tendency is directly in that direction in all the Western States.

I have had occasion during the last two years, by the examination of documents and otherwise, to look into the condition of the agricultural colleges, and it strikes me that the larger portion of them are not doing as well as they ought to for the endowment they have received from the country. One reason, perhaps the main reason, for that is that there is no intelligent or positive supervision through the officers of the power that endowed them. You cannot enforce a report from an agricultural college. They send a perfunctory sort of statement once a year to the Secretary of the Interior, I believe, who sends it over to the Bureau of Education; but unless that college is actively and vigorously managed the report is not worth anything. One-half of them are below the average of private college schools in the information they contain. Some of them are very fine. I remember the Cornell University for one, which was organized on the basis of the agricultural land grant; I remember the Minnesota University for another, the Michigan University, the State Agricultural Colleges of Iowa and Kansas especially, as presenting reports which I examined with very great interest and very great care, because they were so full and so complete. There were other reports—I would not like to be invidious, but I remember those distinctly as showing that the benefits they had derived dwelt in the minds of those who were making the reports as something that they had to be grateful for and they wanted it known what they were doing.

It seems to me that the agricultural colleges with their large endowments might be made a great deal more popular and a great deal more accessible and far more useful to women than they are. There are not more than half of them that really heartily and openly admit women to their advantages and benefits. There are some of the other half that pretend to do it, but they practically administer against it, and a large

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proportion of the one-half refuse to receive women students at all. I think it would be perfectly within the purview of every college in this country that has received public lands from the United States to be compelled by the law of the United States to have a school of industrial art to which women could be admitted. The agricultural colleges, for instance, were organized so as to aid the military development of the country, and I observed that many of the presidents in making their reports argued against the admission of women because they were incapable of military duty. Those of us who went through the war know that there is a large amount of military service, though not of arms, that women can do more effectually. If we happened to get shot we were very glad to have women in the hospitals, and it would not be a bad thing to train them for nurses. They can make lint and do a thousand things. If it is necessary to maintain the military idea in the agricultural colleges there are duties that women can perform should a necessity arise in the care of the wounded and a thousand other things that belong to war.

The CHAIRMAN. They are called "colleges of agriculture and the mechanic arts" usually, are they not, taking in, in fact, the whole circle of industrial occupations? But speaking of agriculture especially, there is the scientific side too, what woman does upon the farm as well as what man does. The products of the dairy fall under her manipulation before they are actually consumed, quite as much as that of man; she prepares the food that is raised on the farm and its preparation is as essential to its use as its growing. The same observation applies to the productions of the dairy, animal life that is subjected to human uses for sustenance and the like. In that direction it seems to me the agricultural colleges might do as much for woman as for man and be within their just purview.

The WITNESS. There are some of them that do. I think the Michigan Farmers' College, which is the recipient of the agricultural grant does. I know personally that the Kansas Agricultural College at Manhattan does, and the College of Iowa. Those three are notable for the very close and comprehensive and complete way in which they train the women students for all domestic duties and for all the work and the knowledge that underlies farm life. They pass through a course in regard to fruit, for instance, not only the preservation of the fruit, but also as to the cultivation of fruit; all the small fruits. In the Iowa college there is a regular class of women students, and has been for several years, who are trained especially to the cultivation of small fruits. They learn all that relates to the dairy and the chemical and other scientific studies that belong to it, and they have classes in household economy and household science and household decoration. I have seen in the Kansas college the women students take carpenters' tools and repair articles of furniture, light work, things that have to be done around the house, with quite the same skill, and more so perhaps, than the men, being less clumsy. This is taught to them. In addition to that they learn printing and telegraphing in these colleges, if they wish. The system in the colleges I speak of is very thorough in regard to all the duties of a woman on a farm. They take lessons in landscape gardening and also attend lectures on farm architecture, ventilation, sanitary science, and duties of that kind.

It seems to me there ought to be no difficulty whatever; but there will be as long as there is no sort of supervision, because the agricultural colleges are not under State supervision and there is no supervision by the nation which gave them the endowment.

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By Mr. CALL:

Q. Why are they not under State supervision?—A. Nominally the grant was given to the States, but practically the school superintendent of the State does not undertake to regulate the agricultural colleges or to examine them.

Mr. CALL. The State has authority to regulate them by law. The land donations were made to the States and the States have ample authority to regulate the matter.

Mr. PUGH. The Agricultural and Mechanical College of Alabama is under the control of a board of trustees appointed by the governor of the State, and I happen to know personally that they are very efficient men, all of them. The agricultural and mechanical college at Auburn, in Alabama, is now under the wisest and ablest and most intelligent supervision and management.

The WITNESS. Possibly so. I am not speaking of any one State, you will understand me.

Mr. PUGH. I only mention that as to Alabama.

The WITNESS. I speak generally, simply as a result of the study of hundreds of documents.

Mr. PUGH. I do not object to what you have stated; it is very correct wherever it applies.

The WITNESS. I remember as an illustration in one State how difficult it was to obtain a correct statement of the exact amount of funds that belonged to the agricultural department. It took me three weeks of correspondence to get it. There had been some changes of bonds, and the amounts were differently stated, and nobody seemed to know. I got it finally within a few dollars. Even in Massachusetts, where organization of that character seems to be higher than in most of the other States, I found something of the same difficulty. I found a difficulty there in getting the exact account between the Technological Institute of Massachusetts and the college at Amherst. They have divided the fund, given a portion to the agricultural school or college at Amherst, and the balance to the Boston Institute of Technology, for the mechanical department. It was difficult, and it is still difficult, to ascertain exactly what the amount of money that has accrued from the United States grant as between that and the various grants and benefactions that have been given by the State and individuals to these institutions. That is one thing.

I should like to see what I believe a public feeling is generally tending to favor, I should like to see the Government of the United States devote a certain portion annually for some period of time to the several States or direct, whichever way the wisdom of Congress might finally determine that it could be done most properly, in aid of the removal of illiteracy. It is an appalling fact to see 49 per cent. and 53 per cent. of the population of a State reported as illiterates, and to see of a special class, as in your own State, Senator, 74 per cent.

Mr. PUGH. Yes, sir.

The WITNESS. And I think we owe it to them; I think the people of this country owe it to the South, and especially to the colored people, that they should do something collectively to help that thing. I believe that every step of this kind is a help to labor; it certainly is a help to education, and the solution of all the troubles that seem to be pending in this agitation is largely through a larger intelligence practically directed, and to bring out every part of it into the light of day and discuss it. I do not know any reason why a man who holds the opinion that it is possible by law to abolish poverty should be denounced through

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a land where there is free discussion as a mad dog would be followed, be termed a "crank," a "communist," or something else, as in old days we used to term in one section a man who entertained one opinion an "abolitionist" and another a "secessionist," and deride and denounce him. I know no reason why the narrow, intense, strongly-thinking man who perhaps has not had the broad opportunity of seeing all sides of a question, is to be set down as an enemy to public order because he does not happen to believe in the conceived notions of society. It may be that his doctrines would bring disorder, but the best way is to bring them into the light of day and discuss them as you are doing now, and as the newspapers throughout the country, as a rule, are not willing to do.

By the CHAIRMAN:

Q. They will be more willing by and by?—A. Oh, yes.

Q. The world starts slowly, but it goes after a while. You have been living for a while, recently and considerably during the last quarter of a century, on the Pacific coast and in the Territories of the Southwest and Texas, and that part of the country. If you have had occasion to know anything about the land-grant system in its practical operation, I should like you to give us an account of it, and what you know especially in regard to its existing condition and operation in the Southwest.

RAILROAD LAND GRANTS.

A. I have just come from the border of Mexico, and have spent some eight or nine months in the Southwest; have been there several times before and spent a considerable time. During the present visit my attention has been called very distinctly to the condition of that portion of the public domain that might be called the arid region, the dry zone.

Q. Are you acquainted with the "Guide to Arizona," or some book published, giving information largely on that Territory?—A. I wrote some years ago and published myself a hand-book to Arizona.

Q. That work is an authority, I know, among mining people. Are you the author of that book?—A. Yes, sir.

Q. I recollected in regard to it, and the name was the same, but I did not know whether you were the author.—A. Yes, sir. I have been in New Mexico and Arizona and Texas—of course Texas is outside the public land system of the United States—as well as in other portions of the central West. I find that whatever may be the causes, in my own judgment it is the rectangular system of surveying and of laying off public lands, which is so admirably adapted to the prairie States, which is the cause to a very large extent of a system of unlawful monopoly of the land in the cattle or grazing regions, the dry regions of the Southwest, especially in Arizona and New Mexico. There is a great scarcity of water, and the man or men who can get possession of the water holes, the springs, and the very infrequent running streams can, of course, command the entire control of the vast dry lands upon which the cattle graze. They will go 15 or 20 miles to water. The whole of that mountain plateau region—for it is that—at an altitude of from 3,000 to 7,000 feet above sea-level, putting aside the peaks, is covered with nutritious grasses or feed for cattle everywhere, speaking in the broad sense. There are, of course, large fields of rock and lava, as on the upper part of the Colorado plateau there is a basalt field, the result of some great volcanic eruption, running from 300 to 400 miles east and west, and an average of nearly 200 miles north and south, which is



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almost utterly and entirely a desert. Below it and above it and largely throughout the whole region, this land is covered with sun-cured grasses, the black gama and others, on which cattle feed. If they can get water, it is the most nutritious possible of food for them. Now, in Southern New Mexico at the present moment, and largely in Southern Arizona, there is a system manipulated by shrewd men. A California firm very well known on the Pacific coast is said to be one, and two or three companies or syndicates of Englishmen, who are not citizens of the United States, who are aliens, and who, under the public land laws, cannot hold, occupy, or possess, are practically the controllers of enormous areas of land in Arizona and Southern New Mexico. I have names and dates, which I am about to send to the Commissioner of the General Land Office with a view to use by his special agents, and would, therefore, rather withhold them from public statement.

The *modus operandi* is this: Silver City, N. Mex., for instance, is the headquarters of a large field of operations. The agents who are there of the California or English syndicates—and among the English syndicates are sons and nephews of members of Parliament, whose names are known to me, and whose persons are also known to me—will obtain knowledge of the existence of a spring or water-hole or running stream or a little body of water that they would call a lake, but we should scarcely call a pond. They will find the whereabouts of these bodies and approach some impecunious and accessible man and ask him why he does not pre-empt. The answer will be that he has no money. They say, "Well, that can be overcome; it will be a good thing for you to pre-empt such and such a place; it will be valuable to you. How much money do you think you need? I want to help you." I am speaking of an actual occurrence. "Well, I cannot go on there and complete my pre-emption under $500." The pre-emption laws presuppose that the man goes on, occupies the land in good faith, builds his house, makes improvements, turns up the sod, builds fences, and does other things to show that he intends to live on that 80 or 160 acres of land. The 80 or 160 acres pointed out to him will cover the water. There is no water in the particular instance I am speaking of within 12 miles in one direction and 16 in another—no water on the surface. Five hundred dollars would be loaned, a note of hand taken, and to it added an obligation that at the end of seven months any property of which the person to whom the loan is made should be seized or possessed should be held as security for that loan. The pre-emption would be made, the person would go on, build an insufficient and make-shift cabin, put up a temporary and make-shift line of fencing over a few acres of ground, do something, spade it up or have it dug up, and put some cattle, perhaps, on it, and wait for the time to expire, which, I think, is six months. At the end of six months he appears before the land office and swears that he has entered on that land in good faith, that he intends to make it his home, that he holds and occupies it as an agricultural or pastural holding. He then proceeds to complete his pre-emption and pays his money. He is in possession of the money. There has been no direct perjury so far as the operator is concerned. He has not told him that he wants him to pre-empt for him, but he has suggested to him a means by which he could better his fortunes and has kindly loaned him money to do it with. As soon as the pre-emption is completed, of course the agent appears upon the ground to know what the man will take for his place. In the case I am thinking of a thousand dollars was asked. There was an intimation that $500 would be added to the first $500, and the $500 in money was paid, and the note returned canceled. The spring or body

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of water, quite a valuable body of water, passes into the hands of a firm of California land-owners, who in that way are holding to-day, as far as I have been able to ascertain, not less than 8,000,000 acres of public lands in Southwestern New Mexico and Southeastern Arizona.

Q. A single firm?—A. That single firm in different bodies and patches.

Q. Have you any objection to giving the name of the firm?—A. I would rather not do so, as I intend to do so to the legal authority that can examine into it. The Commissioner of the General Land Office has special agents, and one whom I know is making a very effectual examination of these things, and it would be better for me not to give the names here.

Q. This information is valuable to the Department and therefore withheld by you?—A. Yes, sir. It will probably appear officially in the reports of the agents. I am only speaking as a citizen.

Q. Very well.—A. I have been told—I do not know it of my own knowledge by any verification—that at the present moment agents are in London endeavoring to sell the possessory title, so called, of about 2,000,000 acres of land for a cattle ranche in Southern New Mexico, the only title to the possession of which is this moral perjury obtaining some three or four water rights by pre-emption.

The condition of the land there is such, its topographical features, the climatic conditions are such that the system of public lands now existing does not, in my judgment, properly belong to that region. I think we might with considerable profit study some features of the Mexican land laws in regard to that. They allow renting from the State governments or the denouncing, as they call it, of a certain area, about 4,000 acres of land for a cattle ranche. It has been found in the general formation of the Sierra Madre region, which is not very greatly different from that of our Colorado plateau and Rocky Mountain region, that where a water-hole or spring or surface water of any kind can be accessible to a moderate number of persons for their cattle, holding areas of that kind—I forget the Mexican term—the use of the water is regulated.

There is another thing of very considerable importance that I might mention. This system of obtaining through the water rights control of vast bodies of land for grazing purposes upon the northern frontier of Mexico has during the past two or three years tended considerably to bringing about breaches of the peace, and might, had there been any unwholesome or ill-feeling between the two republics, have been very readily blown into causes of war. I went out into that country in the employ of the United States Treasury this last time, charged with an inquiry into the cattle-smuggling, which was, of course, all the Treasury could do. I made as large an inquiry under the orders I received as I could. I found that, far more than cattle-smuggling, cattle-stealing from Mexico was the great danger; that this unlawful possession by men who had no personal interest in the community encouraged the lawless actions and profit of the cow-boys and the rowdies of that region; that they made a place for the disposal of cattle. I formed a judgment after considerable observation and a great deal of travel and inquiry, that in one valley, so called, Cienega, or Crazy Plain, where the water lies near the surface, it is more green than the average land, that in that valley alone there could have been rounded out not much less than a score of thousands of stolen cattle from Mexico, none of which, or very few of which, had paid any duty to the United States. I do not know whether the remedy is a local one or a Congressional one. I talked with the governor of Chihuahua and the governor of Sonora, the present governor—he was then secretary of state—and with consular officers and customs

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officers on both sides of the line. The remedy seemed to be in the system of patrols, which are largely maintained on the Mexican side, and in the preparation and interchange of cattle-brand books, as in Texas, so that the officers of either community could follow up these cattle. General Crook's operations against the Apaches and the Apache raid undoubtedly put an end to this smuggling and stealing for the time being on the border, but when things are quiet again, unless there is some force, it will come up again.

This grasping and grabbing of the public lands in this way has in those regions an incentive, because it is a measure of profit. Men who will get public lands in that way will not be over-anxious to investigate whether brands have been recently removed from the shoulders of the cattle that they buy. They do not do it.

There has recently been investigated in New Mexico a system of homestead settlement that is used in the same way for the interest and the advantage of large land-owners and not for the purpose the law was passed for. I believe there is a very valuable report recently sent to the General Land Office on that subject. Mr. Eddy, the agent, has prosecuted a number of the fraudulent settlers and broken up a good deal of it. In one county in New Mexico he has restored sixty or seventy thousand acres of land to the public domain as being unlawfully occupied under the homestead act.

Q. In regard to the wholesale appropriation of vast bodies of land which results from getting control of the water, what change in the land laws do you think should be made—some by which the water rights should be made common to the entire tract that naturally depends on them?—A. That is certainly one and, perhaps, the primary condition. The Territory of New Mexico has attempted to deal with that question legislatively, and provides that there shall be no shutting off of cattle from water, but from long observation, from great travel over that region—I went to Kansas during the free-State struggle and from there to Colorado, and across the continent to California, and I have been up and down that mountain region 20,000 miles; I know something of topographical engineering, have observed and watched it all I could—my own feeling and judgment about it is that the water rights in that dry country ought to belong to the community, to be public property under the care and direction of the public, the counties, or States, with proper engineering direction, so that the supply now existing could be utilized for all the people there; and the constant study which would follow in relation to the sources of water would tend greatly to increase that supply. There is something of that sort, though not in as positive a form, existing in the State of Colorado. There is a system of water supply and irrigating-ditches, &c., which is largely benefiting that State, a step in the right direction, and it has resulted very greatly in increasing the water supply, because the persons employed to superintend have given study to the subject and have learned all the peculiarities.

Q. To what extent has this appropriation already gone relatively to the amount of land remaining that is valuable?—A. In some portions, some restricted portions, of New Mexico and Arizona it has gone to a great extent. Taking the whole area of those Territories, of course it is comparatively small.

Q. The whole area of land which may be improved in that way would ultimately become valuable?—A. Southeastern Arizona is for all cattle and settlement purposes very much better than other portions of the Territory, except along the valleys of the few rivers, and it is there where, of course, the more obvious evils prevail. Southwestern New

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Mexico, on the east side of the Chiricahua Mountains, is also very much of the same character, and there are large mining interests and considerable small camps and towns through there, and it makes the land valuable for that purpose.

Q. Is that country available or open to profitable employment except by the investment of large sums? Is it a natural home for men of small means?—A. I have said that I do not believe the present land system is adaptable to that region. I think, first, that the water should be preserved to the public, and, second, that the divisions of the grazing land should be larger than now exist. I think we might with some profit make modifications of the Mexican laws on that subject.

Q. If that is done you think it would be available for settlement by men of small means?—A. Comparatively small means, not so small as the settlers who have gone on to the prairies of Kansas.

Q. To what extent is the railroad land-grant system an element in the land problem of the southwest of this country, if at all?—A. In the Territories of New Mexico and Arizona two land grants lay claim to nearly two-thirds of the territory, and the best of it—the Atlantic and Pacific and the Texas-Pacific. The Atlantic and Pacific is being built, and I observe that under the law and custom commissioners are now receiving the last sections to the Colorado River, or are now examining to see whether the Government will receive them, so that the land grant can be turned over. If you had a map of the Land Office here you would see what an enormous area those grants cover. In the southern part of those Territories the Texas-Pacific grant, if it has any existence, would take away at least fifteen million acres of land.

Q. How valuable is that land?—A. As it stands now, the larger part of it is of very little value; that is, a considerable portion of it would apparently have very little value. From the town of Yuma, on the Colorado River, to Maricopa Wells, on the line of the present Southern Pacific Railroad, a distance of about 194 miles, the road passes along a gravelly mesa, or a secondary mountain plain, which is covered greatly with scoria from volcanic eruption. There is grass on it for miles and miles, and cattle could make a living there, but it is not very valuable. On the north side of the road the grant would take in a portion of the valley of the Gila, a valley running from its cañon origin to where it empties itself into the Colorado for a distance of nearly 400 miles, ranging from nearly 2 to 12 miles in width, which is so fertile that a chemical analysis of it shows it to possess more fertility than the soil of the Nile, on which any grain, fruits, or sugar-cane can be raised. That grant would take in nearly the whole of that valley not yet occupied by settlers. The Pimos and Maricopa Indians hold a long tract just beyond Maricopa Wells, in fee-simple for their tribe, about 24 miles long by 12 wide, I think. They have been there ever since the memory of the white man runneth and long before, according to their own traditions, and always cultivated the land, always raised grain and fruits. Beyond Maricopa Wells the land assumes a different character; it has heavier grass, and for a considerable portion of the way there are broad stretches of what I have just called cienega, crazy plains, beneath which water can be reached at a moderate distance. There are long stretches of it. Then again, there are great stretches of apparently perfectly dry and mountain plateau, but there is not a mile of it that cattle cannot feed on and get fat if they get water. So through New Mexico there is the same general appearance.

I know something of the building of the Southern Pacific Railroad through that region. I have no doubt that the book I wrote—though

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I did not write it for that purpose—on Arizona was used by the Central Pacific syndicate and managers to get their first loan in Germany of $12,000,000. It was the first book that had gathered all the facts as far as they were accessible in relation to that region, and it was utilized to show that it was a region worth running a railroad through. I have been told by men connected with the California Central Pacific that that was the fact, that they utilized my book in Germany. I had mining interests at that time in Arizona, and I, of course, was greatly interested. I followed the line of the road down, went up it to Yuma, on the first train across to Tucson, on the first train that crossed the entire Territory, on the first train that crossed with passengers. I have ridden on horseback through and through it, and in coaches and sometimes have gone on foot. My own belief is that the road has been fairly built by the money of the company, and that it is to a large extent in a fair way of paying its way without the need of a single acre of public land. There are miles of it that were built in California for no other purpose whatever than to keep the Texas-Pacific out of California. Proper engineering would have turned the Southern Pacific of California almost due west from Colton to the Colorado River, where a branch is now running, or above on the Mohave Desert, to where it now runs to meet the Atlantic and Pacific. The California people have built a road from a station on the Mohave Desert clear across that desert and over the mountains and through to a point called The Needles, on the Colorado River, where the Atlantic and Pacific runs, and to which it is now completed. They have built to the California side, the Atlantic and Pacific having built the bridge across the Colorado River. The object of that is to keep the Atlantic and Pacific corporation out of the State of California. When they first built the Southern Pacific in California they built from Mohave or Colton, through the Colorado desert, the bed of an extinct sea, for about 260 miles to Yuma, and across that gravelly region, of which I have just spoken, for one hundred and ninety-odd miles. The general impression among railroad men whom I have talked with is, that the whole of it was built unnecessarily for the simple purpose of keeping the Texas Pacific or any other road from reaching the Pacific coast at San Diego. It accomplished that purpose for the time being.

Q. I suppose you are aware that the Southern Pacific and the Texas-Pacific were chartered about the same time, that the enterprises were undertaken about the same time, and that the Southern Pacific was built within the time limited to the point it was understood it should reach, and that it expected connection with the Texas-Pacific, whereas the Texas-Pacific had failed to obtain its funds and was in fact started far from the eastern portion of Texas?—A. The California railroad builders are, to my mind, the greatest railroad builders in the world.

Q. You think they built theirs a good deal faster than other people had reason to expect they would?—A. Yes, sir; I do not think they are the best railroad administrators.

Q. I did not ask the question with the idea of raising the old controversy between Huntington and Tom Scott, which was a big thing and is now over. The railroads are now built and hunting up the land grant. I want to know in what way the administration of the land-grant system conflicts with the public interests, whoever gets it?—A. In that region it certainly would conflict with the public interest, because if they get that land grant they have built their road; they are not going to lose; no fair investigation of the condition of that road under the most favorable interpretation of the land-grant policy and the railroad system of

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the country, in my judgment, would result in proving that the Southern Pacific will be a loss to its managers and owners. Therefore I am in favor, and believe it to be public policy, putting aside all questions of theoretical principle, of restoring that land grant to the public domain in the public interest, because no harm is done to the railroad, and a great benefit will accrue to the public. I would give all the doubts on the side of the people, all the legal doubts that exist there. I think there is one most decided legal point, from what little law training I have had.

Q. No matter; that will be decided by the Department and by the courts and by Congress.—A. Certainly, I did not mean to go into it.

Q. I want, without dragging that controversy in here any further, to know in what way the possession of these land grants, or the administration of the rights of railroads under these land grants, interferes with the proper occupation of the public domain in accordance with the general public policy of giving it to the poorer people of the country who choose to settle upon it, if there is any interference?—A. In that particular case unmistakably there would be.

Q. If the Southern Pacific gets possession of 18,000,000 acres of land that otherwise would remain in possession of the public, and be better administered through the public functionaries for the people at large, of course as a great public evil it ought to be guarded against. That we will assume. Now take other cases where grants have actually vested and the roads are disposing of the lands, controlling them, are they withheld from settlement when poorer parties are ready to take possession if they have the opportunity; or are the roads, as a rule, ready to transfer titles to small quantities, and to facilitate the transportation and location of families upon them?—A. It is charged in California most distinctly that the policy and operation and administration of the land grants given to the Central Pacific has been in the past used to prevent public settlement, except as the railroad could complete its own systems, such as where they required irrigation to obtain control from the legislature of the water supply, and so make a double monoply, first of the land, and then of the water, that they could thereby control the country and prevent public settlement until such time as a larger profit would result to themselves.

Q. Is it or is it not a fact that the peculiar topographical condition you speak of enables the corporations possessing the water to control practically the entire land on both sides—that retained by the public as well as that granted to the corporations?—A. As a practical fact the corporations that control the water will be generally the corporations that control the land.

Q. I suppose on the other hand the private individual who obtains the possession of water located on land reserved to the public would be able to obtain the corporation land, unless the corporation and individual combined?—A. Unless the interests were combined.

Q. This topographical condition obtains as to most of the land grants along the Southern Pacific in California, I understand you, or does it not?—A. I do not think it does to so great an extent, because a large portion of that grant must be in the San Joaquin Valley.

Q. How about the San Joaquin Valley?—A. The water course is accessible and utilized for the public to a great extent.

Q. Then through the San Joaquin Valley the railroad lands and public lands are available to small settlement, are they?—A. I think largely so.

Q. How is it along the line of the Central and Union Pacific?—A. It would be different. Largely there that is the grazing region again, and

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again dependent upon water. It is charged in California that it is the policy of the Central Pacific not to take out patents for its land so as to avoid payment of taxes.

Q. That is a very familiar charge, and we know they do not pay taxes; but I want to know with reference to actual settlements. Do settlements take place under the existing system?—A. No.

Q. Do you think it would be well to modify the land laws in such way that these land grants and the intervening sections of country lying back of the granted strip on either side of the railroad could be improved for grazing grounds by the proper protection of the water courses and water supplies?—A. Unmistakably.

Q. You think legislation is needed in that direction?—A. I think so.

Q. And in the grazing regions the present land system is very hurtful, you think?—A. I think that legislation is also needed for such investigation of that dry area as would settle the question somewhat as to whether or not further water supply can be obtained. It is a theory out there among engineers and explorers that there are large bodies of sunken waters through great portions of that area. It is known that there must be in the melting of snows and other sources of supply greater bodies of water than appear on the surface, so that they must be sunk.

I was interested myself in a valley in Southern Arizona, had a small interest in what was claimed to be a Spanish land grant, as well as in some mines, and I made some study of the valley. It was a small valley—very rich. It runs from a mountain range in Sonora, just over the Mexican line, north for about 78 miles to Tucson, and 9 miles above Tucson it disappears, and from there to the Maricopa Wells, about 100 miles, you evidently pass over the surface of this sunken river which finally empties itself into the Gila. It is perfectly within the purview of good engineering to take that water at its head and to save every drop of it, prevent its passing away. If it could be saved, there is water enough there to transfer that valley and a large portion of the lower plains by the side of it into a perfect garden. If it is done by any private company it will be sure to work evil in the long run, though at first it may be advantageous. It seems to me that that belongs to the community to do; that that is public property; that that is one of the things where the distinction lies between public and private property.

## TRADES UNIONS.

The CHAIRMAN. You have studied the organization of trades unions in connection with this discussion. Will you tell the committee the result of your examination of the nature of trades unions, what are their characteristics here and in Great Britain, where the limitations come in, in your judgment, as to the abrogation of contracts by strikes, and any other facts or suggestions you may be able to offer. Please go on in your own way, and let the committee have the results of your study and observations.

The WITNESS. In regard to English trades unionism, my study up to a few years since has been quite ample. As a rule the aggressive and protective organization of labor passed out of the rudimentary stages, in which it still remains in many parts of and with many trades in the United States, nearly thirty years since. Any careful study of these associations will prove conclusively that the larger they are the less likelihood is there of the adoption of hasty, violent, or unlawful methods. For illustration let me recall what is known of the Sheffield grinders

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and the Birmingham brickmakers' outrages, which were a few years since so thoroughly exposed by a royal commission of inquiry, asked for and obtained from Parliament by the persistent request of the representatives of the great amalgamated and federated trades. The nature of the offenses committed by the small local unions named, which had always refused to affiliate or federate with trades councils and the annual trades congress, have become as widely known as the English language, from the fact that Charles Reade's novel, "Put Yourself in his Place," was based on the Sheffield atrocities. Mr. Reade sullied his genius by making these local crimes the crimes of a class, when all the evidence was in the other direction. After the failure in 1848–'49 of the political agitation to secure the "charter," the English workmen and the mechanic class generally turned their attention to their trades organizations. In 1850 there was a great strike of the iron workers and engineers, under the direction of the "amalgamated engineers'" union. It failed, but the workmen made it cost their employers so much, as it was complicated by as extensive a lockout, that nearly all the demands of that trade were soon after granted. Some ideas of organization and of class separateness were gathered by English leaders during the World's Exhibition year from foreign friends, and became the basis of distinct action. In 1857, I think, the first trades congress was held, representing a considerable number of trades in large and small unions. They have been held ever since, and from 1866 or 1867 every year.

There were two motives behind the action of the promoters; first, that of compelling recognition, through unity, of their demands for corrective and other legislation; and, second, but more remotely, to bring about such a oneness of movement as must eventually secure the suffrage and other political reforms. This latter aim was not made prominent at first, but of late years, notably since the reform agitation of 1866–'67, it has become of prime importance. The great English trades unions are the National Miners, numbering over 200,000 members. One of its leaders, Thomas Burt, a member of Parliament, is now visiting this country. This union is rich, and out of its funds have successfully managed without ostentation a large emigration movement. It has purchased large bodies of land, principally in Illinois, and settled colonies thereon, which are understood to be very prosperous. Mr. Burt is visiting them. Mr. Alexander Macdonald, now deceased, the former president, used to come over every year. The coal miners have become, from a degraded class, one of the most intelligent and best paid bodies of wage laborers in Great Britain. They have a strong political influence, acting, as they do, almost as a unit. They are very democratic in their tendencies. It cannot be denied that the greater portion of the beneficial changes they are now feeling is due almost entirely to the unceasing agitation of their trades unions, local and general. The miners are always represented in the English Trades Congress. The amalgamated engineers, the two great unions of the carpenters, the stone masons, and others belonging to the building trades, the several large unions that represent the different classes of factory operatives, the printers, bookbinders, the lockmakers, the boilermakers, the shipwrights, the sailors, and other trades are all represented. In the manufacturing centers and cities, there is a network of trades councils, bodies delegated to represent the local several trades. Within the past seven years the agricultural laborers, theretofore the most depressed laboring body in England, have organized under Joseph Arch and others, and now form one of the most important of trade associations. It is estimated that the several amalgamated unions of Great Britain embrace

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at least 2,000,000 adults. Women are admitted to membership in many and are always represented in the congress. So important is this representation that some of the ablest members of Parliament are the avowed friends of the unions. There are a number of papers published in connection with the labor movement. Among public men who are known and esteemed, springing from its ranks, may be found Ludlow, Lloyd Jones, Burt, Broadhead, G. D. Howells, George Potter, Arch, Applegarth, and scores of others still alive.

The CHAIRMAN. Can you tell us succinctly what are the leading characterists of these unions and what is the nature of the legislation they have obtained and still demand?

The WITNESS. I will try, premising as to the latter part, that for two or three years I have not followed their movements as closely as in times past. In the first place, the English trades unions, like those of America, are protective in character. Secondly, they are largely beneficial in purpose and action. Their protective function is often aggressive in nature. They proceed upon the idea that while competition prevails, as at present, labor must combine. Their only capital is labor, and it perishes every hour. It cannot accumulate by nonuse, as the purchasing power of money often does by reason of a fall in prices and a depression in trade. Combination alone, it is argued, can enable them to compete. To this end all else bends in trades unions. The English ones, as a rule, eschew sentiment in their councils as rigidly as the employers do in their counting rooms. In trades unions labor does not believe in co-operation, industrial partnerships, political nostrums, &c. As individuals their members are generally active in all these directions. In combining for wages the union argument is that the strong and facile must sacrifice something for the benefit of the average. They claim that it is easy to strike the equitable average in a day's work, and that this average is what they are after securing. Nearly all the so-called vexatious shop rules and regulations insisted upon by trades unions have for their motive what they consider this desirable end. They claim that the employers and society at large should recognize the justice of an average rate of pay for a day's work for the average workman. Piece-work, then, is generally pronounced against, because the effect would be to permanently lower the average rate, but temporarily raise that for exceptional men.

The idea underlying the regulation of apprenticeship, which it is claimed prevents the learning of trades, is to bar the way to flooding trades with cheap and but partially-trained workmen. It is said that the workmen must be the teachers of the apprentices; that they get no extra pay for training rivals; that machinery has so broken up trades that in very many the learning of only part of an occupation enables an employer to seriously cut down the rate of wages of all the rest. The methods in use in securing the power of competition by labor are more or less of the nature of coercion. The comradeship of the workshop is used, and it is a powerful agency. Men are marked down. Some English unions publish for their membership a "black list," containing names of defaulters in dues and "rats" or "scabs" in action.

The smaller the union, as I have already said, the more likely are the methods to be violent. And here let me say that I have heard leading English unionists who have been in this city express their surprise at the crudely coercive measures in use among certain trades, especially the building ones. Of course all trades unions resort to "picketing" and personal influence on non-unionists when a collision occurs. There are some well-defined provisions of law in England on this sub-

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ject, such as not allowing pickets within a certain distance of a "job," and prohibiting the entrance of visiting committees on the works without the employer's consent. These provisions are the result of severe conflict, and being accepted, if not suggested by the unionists generally, are proven to be necessary safeguards on all sides. The common and ordinary statute laws are sufficient to deal with such a thing as conspiracy, if it exists. As to contract or its breach, there is no trades union in this country or in Great Britain with which I am acquainted that does not provide for strikes as one of its means of aggression or defense. No employer who hires a member of a trades union can plead ignorance of the fact that such unionist is under obligation to his fellows to "turn out" or "strike" at the demand of the authority he and they recognize as competent to issue orders.

Here let me say that no unionist I have ever met defends strikes *per se;* they regard them as a weapon only. The general drift is that there can be no breach of contract where the union obligation is understood or implied; further, that while employers can dismiss without notice and enter on a lock-out at will, the right of a striking combination is the right of self-defense. It must also be remembered that the feeling against strikes is steadily on the increase. Workingmen generally denounce conspiracy laws, and in England they have as such been expunged from the statutes. There are stringent police provisions against interference and violence, and that's all. The protective side of English trades unionism is found in the efforts of the unions to not only make steady or increase the rate of wages, but to aid in the distribution of labor by aiding the laborer to seek and obtain work through assistance while on the road or by the dissemination of information as to where labor in any craft is needed, and where it is overdone, and by giving accounts of the general condition of trades. Some of the unions, as the Amalgamated Engineers, the carpenters, ironworkers, and a few others, are international in character. In the offices of their secretaries are filed monthly and other reports from every union and branch, so in such trades a bird's-eye view of their conditions can always be obtained. This is a function that might profitably be utilized for the public benefit through State and national bureaus of labor statistics.

The beneficiary features of English trades union are very important. Funds are raised for accidents, sickness, and deaths. The expenses of funerals are usually paid. In a number of the larger unions the guarantee or mutual insurance principle is applied for funds to be paid to families, or in some cases to be applied to support in old age. The rule is to divide by classes, according to accepted life-assurance principles, and make stated assessments when deaths occur, besides also drawing from funds regularly paid in. The legislation of Great Britain recognizes and protects these funds, and returns are annually made to a Government actuary, as in the case of co-operative and benefit societies proper, such as Odd Fellows, Foresters, and scores of others, large and small. English legislation, in its relations to the labor of that land, recognizes the beneficent character of the principle of mutuality or guarantee and endeavors, by stringent laws and Government reports and publications, to protect and make secure the efforts of the struggling classes to escape the horrors of dependence and poverty by and through their own exertions. It took a long time for trades unions to secure legal protection in Great Britain for their funds. By that failure they stood always in the attitude of quasi-illegal organizations. Just in the degree this is done as to all such movements are they dangerous. Inclusion within

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and recognition under the law, in the spirit of equity, strips anarchy of danger and renders conspiracy almost impossible.

As to legislative measures in Great Britain, it would be impossible for me to recall all the great remedial measures which since 1840, say, have been passed by the British Parliament, chiefly through labor agitation and of late years, almost wholly through the well organized and directed movement of the trades unions as embodied in the annual trades congress. This body has a regular parliamentary committee, whose business it is to watch legislation, opposing or shaping, as the case may be. It is safe to say that no such measure ever passes, indeed is hardly ever offered, in Parliament, without this committee's advice and, in general, approval. But the English labor agitation has caused the entire abolition of female labor in the coal mines and other unhealthy employments. It has reduced the hours of labor, brought about rigid factory and workshop inspection, both as to sanitary condition and the means of saving life, &c.; it has curtailed the labor of children, prohibiting altogether under certain ages; it has brought about compulsory education and greatly aided the establishment of national schools; it has secured the entire abolition of the truck or "tommy" shop system; it has obtained the passage of laws to compel the payment of wages in money and at stated intervals; it long ago caused the abolition of those relics of competitive barbarism called conspiracy laws; it has secured the legal recognition of their own societies and of their funds; it has brought about several important commissions of inquiry into the condition of labor; it has become strong enough to elect its own representatives to Parliament; it has aided materially from time to time in securing the passage of more general legislation of an ameliorative character, and of remedial measures such as those Mr. Plimsoll fought for in regard to shipping and its inspection and measurement.

The system of arbitration in England is largely another fruit of the labor agitation. That of co-operation is another branch of this question, but it has been enormously increased in useful importance by the continued growth in intelligent influence of the British trades unions.

I must add also that the large unions have of late years openly exercised a beneficial influence in the direction of technical education and trade schools. It is easy to perceive what must be the effect in a country like Great Britain, amid the attrition of class and privilege of the growing intelligence and power of such compact organizations as those embodying over 2,000,000 picked men, represented in closed trades unions, open trades council, and a federated and representative parliament like the annual trades congress. This last is the channel by which the general sensus is affected; the union proper is that which directly reaches the employing interest.

The CHAIRMAN. Mr. Hinton, can you give us any points of interest in regard to trades unions in any other country besides Great Britain and our own?

The WITNESS. There has been of late years some great changes in the laws of European countries, the full details of which I have been unable to follow. Ten years since trades unions, as we understand them, were under more or less prohibition in France, Spain, Germany, Austria, Italy. They were as free as here in Belgium, Switzerland, the Scandinavian countries, Holland, but, except in Belgium, they were unimportant. Labor, both in Great Britain and the United States, finding that cheaper labor could be brought into competition with them, have gone to work to insure solidarity by aiding the organization of agitation in continental countries.

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I was told once by a nail manufacturer of Western Pennsylvania that owing to Belgian competition he was drawn with his confreres into ruinous efforts to bring about a reduction of wages. At last, acting upon a suggestion made to him by a leading trades unionist, they aided in a work of propaganda and finally brought about an equilibrium of competition through strikes in Belgium which brought higher wages to the workmen there.

There are now legalized trades unions in Italy, France, Austria, and to some extent in Germany and Spain. Those Governments, however, all keep more or less control, and councils of conciliation or boards of arbitration, under law, take away and remove many minor disputes and difficulties. Still there have been of late years some very formidable strikes, especially in France and Belgium. In all cases, when such agitation is organized, the long result is a distinct improvement in the condition of labor. The immediate result may be depression and suffering, but capital finds by every collision that quarrels with labor "don't pay." These "paternal" Governments would be likely to interfere with the robbery of the consumer, which is sometimes carried on here by means of "suspensions" of work or forced "lock-outs," brought about to reduce stock at the cost of labor and to increase cost to the consumer.

The CHAIRMAN. What is the condition of the trades unions in our own country? Give us any information you may possess.

The WITNESS. It is not an easy task for me to give a clear idea of American unions, and it has been done so much better by the forty or more labor witnesses you have had before you already. I would say, however, that there is apparent a decided tendency to the amalgamation and federation of trades organization, which I hail with pleasure, because in the first place it is a tendency sure to give labor and its needs a wider and more righteous recognition at the hands of employers, the capitalistic, corporate, and commercial classes, the press, which is now so generally and ignorantly against them, from legislative bodies and political parties, and finally because it educates and makes better members of the social order of the workmen themselves. Secondly, I see in this tendency the speedy suppression of uneconomic and violent methods. Strikes are not entered upon with readiness where the local demand has to be submitted to the searching investigation of a superior body. There are several large labor organizations that are not simply protective in character. I am not sure, but I believe the Locomotive Engineers' Brotherhood is more distinctly beneficiary than protective and aggressive. The Knights of Labor is not a trades union organization, though it embraces such bodies in its federation. It does not have a strike fund, and I am told that at its recent national assembly, held in Cincinnati, a proposition to levy a regular assessment of five cents per capita each week was voted down. A fund to assist workmen who should be "locked out" was created on the same plan. There are a number of great trades societies in this country. The international unions of England have a large membership in the United States. The largest societies here are the iron-workers, typographical union, Sons of Vulcan, carpenters, painters, miners, coopers, shoemakers, railroad hands, and others. The Knights of Labor are now said to have 150,000 members. There is no direct political affiliations among trades unions proper. However, all open trades and labor societies have distinct political purposes. My own idea of their function is that of agitation, impressing their need and the character of their demands.

The CHAIRMAN. Have you any remedial or other suggestions to offer?

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The WITNESS. Hardly. The first point is to insure public discussion. Surely it is of importance, in a conservative sense, to know what the majority of the people are thinking and saying. It is exactly this that the press of the great cities and all others follow and deliberately seek to ignore. It certainly is a problem worthy the profoundest thought—that of endeavoring to ascertain the existence or not of a practical law of equity in the distribution of production, of the results of toil, energy, and capital. That is not civilization, but anarchy veneered, plus force, wherein seven out of every ten persons would very soon become paupers if an accident deprived them of the means or the power to win their bread by labor usefully applied. That is the condition of our industrial life and social order to-day.

I am myself a believer in the possible evolution of such a law of equity as I suggest. I think it can be found in the right understanding of the relations of public functions and natural property to private property, and the function of individual profits. But if there be not such a principle that can be worked out through law, then there are the gravest of duties for the successful and powerful to meet and discharge. There must be put in motion by and through them ameliorative and remedial measures, legislative, social, and philanthropic. If it be true that the growing pressure of industrial life organizes poverty as well as profits, then the holders of the latter have a serious task to meet, a vital problem to solve. It is nothing less than the maintenance of order amid the growth of a keen sense of personal injustice, and a vivid increase of acute intelligence, not vivified by an equal ethical influence. If the laborer is not to revolt when penury is declared to be the remorseless fate that pursues him, take care not to learn him the alphabet. If you do, be sure that he is made to know that the rich man feels he is only a steward to alleviate and relieve, not a master to grind and oppress. Hence I plead for publication and discussion in the fullest sense. It brings the chimeras to the daylight; it invites anarchy to debate; it brings anger to reason, and for what is just it is bound to insure a full hearing. This is my plea for a bureau of labor statistics. I would provide for the incorporation of trades unions, insuring security for their funds. I would have a standing committee on labor in every legislative body.

I would abolish all conspiracy laws, recognizing the right of peaceful combination in all respects. If there must be a law of contracts, it should be made equal, the employer to have no more right to summarily dismiss than the laborer to summarily leave. If otherwise, let it be nominated in the bond. I would have established in every State councils of conciliation and boards of arbitration, making them as voluntary as possible between interests, but providing that a magistrate or public functionary should preside. I would prohibit by penalty the existence of a truck or goods payment system. I would agree heartily to the establishment of proper, even rigid, police law and punishment for all attempts to control non-unionists by threats and acts of violence. To this all active and intelligent unionists would agree, I believe.

I have named in other parts of my testimony what in the more general aspects of this great question might be done. I desire to say that I claim no special merit for any suggestion, except that they are the outcome of serious study, candid thinking, sober purpose. I am an evolutionist, not a revolutionist. I know how complex are the questions involved. I attack no property, assail no institutions. Much of evil is the offspring of good design. I only urge that what concerns the well-being of the large majority, and the peace and order of our social civilization—namely, the vast and momentous changes produced in

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the past half century by the introduction of machinery and the creation of corporate forces with vast capital at their hand—shall be honestly dealt with, openly considered, fairly treated. Without this, free government cannot live.

ELECTRICAL ENGINEERS.

The CHAIRMAN. We have received a letter from Henry Greer, who, I understood, is a gentleman of some character, whose expression on the subject of which he writes is really reliable and important. I will read the letter:

*To the Senate Committee on Education:*

GENTLEMEN: I have the honor to inform you that during a recent trip in Europe, I learned that young men and gentlewomen were studying electrical engineering, which profession has not yet become overcrowded, and great fortunes have been made in its pursuit. The enormous extension of the telegraph, telephone, electric light, electrical railroads, fire-alarm telegraphs, district telegraphs, &c., into all parts of the world will create a great demand for skilled electrical engineers. We have too many doctors, lawyers, ministers, &c., in America, and the great need and cry here is technical education. We especially need practical electricians or electrical engineers. By causing this letter to be published in the printed testimony, reports, and in the daily papers as soon as possible, you may be doing the young men and women of America a great amount of good, and if printed in the reports, the United States Government may look into the matter. America is far behind Europe in *technical* education. If I can give the young men of America any fuller information through you, I shall be pleased to do so.

Receive, gentlemen, my distinguished consideration.

HENRY GREER,
*Pataskala, Ohio, or 73 Madison ave., N. Y.*

September 12.

The Committee adjourned till Monday next at 10 o'clock a. m.

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NEW YORK, *September* 17, 1883.

The committee met at 10 a. m.

ALBERT FINK sworn and examined.

By the CHAIRMAN:

Question. Your residence is in this city?—Answer. In New York City; yes.

Q. You were born in Germany?—A. Yes; I was born and raised in Germany.

Q. You have been in this country many years, however?—A. About 34 or 35 years.

Q. What is your profession?—A. I was educated as a civil engineer.

Q. Did you acquire your profession in Germany?—A. Yes; I was educated at the Polytechnic Institute at Darmstadt.

Q. You may state what you have done since you came to this country, in the exercise or prosecution of the duties of your profession?—A. I was first engaged on the construction of the Baltimore and Ohio Railroad from Cumberland to Wheeling as an engineer in 1850, and my special duties were then to design and superintend the construction of the bridges and buildings. I made that a specialty for some years. Then I was engaged in the construction of roads in the West—in Western

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Virginia—in the extension of the Baltimore and Ohio road to Parkersburg, as engineer in charge of construction. After that I was engaged on the Louisville and Nashville Railroad, also as engineer on the construction of the road. I remained with that road for eighteen years. After the road was completed I became connected with the management of it in charge of the road and machinery department, and finally I became its general manager and vice-president. After that I was called to my present position.

Q. That was about how long ago?—A. About six years ago.

Q. Since then, have you been in the same position that you now occupy?—A. Yes.

Q. What is that?

NECESSITY FOR CO-OPERATION OF RAILROADS.

A. I am the head of a bureau established by a number of railroads—about forty—which are endeavoring to work together in all matters which require co-operation, for example, and particularly the establishment and maintenance of uniform tariffs; that is the principal object for which the bureau is established. The railroad system has become so extended and the business relations of so many roads to each other have become so complicated that it became necessary that there should be organized co-operation. The tariff of one road influences the tariff of many others. It would not do for so many companies to operate each road separately from the other. They have to arrange with each other to form connections, to establish through lines of transportation and tariffs for such through lines. It is a very complicated question, to make these tariffs uniform on many competing lines, and to arrange them so that they bear equally upon different localities, and to avoid unjust discrimination, and it is still more difficult to see that the tariffs properly established over so many roads are maintained alike to all shippers receiving like service. To accomplish this is the object of the Bureau, which is established in the interest of the public as well as in the interest of the railroads. It is a union of railroads for the purpose of conducting the transportation business in a business-like way and in the best interest of the public and the companies.

The commercial management of railroads has become very much complicated by the great number of competing roads. If there was only one road or if all the roads belonged to one company it would be comparatively an easy matter to manage the tariff question, but when there are so many roads, each operated separately, having separate interests, there would be nothing but confusion and chaos as far as the tariffs are concerned.

Q. How many roads are there?—A. I suppose there are upwards of twelve hundred roads, even counting many roads that have been consolidated as one road.

THE ASSOCIATION OF ROADS EAST OF CHICAGO.

Q. You said there were about forty roads in this association composing the bureau of which you are the head. Will you mention the particular lines?—A. There are the five trunk lines—the Grand Trunk of Canada, the New York Central, the Erie road (or the New York, Lake Erie and Western, as it is now called), the Pennsylvania road, and the Baltimore and Ohio. These are the main lines. Then come their connections—the Lake Shore, the Michigan Central, the New York, Penn-

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sylvania and Ohio—in fact, all the principal east and west roads as far as the Mississippi River, and as far as Chicago, and as far as the Ohio River—all the principal roads in that territory—the Cleveland, Columbus, Cincinnati and Indianapolis, the Indianapolis and Saint Louis, the Vandalia, the Ohio and Mississippi, the Pittsburgh, Fort Wayne and Chicago, the Chicago, Saint Louis and Pittsburgh, the Indianapolis, Bloomington and Western, the Lake Erie and Western, the Canada Southern, the Boston and Albany, the Fitchburg, the New York and New England——

Q. The Grand Trunk of Canada, is included?—A. The Grand Trunk is one of the roads; yes, sir, and a very important one.

Q. With all its connections?—A. Yes. They have a road to Chicago. Their main road runs from Chicago to Portland, Me.

Q. This combination or association, if I understand you correctly, does not include any roads west of the Mississippi, or at least none west of the Missouri?—A. None west of the Mississippi. West of Chicago they have separate organizations of the same nature. They also have a similar organization in the South. These associations are formed pretty much on the same plan and for the same purpose.

Q. These are the roads that naturally take the produce from the interior of the country to the Atlantic seaboard?—A. Yes; east and west roads. There is a system of roads between the Mississippi and Missouri Rivers, and others, running north and south. They are separately managed.

Q. By a like combination or association?—A. Yes, as far as rates of transportation are concerned.

Q. As to this association of which you are the head, what are the principal westerly points and connections of your roads, and what are their principal points of outlet on the Atlantic seaboard?—A. The principal points west are Chicago, Saint Louis, Cincinnati, Indianapolis, Toledo, Detroit, Cleveland, and other intermediate points. The eastern outlet is the Atlantic coast from Portland, you may say, to Baltimore, including Boston, New York, Philadelphia, and Baltimore.

Q. Would it include the outlet of the Chesapeake and Ohio?—A. They have an outlet here at these points, also one at Newport News, Va., but are not part of the association, although they work together with the association as far as tariffs are concerned.

Q. They abide by the regulations and decisions without being actually bound by them?—A. Yes, they agree to them, but they need not abide by them if they do not choose to do so.

Q. So far as actual results are concerned they are practically part of the association?—A. Practically, yes.

Q. Are there any other lines of importance that carry through products from the interior to the Atlantic coast—is there any outlet for the South—at Brunswick, or anywhere?—A. There are outlets at the South by some railroads, but not very important ones as far as export traffic is concerned. There is a route from the West to Brunswick, Savannah, Charleston, Port Royal, and Norfolk. The Chesapeake and Ohio have their terminus at Newport News. Then there are other roads, besides these I have named, from the West, from Saint Louis and Louisville and Memphis—the Norfolk and Western, the East Tennessee and Virginia, the Memphis and Charleston, called the Virginia Air Line, with its terminus at Norfolk. This is an important east and west road. It is, however, more particularly engaged in the Southern business, the cotton business; it connects with roads to Saint Louis, Louisville, Cincinnati, Memphis, Nashville, and other points, and does business there.



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THE ASSOCIATION OF ROADS WEST OF CHICAGO.

Q. West of this system is one lying between the Missouri and the Mississippi Rivers, I understood you to say?—A. Yes.

Q. What is that called, and who is at the head of that association, and what roads are in it?—A. That association comprises the roads running from Chicago west—the Chicago and Alton, the Rock Island, the Chicago, Burlington and Quincy, then the Chicago and Nortwestern and the Chicago and Milwaukee roads.

Q. Who occupies in that association a position similar to yours?—A. Mr. J. W. Midgley.

Q. Further westward, what are the principal railroad connections? Is there any association among the railroads to the west or south of those you have mentioned?—A. There are associations, called the Iowa and the Colorado Associations, that take in all the roads to Colorado west of Chicago. The same roads that I have named are engaged in the traffic to Colorado, and the same commissioner is at the head of the bureau.

Q. This same Mr. Midgley?—A. Yes, sir.

Q. Then his system takes in the Colorado roads?—A. Not the Colorado roads, but the roads between Chicago and Saint Louis and the Missouri River.

Q. And the roads that reach to New Mexico and Arizona and the Territories?—A. Not the roads as far south as that, but of course it takes in the traffic to those points.

Q. They all feed into and connect with each other?—A. They all compete with each other.

THE SOUTHERN RAILWAY AND STEAMSHIP ASSOCIATION.

Q. What other like associations among railroads exist in this country?—A. There is an association called the Southern Railway and Steamship Association, the first one established upon the present plan. It was established in 1875. It comprises nearly all of the southern roads south of the Ohio and east of the Mobile and Ohio Railroad, and the Atlantic coast.

Q. Mention some of the principal ones.—A. The principal ones are the Georgia Central road, the Georgia road, the Western and Atlantic road, the Louisville and Nashville system, the Richmond and Danville system, the Norfolk and Western, the Memphis and Charleston, the Savannah, Florida and Western, the East Tennessee, Virginia and the Georgia system. These are the principal roads.

Q. Does this system cover the Mississippi Valley?—A. No; it does not reach the Mississippi Valley. There are some other roads in that territory east of the Mississippi; they run north and south. They have no joint interest with the other roads which are east and west roads—such as the Illinois Central and the Mobile and Ohio.

Q. Under what system or arrangement, if any, are those roads you now mention comprised?—A. They are not under any particular system. There is no organized system under which they operate; they co-operate with each other. There are only two or three roads, and it is an easy matter for them to co-operate without any organization.

Q. Then to recur to this system of the South, of which you have been speaking, which was organized first of any, and in 1875, under what gentleman having the same powers or like powers to yourself were these roads organized?—A. The organization was made after I left the

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Louisville and Nashville Railroad. I had then been connected with the Southern system of railroads, and there was so much confusion and strife in regard to the establishment and maintenance of tariffs that it was utterly impossible to conduct the transportation business in a proper way. It caused a good deal of ruinous competition and unjust discrimination, each road making its own tariffs and underbidding the other. The result was, generally, that the roads worked for almost nothing, or at a loss, and it was almost impossible to control the tariffs. I was then the general manager and vice-president of the Louisville and Nashville Railroad, a road that was in contact with both the Northern and Southern systems of roads—a sort of connecting link between these two systems, and I had to do business with between fifty and sixty different roads, and when it was desired to make an agreement of any kind the parties could not be got together, and when some of them came together others were missing, and nothing could be done. But if they should all happen to come together they could not agree, or if they did agree there was no organization or executive department to see that the agreements were maintained. This state of affairs led me to suggest the plan of an organization of railroads with a central bureau through which the different roads could readily transact business with each other, instead of so many roads endeavoring to do business separately with one another, making it almost impossible to accomplish anything. All these complications were avoided by transacting business through the head of the bureau, who understood the relations of the roads to each other, and knew what was required, and through whom the roads could communicate with each other, and negotiate on all subjects requiring co-operation. The representatives of the roads would hold meetings and discuss matters. If they could not agree, the head of the bureau was to decide the questions at issue, and act as the executive, it being also his duty to see that the agreements were carried out. In this way the roads would be enabled to transact business promptly and to establish uniform tariffs and to see that they were maintained. This is the object of this and like associations. They are in the nature of clearing houses, where the parties, instead of settling the money balances, settle their differences and their little quarrels (or their big quarrels, as the case may be). A definite way is provided in which business can be successfully transacted. It is simply accomplishing by organization what was ineffectually attempted by a mob under the old system. I made it my special business for about six months to organize the association, and since then it has been successfully carried on by others. The plan has been found to work so well that it has been adopted elsewhere. Mr. Virgil Powers is the present commissioner.

THE PACIFIC RAILROADS.

Q. Please explain to the committee with reference to the railroad systems lying west of the organization which you have described—what they are, if any.—A. West of those associated roads I have mentioned are the Pacific roads.

Q. They are known generally as the Pacific roads, are they?—A. Yes, the Union Pacific and the Central Pacific. Then comes the Texas Pacific and the Southern Pacific. They are now in operation. The Northern Pacific has been added lately.

Q. And the Atlantic and Pacific?—A. The Atlantic and Pacific is another one, connecting with the Southern Pacific.

Q. Is there any association or practical plan of operation existing

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between these roads, or any of them?—A. There is no association between them—no organized association, although they are working together under some agreement regarding tariffs.

Q. All these three lines to the Pacific have some understanding as to rates, etc., among themselves, by which they abide?—A. Yes.

Q. Do you include the Northern Pacific?—A. No; they have only just been opened; they will be included, no doubt, in the course of time.

Q. If there is no organization, who are the men that substantially control those Pacific roads and harmonize their interests by these agreements between themselves?—A. In the first place, the presidents of the roads; but they do not pay much attention to the practical details. These are left to the general superintendents or traffic managers of each road; who make arrangements, under the direction, of course, and subject to the approval of the presidents of the roads.

Q. Have you now in a general way outlined the entire railroad systems of the country?—A. I have mentioned the main systems. I should have mentioned the southwestern system, comprising the roads west of the Mississippi River to the Gulf—the Texas and Arkansas and Missouri roads.

### THE WATER ROUTES OF TRANSPORTATION.

Q. Will you now mention the water-routes, whether by river or canal connection, that have to do the transportation of the country, either by connection with the railroads themselves or otherwise?—A. The principal water-lines engaged in the East and West traffic are via the lakes and the Erie Canal in the North, and the Welland Canal in Canada. The Mississippi River to New Orleans forms another important water-line.

Q. How important is that water-line in connection with the transportation interests of this country?—A. The water-lines that I have mentioned are very important factors in the transportation business of the country. They not only secure cheap transportation themselves, but they have the great advantage of regulating the railroad tariffs.

Q. Please explain how that is; that the water-lines regulate, or can regulate, the railroad charges.

### HOW THEY ACT AS REGULATORS OF RAILROAD CHARGES.

A. The cost of transportation upon the water-routes being cheaper, the railroads have to carry freights as cheaply, or nearly as cheaply. They can only increase their charges over the charges made by water-routes to the extent that they offer additional advantages; while somewhat higher rates can be charged by the railroads, the basis of their charges are the charges made by the water-lines. If they charge more than a certain amount above the water-rates, the business would all go by water. Not only is this the case where railroads come in direct competition with the water-routes, but the effect of these water-routes upon the rail transportation rates is felt throughout almost the whole country. This is the result of the great competition between the railroad companies themselves. As to the Erie Canal and Lakes, the railroads that directly compete with those routes between Chicago and New York must conform to the low water rates; but it is also necessary that, say, for example, from Indianapolis, which has no water connection with New York, the rates should be made upon the same basis as the Chicago rates—that is, the same rate per ton per mile, or nearly so.

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CHICAGO RATES THE BASIS FOR RATES FROM AND TO OTHER WESTERN POINTS.

That rule is almost a fixed rule now, adopted by the railroad companies; that whenever the Chicago rates are lowered the rates throughout the whole territory east of Saint Louis, Louisville, Cincinnati, Peoria, Columbus, etc., are lowered proportionately. There are so many roads that run from those points direct to the East, under independent management—they want a share in the business of the country. If they were to try to exact proportionately higher rates, say from Indianapolis or Saint Louis, than from Chicago, there would be enough margin left between the Saint Louis or Indianapolis rate and the Chicago rate to New York that freight could be sent from Indianapolis to Chicago, and then by railroad or canal from Chicago to New York. In order to prevent this the railroads that run direct from Indianapolis, Saint Louis, etc., to the East make the rates so low that the business must go over their roads, and cannot go to Chicago. While the water-routes only exist between Chicago and New York, the effect upon transportation rates is felt all over the country by reason of the competition between the railroads.

NOTWITHSTANDING COMBINATION, RATES ARE FIXED BY COMPETITION.

No combination of the railroads can suppress this competition. It could only be done if the railroads were all owned by one party and were operated in one interest. But as it is they have all separate interests, and each one guarding its own interest keeps up this competition, and even in agreeing between themselves upon rates, those rates are fixed by competition. This unfortunately, is not understood by the public. It is generally believed that when competing railroads agree upon uniform rates, that this excludes competition. This is not the fact. The effect of water competition is not only felt in the territory east of the Mississippi and Ohio Rivers, but is felt south of the Ohio River. For example: The low rates from Louisville, under the influence of the Chicago low rate, are felt at Memphis, Nashville, and farther south. Freight from Memphis is shipped to Louisville and gets a low rate from there, and the people of Nashville and such places get as much advantage from the low rates as if really located on a water course; so that the influence of the water transportation is felt almost throughout the whole country. That is the influence of the Erie Canal. To the south there is the water-route from New York to New Orleans via ocean, and from New Orleans freight is carried to Memphis and Saint Louis and the West via the Mississippi. In order to meet these low rates, the east and west roads from Louisville and Memphis or from Memphis to Norfolk east have to conform again to the low rates made by the Atlantic Ocean and the Mississippi River.

Q. That has reference to goods from east to west, as well as from west to east?—A. Both ways. In this way the water-courses are really regulating the railroad transportation rates throughout, you may say, the whole country. Of course the low rates from here to the Mississippi River are enjoyed by the people west of that river. Rates generally are higher west of that river, but the people west of the river get the benefit of the low rates east. In many other ways the water-routes help. The Ohio River, the Tennessee River, and the Cumberland River affect the railroad rates at the interior. There is plenty of competition that regulates the rates and keeps them at an exceedingly low figure.

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NO COMBINATION PRACTICABLE ON WATER-LINES.

Q. Will you please state how it is that there can be no combination of transportation interests by water as well as by land? Why can there be no combination so as to put up water rates as well as land rates?—A. It is hardly possible. The competition is only between canal-boats or steamboats; the water-ways are free to all. If any one boat or a combination of boats should try to charge too high rates, it would require a comparatively small capital to start new boats.

Q. I suppose that combination would be possible if the lines of steamers and canal boats were under one or two or three ownerships, just the same as by land-routes. Is not that so?—A. No; that could not be, because it is an easy matter to put on additional steamboats.

Q. It is easier to put on another vessel than to build a railroad?—A. Yes.

Q. That is the reason why competition can be established at so much less expense by water than by land, is it not? That is the reason combination is not possible over the water-routes?—A. Yes; I mean combinations for the purpose of charging excessive rates. Nor is it possible for railroads to combine for that purpose, because, as I have shown, the railroad charges are controlled by the charges on water-ways. The water-ways are free; nothing is paid for their use, and it requires very little capital to start competing steamboat lines. I may remark here that this competition between steamboats or water-ways is practically also restricted. For example, certain lines of steamers really control in a measure the river or lake transportation. Take, for example, the Hudson River, or the lake, and you will find that there are certain established regular lines of steamers. When a new line comes in, of course the old lines try to work it out, and make rates very low, and destroy it if they can. By that means, in the course of time, only one or two regular lines survive, and they carry the business. This is rather a benefit to the public, because the public have responsible parties to deal with instead of dealing with a great many irregular lines. These lines, however, can only charge reasonable rates, otherwise they would invite new competition, and it is the fear of that competition that keeps the rates within very reasonable limits.

COMBINATION OF LAND-ROUTES WITH WATER-ROUTES.

Q. What tendency is there to combination between the capital invested in water routes and in land-routes—that is, between the railroads and the water-lines?—A. There are certain arrangements by which railroads run in connection with steamship lines.

Q. I mean as to unity of ownership and interest, as, for example, in the case of railroads purchasing water lines, so that they may control the rates of both?—A. The Pennsylvania Railroad owns a steamship line from Erie, Pennsylvania, to Chicago. They have control of what is called the Anchor Line. The New York, Lake Erie and Western Road owns a water-line absolutely—the Union Steamship Line—running between Buffalo and Chicago. There is another steamship line between Buffalo and Chicago, that, while not owned separately by a railroad corporation, runs in connection with the New York Central Road. All these water-lines, while working with the railroads, are subject to competition, and their rates must be as low as by other water lines.

Q. The only continuous, uninterrupted line from the West to the East is by way of the Mississippi River and the Atlantic Ocean, is it

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not—the Erie Canal being frozen for a part of the year?—A. Yes. Sometimes navigation on the Mississippi is interrupted by low water, and sometimes by ice north of Cairo.

Q. But that is quite temporary, is it not—for a month or so?—A. Sometimes for a couple of months, and sometimes longer; and during some winters not at all.

Q. Do those interruptions come when the Erie Canal is closed or otherwise?—A. The interruption by ice comes during the time the Erie Canal is closed. In some years, however, there has been no interruption by ice. The low water generally comes during the summer months, when the Erie Canal is open.

### WATER TRANSPORTATION THE REGULATOR OF RAIL RATES.

Q. The real water regulator of the prices of fares and freights is the Mississippi River and the Atlantic Ocean, is it not?—A. And the Erie Canal.

Q. But the Erie Canal is liable to interruption?—A. During the interruption of navigation the Erie Canal still influences rail rates, although during the winter months the railroad companies are able to charge higher rates.

Q. Would they not be able to get still higher rates than they do but for the Mississippi River?—A. The Mississippi River is another check on rail rates; but it has not been felt very seriously yet in the grain business, however; it makes itself felt more now since the jetties were built at the mouth of the river. Since that time the grain exports from New Orleans have somewhat increased.

Q. I suppose the same is true of cotton?—A. Yes. If the railroads were to make very high rates it would throw more of the business over that route.

Q. You consider the improvement of the Mississippi River as a transportation route very essential to the advantage of the transportation business, do you not?—A. Yes.

### RAILROAD RATES COMPARED WITH WATER RATES.

It is the general impression that when the Erie Canal closes the railroads have it all their own way, that the railroads can then charge what they please. This, however, is not the fact, nor would it be if there were no Mississippi River. If the railroads were to attempt to charge high rates during winter time, business men would endeavor to throw most of the freight on the canal during the summer time, leaving the railroads nothing to do in winter. The railroad companies cannot increase their charges over the transportation charges by water more than the advantages are worth which the shippers receive by getting their goods promptly forwarded at all times. That is all the additional charge that railroads can impose, even in the winter time, over the transportation rates charged by the canal.

Q. Still that would make necessary the holding back of the crop?—A. It would, but the railroad companies do not want the crop held back, and they must offer such inducements that will move the crop during the winter season; and they do so.

Q. But are not the necessities of the farmers such as to oblige them to send the crop forward?—A. At present they have become accustomed to sending their crops forward, but before the railroads undertook to carry this low-priced freight the farmers had to hold their crop. Now

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the advantages of the railroads over the canal are such as to induce them to move the crop, and of course the railroads offer every inducement to them to move it.

Q. I suppose the capital in the grain-shipping business would be able to hold it back in mass, even if the farmers would not?—A. They would bring more in the summer time and store it at the seaboard or store it in the West, and keep it for the opening of navigation. There are seven months of navigation and only five months when there is none on the Erie Canal. I mention that to show that it is to the interest of the railroad companies to give reasonable rates even when navigation is closed.

Q. If there was a disposition on the part of railroads to exact heavy freights, is it a fact that the canal remains open for a sufficient length of time to move, if necessary, nearly all the crop to the seaboard during the closure of the canal?—A. A great portion of it. I suppose the entire crop could not be moved.

Q. There is not capacity enough?—A. No; and then it would not suit to get all ready in the seven months. The canal carries now about from 40 to 60 per cent. of the grain that comes to New York during the navigable season. It carries only about 20 per cent. of the total grain receipts at Boston, New York, Philadelphia, and Baltimore during the year.

### THE FIXING OF RAILROAD CHARGES.

Q. Will you explain as fully as you can to the committee the actual *modus operandi* or method by which this association arranges the fares and freights among the different roads—upon what general principles do you act—and, in fact, give us as correct an inside view of its operations and its useful or beneficial tendencies to the general public as you will?—A. It would be very difficult for me to explain fully to the committee the operation of this association, as the committee would have to be in a great measure familiar with many details in the management of this railroad transportation. I can only give, perhaps, a general outline of it. As I said before, the principal object of this association is to establish equitable and uniform tariffs over the roads represented on the committee as far as their competitive traffic is concerned. It has nothing to do with the local business of the roads. When two or more roads come into competition with each other for the same business, then it becomes necessary to have some understanding between these two roads as to the rates that should be charged for the same service. If one road were to charge one rate and another another rate, of course the road that would charge the lowest rate would do all the business and the other could not do any.

Q. That is competition, it it not?—A. Yes, but it don't work well in the transportation business. If there was no agreement as to uniform rates, shippers who would want to ship by one road would have to pay higher rates than shippers by another road. If these rates were kept secret the shipper would not know what the rates of the different roads were, and one shipper might thus get his goods shipped cheaper than the other. That would be unjust discrimination. It has become the practice of all railroads, and I think of all steamship lines, when they compete with each other, to agree upon a certain charge to be made by all routes for the same service, and let the shipper select his own route. That is generally called combination, and it is assumed generally that this combination is made for the purpose of exacting unreasonable compensation. But this is not necessarily so.

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Q. That is, as you say, generally called combination, and we hear, under the existing system of transportation, that competition is the natural regulator of fares and freights; and the natural protector of the interests of the public in that regard. Is not then the direct purpose of this association to prevent that natural competition which is supposed to protect public interests?—A. These associations cannot control the natural and legitimate competition, as I have already stated.

Q Right there, I wish you would make your explanation as clear and full as possible.

LEGITIMATE COMPETITION DISTINGUISHED FROM RUINOUS COMPETITION.

A. We have to draw a line between legitimate competition that is the life of trade, and competition that results simply in the ruin of the parties that are engaged in the competition. The object of these associations, besides that of giving uniform tariffs, and arranging through tariffs for the whole country, is to prevent ruinous competition. I think the competition between railroads is somewhat different from the competition in other business. Competition between private parties soon comes to an end when prices get so low that they cannot carry on any business. A railroad company, however, can carry on competitive business for a long time at non-paying rates, and either not find it out, or else make the traffic for which there is no competition pay for the losses incurred in the competitive business.

Q. I suppose an instance of that is where they make up on local charges what they lose on the through charges?—A. Yes.

CHARGES ASSESSED ON THE VALUE OF SERVICE.

The proper plan is to assess the railroad charges in accordance with the value of the services rendered. Nobody should ask services for less than cost. The tendency of this railroad competition is, that by one road underbidding the other on the competitive business, the rates soon become so low that the business is worth nothing. They have often carried it, and sometimes carry it yet, at less than cost, and this is not to the advantage of the public. The public can always afford to pay reasonable rates for the service. It is not to the advantage of the public at large to do otherwise, because if you send all these railroad companies into bankruptcy, and thus ruin the people (who are really the owners of the railroads), you ruin the credit of the country, and you ruin the industries that are dependent upon railroads, such as the iron industries and the other manufacturing establishments which furnish supplies to the railroad; you also necessarily reduce the wages of the laborers. When railroads cannot earn any money, the laborers employed on the roads have their wages reduced, or frequently lose their pay altogether. I may refer to the difficulties which arose in 1877, during and after a long railroad war, when so many of the employés rose and "struck." This was the result of low wages or reduced time of labor during the railroad wars.

EFFECTS OF COMPETITIVE STRIFE BETWEEN RAILROADS.

In fact, it is hardly necessary to demonstrate that it is not to the interests of the people to have the railroad companies do work for less than cost; and this would be the inevitable result if they engage in competitive strife (as I will call it to distinguish it from legitimate competition). The nature of the business is such that when one railroad

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underbids another in order to secure a little more business, as soon as the other finds out that it has been underbid, it has to underbid its rival still further, and so rates go down and down, until, as in 1881, freight was carried from Chicago to New York (1,000 miles) for 8 cents a hundred. This is a loss of from 8 to 12 cents a hundred in doing the mere work, not to say anything of interest on capital invested.

Q. What is the actual cost?—A. Anywhere from 16 to 40 cents—Chicago to New York. It depends upon what you count in the cost. The mere additional cash cost of moving 100 pounds of freight from Chicago to New York may be estimated at about 16 cents on grain. The average cost of all classes of freight, taking in general expenses, would be about 24 cents; and taking in interest it would be about 40 cents per 100 pounds. I will have to explain this subject more particularly later on, but upon the lowest estimate, the charge of 8 cents, made in 1881, was about only one-half the actual outlay of money, not to say anything about investment. But apart from the ruinous result to the railroad companies, these railroad wars are objectionable as far as public interest is concerned. During these wars each road makes its own tariff without any agreement with its competitors as to uniform rates. It may make changes from day to day in these rates, and the shippers do not know what the charges will be for twenty-four hours to come. One man may have laid in his supplies at the regular tariff, to-day, and in a week from now the tariff is down to one-half of what it was then, and he is at very great disadvantage compared with his neighbor who lays in his goods a little later.

### RAILROAD WARS.

The results of these railroad wars are most injurious to all interests, and the shippers understand this well enough. They are most satisfied when they have uniform rates, and when these rates are permanently maintained. Although, strange to say, while they want uniform rates permanently maintained, they also want competition between the railroads; that is to say, they want the railroads to underbid each other. It is clear that they cannot have both peace and war between the railroads at the same time.

### OBJECTS OF COMBINATION.

Now, it is for the purpose of establishing uniform tariffs, and to maintain the same without great fluctuation, to prevent ruinous wars, and the bankruptcy of railroads, which would necessarily follow, that these railroad associations are established; it being their object to agree upon the proper tariff to be charged, and to have that tariff made known to the public, to prevent railroads from making reductions secretly in these rates, and to make charges alike for the same service. That is the object of these associations. And it is a very important object; in fact, if fully obtained, we would have reached the solution of what is generally called the "railroad problem." In my opinion it is only upon this plan of association, now adopted by many railroad companies in this country, that the evils of the transportation business, heretofore experienced, and of which the people so much complain, can be remedied.

### PRUSSIAN SYSTEM—STATE-GOVERNMENT OF RAILROADS.

In Europe, especially in Prussia, this object has been obtained by the purchase on the part of the Government of all the railroads in the country. This puts them all under one control, and enables the Government

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to make uniform tariffs and strictly maintain them. This plan, however, could not be followed in this country.

### AMERICAN SYSTEM—SELF-GOVERNMENT OF RAILROADS.

Here we must accomplish the same end by voluntary associations of roads under what may be called a self-government. Between the two modes of dealing with the railroad problem, I think the one adopted here is much more suitable to the spirit of our people and the character of our Government. I merely wish to call attention here to the necessity and importance of the work which these railway associations are to accomplish. The difficulties encountered in endeavoring to accomplish this work are as great as is its importance. How are some twelve hundred independent railroad companies, each having separate interests, to govern themselves so as to secure to the people, over 120,000 miles of railroads, throughout this immense country, uniform tariffs—tariffs that operate justly upon all sections of the country, justly between commercial communities, between rival cities, and between individual shippers? That is the problem to be solved. It can not be solved by each individual road following its own course and making its own tariffs without reference to the tariffs of other roads. The work to be done can only be done by the joint action of all roads that are jointly interested in the same traffic and that can influence each other's tariffs.

### HISTORY OF ATTEMPTS AT JOINT ACTION.

Ever since there have been competing roads, efforts have been made, arising from the nature and necessity of the case, to act jointly in all matters of joint interest; and this for the reasons above stated. But the methods that were frequently adopted for such joint action were defective and inefficient. Representatives of railroads would hold conferences and discuss the subject matters that required joint and uniform action on the part of many roads. They could hardly ever be all got together, and if they came together they could hardly ever agree; but if they did agree, the agreements were hardly ever carried out, at least not for any length of time. There was no authority to see that the agreements were enforced. Considering the complicated transactions covered by the agreements, it was impossible that these agreements could carry themselves out, without supervision or control. Yet, strange to say, that was expected. The history of railroad management in the past records the complete failure of these efforts; and nothing else should have been expected.

In 1874 the first effort at some sort of organized co-operation was made by the roads, which are now represented on the joint executive committee. I refer to the agreement known as "The Saratoga compact." Some seven commissioners were appointed, whose duty it was to control the rates. The organization was imperfect, and it soon fell to pieces. But it taught its lesson.

### SOUTHERN RAILWAY AND STEAMSHIP ASSOCIATION—METHOD OF OPERATIONS.

In 1875 the Southern Railway and Steamship Association was organized. (I have already referred to it.) It provides for a complete government of the subject matter with which the association has to deal. The representatives of the roads come together and form a legislative

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department. There is an executive officer who carries out the resolutions of the legislative department. If the representatives of the roads do not agree there is a judicial department that decides the question at issue between the contending parties. Majority does not rule. All questions of difference are to be settled judicially. They are to be submitted to arbitration. The interests of each individual road can thus be protected, which would be impossible under a majority rule. This is the principle upon which the Southern Railway and Steamship Association was established, and the joint executive and other associations have adopted the same principles. The only defect in these organizations is that there is no authority to legally enforce agreements. The voluntary consent of all parties is necessary, and it may be considered surprising that under these conditions the government of the railroads by these associations has been as successful as it has proved to be; although it is still very imperfect, it is a great improvement upon former methods.

The difficulty is not so much in arranging the joint tariffs, because there are certain principles that guide this work. The tariffs are generally determined for the railroads by other conditions and competition such as the water routes. These latter are really the tariff makers for the whole country.

Q. Are they included at all in this association, or in any association?—A. Some of these connecting steamship lines are included in the Southern Association, but none are included in this association—no water lines.

Q. This association, however, owns some water-lines themselves?—A. Some of the roads in the association own water-lines, but those lines are operated distinctly and on their own merits.

Q. But they have no connection whatever with the easterly end of the Erie Canal?—A. No; they carry freight to the canal as well as to the railroads. They are operated entirely as independent organizations.

### THE ERIE CANAL—ITS TARIFFS, BOATS, AND NUMBER OF BOAT OWNERS.

Q. How are the tariffs on the Erie Canal fixed?—A. That is simply a matter between the boatmen. The supply and demand fixes that from time to time.

Q. The canal boats are owned largely by individuals, are they?—A. Altogether, I believe.

Q. And how large ownerships in number of boats are in a single man?—A. I could not tell you, but my information is that they are mostly men that own one boat.

Q. And they are mostly in competition with each other?—A. Yes.

Q. There is no combination that you are aware of between the boatmen or owners of canal boats?—A. No; none that I am aware of; they make their rates according to supply and demand.

Q. Have you any approximate information or impression as to the number of boats?—A. My recollection is that there are about five thousand; but I could not be quite sure.

Q. The ownership is divided between two or three thousand men, I suppose?—A. Perhaps so. I have no exact information, but my impression is that they are generally owned by men who own only one or two boats.

Q. Do you know whether, as a matter of fact, there is a sharp competition among them for freight?—A. I do not know how they manage

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among themselves, but in Buffalo they operate through brokers, who make the rates for them generally, and that depends upon the amount of business that is there. There are, of course, certain limits below which they cannot go.

Q. Do railroads come into business connection with these brokers?—A. No; they are canal brokers. They deal with the shippers mostly.

Q. Not with the railroads?—A. No; not with the railroadss, but with the shipper of grain that comes into Buffalo by lake.

Q. Have any of the railroads capital invested in the grain trade as shippers?—A. Not that I know of—not as railroad companies. Private managers may, but I do not know any that have. Railroad companies are never interested in the grain business.

Q. You do not understand that any prominent or heavy railroad managers are also interested as shippers?—A. Oh, yes. There is David Dows, one of our heaviest shippers in New York, who was President of the Rock Island Railroad for many years, although he is not now.

Q. But is it in such way that there could be combination between the railroad managers and the shipping interest?—A. Oh, no; I never heard of any. They are put on the same footing as others, and there are none that I know of interested in the trunk lines.

### FURTHER REASONS FOR ASSOCIATION OF RAILROADS.

I was going to proceed in response to the main question, however. I think I have explained why it is necessary that there should be an agreement between railroad companies as regards the establishment and maintenance of tariffs. Of course, I could say a great deal more to show the reason for that.

The CHAIRMAN. It is well to say all that occurs to you, because this is a vital part of the subject.

The WITNESS. The business of the country could not be carried on without these agreements between the railroad companies. For example, at present the railroad companies agree together to make a rate to Chicago. There are, perhaps, three or four roads that constitute one through line to Chicago. They have to arrange among themselves for the through rate; how it shall be divided among the roads, and how the cars shall be distributed, and how many cars shall be furnished by the different roads; and there are a great many different things entering into the question that it is not necessary to state. I wish to show here the necessity for the railroads co-operating, or as is generally called (to make it odious), "combining," in order to furnish these facilities to the public. There was a time when they did not do this, and if a man wanted to make a shipment to Chicago, he had to ship first to Buffalo to a commission merchant there, who took charge of the goods there, and then transferred them to some other road, until, the goods finally reached their destination. Now, in order to get over all these difficulties, the railroad companies "combine," and assume to give a through bill of lading to Chicago, and they guarantee a through rate. Under the old system you could never be able to know what you had to pay for your freight. One charge was made from here to Buffalo; another from Buffalo to Erie; another from Erie to Cleveland, and so on until you reached Chicago. You can understand at once what a tedious and unsatisfactory way of doing business that must have been. In order to facilitate the business of the country and accommodate the public, the railroads "combined" to make these through arrangements. The initial road—that on which the freight originated—gives a through bill of

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lading and receipt, guaranteeing to deliver that freight in Chicago, and it assumes all the responsibilities of a forwarder beyond the line of its own road.

Q. You are speaking now of freights going west?—A. Yes, or freights coming east; not only to and from Chicago, but to and from all the little villages and hamlets of the country, even where there is no railroad communication.

### ADVANTAGE OF THROUGH BILLS OF LADING.

The railroads are now in the habit of issuing through bills of lading, guaranteeing the delivery of goods at destination, collecting the charges from each other, so that the shipper has nothing to do but to ship his goods to the consignee at the point of destination who, upon receiving the freight, pays the full charge. This saves a great deal of labor to the shipper.

That system is now in full operation throughout the country. Perhaps in no country in the world is it so perfect as here. You can get a rate to any point in the country and get a through bill of lading.

Now, in order to give a rate to a shipper to any point in the country, it is necessary that the railroads should come together and establish the rate, and that it shall be understood and made known to the public. It is one of the objects of this association to do that. In other words, instead of a shipper having to deal with forty or one hundred railroads, these roads are practically operated as if they were a single road, so far as the accommodation of the public requires. Taking the several roads from here to Chicago constituting one route, not only is it necessary that they should agree among themselves, but there are about fifty different routes or combinations of routes, by which goods can be shipped from here to Chicago, and in order to give people one uniform rate from here to Chicago all the roads constituting these routes have to come together and agree upon uniform rates. The question is what shall that uniform rate be.

### FACTORS IN FIXING RATES.

The idea generally entertained is that railroad companies can ask anything they want. But, there is the competition with water routes, the competition in the markets for the articles to be transported, and other conditions influencing rates. The point is for the managers of these roads to come together and study the conditions under which they have to do business, and to adapt their rates to these conditions so that they may induce shippers to ship by the railroads. That is the problem. What the rate shall be is a matter of judgment and experience. If you make a rate that does not bring you any business, it is very soon found out.

Q. Is the result of that, practically, that all have to ship at that rate at which the route having the greatest advantages can do it?—A. All roads have to conform to the rate that is charged by the road that can or wants to make the lowest rate.

Q. But still the road that can carry at the lowest rate wants to get all it can?—A. Of course it does, and so do all the others, but the rates are limited by competition and condition of trade.

Q. And is there not, on the other hand, a tendency among the other roads to hold the charges as high as possible, and is it not to the interest of that road having the greatest facilities to conform to that higher

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rate, and make all the more profits?—A. It is to the interest of all to get as much freight as possible; it is for their interest to make such a rate as will induce freight to move. If you charge too high rates you get very little business, and it is better to encourage business and get more at reasonable rates. Of course there are certain limits to which only you can go, below which the business becomes unprofitable.

Q. Here are four routes, one of them a weak route, but having, by far, the greatest natural advantages, and able to carry really cheaper than any other; and the other a very strong route, but likely to be injured in its business if the cheaper and weaker route is used as the carrier. How would the rates be fixed in that case?

THE CHEAPEST ROUTE FIXES THE RATE FOR COMPETING ROUTES.

A. In that case, as a rule, the cheaper and weaker route would not care about the others. If they could make a rate so low that they could make a profit on it, and the other road would lose money, they would make the low rate.

Q. It is a matter of calculation of interest, of course, but I would like to know what the fact is in the operation of this calculation. Do these weaker roads, with greater facilities, practically fix the rates at such a figure as they can carry and do the business, or do the stronger roads who would be injured by low rates succeed in fixing the rates? Take the New York Central, for example, and suppose (without discussing whether that be the fact or not) that it is a very much stronger road than the Baltimore and Ohio, but that it cannot do such business as would naturally come to the Baltimore and Ohio route at the same rate at which that business can be done by the Baltimore and Ohio road—then would not the stronger route fix the higher rate, and would not the weaker route, carrying out the higher rate, be able to make more money than if it had a larger proportion of the business and carried that at as low a rate as possible; and to avoid that might not the New York Central say, "We will fix it at this rate?—A. I do not think the New York Central would have any influence, in such a case upon the Baltimore and Ohio. The principle upon which they all act is that each road wants to make the most money that it possibly and legitimately can make. The question is, what rate will do that? If the rate is too high, they won't get the business, and if too low, they won't make much money. It takes a good deal of experience in order to fix the rates properly.

Q. Is it or not a matter of fact, in the operation of this pool or association, that the road able to carry at the lowest rate fixes the rate?—A. Yes, it is. It fixes the rate for all the others. That is the rule and the fact, and the rule is established simply because the other roads which want to charge higher rates cannot help themselves. Whenever a road wants to make a low rate nobody can keep it from doing so.

Q. If that is so, why is there an advantage in the combination?—A. The advantage of the association is, that all competitors know what that rate is and can conform to it.

Q Simply for publicity as to what the charge is?—A. Yes; but, of course, the roads consult together. Each one has studied the existing conditions; each has agents all over the country, who know what rates are necessary in order to move the business; there are hundreds of agents all over the country that get information from shippers and merchants as to what is necessary in order to move the freights, and they report

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this information to their chiefs, and these come together, compare notes, and determine what the proper rates should be.

### THE ASSOCIATION A CLEARING-HOUSE FOR RAILROADS.

Q. Is it true, then, that in its primary capacity your office is a great "intelligence office" for the railroads?—A. It is, as I said before, a clearing-house, in which the railroads come together and compare notes and adopt the necessary measures to meet the ever-changing conditions.

Q. These rates are published, I suppose?—A. All the rates agreed upon in my office are published.

The CHAIRMAN. I do not know but that I broke in upon the current of your explanation, and you may proceed with that.

The WITNESS. I had answered, I think, the first part of your inquiry, the reasons for the existence of this office, and the methods employed in it.

### ITS COMPARISON TO THE FEDERAL SYSTEM FOR STATES.

I might explain further, that the relation of this office to the various railroads having established it is pretty much like the relations of the Federal Government to the several States. It attends to the general business in which all the roads are interested, the same as the Federal Government transacts the business in which all the States have a common interest. If, for example, each State were allowed to make its own tariffs, and levy tolls and duties on commerce, without any restraint or agreement between all the States, it would lead to a terrible condition of affairs; and so, likewise, it would if all the railroad companies should do the same thing each for itself. To compare the railroads under the organizations which I have explained with the States under the Federal Government, each road would represent a State. If each road, acting for itself, would make its own tariff, levying its own duties, you can see that it would lead to a great deal of confusion, just as it would if the separate States of the Union were to establish tariffs and collect duties separately, each for itself. The railroads have established a general government; all roads come together and legislate as to the uniform tariffs and freights that should be charged, and appoint an executive officer to see that these tariffs are complied with. The fact that in all countries where there are railroads there are these institutions in a more or less organized form, indicated the necessity for them.

### "RAILROAD UNIONS" IN GERMANY.

In Germany they have what they call the "Railroad Unions," dealing with the same questions that we deal with here in my office.

Q. Something like a trades union?—A. The trades unions are of the same character.

Q. It is a trades union among the railroads?—A. A trades union, whether among railroads or among the merchants, such as the chamber of commerce or produce exchange, or a union among the merchants or laborers. All have the same object, to improve the condition of the members composing the union.

Q. You can hardly attack the principle upon which one is founded without assailing the principle of the other?—A. I am in favor of all unions for the purpose of effecting good for the people, no matter what they are called. The same principle underlies them all. Sometimes, of course, the execution is different from what the theory is.

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Q. Abuses might arise out of a good system?—A. Yes. But the principle is right.

### RAILROAD CLEARING-HOUSE IN ENGLAND.

In England the railroads have what is called a "clearing-house," which is an incorporated association formed by all the railroads, or nearly all the railroads of England. In that clearing-house they deal with the same questions that we do under different rules and organizations. The English clearing-house makes the money settlements between the different roads, instead of each link in the chain of routes settling with the other; they settle through the clearing-house. The clearing-house is incorporated by the Government and it has worked for the last twenty or thirty years very satisfactorily.

Q. Do I understand you that its functions and action are very much the same as those of your association?—A. Yes; its practical working is the same, except that it takes into account the settlement of money matters, which is not yet done here. And here I may say that it is very unfortunate that these railroad associations here, in this country, have been called "pools." This a very misleading term. What might more properly be called a "pool" is an entirely different thing, and I will explain this further on. You might just as well call the association of merchants, known as "chamber of commerce," or "produce exchange," or the "Government of the United States" a "pool."

Q. This association is a purely voluntary association, while that in England is an incorporated one?—A. Yes. They have the right to collect debts and enforce rules among themselves, which we have not here.

Q. That is, they may do so through the courts of law?—A. Yes. It is a very excellent institution.

Q. This is a voluntary association here?—A. Yes, altogether.

Q. Yet is it so far a matter of contract that the agreements might be made subject-matters of litigation in case of breach?—A. This question has never been tested. I think myself that it ought to be made so. And, I also think, an institution like ours ought to be incorporated in order to make it so. We find a great deal of difficulty in carrying out our arrangements, because any man can withdraw from it who sees fit, or violate the established rules without being punished.

Q. It is simply now an arbitration which cannot be enforced by law?—A. I suppose it might be enforced by law even now, although it has never been tested. I suppose any legitimate agreement between parties might be enforced.

### RAILROAD PROGRESS LIES IN CONSOLIDATED MANAGEMENT.

I have shown the necessity, and the benefits to be derived from the railroad companies working together in this way. In fact, it ought not to require much argument to show the necessity of it. I think the general drift of public opinion has long been that the railroads should all be under one government—and under the National Government—and that arises from the fact of difficulties coming up in the management of so many different railroads which makes it almost impossible to carry on the transportation business in a proper way. The same difficulties were experienced in all countries. In Prussia all the railroads are operated now under state control. Prussia has purchased all the railroads of the state. The reason for that is precisely the same as the reason for our associating together, and trying to work the different railroads



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as one railroad. The experience of the whole world is in the direction of uniform and consolidated management—at least of the commercial part of railroads.

Q. The "commercial part"—what other part is there?—A. There is the technical management of railroads. That, of course, might be left to each separate corporation as they would most intelligently and readily attend to it, although co-operation in that is desirable.

Q. That is, the care of their road bed and rolling stock and their corporate existence, etc.?—A. Yes; and also the management of their local affairs. This association only takes cognizance of competitive business, when more than one road are interested in the business. The local business can be best done under the management of the local authorities. They can understand it better, and it would be a very bad plan to have the management of all the railroads of the country centralized in one office. It ought only to be centralized to the extent necessary to conduct the general business of the country, in which all or many roads are interested, so as to prevent confusion and war, and all the consequences that would follow war. The local development and management ought to be left to the local interests, as the management of purely State affairs is left to the separate States; the General Government of the country attends only to affairs in which the States have a joint interest. So with the railroads. Let each road manage its local affairs according to the circumstances of the case, and only co-operate in the general government in establishing tariffs that affect business beyond their line of road and which affect other roads than their own.

The CHAIRMAN. Were you going on to other matters?

### REASONS WHY RAILROADS CANNOT FIX RATES ARBITRARILY.

The WITNESS. Having shown the necessity for this association, I want now to remove the impression that exists—although I think I have already partially done so—that these combinations could control rates in such a way as to exact more than a fair compensation for the services performed. This is also a very broad question, and if you should think I go too far into detail I wish you would stop me.

The CHAIRMAN. We would like to go as far into detail as you have the slightest inclination to do. The more explanation of these matters we get the better we can understand them.

The WITNESS. The rates of transportation are not in the power of the railroad companies to fix, arbitrarily. They are regulated by so many conditions and influences that there is no danger that the railroads can exact unreasonable compensation. The danger, I think, is rather the other way. The question is whether the railroad companies can carry on business at such low rates as are forced upon them. Not only the water-way, as I have explained, control the rates almost completely—limiting them, at any rate, within very narrow limits—but the competition of the markets for the products that are to be carried is another great factor in fixing railroad transportation rates. The price of grain, for example, is not fixed by railroad companies; but is fixed in the markets of the world. That price is generally regulated now by the Liverpool market, and if railroads want to carry any grain they have to carry it at a price that will enable the producers to compete in the Liverpool market with the markets of the world. The East India wheat, and Black Sea wheat, have even become factors in making railroad rates from Chicago to New York. There is therefore no danger

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whatsoever of any excessive charge being made. The object of this association, as I have said before, is to fix upon a uniform rate. The limit of the rate generally is very closely fixed. This is the case with every commodity. Take, for example, sugar. That article is now being carried for 25 cents per 100 pounds, from New York to Chicago. That is a quarter of a cent a pound, which is a very small charge upon that article for its transportation over such a distance, nearly 1,000 miles. The reason for this low rate is that sugar is carried to the West by the Mississippi River. New Orleans is a great sugar market, and if the railroads of the East want to compete with this market the rates must be fixed so low as to meet that competition. There are other articles that require very low rates in order to be transported at all. For example, coal and iron, and all like heavy and cheap articles. The tariff is fixed by the market price for the products in different places in the country. The railroad transportation charges can never be more than the difference between the market value of the articles in different markets—that determines for the railroad companies their charges in a great measure. And therefore this cry about the railroad companies, or a railroad combination exacting arbitrarily from the people unjust compensation for their services is all gotten up for other purposes than to tell the truth.

### RELATIVE IMPORTANCE OF LOCAL AND THROUGH BUSINESS.

Q. I wish to ask you a question now, which, if it interferes with your continuous answer, you may let pass for the present and take it up later. I want to learn from you in which way the country pays most to the railroads—whether in the form of rates or charges such as are arranged through your association, or for local rates or charges? That is, which is the greater source of income to the roads of this country, as a whole, the through business or the local business?—A. That is very different on different roads.

Q. But, I say, take the country as a whole. Do people pay more as local charges, or as through charges?—A. You mean in the aggregate?

Q. The aggregate.—A. I could not tell you that without looking further into the matter.

Q. Could you tell what it probably is over the roads that are in your association—which is most important to them, in other words—the through business or the local business?—A. The local business is the most important. The through business is a mere incident of the business of a road.

Q. Is not the effect of all this to sacrifice the interests of people who live along the line—paying these local charges—to the interests of those who make long shipments between these competitive points?—A. I think the effect is quite the reverse; the through business is more often the protection of the local business.

Q. Including passengers and all?—A. Yes.

Q. In that connection I would like a full explanation of this apparent conflict between the through and the local charges.

### LOCAL CHARGES AFFECTED BY THROUGH CHARGES.

A. The local charges are, in a great measure, affected or regulated by the through. In the case of a railroad war, where the roads lose money on the through business, they would of course try to make it up on the local business; and the local charges would in comparison

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with through charges be much higher and unjustly discriminating. Hence, the operation of the association is to maintain a paying through rate, as high as it can be got (which is never very high), and in that way they can rather lower the local rates and properly adjust them to the through rates. The principle that is adopted by most railroads is, that when a proper, a reasonable, and profitable through rate is established, they graduate their local rates by it.

Q. What is the relation between them?—A. For example, the Pennsylvania Railroad would not charge more to a place 50 or 100 miles this side of Chicago than to Chicago, and they might charge less—not, perhaps, in full proportion to the mileage, but to some extent so. They would graduate the rates this side of Chicago on the Chicago rate. But, when there is a war of rates—when they charge only 10 cents to Chicago, they cannot reduce their local rate in proportion; then rates to the local points are comparatively higher. That constitutes one of the greatest objections that people have to railroad tariffs when rates are comparatively so much lower to competitive points than to local points. This can all be done away with. When the through rates are maintained reasonably high, then they can adjust their local rates accordingly, and keep the local tariffs in line with the through tariffs so that there will be no unjust discrimination—so that a man 20 miles this side of Chicago will not have to pay more than a man at Chicago, which he would have to do in case of a railroad war. In a properly regulated tariff that does not occur. That is the reason why through rates should be maintained. It protects the local shipper. It does not make so much difference to shippers what the absolute rates are, the comparative rates are of more importance.

### GRANGER LAWS.

The low rates at competitive points, compared with high rates at local points gave rise, I think, some years ago to the Granger legislation in portions of the West. In the State of Illinois, for example, the roads were crossing each other at every 10 or 12 miles, and wherever two roads crossed they went into a fight with each other, and put the rates down to almost nothing, while on each side of the competing stations they kept them up; and that led to a great dissatisfaction among the people, and justly so. The railroad managers have learned something by that experience, and are trying to keep up the through rates and adjust local rates in proportion. This unjust discrimination formerly practiced, has now, in a great measure, been done away with. That is one of the advantages of these associations, regulating the competitive tariffs. Whenever a tariff is fixed from one point—for example, from Chicago—those to other points are adjusted accordingly and kept in harmony with each other; this prevents unjust discrimination.

### RELATION OF RATES ON LONG AND SHORT HAULS.

Q. Are there instances where more is charged for the shorter haul than for the longer one? For instance, more charged for drawing freight from Philadelphia to some point between Philadelphia and Chicago than from Philadelphia to Chicago?—A. No; they are not when through tariffs are maintained. But there are instances where a rate to an intermediate point may be higher than a rate for a longer distance. For instance, from here to New Orleans the rate may be 40 or 50 cents per hundred pounds, and to Atlanta perhaps a dollar; but this is not unjust discrimination, and does not operate against Atlanta. Points that

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are not on water-courses have to pay more than points that are; that is in the nature of things, and railroads, of course, have to conform to the settled state of affairs. Railroads do sometimes engage in carrying business from here to New Orleans for 50 cents, in order to compete with the steamship lines, while they charge a dollar or more to Atlanta, an intermediate point.

Q. What is your view of it? Ought not these railroads to leave the business to the water-routes?—A. They will not do that, and it is better for the public that they should not. They keep the steamship lines in order. This sort of competition is constantly going on.

KEENNESS OF LAND AND WATER COMPETITION.

We had an example the other day of a case where a line running from here to Savannah went into the Louisville and Cincinnati business. In order to secure business from here to Cincinnati, they took it to Savannah first; the goods are then about as far from Cincinnati as when they started from New York. That is the kind of competition that is constantly going on. If roads cannot do the business for one price, they will do it for another as long as they can do the business without actual loss of money.

Q. I suppose that as the interior is absolutely dependent upon railroad communication for its shipments (before those shipments can reach any sort of water communication), the railroads must be able to make such charges as will enable them to exist; otherwise, they could not do the business at all?—A. Yes; of course, they must make higher charges; but they are even limited by the water competition. Atlanta is an interior point, and the rates are higher to that place, perhaps, than to other places. Yet, there is water communication from here to Savannah and from here to Charleston, and a very short rail line from there to Atlanta, so that the water-routes again control the direct railroad lines. The road running from here direct to Atlanta cannot charge more than is charged by the steamship company running to Savannah or Charleston; and so that fixes the rate again. So, you see, that at every point you can mention there is some restraining influence.

Q. Do you believe that rates are cheaper between New York and New Orleans by water than if there were no railroad communication between New York and New Orleans?—A. I know that there was a war between railroads and steamship companies for months and months, and they were cutting freights down almost to nothing—25 cents a hundred to New Orleans.

Q. Do you think those wars have increased the cost of railroad transportation to the interior?—A. Oh, no. Those wars are only carried on temporarily. When the war is over they come back to paying rates. Still, the steamships and railroads keep each other in check. If the steamship company can make a low rate, and they always can make much lower rates than railroads, they won't make it profitable to a railroad company to come in and take away business. Their object is to keep the rate so low that the railroad company cannot do business, or at least make it unprofitable for them. That is an influence that operates constantly in fixing the rates.

TENDENCY OF RAILROAD CHARGES TO A REDUCTION.

Q. What has been the effect on the course of transportation charges since the organization of this association of yours?—A. As I said before, all these railroad charges are entirely independent of these asso-

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ciations. It can be shown from the experience of these associations that the tendency of rates is to go down constantly if not arrested by them. When the Southern Railway Association was first formed the rate from New York to Atlanta was $1.60 on first-class goods. Now it is $1.25; and I think that in a very short time it will be $1. These rates are always regulated by other factors than by the association. The association simply conforms to the conditions under which the rates must be made; but if you would go through these statistics you would find that the tendency of rates is constantly to be lowered. The rates, for example, to-day, on grain are much less than they were three or four years ago, but can never be as high again.

### SUFFICIENCY OF TRANSPORTATION MEDIA.

Mr. PUGH. Are the railways and water-ways combined able to furnish transportation sufficient for the surplus food crop that seeks market?

The WITNESS. At this present time?

Mr. PUGH. Yes.

The WITNESS. Oh yes, sir; more than sufficient. I think we have some facilities to spare.

Q. You mean that the means of transportation are sufficient for the surplus food crop of the West?—A. Yes, sir. So far they have been. In fact, there are two new Eastern trunk roads built that carry that business now, in addition to the five that existed before, and they are not only sufficient to carry the amount of the crop that is raised both for the domestic consumption and for export, but they have not enough work to do.

### PROPORTION OF FREIGHTS CARRIED BY RAILROADS AND WATER-WAYS, RESPECTIVELY.

Q. You say that about 60 per cent. of this freight is carried by the water-ways?—A. I said that of the grain coming, during the summer months, to New York; about from 40 to 60 per cent. of it comes by canal.

Q. When the canal is open, it carries about 60 per cent.?—A. Yes, of the grain that comes here to New York.

Q. The bulk of that crop comes over the railroads before the canal is closed up by the ice?—A. I suppose 20 per cent. of the total receipts of grain at the Atlantic seaboard would be carried during the year by the canal; but it differs in different years. Sometimes the canal carries less, and sometimes more, and from 40 to 60 per cent. of the grain received at New York would come here by the canal during the navigable season.

Q. From 40 to 60 per cent. is carried by the water-ways while in competition with the railways?—A. Yes, to New York; and only 20 per cent. of the total shipments to the Atlantic seaboard during the whole year.

Q. The balance of the crop, then, that is on hand for shipment, when the water-ways are closed up by the ice, is left to come by the railroads alone, and they have to furnish the means of its transportation?—A. Well, not alone. There is the Mississippi River, you know.

Q. But I mean for eastern ports and markets?—A. Yes.

Q. Now, are the freight rates the same in the summer months, when the roads are in competition with the water-ways, as they are when the ice closes up the water-ways and the railroads enjoy a monopoly of the

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freight—do the tariff rates continue the same?—A. Rates are generally, if not always, lower in summer than in winter.

Q. Then, in the absence of the competing power of water-ways the freights are raised by the railroads?

SUMMER AND WINTER RATES—REASONS FOR THEIR DIFFERENCE.

A. The freights are raised by the railroads, yes—if they can—if the market is so that they can raise them.

Mr. PUGH. We understand the reason. It is the absence of competition.

The WITNESS. May I suggest another reason?

Mr. PUGH. Certainly.

The WITNESS. During the summer time the railroads carry the grain to the East for less than it costs them to do the work, if interest on capital is included in cost. In the winter time they try to charge a little more.

Q. To make up?—A. No; to charge more nearly what it costs them to do the work. Even in the winter time they do not charge more than it costs. I think they generally charge less. Grain transported to the East at a 25-cent rate, for example, at present does not pay the railroad companies enough to pay the interest on their investment, or a proper proportion of it; and, therefore, whenever the competition allows, they put in rates that will pay them something. That is the reason they raise the rates in the winter time. There is another reason that could be given, namely, the increased cost of operating roads in winter—though this is not the real reason—the real reason is that they can get pay for their work in winter time; in summer time they have to do work almost without profit. If you take the difference in cost of transportation for grain, I mean of doing the work in the winter time as compared with summer, I think it would alone justify the increase made in the charges. In winter time, when the snow is on the roads, perhaps five locomotives may be required to haul a train, while in the summer time it can be hauled with one; and the extra cost on account of delays and stoppages and interferences by snow, etc., would justify an increase in the charge for transportation. If the charge in the summer time was a proper one, it might, in the winter time, be higher, and still be a proper one; or if the charge in summer time was too low, an increase in winter time would still more be justified. But this, I say, is not the reason for making the advance. The reason is that the roads can get more for the service, and they are entitled to more as long as the rates charged are perfectly reasonable.

Q. I understand you to say that the water-ways are the real regulators of the tariff rates on your railroads?—A. Yes.

Q. And that, notwithstanding this combination of the trunk-lines and their connections, the rate of freight is regulated by the water-ways?—A. Regulated, yes.

RATES FIXED WITH A VIEW TO MOVING THE CROPS.

Q. Now, when the water-ways are not in existence, of course that cannot be the fact?—A. Oh, yes; they have an indirect influence in regulating the rates. I thought I had explained that.

Q. Yes; that the crop lies over and waits?—A. Yes.

Q. Well, would not the crop suffer if it were kept on hand; would not grain and meat suffer?—A. And so would the railroads suffer if they had nothing to carry. This is the reason why the railroads furnish

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facilities and make rates under which the people can market their goods. The railroads never charge so much as to prevent the movement of the crops. The companies are interested in moving the crops, and must conform their rates to the market value of the articles they carry. If they would make a rate that would shut out the farmer from the market in the winter time, or would ruin his business, they would also ruin the railroads.

Q. Well, when the ice closes the water-ways there is a large portion of the crop to ship, and that is entirely dependent on the railroads for transportation?—A. Immediate transportation, yes.

Q. And when that condition of things exists as to that portion of the food-crop unshipped, the railroads are masters as to the freight rates?—A. I beg your pardon, they are not masters. As I have explained, if the prices of these articles are low in the market that obliges the railroads to give such a rate as will move the crop. That is a consideration that enters into the making of rates. The roads cannot charge what they please.

Q. They are restrained?—A. Yes; by the market value of the articles seeking transportation; that is, by the competition of the grain in the markets, and that influence exists during the whole year, in winter or summer. This is the limiting condition in making transportation rates. The competition in the markets regulates the rates, and that competition cannot be shut out by any combination of railroads whatever.

Q. You leave, then, a margin of profit, in order to induce shipment?—A. Of course.

Q. If the producers and merchants could not make anything by shipping it to market, of course there would be no shipment?—A. No.

Q. Then you look to the profit in the market to determine the amount of your freight rates?—A. Not so much to the profit as to the values of the article in different markets.

Q. Of course; but the market price decides the amount of profit to the producer?—A. Yes.

Q. And the producer has to take out the freight rates, of course, and then what is left him in the market is the inducement which he has for shipping?—A. Yes. The producer and the railroads have to work together. The producer or merchant confers with the railroads and states what is needed to carry on his business; and it is a matter of barter between the shipper and the railroad company what rates shall be charged. Both are anxious to move the crops, and both are dependent on each other to move them. The railroad man and the shipper, it must be supposed, are both intelligent men, and they will make an agreement that will be to their mutual advantage. That is the way all commercial transactions are conducted.

Q. What is the present rate on a bushel of wheat from Chicago to New York by railroad?—A. Fifteen cents a bushel—25 cents per 100 pounds. It is nearly 1,000 miles of transportation, and, as I said before, it does not pay the cost of moving the grain, if a proper compensation for the investment in the roads is considered.

Q. In the winter time what would it be—when the canals are closed?—A. Last year the highest rate was 30 cents, and the year before it was 35 cents. During the whole winter, when there was ice on the canals and on the lakes, the railroads charged last year 30 cents, which was not more than they charged in the summer of 1882. The grain was not moving very freely, and hence the very low winter rate. The rate was 35 cents in the winter before, and it is not five years ago since it was 45 cents in the winter and 35 cents in the summer. Everything is going

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down. The rate this last winter was 30 cents, only 5 cents per 100 pounds higher than the summer rate.

Q. From your general information, how much profit would that 5 cents per 100 pounds make in the aggregate business of the railroads?—A. That 5 cents is only upon grain. Unfortunately, I have not the figures with me, but I would like to give you that information.

MISCONCEPTION AS TO RAILROAD PROFITS.

A gentleman, who is now no longer living, estimated a short time ago that the exactions of the railroad companies by increasing the railroad rates 5 cents per 100 pounds would amount to $900,000,000 a year, while at that time the truth was that the total earnings of all the railroads of the country for all the freight and passengers transported over them were only about $500,000,000. I would like very much to give you that information, as I made the calculation at the time to show that the estimate was slightly overdrawn, as it is hardly possible that you can make an overcharge of $900,000,000 out of total earnings of $500,000,000.

By Mr. CALL:

Q. You said that $900,000,000 were realized by imposing an additional charge of 5 cents?—A. That was the estimate presented to the Anti-Monopoly League when that League was first organized, two years ago.

TOTAL ANNUAL RECEIPTS AND EXPENDITURES OF AMERICAN RAILROADS.

Q. And your calculation showed that the gross receipts were only $500,000,000?—A. Yes; the gross receipts of all the railroads in the country were then only $500,000,000. Of course, out of that about three or four hundred millions were paid out for working expenses.

Q. Have you in your mind at present what the gross receipts are now?—A. Yes; last year the gross receipts were about, in round figures, $700,000,000 for both passenger and freight business. The freight receipts were about $500,000,000 last year; that is on 112,000 miles of railroads which reported their earnings.

Q. What are the net receipts; have you any idea?—A. The net receipts were about $300,000,000, the gross receipts being about $700,000,000. The dividends and the interest on the bonds had to be paid out of about $300,000,000. I think the stockholders got about $100,000,000 of that. It is about 3 per cent on the stock.

Q. On the capitalization?—A. No; on the stock. And the bondholders get about 5 per cent. The whole railroad capitalization is $7,000,000,000, and about half of that is stock and half bonds.

Q. You mean that there are $7,000,000,000 invested in railroads?—A. Yes. Of which about half is represented by bonds and the other half is represented by stock.

Q. And the whole amount of dividend on the bonds is 5 per cent.?—A. Yes; and on the stock 3 per cent.

INDEBTEDNESS OF RAILROADS, STOCK AND BONDS.

By the CHAIRMAN:

Q. Are the railroads of the country bonded to as large a sum as their capital stock?—A. The total indebtedness of the railroads is represented one-half by bonds and one-half by stock, in round numbers. Out of

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the $7,000,000,000 there is about $3,500,000,000 in bonds and about an equal amount in stock.

Q. Then the bonded indebtedness of the railroads is the same, or substantially the same, in amount as their stock capitalization?—A. About the same; I only give the round figures.

Q. Do you call that indebtedness?—A. Yes.

Q. It is an investment on which they are entitled to dividends, perhaps, after the interest is paid upon the bonds; but do you mean that the stock is a debt except in the sense that it is entitled to a dividend?—A. Well, it is a liability of the company to the individual stockholders. I do not know that it makes any difference what you call it. There is about one-half bonds and one-half stock that makes up the whole capitalization of the railroads; very nearly so.

Q. First, the bond is the prior claim, and that is entitled to its interest, and if there is anything remaining of the net profits it is distributed in the form of a dividend to the stockholders?—A. Yes, and that dividend is 3 per cent. A great many roads do not pay any dividend, but the average dividend paid is about 3 per cent. on all the roads. I think if any proof is wanted to show that the stockholders do not get excessive profits, that would be enough to establish that fact.

By Mr. PUGH:

Q. Before going back to the subject about which we were inquiring, I will ask you in connection with this point this question: You say that the capitalization of the road is divided into stock and bonds?—A. The capital invested in the railroads of the United States is represented partly by stock and partly by bonds.

Q. Now, in making up the amount invested, how do you get at it; do you add the stock and the bonds together?—A. Each railroad company's indebtedness is shown by its reports.

RATIO OF STOCK AND BONDS TO ACTUAL COST OF RAILROADS.

Q. In ascertaining the cost of a road, you combine the stock and the bonds?—A. You can hardly call it the cost of the road.

Q. That is what I want to inquire into, and how this combination of stock and bonds compares in the aggregate with the actual cost of the road?—A. That I do not know. I could not tell.

Q. Have you no judgment on that? Have you never thought of that enough to give us an estimate?—A. I have thought of it a good deal.

Q. What is the difference between the actual money cost of the roads to the present holders and the amount of the stock and bonds that you mention?—A. I think that you could not replace the railroads for the present capitalization—for the amount that is now charged against them in stock and bonds.

Q. You think that the railroads could not be built to-day for what is summed up in stock and bonds?—A. I think they could not.

By the CHAIRMAN:

Q. That is they could not be built for $7,000,000,000?—A. They could not be built for $7,000,000,000 as they are, with all the improvements and the rolling stock, etc. My reason for saying so is that when you examine in detail the cost of the roads you find that the capitalization is about $60,000 per mile. The question is, could you now duplicate or replace the railroad system for $60,000 per mile.

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AMERICAN RAILROADS CANNOT BE DUPLICATED FOR $60,000 PER MILE.

Q. Including the rolling stock and all?—A. Including rolling stock and all; and in my estimation (and I think I know something of the cost of railroads, for I have built a great many) you could not replace them for $60,000 per mile to-day. While there is no doubt a great deal of watered stock, yet, on the other side, there are a great many railroads that have gone through bankruptcy, and their stock has been wiped out, and if you put one against the other you will find that $60,000 per mile is not enough to build the present railroad system of the country.

Q. How many miles of railroad are there in the country?—A. One hundred and twelve thousand miles. Some of those miles cost two or three millions of dollars per mile; others only $20,000 a mile, which is perhaps the least that you could build a railroad for. The rolling stock alone of these roads is worth perhaps six or seven thousand dollars per mile. Then you have to take into consideration the interest that you have to pay on railroads while they are being built; that is a proper charge against the cost. Some railroads have been building ten years, and had to pay interest perhaps on half their cost during that time. I think a small computation of the interest on railroads while building is about four or five thousand dollars per mile. Then there is the discount when you have to sell bonds perhaps at 60. Some roads have been fortunate enough to sell at par while building, but very few. That item of discount may amount to from four to six thousand dollars per mile. Then the terminal facilities cost a great deal—the shops, depots, water-stations, and the ground for depots, shops, etc. When you count all that up, I am satisfied you could not to-day build the railroads of the country for less than $60,000 per mile, and all this talk about stock-watering—while that is a very objectionable feature of our present railroad system, so far as it affects the cost of the roads—is greatly over-estimated. You always hear talk about stock-watering, but never about bankrupt railroads, whose stock has been altogether sunk. Some of the railroads have gone into bankruptcy two or three times, and some will go through it again no doubt.

By Mr. PUGH:

Q. Then you state it as a general fact that the stock and bonds in the aggregate fall short of the actual market value of the roads?—A. You have to make a difference between market value and cost.

Q. I mean what they are worth in the market now?—A. Some of our roads are worth nothing and the present capitalization may be all wrong, so far as their market value is concerned. These roads that pay no dividend have only a prospective value and are worth nothing to-day in the market.

Q. They are dead capital?—A. Dead capital. That is, to the stockholder—not to the bondholders, or to the people who use the roads and get the benefit of them.

Q. In your judgment what per cent. do the freight rates pay upon the capital—on the amount invested?

RAILROAD EXPENSES 60 PER CENT. OF RECEIPTS.

A. The operating expenses of the railroads are about 60 per cent. of the earnings. The railroad companies pay out in cash in operating the roads 60 per cent. of what they take in. That leaves 40 per cent. to pay

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the interest on the bonds, and the dividends on the stock. This 40 per cent. amounts to 4½ per cent. on the capital. That is, the railroad companies by their present charges make enough net money to pay 4½ per cent. upon $60,000 per mile of road, or 3 per cent. to the stockholders and about five per cent. to the bondholders. They pay more on the bonds; they have to pay first the interest on the bonds, and that leaves for the stockholders but 3 per cent. on their investment—on the stock as it is now reported. That is the result. On the $700,000,000 that they take in for passengers and freight, 60 per cent., or about $400,000,000, they pay out to their workmen and officers and employés and to the manufacturers who furnish the material and supplies, and to the manufacturers' workmen.

Q. What is the proportion of that 60 per cent. that is paid to the actual laborers in the service of the roads without regard to the officers—what percentage of that 60 per cent., I mean, goes to the employés?—A. I could not tell you that without referring to statistics and papers, but I can tell you nearly enough. Nearly all of it goes out to laborers; if not to the railroad companies' laborers, then to the laborers of the manufacturers that are engaged in furnishing supplies to the company. It is all labor really, except the profits to manufacturers. The amount paid to officers and clerks is but very small, perhaps about 1½ per cent.

Q. I mean the railroad hands in the service of the company, those employed in running the road and keeping it in repair?—A. You mean the laborers on the track and the engineers, firemen, and conductors?

Mr. PUGH. Yes, and roadmasters, and so on?

The WITNESS. I will make a rough guess. Fifty per cent. at least goes to the immediate laborers; but I leave that answer subject to correction. Nearly the whole of it, however, really goes to labor of one kind or another.

Q. You say that the freight rates are regulated by business rules and considerations that govern all investments and industries?—A. Yes.

Q. You meet together and consider these rules in making a decision?—A. Yes.

Q. You think that they are reasonable, of course, for the service?—A. I think, from the facts I have stated, one would be justified in forming that opinion.

### SHIPPERS NEVER SATISFIED WITH RAILROAD CHARGES.

Q. What does the shipper think of it?—A. The shipper is never satisfied as long as he has to pay anything. You will find this the case here and all over the world. The shipper's business is to get the rates down as low as possible, and to get as much service as possible for the least money. The middlemen, the merchants and shippers, stand between the railroads and consumers, and whatever deduction in charges the railroads make the middleman generally puts in his own pocket; hence they are always trying to get lower rates.

Q. He pockets it?—A. He pockets it, and that is the reason why he is so interested in getting the rates down. He generally represents himself, however, as doing it for the benefit of the people, when it is really for the benefit of himself. The people at large are generally satisfied with the transportation rates, and have reason to be so.

### FREIGHT ON BARREL OF FLOUR, CHICAGO TO NEW YORK (1,000 MILES), 50 CENTS.

To illustrate: See what it costs a man to get a barrel of flour from Chicago to New York; the railroads charge now 50 cents for carrying

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200 pounds of flour 1,000 miles. I do not know how much a man generally consumes, but suppose a man eats a pound of flour per day, and if he does, he pays in the year for the transportation of his 365 pounds of flour about 80 cents, 25 cents per 100 pounds. If he eats a pound of meat per day, the charge on that is 30 cents per 100 pounds.

By the CHAIRMAN:

Q. Have you not made a mistake in your calculation as to the flour; a man will eat a barrel and a half per year if he eats a pound a day?—A. The cost of its transportation is a quarter of a cent a pound.

The CHAIRMAN. Ninety-one cents, I make it.

The WITNESS. Call it 91 cents.

The CHAIRMAN. That is saying nothing of the price of the flour itself.

The WITNESS. So that a man pays about $1.90 for the transportation of all the meat and flour that he eats in a year. A laboring man earns that by a day's work. Now, I do not think that is an unreasonable charge when you come to consider that for one day's work a man can get the farms of Illinois brought right before his door.

## PROFITS OF MIDDLEMEN.

But some of these middlemen go before the working people, especially when they want to establish an anti-monopoly league, and talk of the exactions of the railroads, and yet I have no doubt that the grocer makes a profit of a dollar when the railroads get only 50 cents for carrying a barrel of flour 1,000 miles. The middleman merely for buying and selling gets more than the railroad for transporting it that distance. Yet the middlemen that produce nothing are the men who arouse dissatisfaction among the workingmen by telling them that the railroad companies are their enemies, and are ruining them, and are taxing them to death, while the fact is that the railroads have been instrumental in supplying the laboring men with cheap food.

## CHEAPNESS OF RAILROAD RATES.

If you go through the whole list of articles of consumption, you will find that the item of railroad transportation is very small compared with the cost of the articles. Take a suit of clothes, for example, shipped from New York to Chicago, weighing, say, 10 pounds. That is transported for 7½ cents (75 cents per 100 pounds); the suit may cost anywhere from $20 to $50. I do not think there can be any complaint of such a charge as that on such an article for 1,000 miles of transportation. Then take a silk dress that weighs perhaps three pounds. The charge for that is ¾ of a cent per pound, making 2¼ cents for the transportation of a silk dress 1,000 miles; or take a pound of coffee—I do not know what a pound of coffee costs now, but we carry it to Chicago for ⅓ of a cent. If coffee costs, as I am just informed, 11 cents per pound, the railroad company out of that 11 cents gets one-third of a cent. That is not a very extravagant charge, and I think nobody would object to paying that amount for the service rendered. Then take sugar. We carry sugar for a quarter of a cent from here to Chicago, and if the price of sugar is 14 cents per pound, I do not think the proportion which the railroad company gets for transportation is very large. The railroad charges really are a very slight proportion of the whole charge for these articles of consumption. If the railroads carried them

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for nothing the price to the consumer would be very little affected thereby.

By Mr. PUGH:

Q. I understand you to say that the main object of this railroad co-operation, or the system adopted by the railroads, was to regulate freight rates—the tariff of freights?—A. To establish proper and uniform tariffs.

By Mr. CALL:

Q. On through lines?—A. Yes. Each road could establish its own tariff without an association, but these tariffs could not be made uniform and properly adjusted to each other without co-operation.

By the CHAIRMAN:

Q. You include passenger traffic as well as freight traffic?—A. Yes.

By Mr. PUGH:

Q. You arrange the tariff rates or fares for passengers and freights?—A. Both passengers and freights, yes.

RAILROAD "POOLING" SYSTEM: ITS RAISON D'ÊTRE.

Q. The amount of freight and the number of passengers that each road is to get is not a part of the object, or not a subject of regulation by the combination, as I understand?—A. That brings us to another branch of the question. I know the object of your inquiry. It is one of the objects of the railroads in coming together to establish rates; but another object which they have in view, and a much more difficult one to carry out, is to have all the railroads maintain the rate so established. The practice of railroad companies has been that after agreeing upon rates with other roads, one or more, or all of them, make lower rates secretly; and after a while it is found out that every road has its own rate and every shipper has his own rate; so that one shipper does not know what the other shipper is paying, and the agreed tariffs are not maintained. Now, for the purpose of maintaining rates, there are certain means adopted by railroads which are the only means that can be adopted at present, or until the Government gives some help in the matter—and that is what is called the system of pooling.

Mr. PUGH. That is what I want to get at.

The WITNESS. Yes, I understand. That system is adopted merely for the purpose of maintaining the established rates by withdrawing the motive of the different roads to cheat each other.

Q. Underbidding?—A. Yes; cheating, rather, I should call it.

Q. Violating their agreement?—A. Yes; but still I will call it cheating.

By the CHAIRMAN:

Q. They do that, then, do they?—A. Yes, unfortunately.

By Mr. PUGH:

Q. It is hard to restrain the competing power, is it?—A. Yes. The competing power is stronger than honesty. If they only did it openly, there would be no objection. It is the secrecy that is objectionable.

ITS PLAN OF OPERATION.

To explain what is meant by pooling: Take, for example, a number of roads, say four of the trunk lines here. They come together and say, "Let us restrict our business to a certain amount for each com-

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pany—each only doing so much when there is not enough for all to do, and guaranteeing that much to each other, so that we may have no motive to cut rates." And they compare notes, and see that for the last five or ten years each road has done relatively the same proportion of the total business. There must be a law—I do not myself know what it is—that regulates this railroad business, for each road receives each year, whether they fight or not, almost a certain proportion of the business. Now, they agree with each other instead of fighting for the freight and giving rise to all the difficulties that are consequent upon a war of rates that each road shall get, say one fourth, if there are four roads, and if that be the proportion in which they have heretofore carried the business. They simply say to each other, "Let us stop this underbidding, let us maintain the same rates for the same service, and get some compensation for our work instead of ruining each other." If one road gets more than its proportion, it agrees to hand it over to the others; or it goes out of the market for a while until the others catch up. There are a number of methods by which they could bring about the agreed distribution of the traffic.

Q. That is all done to maintain the freight rates?—A. The rates that all have agreed to—after full consideration as to the proper rates to be charged. That is done to stop friction and cutting of rates and discrimination among shippers and open war between the roads; and it is done so that the railroad companies can get some money for the work they do.

Q. I have a memorandum here, noted down from the testimony you have been giving, that the combination has nothing to do with local rates, except where two or more roads compete for freight?—A. Yes. The organization takes no cognizance of local rates. It is only when a number of roads come in contact with each other that some uniform rate must be agreed upon. The question of rates from New York to local points does not come before the association.

Q. Where there is no competition, the road is left free to make its own charges?—A. Yes.

### RAILROADS BUILT PRIMARILY FOR LOCAL TRAFFIC.

Q. Through business, you have said, is a mere incident of the road, and the local freight is the paying freight?—A. Yes. Perhaps I ought to qualify that expression—"incident." On some roads it may be one-half, and on other roads it may be nothing at all. But the mainstay of all roads is, or ought to be, the local business, because they were built for the local business, and not for the through business. Thus far, then, it may be said the through business is an "incident." But I desire to modify this expression, because it might be misunderstood. The road should get along without any through business; the road is primarily built for local traffic. That is the traffic which they can rely upon; but when they see some way of entering another market, of course they go into it. But as the competitive business is a shifting business, you cannot rely on any through business to sustain you, and it is not a safe investment to build a road that could not be sustained to a great extent by its local business.

By the CHAIRMAN:

Q. Many roads that are built are merely connecting lines, links, or roads which have become links in long lines?—A. Yes.

Q. You do not mean that those should be compelled to pay the same

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as passengers and freight fed into them from other sections?—A. Oh, no.

By Mr. PUGH:

Q. They do, though. They charge until they make the connection.

AVERAGE INTEREST ON RAILROAD INVESTMENTS NOT OVER 3 PER CENT.

A. I think every road should be allowed to charge enough to pay the interest on its cost; but the average interest earned by the roads in this country is not more than 3 per cent. to the stockholder.

By the CHAIRMAN:

Q. But when a great many roads are making nothing, and the income on other roads is such that the average result is a good compensation or return upon the entire capital—waste capital and all—does it not follow that there must be overcharge somewhere?—A. No, not overcharge.

Q. If one road pays nothing, and another roads pays so much that the two taken together pay 5 or 6 per cent. on their investment?—A. Yes.

Q. Then, does it follow that, since one pays nothing, the other must pay 10 or 12 per cent.?—A. It does not follow that because a road makes 12 per cent. it makes unreasonable charges; it only shows that it has a more profitable business than a road that pays only 3 per cent.

The CHAIRMAN. I will not follow that up now so as to interrupt the current of your narative. I will come to it later. You say that there is no combination on water-ways, and that there never can be any combination; I mean such combination or arrangement as the railroads are able to make.

WATER-WAYS: NO INDUCEMENT TO COMBINE.

A. Oh yes, they can be made; but the water-lines are in such a position that they cannot make exorbitant charges. Neither can the railroads.

Q. The water-ways among themselves are unable to combine?—A. There is no inducement for water-ways to combine. They are never competitors in the sense in which railroads are. For example, the Erie Canal is not a competitor with the Mississippi River; that is to say, not an immediate competitor. They are competitors in a certain sense—as, for the export business; but they do not come into direct competition with each other. For example, the Hudson River runs through a certain section of country. There are only certain people that can be furnished with accommodations by the Hudson River. But with the railroads it is different; the railroads cross each other in every direction. The rivers do not. The net-work of railroads makes competition very active; one road competes with many others. There is no competition between the several water-ways; there is only competition between the boats on each water-way; but the railways compete with each other all over the country, and in every direction. This makes railroad competition so much more widespread, leading to so many complications that it makes it difficult to prevent competition from becoming ruinous.

EFFECT OF THROUGH RATES ON LOCAL RATES.

You may get a wrong impression when I say that railroads agree upon rates to competitive points only, and leave the local rates to be made by each company as it may see fit. Whenever a through rate is estab-

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lished, that, in a great measure, establishes a local rate. Take Mattoon, in Illinois, for example. The Mattoon rates are regulated by the Chicago rates, although Mattoon has no canal. In that way Mattoon gets the benefit of the cheap water rate which is given to Chicago. Now, a railroad could not afford to charge a station 10 or 20 miles this side of Mattoon more than it charges to Mattoon; and so all these local rates in that way get the benefit of competition, and the shipper 10 miles this side of Mattoon gets the benefit of it just the same as if he were at Mattoon. He may have to pay a little more from his station to Mattoon than a pro rata, but from Mattoon on he gets his proportionate rate on the thousand or more miles. Every local rate is really influenced by the low through rate. The local shipper gets the advantage of the through rate as soon as he reaches the competitive point; and in Illinois, you know, there is a competitive point almost every 10 or 20 miles.

### STATE BOARDS OF RAILWAY COMMISSIONERS.

By Mr. PUGH:

Q. In your judgment, how has the supervision of State boards of commissioners acted upon the railroad interests and the rates of transportation? That is a broad question, but I want to get your judgment as to the wisdom of supervision of railroads by State boards of commissioners, so far as a judgment may be formed by experience of the operation of that control.—A. There are different commissions in the different States, with different powers, and I would have to speak, perhaps, separately of each. As a rule the commissions are only advisory, and I think that is a most excellent feature, and a very good thing—to have these commissions—because you can explain to commissioners a great many things that you cannot explain to the people at large. It is desirable that the people should have some tribunal to which they could go and make complaints and get them investigated. They make their complaints to these commissioners, and the commissioners confer with the railroad companies. That is a very excellent plan, and if the commissioners are the proper sort of men they will do a great deal of good. The defect of that system, however, is that its work can never reach very far beyond their own State. A great many of the railroad questions are national. Railroad operations are not confined within State lines; and these commissioners, having jurisdiction only within the State, their operations are very much limited and very much hampered, because most of the questions that arise are of broader scope; still, when the commissioners are fair men, they do a great deal of good. For example, the Massachusetts commission has done a great deal of good, and I think the New York commission is composed of good men. They have been getting along very well so far.

Q. Do you not know that commissions exist also in South Carolina and Georgia, and that they have given satisfaction?

### THEIR POWERS.

A. In reference to Georgia, particularly, they have a different system; and I believe Alabama has a system like Georgia; in Georgia the railroad commissioners are the controllers of the railroad property. While they have no earthly interest in the railroad, nor in its property, they fix the rates of compensation. That means they actually control that property. They need not care whether the roads make money or not. They have much more interest in making themselves popular



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with the people, to secure re-election, or promotion to some higher office by cutting down the compensation of railroads. This may be satisfactory to the commissioners and to the people, but it is not to the railroads; it is not just.

Mr. PUGH. My information, however, is that the railroads in Alabama are very well satisfied with the work of the commission there.

The WITNESS. In Alabama, I do not think the railroad commission has interfered with the rates yet. They have, however, power to do so. In Georgia the commissioners have actually prescribed the compensation which the railroad companies shall receive for their work, the fares for passengers and rates for freight; and that is something that I think is unjustifiable, because property ought to be controlled by the people who own it, as long as they control it in a legitimate and proper way; and there are always means of making them do that without prescribing fixed charges. I believe the general idea of the commission is that they would regulate the charges so that the railroads would get 8 per cent. on the investment. That is what they tried to do; but there are some cases where they have cut down the railroads far beyond that, because they cannot tell in advance what the railroads will get, nor what will be the effect of any specific tariff. I think the principle is entirely wrong, that a State, or a commission appointed by the State, should fix absolutely the charges for the services rendered by a railroad company, because that is controlling the property of other people. The State should own the roads if it wants to control them absolutely.

### RAILROADS BELONG TO THE PEOPLE WHO PAY FOR THEM.

Q. You do not agree with Judge Black, that railroads belong to the public?—A. No; I think the railroads belong to the people who pay for them and who take all the risk of the investment. If the State would also guarantee the railroads against losses, then they could fix the compensation. Some of these railroads may have worked for years for nothing without any profit, and the State has never offered to make good their losses; but as soon as a road commences to make some money then the State claims the right to restrict its profits. I do not think this is right. A good rule must work both ways. The State ought to pay the debts of the railroad when it loses money if it wants to control the road when it makes profits.

The CHAIRMAN. If you have any matter in your mind that you want to state to the committee, you may proceed to state it now.

The WITNESS. I was going to give some figures that Senator Pugh called for.

The CHAIRMAN. You may state what you wish to say about those.

### AN ANTI-MONOPOLY EXAGGERATION.

The WITNESS. Senator Pugh asked me what an advance of 5 cents in the rate would amount to in the winter carriage on grain. There was an estimate made by Judge Black in his speech before a meeting of the Anti-Monopoly League in New York City, in February, 1881, to which I have already referred. This estimate, however, was given to Judge Black by others. He is not responsible for it. It was put into his hands by the leaders of the Anti-Monopoly League before he went on the platform to speak, and he simply put his name to it. His statement was that an increase in the rate of transportation of 5 cents per 100 pounds on grain alone would amount to $75,000,000 in the course of a year, and

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upon all freights carried by the trunk lines to $900,000,000. That estimate, however, is based on the ridiculous assumption that the whole grain crop of the country, 2,400,000,000 bushels in the year 1880, was carried for export by the trunk lines. Accordingly not a bushel of grain would have been left in the country, none for home consumption, not even enough to feed the men and animals that were employed to raise the crop, and none even for seed. These are the supposed facts upon which estimates are made by anti-monopolists for political purposes. At 5 cents a hundred pounds or $1 a ton that 2,400,000,000 bushels, which would weigh about 75,000,000 tons, the additional charge for transportation would be $75,000,000, and as he estimated other freights carried, including grain, at 900,000,000 tons, the increase of 5 cents in the rate would amount to $900,000,000. The fact is, however, that the total amount of grain and all other kind of freight, for the time he estimated, that was transported east of the western termini of the trunk lines during the year 1880 was only 11,500,000 tons, instead of 900,000,000 tons. Of these 11,500,000 tons there were only 8,500,000 tons of grain and provisions carried by the trunk lines. At an advance of 5 cents for 100 pounds during the four winter months, the additional charge would amount to $2,800,000 only, instead of $75,000,000, and this sum was collected by some forty roads, and does perhaps not represent more than the additional cost of operating the roads in winter time as compared with the cost of operation in summer time.

By the CHAIRMAN:

Q. Is that on the amount that is carried across the water, or all that is brought to the east and carried abroad also?—A. All that is brought east—for home consumption as well as for export—the whole quantity of grain and provisions brought by the trunk lines to points east of their western termini. The grain is about 70 per cent. of all freight that is carried east. I desire to impress these facts upon the committee. That ridiculous estimate, based upon the supposition that the whole grain crop of the country was carried by the trunk lines, and that they could extort such tremendous amounts of money, was published very extensively all over the country. Many people actually believed it, and I suppose believe it now, and of course feel very much aggrieved, and they advocate that proper restrictions should be put upon railroad charges. The estimate of the anti-monopoly leaders, however, was based upon a statement made by Senator Windom in his report on transportation to the seaboard, and which was extensively copied in the press throughout the country. He stated that there were four men who could put up the rates of transportation whenever they pleased, and could tax the people to any amount. He then made an estimate of the whole grain crop of 1872 and 1873, which was 1,500,000,000 bushels. An increase of 5 cents per 100 pounds would at that time amount to $45,000,000. The later estimate was based on 2,424,000,000 bushels, being the grain crop of 1880, which would weigh about 75,000,000 tons, and 5 cents per 100 pounds, or $1 a ton, would amount to $75,000,000. That is the increased amount which they would get if they carried the whole grain crop and provisions at a rise of 5 cents.

## INCREASE AND DECREASE OF RAILROAD CHARGES.

The idea seems to be that the railroads always increase their rates and never make reductions. The fact is, that there are always reductions after an increase, and for the last ten years reductions have been

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permanent and increase temporary. As I have said, last summer the rate was 30 cents a hundred pounds, while this summer it is only 25 cents a hundred pounds. But, inasmuch as that is in favor of the shipper, the railroads get no credit for it. The same reasoning applied by the anti-monopolist should give credit to the railroads for having made a present to the people of $75,000,000 when they reduced the rate. The rates fluctuate within very narrow limits now, but have been reduced, upon the whole, in the last few years. I suppose the railroads will never be able to charge more than 35 cents as the highest and 25 cents as the lowest rate. The average will be 30 cents, perhaps; and I do not think they will ever get more, if they get that much. Formerly they received 45 and 60 cents per 100 pounds. In reducing the rates from 60 to 25 cents, the railroads have benefited the people at the rate of $525,000,000 per year, if we adopt the anti-monopoly methods of estimating.

### FAIRNESS OF RAILROAD CHARGES CONSIDERED WITH RELATION TO CAPITALIZATION OF ROADS.

Q. Your statement seems to lead to the conclusion that railroads are not receiving from the people any higher charges for freight and for passenger fares than they ought to have. I observe that you aggregate all the bonded indebtedness with the capital stock, assuming that that represents the actual value or the cost of duplicating the railroad facilities of the country. You say that the aggregate is about $7,000,000,000, and that the gross earnings upon that sum are about $700,000,000 annually, the net earnings about $300,000,000, and that the $300,000,000 net earnings are divided between $3,500,000,000 bonded debt at 5 per cent. and $3,500,000,000 of the stock at 3 per cent. That, in your judgment, is only about a fair compensation to be paid by the people for the use of these railroads, because their fair valuation is about $7,000,000,000?—A. I say it is rather low—less than it ought to be, rather than more.

Q. Do you think that that is a fair statement to put to the country as indicative of the relations of the public to the various individual railroad interests as they exist in the country, and which, all aggregated, make up this great whole?—A. I think we have to look at this railroad system as one system and as a whole. You may pick out a great many railroads, of course, and find that some make 8 per cent. and some even 12; but, on the whole, I suppose that we have to deal with the effect of the whole railroad system upon the whole country; this seems to me legitimate.

Q. Do you not think that one-half of this mileage of 112,000 miles could be reproduced, as it actually exists, for a sum not exceeding $15,000 or $18,000 per mile?—A. That is impossible. You can hardly get your track down for that; your track and ditching done.

Q. As it actually exists, I mean. Take your southwestern roads, for example, and those in the undeveloped parts of the country—take many of those that have been most cheaply and flimsily built—do you not think that there are thousands of miles where the entire actual expenses would be more than covered by $15,000 to $20,000 a mile?—A. You only take into consideration the track and the road bed of a railroad. This forms only a part of the work.

Q. I speak now of the rebuilding of the roads, assuming that they did not exist, taking actual money and going on the ground surveying it, getting your road made, putting on the sleepers and constructing depots as they now actually exist; do you not think there are a great

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many thousands of miles of road now in the country that could be reproduced for from $15,000 to $20,000 per mile?—A. I hardly think as cheap as that; but there may be some built for $25,000 per mile.

FAIRNESS OF "AVERAGING" GOOD AND BAD ROADS FOR DIVIDENDS.

Q. With regard to these corporations as they exist, and to their dealings with the public and the dealings of the public with them individually, do you not think it might mislead the public mind to lump them all together?—A. You have to deal with the merits of each road by itself if you desire to determine whether charges are reasonable or not. But if you deal with the railroad question as a whole, you have to take the results of the whole system.

Q. Is it precisely the fair thing, Mr. Fink, to make a New York, or a New England, or an Illinois community pay upon their railroad traffic, respectively, rates that should give a good income upon so many worthless enterprises comprising so many thousand miles of railroad?—A. That is not proposed. I do not propose to do that. Each road must be dealt with upon its own merits. But from general results you can at least come to the conclusion that the roads in the aggregate have not overcharged, when the aggregate results are those that I have mentioned. Single roads may have done so, but they must be in the minority; otherwise the aggregate results would be different.

Q. That is as to the whole railroad construction of the country. But, if capitalists have built railroads into the wilderness, is it fair that the generation doing business to-day in other sections of the country should be taxed enough to make all railroads, as a whole, pay the rates you have mentioned?—A. But I do not intend to do that. That is not intended at all. I only state results; they are not to influence the charges to be made by any particular road.

Q. Yet the net income which the people pay as a whole for railroad service, amounting to what you have stated, and that amount being paid by comparatively few localities—geographically—is it not a fact that they are actually taxed to the extent of paying a large income upon the entire railroad investment of the whole country?—A. Oh, no; that does not follow.

Q. It amounts to 5 per cent. upon the bonds and 3 per cent. upon the stock, does it not?—A. Well, the people of the whole country are taxed to that extent.

Q. Yes. But it is the people of a small portion of the country, relatively, that are taxed to pay upon roads that have been built into a wilderness, and which would not otherwise pay for years to come?—A. Each road is operated upon its own account, and gets what it can get. One road does not charge more to make up the losses of another.

Q. Well, in that way, a road operated here, where there is a wealthy community, must take 6, 10, 12, or 15 per cent.; otherwise it cannot make an aggregate dividend upon the entire amount invested, stock and all, including those roads that pay absolutely nothing. Does it not follow, then, that some roads tax the community 10 or 20 per cent.?—A. When you can show that the roads, all taken together, can pay only 3 per cent. on their stock, I think the conclusion is a fair one that they are not making too much—when all the roads pay only 3 per cent. If there was a preponderance of excessive charges, if that were the rule instead of the exception, it would show in the final result.

Q. I suppose you assume that a great many of the roads (it may be 50,000 miles of them altogether) hardly pay 2 per cent.?—A. A great

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many of them pay nothing, and if one-half pay nothing, and the others pay 6 per cent., 3 per cent. would be the average.

### WHAT ARE EXCESSIVE RAILROAD CHARGES?

Q. Assuming that to be so, is it not a fact that some of the railroads pay as high as 10 to 20 per cent.?—A. That may be so, but it would not follow that these roads charge excessively.

Q. Yes; but do not those who support the railroads that pay so much, pay more than they ought to?—A. No, not at all. The question is whether their charges are reasonable. I don't think you ought to judge that by the dividend which the road pays.

Q. Does not the fact that a road pays 20 per cent. show that that road charges its customers too much?—A. No. When you find a road paying 20 per cent., it is not in itself proof that it charges too much. You have first to examine what these charges actually are, in order to form an opinion whether they are exorbitant. If, for example, you should find that grain is carried for 25 cents from Chicago to New York, that certainly would be reasonable; and if a road making such reasonable charges could earn 20 per cent., what is it to you what profit the road makes? Whether the charge is reasonable or not is the question only which can concern you. People never inquire into the losses of railroads. If you were willing to make up the losses, then it would be equitable to complain of profits or to restrict them.

Q. Can that be a reasonable charge which enables a railroad company to make 20 per cent. profit?—A. I don't say that it is; I only say that this fact alone is not sufficient evidence of exorbitant charges.

Q. Is it not sufficient evidence?—A. No, not at all.

Q. If uniformly, year by year, they make 20 per cent. on their service, is not that conclusive evidence that they make exorbitant charges?—A. No; the evidence of the reasonableness of the charge is the charge itself, not the profit that a road makes.

Q. If the charges give 20 per cent. profit each year for years in succession, is it not clearly evidence of too much profit?—A. Not necessarily; but as a practical question I do not know any case where they do that.

Q. But I am supposing a case where they do?—A. Well, that only would show that it is a good paying road, and I would like to have some stock in it.

### HOW FAR IS A RAILROAD A PUBLIC TRUST?

Q. Do you not understand that a railroad is a public trust, and that it is established for the public good?—A. Certainly, but not exclusively so; it is also undertaken for the good of its promoters.

Q. The corporators of a road of that character you think would do well?—A. Yes; to make 20 per cent. profit.

Q. But a corporation is a franchise that exists by a grant from the public at large, is it not; and is not every such franchise granted upon the fundamental condition that it shall promote the public good?—A. Why, of course.

Q. Very well; then, when that franchise goes to the extent of taxing the public so as to make an unreasonable dividend, so as to produce an unreasonable income, does it not involve the very condition upon which it is granted?

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LARGE DIVIDENDS NO EVIDENCE OF UNREASONABLE CHARGES.

A. If the road makes unreasonable charges, it would; but the question is what is an unreasonable charge, and I say that the profits of a road cannot prove by themselves whether charges are reasonable or not. If there is a condition in the charter limiting the profits of a road, of course that settles the question. But if there is no limit in the charter, then the railroad company has a right to charge, within the limits imposed by the common law which obliges them to carry at reasonable rates; within that limit, they have a right to make whatever profit they can. I don't think anybody has a right to interfere with the profits, if the profit was 100 per cent.; of course I do not know any road that makes that profit, but the fact that a road pays large dividends does not show in itself that it charges unreasonable rates.

Q. Not that fact itself?—A. No; not that fact itself.

Q. Suppose the charter contains an express limitation of 10 per cent.; then you would not allow a road to go any further?—A. No.

Q. Why so?—A. Because that was the bargain; it was the contract.

THE COMMON-LAW RESTRICTION ON RAILROAD CHARGES.

Q. Suppose it contains no stipulation, is not the common law a part of the contract or charter?—A. The common law says that common carriers must carry for a reasonable rate. It does not say that you shall make only 6 per cent. or 10 per cent. profit.

Q. But it does say that you must carry at a reasonable profit?—A. Not at a reasonable profit, but at a reasonable rate.

Q. Then there is in every charter, as a part of the charter—because it is part of the common law of the land—a limitation to the charges, to what are reasonable charges, that being the common law. It is, in other words, a part of every charter?—A. Yes.

Q. And it is not necessary to write it into a charter?—A. No, it is not.

A CASE FOR A JURY.

Q. Then, let us start in that way. Assume that a railroad charges to those who patronize it, rates of carriage that enable it to pay a profit of 100 per cent.; and suppose that a man refuses to pay such rates, or pays them in the first instance as matters of necessity, but brings his action against the road for extortion, upon the ground that the company makes it a condition that he should pay 100 per cent. profit or that they would decline to take his freight; and suppose, as a consequence of his refusal, they fail to transact the business of common carriers and he brings this suit at law and goes to the jury; the question would then be whether they are imposing an unreasonable charge; is not that so?—A. Yes.

Q. Now, by what rule is that jury to act upon the question whether that was a reasonable or an unreasonable charge?—A. I suppose the question of interest might then be an element in the consideration, but only an element. It would not be proof in itself.

Q. If they saw that a road made 100 per cent., do you suppose they would hold that to be a reasonable charge?—A. That depends upon a great many other conditions.

Q. Do you not suppose that they might think that a rate of profit something like what is sometimes written into charters—10 per cent.—would be reasonable?—A. Very likely.

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Q. So it comes to this, then: that if 10 per cent. is a reasonable profit —and that it is such would seem to be a fair conclusion, because it is put into so many charters—would not the jury say that the common law, in writing into this charter 10 per cent., must control and limit you—or they might say 6, or 8, or 5 per cent.?—A. They might.

Q. If that is a fair compensation for capital, as capital is usually regarded, might not the jury look at it in that way?—A. They might.

Q. Then, if 8 or 10 per cent. is a reasonable reward for the service of a railroad, would it not seem that the profits ought to be limited so as to enable it to earn only 8 or 10 per cent.?

IF THE STATE LIMITS PROFITS, SHOULD IT NOT GUARANTEE AGAINST LOSSES?

A. Yes, if you also guarantee the road against losses; then, I think, it might be just. I think every limitation of profit should be accompanied by a guaranty against losses. The State gives only the right to condemn property. This costs the State nothing.

Q. It costs the people of the State something, however?—A. No; they get their pay for it, sometimes three or four times over. The State exercises its right of eminent domain, not for the benefit of the railroad builders, but simply for the purpose of making the construction of railroads, which the people believe are a great benefit to them, possible at all. Without this right of eminent domain being exercised by the State there would be no possibility of building railroads. That is all the State does. If no condition in the charter is made as to the limit of profits or charges, the railroads are operating under the law of common carriers. They can do nothing that is wrong if the law is enforced. They are simply common carriers like any other common carriers, whether he be a carrier on steamboats, a wagoner, or carries the goods on horseback, or on his shoulders, or in his pocket. The railroads can only be subject to the laws regulating all other common carriers, and these laws contain no limitations of profits. The only question is whether the charges are reasonable, and that must be considered and decided in each particular case. There can be no general law applicable to all cases. As long as the companies conform to the law of common carriers I don't consider that the State or anybody else has a right to limit their profits. It so happens, as we have seen, that there are very few companies that pay 10 per cent., which, as you say, is generally considered a reasonable interest on risky investments like railroads, and that there are limitations in the trade and business and geography of the country, which make all other limitations unnecessary. The average profits of the railroads are only 3 per cent. In the new Territories, where there are only a few railroads and light business, it is possible that some of the companies may make local charges comparatively high, as they necessarily have to be under such conditions; but in this settled country, where there are so many roads, high charges, much less unreasonable charges, have now become impossible. There is no danger that the railroads will charge more than reasonable rates. Corporations, like individuals (a corporation is only an aggregation of individuals), when they carry on the business of common carries, have a right to make all the profits that they reasonably and legitimately can.

Q. I don't quite see that—under the operation of the common law?—A. While acting strictly in conformity to the common law their profits cannot justly be limited. This principle is acknowledged with regard to private individuals when acting as common carriers, and should be

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recognized with regard to corporations. If you desire to restrict profits, also guarantee against losses, and I will not object to restrictions. But the question we have discussed is really not a practical one. No road ever makes 20 per cent. or 100 per cent. profit.

### RAILROADS NEVER MORE PROSPEROUS THAN NOW.

Q. How long have the roads made the income you have mentioned, or substantially that?—A. They make as much now as they have ever made. They have never been more profitable than at present. As a whole, the investment in railroads has not been profitable. Much is said of the right granted to railroads by the Government and of the great benefits the right of eminent domain has conferred upon railroads, but I am sure that there are many stockholders that wish they had never availed themselves of their rights. The question whether a railroad to be built will be of any benefit to the stockholders or not remains to be decided in the future. The parties that build the road take all the risks.

### THE STATE TAKES NO RISK.

The State takes no risk whatsoever, but always gets the benefit of the railroad. Whether any profit comes to the stockholders or not, the railroad is there and the property of the people who live along the line is greatly enhanced. Then they get their crops to market where they could not go before. The benefits are all on the side of the State and the people; the burdens and responsibilities and risks are borne by the stockholders, and to them the profits ought to go, if there be any, without interference or restrictions, as long as they comply with the common law. From the records of our experience we find that almost every railroad in the country has gone through bankruptcy. For the five years succeeding the panic of 1873, 20,000 miles of railroads went into bankruptcy; that is, more than 20 per cent. of all the railroads that have been built since the beginning of railroads.

Q. What proportion of the railroads, including those of the Southern States, is comprised between the Mississippi on the west and the Southern States (as they were before the war) on the south, Canada on the north, and the Atlantic seaboard on the east—what proportion of the mileage?—A. I could not give you that information at present. I would have to refer to statistics. Poor's Manual contains this information.

### PROFITS OF DIFFERENT ROADS.

Q. My question was designed to lead to another—that is, whether you do not think that the people who live along the roads within the space I have mentioned pay at least three-quarters of the income that is collected from the American people for railroad service, while, outside of those limits, would there not be at least one half of the railroad mileage of the country?—A. We can very easily find that out. We have statistics that give exactly the earnings of each railroad. I could not estimate it. I only know that there are very few roads that pay large dividends. What you are trying to get at is, whether there are not some roads that obtain excessive compensation and others not?

Q. Yes; and whether it does not follow that although some of the railroads pay nothing, yet the whole of the railroads of the country get very good compensation—quite equal to the compensation received for capital in any other line of investment—whether that fact is not evi-

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dence that some of these railroads get too much?—A. We would have to take up the individual railroads and see which of them get too much.

Q. Do you know them?—A. We have a record of nearly every road in the country, compiled by Mr. Poor in a manual which gives exactly the amount of money that each road makes and the dividend it pays.

Q. What is the highest rate of dividend that you know of?—A. I don't know of any road paying higher than 8 per cent., which is paid by the New York Central Railroad. There are some others that pay as much.

SURPLUS EARNINGS.

Q. What becomes of the surplus that is not distributed?—A. There may be a deficit.

Q. Yes, but it is not always so; sometimes it must be pretty high?—A. When a road is borrowing money, I don't think it is evidence that there is a surplus.

Q. Do they borrow money to pay the dividends and to pay the interest on the bonds?—A. Sometimes, it is said, they do. But a railroad is never completed. It has to increase its rolling stock, and it is constantly adding to its facilities for doing business. Railroads are generally borrowers of money.

Q. Is not that calculated for in the $400,000,000, called operating expenses?—A. No.

Q. Do you mean that the roads are improved out of the $300,000,000?—A. No.

Q. The $300,000,000 go in the form of interest and dividend, do they not?—A. Yes. The net income is paid over to the stockholders and money is borrowed for improvements. Different railroads pursue different policies. Some put their net earnings in improvements.

Q. You do not know any other railroad that pays over 8 per cent?—A. No, not that I can remember now.

Q. What extent of railroad is there in this country that pays substantially nothing, or a very low amount?—A. I could not tell without referring to statistics. The information is all compiled and can be readily procured.

THE HIGHEST RAILROAD DIVIDEND.

Q. A memorandum has been sent up to me from somebody in the audience present to the effect that last year the New York, New Haven and Hartford road, and several other railroads and divisions, all paid 10 per cent. on their net investment.—A. I believe they did. I did not think of the New Haven road. They paid 10 per cent. I believe.

Q. Did the New York Central pay 10 per cent.?—A. They paid only 8 per cent.

Q. Do you know whether they reserve any surplus that goes to a sinking fund?—A. Oh, yes; every road has to do that, if there is a sinking fund.

Q. In that way, if there is an excessive charge, it is rather concealed from the eye of the public, is it not; and failing to be distributed, it adds alike, nevertheless, to the wealth of the railroads, does it not?—A. I don't know that it is concealed. It is legitimate to apply the net earnings to the cancellation of your debt.

Q. It is derived, however, from the charges made to the public?—A. Oh, certainly.

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ARE RAILROADS A RELATIVELY GOOD INVESTMENT FOR MONEY?

Q. I suppose you hear the somewhat usual statement that goes around every year, that money invested in mercantile business generally results in a failure, sooner or later. It is said that at least 95 per cent. of those who go into business—that is, merchants—fail at some time in their lives.—A. Yes, I have seen some such statements.

Q. Do you know any way in which capital can be invested in which it will pay a better average than 3 per cent.?—A. Well, I think our railroad mortgages pay more than that.

Q. I mean to say, outside of railroads?—A. Oh, I suppose there is a good deal of bank stock that pays better, and gas stock; a great many other enterprises, I think, pay more.

FAIRNESS OF CHARGES IN VIEW OF ADVANCED RAILROAD-BUILDING.

Q. It may be that they get more than they ought to get, and it may also be that some railroads do. But the point I aim at is, whether it is a fair presumption for the railroad interest to make to the country to aggregate all the bonds and all the capital stock, and to say that its whole system only pays 5 per cent. on the bonds and 3 per cent. on the stock, when we all know that a great part of this mileage is anticipating business to come, and capital has gone into enterprises that are depending on the business of the future for compensation. If, now, those who are paying for railroad service have got to make a good investment for the future, don't you think they are being taxed too high?—A. I think you have misunderstood me. You think it was proposed that the railroads that do not earn much now should be made to earn the average.

Q. No; that their receipts should be made so much as that there should be, on the whole, a certain average?—A. That would be very desirable, but it is impossible.

Q. You don't get, quite, my idea. I don't say that it is distributed to them all; but for the very reason that it is not distributed to them all, does it not follow that those who get so large a profit get too much?—A. No; you have always to go back to the foundation, and that is: "What are the charges? Are they reasonable in themselves?" The amount of dividend paid does not enter the question at all. It might come in when you find that the charges are very unreasonable. Then, I think, excessively high dividends would be an additional argument to show that the charge is unreasonable. But of itself it is of no importance. If you carry grain from Chicago to New York for 25 cents per hundred, you cannot ask any more than that, and if a railroad does pay 12 per cent. on such work it should not be objectionable to the people.

PROFITABLENESS OF INVESTMENT.

Q. But suppose such work as that pays 20 per cent., is not that too high?—A. I think not. I think that when you take into consideration the charges made by canal, and other considerations, it can be shown that the charge of 25 cents is reasonable; though I don't think any such case as you assume will ever happen.

Q. Suppose it be only 12 per cent. Business men only make 6 per cent., and here is a public franchise out of which men are making 12 per cent. Is not that too much?—A. You have to go back and examine into the history of the enterprise. Perhaps a road has been operated twenty years and made no money; and then, perhaps, it commences to

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earn a large dividend; the high dividend would not prove that its charges are unreasonable. Unless you are willing to pay the past losses you must allow the road to make large profits now.

ON WHAT BASIS SHOULD DIVIDENDS BE DECLARED?

Q. But I am willing that they should have something like fair compensation upon the capital that is invested, provided that the same men who have put the money in now own the road. If I came along and bought it at a very low rate, I don't think I have a right to tax the public in such a form as to produce a large profit upon the original amount.—A. You don't take into consideration the rate of transportation.

Q. Well, I don't think I ought to tax the people to pay interest on the debts of my bankrupt and defunct predecessor.—A. I don't think that the people have anything to do with how you got the railroad, and what you paid for it. The only question is, whether you make reasonable charges.

Q. But you are arguing that the State has nothing to say as to the rates which should be charged by a railroad until there has been paid 5 or 6 or 8 per cent.—or a fair compensation—upon all the capital that has gone into it from the beginning, no matter whether the road is now in the hands of the same persons that went into it originally?—A. No, I do not say anything of that kind.

Q. I so understood you. In that way you would throw all the losses on the present generation?—A. Well, the railroads cannot collect more at any time than a reasonable charge. If you will always limit the railroad charges to that point, I don't think either the losses or profits have anything to do with the question. But if you want to limit present profits, it is proper that you should consider past losses, and this from the very beginning of the enterprise, no matter whether it is in the hands of the original proprietors or not. The *personnel* of the owners plays no part in these considerations.

"REASONABLE CHARGES," HOW SHALL THEY BE DETERMINED?

Q. Is not the very essence of a reasonable charge such that it should yield only a reasonable return on the capital invested by the present owner of the road?—A. I deny the right to limit the profits, no matter who owns the road, as long as the charges are reasonable. As I said before, the dividends paid by a road may form an element in determining whether charges are reasonable; but the previous losses must also be considered.

Q. Suppose the question of corporate ownership to disappear just now, and you individually build a railroad, and you build it for $1,000,000, and for some reason you fail and the road breaks down, and I buy that road for $100,000 and go on and run it, ought I to be allowed to charge the public such rates for freight as to give me 6 per cent. or 10 per cent. on your million?—A. I think so. It is perfectly proper if your rates are reasonable, and it is very improper if they are unreasonable.

Q. You don't think that that is an element at all?—A. The fact that you bought the road cheaply is not an element at all. Whether you paid six prices or got it for nothing is not the question at all.

Q. Is not the proper criterion just what you said this morning—that I be allowed to charge the public upon that amount of money—upon what it would cost to replace the road at the present time?—A. I don't

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think the cost of the road or the cost of the service has anything to do with it. All you have to see is, whether the rates charged are reasonable. Of course, to determine this there are many elements that have to be considered.

Q. What other?—A. If you show that you carry freight as low as the canal carries it, that, I think, would be satisfactory proof that your charges are reasonable, whether you make 100 per cent. or more.

Q. Suppose that by the invention or discovery of some new power better than steam, and that by the application of that power one-tenth part of the present expense would be sufficient to carry freight cheaper than by water, do you think that this new power should be utilized by the railroad without any benefit to the public at large?—A. Everybody could use it who wants to use it. But the forces of nature are of no use unless you spend money and labor to develop them.

The CHAIRMAN. You hardly answer my question, Mr. Fink.

The WITNESS. I have intended to do so.

Q. What I mean by that question is this: You said that if a railroad carried freight as cheaply as the water routes carried it, that would be an element to you to prove that it is a reasonable charge?—A. Yes.

Q. And I have asked you this question: Suppose a new power or force is discovered by which the railroads can make a living and a profit for one-half of what it now costs to transport goods by water——

The WITNESS [interposing]. That would be a new element in the consideration of what would be reasonable.

Q. In that case you would eliminate the water-route?—A. Yes; in that case you would.

Q. Why should you do it then any more than now?—A. Because we now know that the water transportation is the cheaper.

### THE LOWEST RATE IN EXISTENCE SHOULD BE THE CRITERION.

Q. Do you mean that because water transportation is cheaper than railroad transportation the railroad should, for that reason, carry freight and passengers at less than a living profit?—A. No. I would simply state that you take the lowest rate that you find in existence, and if you feel satisfied that it is a low rate, then take that as a measure for a railroad rate, and if you find that the railroad rate does not exceed the water rate largely, or not at all, then that would be conclusive evidence of its being reasonable; because we all know that railroads cannot be operated as cheaply as water routes; water routes are generally free to the public; the Government keeps them in repair, free to every one who wants to use them, while the railroad companies usually have to spend a great deal of money, and have to do many things at their expense before they are ready to use their roads; hence, in the nature of things, railroad transportation must always be more expensive than water transportation. I merely cite that because, when you come to consider what is reasonable and unreasonable, you may use the lowest cost for which the work can be done as a comparison. This is one way in which you may ascertain the fact whether the charges made by railroads are or are not reasonable. If they are reasonable, you have nothing to do with the profits a railroad may make.

Q. Do you think that those are elements that must be considered in determining whether the rates are reasonable?—A. The cost of the work is, of course, an element, but it is not the only element, and may not have to be considered at all if you can establish by other means that rates are reasonable.

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Q. I think I understand your views in that matter. Now, you suggested once or twice in your testimony that your association was doing as well as it could until there might come some national legislation. Did you mean to suggest any that might be helpful?

CHARTERING OF RAILROAD ASSOCIATIONS SUGGESTED.

A. I have always thought that if the Government wanted to regulate the transportation business it should charter associations like ours, under restrictions, of course, to see that it would do the proper kind of work and nothing else. This would greatly aid the railroads in conducting the transportation business more satisfactorily to the public.

Q. Do you think that a bill embodying your idea could be put through Congress?—A. I hardly think that the people sufficiently understand the subject as yet. I suppose the railroads will have to go on for some years yet as best they can before anything can be done in the way of legislation. I would not advocate any law as yet on the subject, except that when a number of roads establish a proper and reasonable tariff and publish it, no one road shall be allowed to deviate from it. It is very difficult, though, to detect the violation of agreed tariffs. The railroad companies themselves can do it better than the Government. If our association were legalized and the rules of the association could be enforced, it would aid us very much in preventing a great many abuses in railroad management; but I hardly think it is time for this as yet, and I do not recommend any legislation at present. The roads will have to fight it out with one another, and learn by experience, and establish a higher standard of honor in dealing with each other.

THE REAGAN RAILROAD BILL CRITICISED.

Q. I suppose you have heard of the Reagan railroad bill?—A. Yes.

Q. I would be glad if you would give the committee the benefit of your criticisms on that bill; what you think would be the effect of it on railroad charges and the prices of commodities.—A. I think it is so impracticable a measure that it could not be carried out for one day. It is one of the most impracticable measures that has ever been proposed. Mr. Reagan evidently does not understand the practical working of the transportation business. His intention and the principles upon which the bill is based are all right; there is no difference between us about that; but the carrying out of these principles as he proposes is utterly impracticable. It would simply impede the whole transportation business of the country.

The leading idea of his plan is that each railroad should make a fixed charge for the transportation of any commodity, and that should be the charge under any and all circumstances. For example, if you were to carry lumber over the New York Central Railroad, from Buffalo to New York, and make a certain charge for it, that charge should be for all other lumber, no matter where it came from. The effect of it would be that it would exclude the New York Central from competing for business west of the terminus. When the lumber comes from other places than Buffalo, there are now made different rates from different shipping points, according to the distance and length of other competing roads from the same point of competition.

Just as many competing points as there are, just so many different rates would there be from Buffalo, and the New York Central has to take a prorate of the total rate beyond that point. For example, lumber

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comes from Louisville and goes to New York. Now, according to the Reagan bill, the rate that the New York Central can charge for lumber coming from Louisville to New York would be the same as lumber that comes from Buffalo. The Louisville route to New York is a great deal shorter via the Pennsylvania road than the New York Central route, and if the New York Central wants to do any of the Louisville business, it must carry it for the same total rate as the Pennsylvania Railroad, and this can only be at a less charge per ton per mile than it makes from Buffalo. If it does not make as low a rate as the Pennsylvania road, the Pennsylvania Railroad will carry all the lumber to New York, instead of the New York Central carrying a portion of it.

Q. You think that a road that has to carry the material twice as far as another road should be permitted to compete for it?—A. It may be in some cases to the advantage of the people that it should be done that way, but it is certainly not to the advantage of some of the railroads.

Q. Would it not be better to limit each road to the business that naturally comes to it, and by legislation, if necessary, compel the road to carry for reasonable rates, and then let each road take the business that nature seemed to design it for, and if it succeeds let it succeed?—A. That would no doubt simplify matters, but each road claims a right to do business anywhere that it can.

Q. They claim that, but do the public concede it?—A. Yes; the public rather encourage it. It leads to a great many complications, to be sure, and ultimately I do not know that the public profits by it.

### THE RATES FOR LONGER AND SHORTER HAULS.

Q. There is another feature in the bill which I desire to mention. It provides that no road shall charge more for the shorter haul than for the longer?—A. Yes.

Q. How would that operate?—A. That is a very correct principle, but there are many cases where it could not be carried out advantageously to the people and the railroads. You will find that in this transportation business you cannot pass a law that will apply universally to all cases. There are so many exceptions that they would be more than the rule.

Q. If that were applied in all cases would it not work well?—A. It would stop competition.

Q. Yes; and what is lost on the cheap rates between the competing lines would be made up on the local?—A. There ought to be no loss on the cheap rates; there ought to be some little profit, otherwise the roads would not engage in the cheap business.

Q. You think, then, that that measure would not be a practical one?—A. Oh, it is perfectly impracticable. It would ruin the railroads, and it would ruin the business of the country completely. You would have no competition, and you would have only local rates.

Q. Does it make any provision for fixing the rates—limiting the rates?—A. No; it only fixes the rates so that you cannot vary them to suit the exigencies of competition.

### GOVERNMENT CANNOT FIX TRANSPORTATION RATES.

Q. If the bill were so amended as to vest in some national tribunal the power to fix the rates, would that be an improvement?—A. No, it would not; you cannot fix transportation rates. We carry grain this

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season for 25 cents a hundred pounds, while last year we were paid thirty cents. Now, if you had fixed the rates at 30 cents last year you would still have to pay 30 cents, and at that rate you could not now carry any grain.

Q. I take it, from what you say, that you think the Government should have nothing to do with the railroads at all?—A. Oh, no; I think they should see that the railroads are properly operated in accordance with the laws regulating common carriers.

Q. But I mean with the management of them—the fixing of the fares and freights?—A. No; I think that is better arranged by the railroads than it could be by the Government. It is a very complicated question, and the Government is entirely unfit to attend to it.

### HOW GOVERNMENTAL CONTROL WORKS ABROAD.

Q. In some countries the government owns the roads and contrives to fix the fares and freights?—A. Yes.

Q. And they seem to fix the rates satisfactorily?—A. Just as unsatisfactorily as here. I was reading a German paper only last night, in which there were bitter complaints on this very subject. If the German people want to get a rate changed they have to go first to the chamber of commerce, which has to take action, and then present the case to a council, and then to another council, and so on, and perhaps they have to wait for two or three years before they can get an answer. We do this kind of work here in a day.

### RAILROAD CHARGES NEARLY TWICE AS HIGH IN EUROPE AS IN AMERICA.

Q. Let me inquire whether, relatively to everything else, railroad rates are dearer or cheaper in this country than abroad?—A. I can state positively that rates are nearly twice as much in Germany and in England and in other countries as they are here. In 1880 nine-tenths of one cent per ton per mile was the average charge in the State of New York for freight transportation, while in Belgium, which has mostly level roads, it is one and sixty-five hundredths cents per ton per mile, and in France one and a half cents per ton per mile.

Q. Does that apply to all the roads?—A. Yes; and in England it costs as much to carry dressed beef from Glasgow to London as it costs here to bring it from Chicago to New York—double the distance.

Q. What are the corresponding rates in this country?—A. The average here is not more than nine-tenths of one cent.—at least as to the eastern roads, I am sure—of the roads east of the Missouri.

Q. Nine-tenths of a cent per ton per mile?—A. Yes; nine mills per mile.

Q. And how much is it in Germany?—A. In Germany it is double that rate. In Belgium it is 16½ mills; in France 15 mills. In this country we have the cheapest railroad transportation in the world. In the East Indies they have lately reduced the rates for wheat from the interior to the seaboard, so as to bring them nearer to our rates and better compete with our rates from the West to the seaboard. You see from this how widespread railroad competition is, and how ignorant people are when they say railroads have no competition and can charge what they please.

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RAILROADS AS OWNERS OF COAL AND IRON MINES.

Q. Do you know anything of instances in which railroads own mines—whether coal or iron—which constitutes a large part of the freight of those same roads?—A. Yes; I know there are such roads, but I have no personal experience with their operation.

Q. Do you have occasion to arrange rates of freight along any such lines?—A. No. I believe the Pennsylvania road owns mines. But that is a local matter, and I don't come in contact with that part of the business. The Reading Road and the Lehigh Valley and the Lackawanna are roads that are interested in mining.

Q. What is your idea as to any extensive railroad building in this country in the future; is our system substantially complete, or shall we need more lines—considerably more filling up?—A. Of course our system will have to lengthen out as the population increases. I don't think we have come to a stop by any means. If the increase of population keeps on there must be an increase in the railroad facilities.

Q. Will you please repeat once more your statement in regard to the charge per ton per mile in this and other countries?—A. In the State of New York, on all the roads put together (I cite that because I have it in my mind now), the average in 1880 was 9 mills per ton per mile. In Belgium 16½ mills; that is, 7 mills more than the rate here. In France it is 15 mills, or 6 mills more than the rate in this country.

Q. Did you mention Prussia?—A. Prussia's rate is, I think, nearly twice as high as ours; I won't be sure of that, however.

Q. How about Great Britain?—A. Well, they charge as much from Glasgow to London for dressed beef as we charge from Chicago to New York.

Q. And what is the difference in distance between them?—A. From London to Glasgow is about 400 or 500 miles. The railroad charges in this country are the lowest of any.

COST OF RAILROADS, RELATIVELY, IN EUROPE AND AMERICA.

I ought, perhaps, to have mentioned, when speaking of the cost of railroads in this country, that $60,000 per mile is not too much, if you compare it with the cost of European railroads. You will find that for the most part the people in Europe have paid twice as much as we have paid here. The lowest of European roads in cost are those of Italy, and I think they cost about $90,000 per mile. In Germany they cost about $100,000 per mile, and that is about the average cost of a railroad in Europe—$100,000 to $120,000 a mile. But in England the cost is about $200,000 a mile. Our railroads are not built so substantially and ornamentally as theirs, but ours do the work required of them just as well, and cheaper.

By Mr. PUGH:

Q. What is the reason that there is so much difference in the cost of the road?—A. Because they build more substantially in Europe. They spend money uselessly in monumental buildings, where we get along here often with temporary work.

RELATIVE SAFETY OF EUROPEAN AND AMERICAN RAILROADS.

By the CHAIRMAN:

Q. Are they safer than ours?—A. No, I don't think that they are any safer. The roads of this country are now very much safer than they used to be. They have as many accidents in Europe as we have here.



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GOVERNMENT PURCHASE OF RAILROADS.

Q. What is your belief as to the effect upon the vast interests of the country if the General Government should buy out the railroads—own them themselves—if they should pay for them a fair price and take control of the transportation business of the country?—A. My idea is that it would be a very sorry day for this country when this is done.

Q. What makes you think so?—A. Well, it is hardly necessary to explain that a Government constituted like ours cannot run railroads. In Europe they may do it.

Q. This Government runs the post-office, you know?—A. Yes, but railroad operation is much more complicated than the management of the post-office. The postal service is only a small branch of railroad business. It seems to me so self-evident that the Government should not own and operate the railroads, that I can hardly get myself to reason about it. I do not see any necessity for considering the question.

The CHAIRMAN. Some gentlemen who within a few weeks past have sat where you now sit have given many reasons why the Government should own them.

The WITNESS. Well, there are a great many reasons why railroads should be under one management. That would be an excellent thing to accomplish, but it cannot be accomplished under our Government. The gentlemen who advocate this don't know anything about railroad management, or they don't know anything about our Government, or don't know anything about both. In the old countries, where railroads are run by the state, the state establishes schools in which it educates the officers of all grades. The method of education and advancement in the service is similar to our Army system. After railroad officers are too old or disabled, they get a pension. Thus the state secures a corps of officers that devote their whole lives to the service. They get little to live on, but are satisfied. All this would be impossible in this country, from the very nature of our Government—its political character, with its changes in office, the rings, etc.

Q. I will not ask you to go into the metaphysics of the thing any further.

STRIKES.

I would like to ask you now whether you have had experience with laboring men?—A. I have had a great deal of experience for at least thirty years with the laboring classes.

Q Have you ever come in contact with strikes or any difficulties of that kind?—A. Yes, I have had something to do with strikes, and they are disagreeable things to have.

Q. As far as you have observed, what have been the influences leading up to them?—A. There are strikes to secure higher wages sometimes, and at other times for enforcing some particular rules on the employer—rules that I thought were not altogether fair—such as limiting the number of apprentices.

Q. The resolution of the Senate under which this committee is acting directs us to inquire into the causes and consequences of strikes, and to get any suggestions that we can that may be serviceable in preventing their renewal hereafter. I would like to have you give us your ideas in regard to this labor question and in regard to trades unions and the like.—A. Really, my experience with labor organizations has been limited.

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### THE BROTHERHOOD OF LOCOMOTIVE ENGINEERS.

I have had something to do with the Brotherhood of Locomotive Engineers; when it was newly organized they were rather prone to exercise the powers which they had acquired by acting unitedly. They, however, were made to see their mistake, and acted more conservatively afterwards. The experience of the locomotive engineers led them to abstain from strikes, and to settle all their difficulties peaceably with their employers. I have not been actively engaged myself in managing railroads for the last five years, and have not been directly in contact with the workmen; but I think that organization on the whole has done a great deal of good among the men, and brought them up to a higher standard. When they have any difficulties or complaints they are very conservative in negotiating with their employers, and try to get what is wrong made right, and they are always met by their employers in the best spirit. The railroad officers have no reason for oppressing their workmen. They are in the position of mediators, rather than actual employers.

Q. Do you think that the great industries of the country, such as railroads and other industries, make the provision that they ought to make for their laborers in case of accident or disability, or perhaps old age?—A. They have not done much yet in this direction.

Q. What ought to be done in that matter, do you think?—A. The Baltimore and Ohio have set a good example by instituting an insurance company among their employés.

Q. Is that a contribution out of his wages, or does the company contribute?—A. The Baltimore and Ohio Company, I think, contribute one-half to the fund.

Q. To whom is that fund available?—A. That I cannot tell you, but generally it is for the old and disabled. In France they have had a similar system in operation, and I think it should be adopted more generally here.

### GOVERNMENT CONTROL OF RAILROADS IN FRANCE.

Q. Do you know the nature of the Government control over the railroads in France?—A. Yes.

Q. What is it?—A. Most of the railroads in France, really, I might say, belong to the Government. The roads are built generally by the Government guaranteeing a certain amount of interest on the investment—I believe 5 per cent.—to the railroad corporation. In that case, of course, it should have the right to regulate the rates, because it has to make up all the deficiencies in income. But it allows the railroad companies to earn as much more as they can, under the restrictions, however, of a tariff approved by the Government. The Government inspects and approves the tariff; the company only suggests it. The Government has not even the right to fix the tariff absolutely, but the initiative in making tariffs is with the railroad companies, and the Government can approve or not, as it pleases. Under the French control of railroads, the people are just as much dissatisfied with railroad management, and perhaps more so than they are here. Under the system under which French railroads were built competition has been almost impossible. They built railroads from Paris to each part of the country, the roads all centering in Paris. But they made no connections between those various systems, and so each road has a territory for itself. They do not come into competition with each other.

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TRADES UNIONS—THEIR EFFECTS.

Q. Reverting again to the trades unions generally, what, in your opinion, is their operation on the laboring classes?—A. I think that they are very beneficial if they would restrict themselves within legitimate operations. They can do a great deal of good in advancing the interests of the workingmen and educating them to a higher standard of perfection.

Q. And as they do that, do they qualify them to demand and receive a higher rate of wages?—A. The wages are generally regulated by the merits of the men. The superior workman commands higher wages.

Q. Then if they improve the general condition of the workingmen as a class, the men would be likely to receive more pay, would they not?—A. I think that would be the tendency.

THE STANDARD OIL COMPANY.

By Mr. CALL:

Q. Do you know anything about the relations between the Standard Oil Company and the railroads on the lines having connection with that company?—A. I never had any personal connection with that business; but, of course, I know from general information a great deal about it.

Q. You know the charge has been frequently made in Congress that there was some arrangement or combination between those lines by which all private enterprise in that business was destroyed?—A. Yes; that may indirectly, perhaps, have been the result, but it was not contemplated by the railroads. This is one of the clearest illustrations that can be found of the bad effect of unrestricted competition between railroad companies and the good effect of such an institution as we now have. If there had been such an institution as the association that I am connected with, the Standard Oil Company could never, perhaps, have found an existence. They built up their fortune first by going to one company and getting a rate from them, then going to another company and getting a lower rate, and as the railroads were anxious to buy their business by one offering lower rates than the other, they were bidding for this particular business, while the regular business was made to pay higher rates. Now, if those three or four companies had come together at the time that this Standard Oil Company was ready to make their shipments and had fixed a common rate by all roads, or if they had "pooled" the business so as to remove all motive for making lower rates solely to the Standard Oil Company, all the difficulties complained of would never have happened.

THE DRESSED-BEEF MONOPOLY.

The same difficulty of building up monopolies by competition between railroads has occurred partially with other business. This railroad competition has helped to concentrate the live-stock and dressed-beef business into the hands of a few men. We have been able to improve somewhat upon these conditions. But the tendency of these competitive fights between railroads always has been to build up a few shippers, who by degrees can monopolize the whole business of the country. Instead of giving open and the same rates to everybody under like conditions, private contracts are made to secure certain individual large shippers on better terms than is given to the general public. It is this

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injurious effect of competition that we desire to prevent by our combinations.

Q. Do you think any private arrangement or private association such as yours, having no authority in law, is strong enough to control a corporation against powerful pecuniary interests associated in the form of the Standard Oil Company?—A. After the railroads had built up that company they had no power to control it. On the contrary, the Standard Oil Company controlled the railroads. But they never could have got that power if the railroad companies had adopted a wiser policy instead of allowing themselves at first to be used one against the other, and instead had acted concertedly, and pooled this traffic—which they afterwards did, but too late. There is nothing to be done now, I suppose. The Standard Oil Company is independent of the railroad companies. They have their pipe lines and ship no crude oil by railroads. But at the beginning there was not any design or intention on the part of the railroad companies to help the Standard Oil Company.

RAILROAD ASSOCIATIONS PREVENT SUCH MONOPOLIES.

What they did was the result of competition between the railroad companies, each trying to secure this traffic for itself; buying it, as it were, by reduced rates. It was this sort of competition which worked the harm. The Standard Oil Company took advantage of this competition and got better rates than the public. The very object of our association is to avoid this.

Q. Your association, as I understand it, is one constituted by the voluntary adhesion of each railroad?—A. That is all. Each road can withdraw from it when it pleases. They can only be held together by motives of self interest.

Q. They have a fund, I suppose, to sustain the association?—A. Yes, they contribute to the expenses, each according to the amount of business it does.

Q. Have you found that system to be efficacious in the preservation of rates reasonable to the public at large and compensatory to the railroads as well?—A. Yes, it has been so thus far. Its operation has been by no means perfect, but a great deal of good has already been done. We have had only one of those unfortunate railroad wars, and that lasted some nine months. It was in 1881. Since that time we have avoided this strife and have maintained reasonable rates of transportation more uniform and permanent than before.

ADVANTAGES OF INCORPORATION OF RAILROAD ASSOCIATIONS.

Q. I think I understand that your idea as to Government control is in the fostering and encouraging of such an association as yours?—A. Yes, in making it a legal association—in incorporating it as they have incorporated a somewhat similar association in England.

Q. In order that it may have a legal effect for its agreements?—A. Yes, that is all. Whenever railroad companies enter into a legal agreement, it should be enforced by law as any other contract. At present, I suppose, most courts would say that it was against public policy to incorporate such an association. This is because they do not understand, really, the practical working and object of such an association; so we have to battle on in the best way we can, without the sanction of the law and against public prejudice.

Q. Your idea is that of a voluntary incorporation of railroads?—A. In

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groups; there are certain groups of roads that work together, forcing nobody to join them but letting everybody who wants to come in; and whenever they do come in and make an agreement they should be compelled to keep it. There need be no compulsion to join in these associations.

Q. You think the advantages of such an association would be to have everybody join it?—A. Yes, that would be the natural effect. In England, I believe, they started with only a few companies, and now they have all the companies in England, I believe, or nearly so.

Q. You are further of the opinion that the existing roads could not now be built for the present capitalization—$60,000 a mile?—A. Yes; I don't think that that is an excessive amount of capitalization.

Q. And that the amount paid on that is about 3 per cent.?—A. Five per cent. to the bondholders and 3 per cent. to the stockholders.

### RELATION OF STOCK AND BONDS TO ACTUAL COST.

Q. What proportion of that stock is stock that represents any real value—stock paid for; stock that was not made by the credit of the franchise—by bonds issued and roads built upon a pledge of securities?—A. I don't think that the cost of railroads could have been much less than they are now capitalized at; that while some stocks have been watered, other stocks have been retired.

Q. What proportion of them are stocks that have been watered, as you call it?—A. I could not tell you that, and I believe nobody can tell; but I only judge from the average cost of roads that it could not have been otherwise than that the watering and retiring must have very nearly balanced each other.

Q. You feel very confident that $60,000 a mile would not be an excessive value for building a road at the present time, and equipping it?—A. The average road; of course some roads can be built much cheaper; but you must not forget to consider the cost of the equipment, of terminal facilities, of interest during construction and discount on securities.

Q. That amount you consider represented now by the present capitalization of the roads?—A. Yes, about $60,000 a mile.

### STOCK WATERING ON RAILROADS.

There is so much said about stock watering that I wish to refer to it. Of course, the capital stock of railroads may be increased legitimately and the term "watering" should not then be applied. There are many roads that when first built were unfinished. Generally when the rails are first laid the road is considered finished. But the expense has only commenced then. Most roads are only temporarily built, and in the course of a few years all the net earnings that the road makes, if any, are used to finish it. It is proper that the amounts so expended should be charged to capital. Stock may be issued either in the shape of dividends or otherwise, to represent the money that the road has earned and has put into the property to increase its value.

By the CHAIRMAN:

Q. You mean provided the original capitalization did not represent the value of the road after these improvements are made?—A. I take it for granted that the original road was built upon a stock subscription, and that it was finished by the time that the money realized from

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stock subscriptions gave out. The road may have had, perhaps, to run several years before they earned anything, but all the net earnings were used in building and in finishing the road and acquiring rolling stock, etc. If they then issued stock to the extent of the amount of money thus expended, that would not be watered stock; it would not be wrong to issue such stock. It is difficult now to tell in each case under what conditions the stock was increased, and that is the reason why it is impossible to tell what stock is really fictitious and what stock represents property. Unfortunately, there has arisen lately the system of building roads on watered stock, when bonds are sold and a certain amount of stock thrown in as a premium. Some of these roads are built simply on speculation and for the purpose of making money out of people who are foolish enough to buy the securities, while the originators generally get out before the road goes into bankruptcy. Unfortunately, there has been a good deal of that sort of railroad building lately, and a stop ought to be put to it if possible. But really this is done by speculators. The old railroad companies do not like it.

By Mr. CALL:

Q. But the railroad is built?—A. Yes; there is some good in this. The railroad is built, and some people get the benefit of the roads, but others are punished.

## SPECULATION IN FOOD PRODUCTS.

By the CHAIRMAN:

Q. I suppose you must understand this question of the effect of the operations of the Produce Exchange and the speculators who deal in the prices of food?—A. Yes.

Q. That is quite a subject, and there is here a witness whom we expect to testify to-night, and it is quite inconvenient for him to come again. Can you come in again and give us your views on that subject?—A. I cannot give you any more light than you have. The New York legislature has investigated already this subject of corners.

Q. But it is contained in a volume of about a thousand pages, and we have not got a thousand years to read it in.—A. In my opinion this speculative mania is very much to be regretted.

Q. Please give as nearly a categorical answer as possible to this question, leaving it without explanation, or at least without much explanation: Whether you think that these operations are a benefit or an injury, on the whole, to the laboring class—the consumers of food?—A. I don't think they have any permanent influence on the price of the necessaries of life. They may cause temporary increase in the prices of food, but it is only to have a corresponding reduction to follow.

Q. Taking the whole year together, you think it has no effect?—A. It has little or no effect upon the whole year's transaction.

The CHAIRMAN. Is there anything else that you desired to say?

## "CHARGING WHAT THE TRAFFIC WILL BEAR": MEANING OF THE PHRASE.

The WITNESS. The only thing that I would like to state is in regard to the complaints made that railroads charge for their services all the traffic will bear.

The CHAIRMAN. Yes, that is the basis for an expression which I think has passed into general currency.

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The WITNESS. Yes. It is a plank in the platform of the Anti Monopoly League. I would like to explain this matter if you have time.

The CHAIRMAN. You had better do so.

The WITNESS. This complaint arises from a misunderstanding of the principle on which railroad tariffs are made. It ought to be said that the railroad companies do not charge more than the article will bear—perhaps that would come nearer to the truth. Few articles are now carried at much more than the actual cost of transportation, if you take in consideration the interest charges. For example, take grain. If we were to charge the cost of transportation, we would have to charge at this time, perhaps, 35 cents per hundred pounds. That would cover the cost of doing the work, and at the same time allow for interest on the investment. Instead of that, we carry grain for 25 cents per 100 pounds from Chicago to New York. This is because we do not charge more than the article will bear. Of course we could not do otherwise if we intended to. On the other hand, we carry dry goods, for example, at 75 cents. We charge more upon dry goods than upon grain, simply because the article will bear it. There is no injustice in charging for that service that amount of money—the service is worth the money that we charge for it, if we estimate the service according to the value to the consumer. We cannot charge more than 25 cents for grain, and in order to average the earnings so as to cover the cost of operating the railroad, we have to charge more on other articles. A suit of clothes, for instance, weighing 12 pounds, is carried for 8 or 9 or 10 cents. That is a charge that it will very well bear. It does not cost very much more to carry a ton of dry goods than to carry a ton of grain. Of course it costs some more, but not enough to make so large a difference in the charges. It is necessary that we should tax the goods that will bear a larger transportation rate, in order to pay for those goods that we have to carry for an insufficient profit.

## "COST OF SERVICE" NO CRITERION FOR CHARGE.

This is the only way in which railroads can be made really useful to the country. This idea that the railroad company should charge the cost of the service is perfectly ridiculous in itself, because they cannot get the cost of the service now, as I have shown, and nobody wants to pay more than they pay now.

I hardly think that 3 per cent. is a sufficient compensation for the stockholders in railroads in this country for the capital they invest—taking into account all the risk of the investment—but if the people are willing to make up all the losses so as to give them 6 per cent. there would be no objection on the part of the railroads. The tariffs then could be made alike on silk, and grain, and coal, and every other article. If each service should be paid according to its cost it would be a most delightful way for railroad companies to manage their railroads. It would be so simple to make the tariffs on so much per ton per mile, whether silk, or grain, or coal.

But the effect of that tariff would be that most of the important articles now carried over the railroads could not be carried at all. The grain could not stand the average cost of transportation; and so with many other articles of transportation. I estimate that the average cost between Chicago and New York is perhaps 40 cents per 100 pounds on grain, perhaps 35 cents, but we carry the great bulk for less than that; so that the principle that railroad charges should be based on the value of services rendered rather than on the cost is, I think, the correct one,

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and instead of this being made a point of attack on the railroads, I think it is the only principle that will lead to the full development of the country—the principle of carrying business at rates that it can pay. Some articles will yield no profit, while others, such as luxuries, will make up for the loss; all taken together will pay the cost of transportation. That is the principle that is followed not only here, but in every other country. Any other principle, if adopted—as the Anti-Monopoly League desire—would be simply ruin to the best interests of the country. You could not develop a country under it. This principle of charging according to the value of the service rendered is adopted in all countries, and is practiced, I suppose, by all individuals in all mercantile transactions.

I believe that in England, in olden time, on the turnpike roads and highways the tariff was not the same for all vehicles that passed over them. A pleasure carriage had to pay twice as much toll as a freight wagon, although it is lighter and does less damage to the roadway. That principle was recognized on the public highways there constructed by the Government. It was recognized on the Erie Canal, owned and managed by the State of New York—different toll for different articles, although the cost for use of the canal could not be different. For lumber and coal, for example, there was a lower toll than for other articles. On salt they had a toll one way which was higher than the toll the other way. All these distinctions are recognized on public roads owned by the Government. The attempt to show that the railroads are wrong in adjusting their tariffs according to the value of the service rendered is based simply upon the grossest ignorance of the correct principles upon which transportation charges should be made.

There is another subject upon which I would like to make some remarks, and as the committee desires to hear another witness this afternoon, I will be as brief as possible.

## COMPOSITION OF RAILROAD TARIFFS.

The charge is made that the so-called watering of stock has the effect of increasing the cost of transportation, and that the public is required to pay dividends upon this watered stock. I wish to explain that this is not true. It does not make the least difference what the indebtedness of a railroad company is in arranging tariffs. The policy of every road is, and must necessarily be so, to make the greatest amount of money that it can make legitimately. I have fully explained the conditions under which tariffs are made. They are commercial conditions entirely independent of the stock liability of the railroads. I have shown that the tariffs are not based on the cost of the service or on the indebtedness of the company. If the rule was established that the cost of the service should be the basis of all tariffs, then the watering of stock, increasing the capital of a company fictitiously and endeavoring to pay interest on that increased capital, would of course increase the transportation charges, and the complaint would be a just one. As it is, the the watering of stock may be done with a view to stock speculation, and may affect the interests of investors and speculators, but it does not affect the interests of the patrons of the road. The assertion that it does shows nothing but ignorance of the facts, and I challenge any one to produce a single instance where the watering of stock has been followed by an increase of transportation charges.

The anti-monopolists in New York are constantly asserting that the workingmen have to pay interest on the increased stock of the New

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York Central Railroad, and this assertion is made in the face of the fact that since that increase took place the freight transportation charges on the New York Central Railroad have decreased nearly 50 per cent., showing how groundless these complaints are. I wish it understood that I am utterly opposed to stock-watering—that is to say, when an increase of stock is not based upon an increase in the cost of the property; but what I wish to demonstrate, and believe I have done so, when I spoke of the principles that underlie the making of tariffs, is, that the shippers or the patrons of the road are not injuriously affected by stock-watering. The investors in these properties may be deceived, and the watering of stock may be used as a means for illegitimate speculation, and transactions of this kind should be, and are in some States, forbidden by law, but the cost of transportation and the cost of supplies to the workingmen is not thereby increased one iota.

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NEW YORK, *September* 17, 1883.

T. THOMAS FORTUNE sworn and examined.

By the CHAIRMAN:

Question. Where do you reside?—Answer. In the city of New York.

Q. What is your occupation?—A. I am a journalist.

Q. What is your connection with the press?—A. Editor and proprietor.

Q. Of what paper?—A. The New York Globe.

Q. To what special interests is that paper devoted?—A. It is devoted especially to the interests of the colored population.

Q. It is the organ of the colored interests of the North, or of this city?—A. Well, it was intended to be a newspaper devoted to the interests of the citizens of New York, but it has so extended that it may be said to cover the whole ground of the United States; so that it may be said to have no local habitation, but to be rather national in its character.

Q. You have seen the resolution under which the committee is acting?—A. Yes, sir.

Q. Will you now, in your own way, make such statements of fact and such suggestions as seem to you pertinent, bearing upon the condition and the improvement of the condition of the colored population of the country, and also in regard to its relations to the white population with which it is thrown in contact?

### THE COLORED POPULATION.

The WITNESS. According to the census of 1880 there were in the country 6,580,793 people of African ancestry. In 1790, according to the first census, there were only 757,208. The increase of population from 1850 to 1860, under the slave régime, was 22.1 per cent.; from 1870 to 1880, 34.8 per cent. The increase is and will continue to be healthy in the state of freedom, since human effort and propagation have their greatest expansion in a state of freedom from all tyranny and narrowness. If we were freer our growth and propagation would be vastly greater. As it is, we are fettered by the State and repressed by individuals and corporations. We are not free as other men to come and go, to make and spend, to enjoy the protection of the laws equally, or

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to share as other men the rights and immunities of Government. Like the Irish subjects of Great Britain, we have received everything from our Government except justice in equal degree with others of our fellow-citizens. This she has always denied and still denies to us.

This large body of our population has, since the foundation of our Republic, been a subject of the gravest moment, of the most earnest contention in the home, in the halls of legislation, and on the field of battle. But in all the conflict the negro has never received full justice at the hands of the Government, State or Federal, and he does not receive it to-day in any portion of our vast territory.

At the close of the great rebellion the negro population of the country was thrown upon its own resources, so to speak; made men and citizens at one stroke of the pen. These men were poor, ignorant beyond conjecture, cowed and debauched by the foul iniquity of human slavery, and surrounded by a hostile public sentiment which vented itself in all sorts of intolerance, in assassination, intimidation, and open robbery. Assassination for political causes has ceased because no longer necessary; but intimidation and robbery remain; so that the negro population of the South is to-day, as it was thirty years ago, a disturbing element, requiring a wise statesmanship to properly adjust it. But instead of attempting to honestly adjust, the people and the press of the country constantly talk of eliminating it from political consideration and discussion, as if it were possible to heal a cancer by leaving it severely alone.

The greatest misfortune which the Government inflicted upon us up to the close of the war was the almost universal illiteracy of the masses—illiteracy which was designed and made irrevocable by the most stringent of statutory enactments. Our intellectual and material poverty, absolute bankruptcy, was caused by the Government, which closed the book of knowledge to us and denied us the common right to accumulate. We are not responsible even to-day for the widespread poverty which obtains among us. We have not the facilities and aptitude to amass large fortunes by speculation and peculation, but we are learning to emulate the virtuous example of our white fellow-citizens in this regard.

Considering honestly our lowly beginning, the following facts are of interest. From the Bureau of Statistics we find—

### SCHOOL ATTENDANCE OF COLORED CHILDREN.

Enrollment of colored youths, as far as reported by the State school officers for the year 1880, 784,709; per cent. of colored youth of school age enrolled, about 48.

Colored school teachers in the United States: males, 10,520; females, 5,314; total, 15,834.

Normal schools for colored youth, 44; teachers, 227; pupils, 7,408.

High schools, or academic, 36; teachers, 120; pupils, 5,327.

Universities and colleges, 15; teachers, 119; students, 1,717.

Schools of theology, 22; teachers, 65; pupils reported, 880.

Schools of law, 3; teachers, 10; pupils, 33.

Schools of medicine, 2, with 17 teachers and 87 pupils.

### STATE APPROPRIATIONS FOR COLORED SCHOOLS.

According to the census of 1880, there is in the South a total school population of 5,426,890—3,758,480 being white, and 1,668,410 being colored; enrolled, white, 2,013,684; colored, 685,942. The total appropriation for school purposes by these States is set down at $12,181,602,

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being the beggarly pittance of $2.26 per capita. Only 31 per cent. of the white, and 26 per cent. of the colored children of Louisiana availed themselves of the advantages of the public schools, while the State appropriates the munificent sum of $529,065 for educational purposes, being $1.94 per capita; while the city of New York alone expends more than $3,000,000 per annum for the education of her youth. Four and two-tenths per cent. of the school population of New York State can't read, and 5.5 cannot write, while in Louisiana 45.8 cannot read, and 49.1 cannot write. Florida, with a school population of 82,606, appropriates only $134,880 for school purposes, being $1.63 per capita. The District of Columbia, with a school population of 38,800, appropriates $368,343, and 61 per cent. of the white and 73 per cent. of the colored school population are enrolled, the per capita being $9.49. In the District of Columbia, 5.7 per cent. of the school population cannot read, and 18.8 per cent. cannot write, while in Florida 38 per cent. cannot read, and 43.4 per cent. cannot write. These facts are suggestive.

### INADEQUACY OF SUCH APPROPRIATIONS.

Aside from the vastly inadequate work being done in the South by the States, it should not be omitted here that Northern churches and organizations and individuals contribute annually to the education of the freedmen quite as much as the States; but the contributions from these sources are uncertain and fluctuating. Yet, after all that is done is considered, it must be conceded that ignorance is growing in the South as rank as the weeds that choke her corn and cotton. Whether it be the poverty of the people of the States, or disinclination of the people to tax themselves for the rooting out of illiteracy and the vices it breeds, I am not prepared to say; but that the evil is vast and menacing, all must concede. The rural journals of the South, which are usually ignorant of the first principles of political economy, object to popular education, on the ground that the blacks pay no taxes, supremely oblivious that the laboring classes of every country always create capital, and pay in rental the taxes of the land-owner, who has no more inherent right in ownership of the soil than the laborer. What the State refuses to pay for education it gladly pays for penitentiaries, preferring a pound of remedy to an ounce of cure.

It must not be forgotten that the teachers employed in the South labor under many disadvantages, which react with fearful effect upon the pupils. Because of the miserable compensation and the shortness of the school term, together with social isolation and political intolerance of the South, competent teachers cannot and are not always secured. The school term in the South does not average more than four months of the year, and I doubt much if the salaries paid will average $30 per month, subject to further reduction on school warrants by regular scalpers, merchants, and others. At least, such was my unfortunate experience in Florida as a teacher. And, then, these school teachers are subjected to every species of persecution from school superintendents, trustees, and the white braggarts of the town. The position of a colored school teacher in the South is not a desirable one from any standpoint. Before I would teach again in the South I would drive a dray on the streets.

I do not believe in centralization of government. I know the evils which come upon the people by merging into the hands of the few men, who must of necessity administer government, more power than they should control, and yet I am thoroughly convinced that the education of

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the people is a legitimate function of government—not in any sense a measure of centralization, but eminently one of self-preservation. We make lavish appropriations for harbors, forts, the Navy, and the Army, for the common defense, but illiteracy is a far more insidious foe from within than any that can or will assail us from without.

### A NATIONAL BOARD OF EDUCATION WANTED.

I would advocate the creation of a board of education, with four commissioners (one for each section), and I would advocate an annual appropriation of $25,000,000 to $30,000,000, to be applied according to the ratio of illiteracy. It could be applied through the superintendents of education of the several States, subject to the approval of the commissioner or commissioners, or by some other more effective and satisfactory method.

The desire of the black race of the South to take advantage of educational opportunities is too well known and too conclusively demonstrated by statistics to require more than a passing notice.

It may be pertinent to remark here that there are in this country 7,646 colored ministers of all denominations, and a church membership of nearly 2,000,000 souls.

### SLAVE LABOR AND FREE LABOR CONTRASTED.

It is often charged that the race is lazy, but I think the charge is absurd. If it is lazy now, what must it have been under the system of slavery? It is undeniable that the negroes of Georgia own 680,000 acres of land, cut up into small farms, and in the cotton States they own and cultivate 2,680,000 acres. Dr. Alexander Crummell, in his thoughtful reply to the misrepresentations of Dr. Tucker, of Mississippi, says, basing his statement upon accepted data, "Let us put the figures as low as 400,000 acres for each (meaning Southern) State—for the purchase of farm lands has been everywhere a passion with the freedmen—this 400,000 acres, multiplied into 14, *i. e.*, the number of the chief Southern States, shows an aggregate of 5,600,000 acres of land, the acquisition of the black race in less than twenty years." Again, I find that the Freedman's Bank, which opened in 1865 and closed in 1874, had no less than 61,000 black depositors, the aggregate of whose deposits was $56,000,000. Again, from 1857 to 1861, under slave labor, there were produced 18,230,738 bales of cotton; from 1878 to 1882, under free labor, 27,667,367 bales, being a balance in favor of free labor of 9,436,639 bales. There does not appear to be much ground for the charge of laziness to stand upon in this handsome showing.

A still more gratifying illustration is furnished in the products of South Carolina. In 1849 and 1859 she raised 654,313 bales of cotton with slave labor; in 1879 and 1882, she raised with free labor 1,153,306 bales, a difference in favor of free labor of 498,993 bales. In 1859 her wheat crop was 1,285,631 bushels, in 1882, 2,973,600—a difference of 1,687,969 bushels in favor of free labor. In 1859 her oat crop was 936,974 bushels; in 1882, 8,094,600—a difference in favor of free labor of 7,057,626 bushels. Speaking of these marvellous and satisfactory figures the Boston Herald of a recent date says: "Free labor, protected in its rights, improved transportation, better fertilization and culture, and the subdivision of the lands are at the bottom of this wonderful growth."

I have no doubt that if comparisons were made as to the production

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of other States like favorable results would be shown. And yet there are men who seriously allege that the negroes are lazy. I am free to admit that a large percentum of the negroes squander much time and money in fishing, hunting and loafing; still the great mass of the people are honest, steady laborers. They must of necessity be, else how account for the steady increase of production in the South?

### COMPENSATION OF FARM LABORERS IN SOUTHERN STATES.

Now, in view of these facts, it will naturally be asked why the negro population continues poor and ignorant. The answer, in part, is a direct refutation of the statement made to your honorable committee on Thursday last by Mr. John C. Calhoun as to the rate of wages and how it is paid in the South. The average rate of wages of a farm laborer in the South is nearer fifty than seventy-five cents, out of which the laborer must feed and clothe his family. He seldom ever pays rent and he seldom ever sees a cent of currency. He is paid in "orders" on some storekeeper friendly to the planter. He cannot negotiate these precious "orders" at any other than the store indicated. Hence a system of fraud is connived at and practiced, to the utter demoralization and impoverishment of the ignorant, helpless laborer.

I remember an instance which strikingly illustrates the pernicious features of the "orders" system. At a place on the Suwannee River in Florida there is a large saw-mill, owned by a gentleman who also operates a large farm. This man owns the entire village and all the land for miles around, and he will not allow any one to sell on his land. He owns the only store within forty miles of his place. He pays his employés in "orders" on his store, white and black alike, and it is a rare occasion indeed when any one of them gets his hand on a real dollar bill. So expensive is it to live at this place because of the miserly monopoly of everything by the proprietor, that I have known men who had fallen out with the proprietor to walk away, having been unable, from the earnings of many months, to save sufficient to indulge the luxury of a railroad ticket. I once attended a panoramic exhibition in the little church at this place, when the bookkeeper of the firm, a very fine gentleman, stood at the door and "passed in" all his employés who desired to see the sights, noting the name of each in his little book. When they had all passed in he gave the showman an "order" for his money and told him to call at the office the following day and collect, which was done. This sort of thing breeds improvidence, but not thriftlessness, because to be improvident the "orders" must be obtainable, and they are only obtainable when the work has been performed.

### SHARE-LABOR SYSTEM ON FARMS.

The system of share labor is equally unsatisfactory to the laborer. He is compelled to give a lien on his unplanted or unharvested crop to be able to run his farm, and his account at the store at the end of the year usually brings him in debt. My father once kept an account in the liberal sense; that is to say, he kept an account of the things he "took up" at the store as well as the storekeeper. When the accounts were footed up at the end of the year the thing became serious. The storekeeper had one hundred and fifty dollars more against my father than appeared on the latter's book. Of course there was a wide difference of opinion, but my father settled the account according to his book and told the merchant he was at liberty to sue for the remainder. But

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the merchant failed to do it, and his books will show a shortage of $150 to-day if he has not balanced the account to profit and loss. But of course the mass of colored men who farm on shares or labor by the year and keep an account do not, because they cannot, keep a record of every purchase; and it is by this means that they are swindled and kept forever in debt.

I have known honest but ignorant colored men who have lost large farms, magnificently accoutered, by such thievery. The black farmers, and those in other occupations at the South, are robbed year after year by the simplest sort of devices; and the very men who rob them are the loudest in complaint that the negroes are lazy and improvident. For my part, I am surprised that a larger number of them do not go to fishing, hunting, and loafing.

### ARTISAN LABOR—ITS COMPENSATION.

The artisans and laborers in the cities of the South fare better, but the wages they receive would be spurned by the white artisans and day laborers of any Northern or Western city. Masons and carpenters average not $2.50 to $5, as stated by Mr. Calhoun, but $1.50 to $3.25; other laborers receive from 75 cents to $1.25 per diem.

The statement has been made to your honorable committee that a better feeling between the whites and blacks is becoming more and more apparent, but I doubt it. There is an undercurrent of restlessness in the South which the newspapers and reform politicians attempt to smother, but nothing can smother it. The longer the blacks enjoy the state of freedom, the more education and property they acquire, the more restless they become; so that I am free to admit that the startling conclusions arrived at by Professor Gilliam in a recent article in the Popular Science Monthly will, in the main, be largely verified within the time specified by him. The man who thinks the blacks of the South will always patiently endure the wrongs heaped upon them, misapprehends that human nature which is the same in the Spartan helot, the Russian serf, and the Irish peasant.

### PENITENTIARY LABOR.

The penitentiary system of the South, with its infamous chain-gang and convict features, is not equaled in inhumanity, cruelty, and deliberate fraud in any other institution outside of Russian Siberia. Even the Charleston News and Courier and the Savannah morning newspapers, which no man will claim are oversensitive as to how much a negro suffers, have declared the convict system of Alabama, Georgia, and South Carolina a disgrace to civilization. When such papers as these cry out "horror!" it is high time for less hidebound papers to look into the matter. The penitentiaries of the South are full of honest men as well as thieves, for the law of the South has been purposely framed to convict the negro, guilty or not guilty. These men are sentenced to long terms of imprisonment upon charges and evidence which would not be entertained for a moment in any court of law north of Mason and Dixon's line, the object being to terrorize the blacks and furnish victims for contractors, who purchase the labor of these wretches from the State for a song. Of course this one-sided administration of justice demoralizes the ignorant blacks, as it is intended to do. The white man who shoots a negro always goes free, while the negro who steals a hog is sent to the chain-gang for ten years. During the past

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month I noticed three instances of the acquittal of white murderers of colored men.

### RIGHTS OF COLORED MEN.

Colored men are, generally speaking, denied the right to serve on jury in the South. Hence they never expect justice, and they always receive the full extent of punishment cunningly devised to reach their case. They hold no offices by appointment under the State governments, and, because of open intimidation and violence and fraud, they hold very few through the suffrage of their fellow citizens. Their educational interests suffer in consequence. Respectable colored men refuse to travel in the South, because corporations sell them $25 worth of accommodation and force them to accept $10 worth when they can. They refuse to be thus outrageously robbed. They cannot receive shelter in hotels and inns, and places of amusement are barred against them. All these wrongs retard the progress of the race, and make the suggestion of amicable relations ridiculous. The condition of affairs in the South is volcanic in the extreme, and is becoming more so year after year, not less because of the apparent calm.

### POSTAL SAVINGS BANKS.

I think that the establishment of postal banks would benefit the poor class of people all over the country, and especially in the South. These banks would be scattered far and wide, and the positively known reliability of the Government would secure at once confidence and conduce to economy and comparative independence among the laboring poor.

I think that national aid to education would be a national blessing.

I think that the Government should refund to the freedmen the $4,000,000, with interest, out of which they were robbed by the Freedman's Bank harpies.

I think that it would be advantageous to my race if Congress would pass the bill introduced by Congressman Phelps, of Connecticut, creating a commission to thoroughly investigate the condition of affairs in the South with special reference to the condition of the colored people. I think the report of such commission would open the eyes of the country. The people who do not want any interference into the affairs of the South are the ones who have usurped authority and who tyranically use it. Hence the urgency of the necessity for honest investigation.

### PUBLIC SCHOOLS IN LOUISIANA.

I would like to call special attention to the following item from the New York Times, embracing a letter from the State superintendent of schools of Louisiana. It appears in this morning's edition of the Times:

NEW ORLEANS, *September* 15.

It has taken only six years of Democratic control in Louisiana to eradicate the public school system from its scheme of government. In the reign of carpet-baggers and negroes the school-house flourished in every country settlement. To-day not a public school is open in all Louisiana. The Hon. E. H. Fay, State superintendent of public schools, in explanation of the situation, has written a letter which was furnished to the press to-day. The letter is addressed to Ben. P. Edmunds, president of the school board at Sparta, La., and says:

"DEAR SIR: Your favor of the 6th instant reached me only last night, and I hasten to reply. You say people are constantly inquiring of me why they cannot have public schools, and ask me to state the reasons. This I will now do in as few words as possible. First. The general assembly of 1882 made little or no provision for their support, appropriating only $107,000 all told from July 1, 1882, to July 1, 1883, never

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before having appropriated less than $300,000 since the public school system was first established. Out of this aforesaid amount they unconstitutionally appropriated $30,000 per annum for two years to three universities, one at Baton Rouge and two in New Orleans. Your superintendent enjoined this payment, but was nonsuited, the supreme court holding that he had no right to protect the interests of the public schools, even though he did it at his own personal expense. The apportionment of the State superintendent, made February 24, 1883, of the funds of 1882, was enjoined by the city school board of New Orleans, because they were not given so much as the parishes were. Owing to an error in reporting 'funds on hand,' the June apportionment of 1882 had to be canceled, but New Orleans had succeeded in drawing some 22 cents per capita of educatable children—some $13,000--before the error was reported to the superintendent's office. True, this overdraft of New Orleans was out of the funds of 1881, and would never be collected to pay the rest of the State 22 cents per capita held up from New Orleans funds of 1882 and apportioned to the rest of the State to make up the amount in July, 1882, by New Orleans. New Orleans claims that, notwithstanding the overdraft of the fund of 1881, she is entitled to a pro rata share of the funds of 1882; hence the injunction restraining the auditor from issuing warrants on the funds of 1882. The case was decided in the lower court in favor of the State superintendent, and was appealed by the attorneys of the New Orleans school board, returnable in February next. Your superintendent has proposed that if they will relieve those funds already apportioned from their injunction, and allow them to be paid out to the State, he will hold up from the appropriation sufficient to satisfy their claim if it is decided to be a valid one by the supreme court in February, 1884, but he can get no reply from them. Your superintendent has exhausted all means in his power to give what little appropriations have been made to the public schools of the State."

The effect of this litigation has been to close the doors of every public school-house in the State, and there is no prospect of their opening again until after the State election of April next.

Q. Is there any further matter that you would like to state to the committee?—A. There are some minor things that might be said.

CONDITION OF FREEDMEN.

Q. You may state anything that you would like the committee to know.—A. I think this commission should investigate the condition of the freedmen in the South, for many reasons. Of course I know this committee does not take into consideration the political condition of the people, and are dealing simply with the matter of labor and education. And yet as to the convicts in the South, who are mainly colored, I think the United States should appoint a commission to investigate their condition.

Q. Do you know anything about their numbers?—A. Not with any great exactness.

CONTRACT PRISON LABOR.

In Florida, South Carolina, Georgia, and Alabama, the contract convict system prevails, and the horrors that are there discovered occasionally indicate that there are more at the bottom, and we are not likely to hear anything favorable about our people.

The CHAIRMAN. Any facts that you know yourself we would like you to state. When the convict system comes into competition with free labor, that is a matter of legitimate inquiry, and that we will go into; but we do not care to go into the matter of purely political relations. Whatever pertains to the material and industrial condition of the people is of course legitimate.

The WITNESS. In the North an agitation has commenced, based upon the idea that prison labor is inimical to free labor; but I have always thought that the convict was in duty bound to work out the expense of his keeping. Consequently, when he does not work for the same wages that are given free labor, I do not think that condition is out of the



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way or pernicious. The Charleston News and Courier, of South Carolina, states that the average lifetime of a man in the phosphate mines of the State is fifteen months, and that it is very seldom that a man who ever goes into them ever comes out. If that is so, it ought to be investigated. The legislature of the State has been appealed to to abolish the system, but without effect. From Georgia we have constant reports—and I feel sure that they can be verified—that convicts are frequently whipped to death. I have seen several authentic statements that males and females in the Georgia penitentiary stay together, and that children are born in that unholy manner. Consequently, the system as it is tends to the demoralization of the prisoners, if they have any idea of propriety when they go into prison. In the State of Arkansas grand and petty larceny have been compounded so that the term of imprisonment could be extended for the benefit of the contractor, who hires the labor. In fact, the whole system of contract labor is pernicious. I think the State has a right to teach the convicts trades; to make them pay for the expense of their incarceration by their work.

By Mr. CALL:

Q. How long is it since you have been in the South?—A. I was there four years ago.

Q. Not since four years?—A. No, sir; not farther south than Virginia. I was born in Florida and reared there.

Q. What part of Florida?—A. I was born in Jackson County and reared in Tallahassee, and lived the last eight years in Jacksonville.

Q. But you have not been there in four years?—A. No; still, what statements I have made in regard to Florida I have verified within the last few days, and I know them to be facts.

SCHOOL ATTENDANCE IN SOUTHERN RURAL DISTRICTS.

The school system of Florida is in a miserable condition. There is no doubt of that. And in the back counties it is as good as no condition at all. The poor whites suffer as much as the blacks. Four months is the average attendance at school, and what a man can learn in four months he can easily forget in eight. When I taught there, after the war, I found what they would learn in four months they would have entirely forgotten, or almost entirely, by the time they got around to school the next year; and one-half of the money that is expended in the rural school districts of the South is simply thrown away. A child cannot remember in eight or nine months what he has learned in three or four.

By the CHAIRMAN:

Q. You have stated that the average is four months?—A. Well, I make it that; but in the rural districts it is less. Jacksonville is a large, rich place, and the schools keep open seven or eight, and sometimes nine months, with the assistance of Peabody funds and other funds. The county and State appropriate six months' money, but in the outskirts of the county they only keep open for three months, and also in the country parts.

QUALIFICATIONS OF COLORED TEACHERS.

Q. What are the qualifications of teachers there?—A. In Jacksonville they are good, and in the accessible places they are good, but in the rural districts the people say: "We have got to keep this school open." Then

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if they cannot get good teachers they put somebody else in; and, any way, a large part of the school teachers of the South are not capable teachers. A large part of the school superintendents take no great interest in the selection of the teachers. I taught in the country there, and the gentleman who was to examine me did not examine me at all. He said it was unnecessary to spend time in examining me; that I seemed to be a very intelligent fellow. He might have done the same thing if I had been much more ignorant.

THEIR COMPENSATION.

Of course there are good teachers in the South, but they will not go into the rural districts, because the wages will not support them. Where I taught, I taught three months, and I did not have a cent of money from the treasury up to the very last, and then I had my orders "scalped." I was to get $30 a month, which would make $90 for three months, and I had to "scalp" the whole thing. I got 15 per cent. less. If I had bought a plug of tobacco I had to pay 15 per cent. more for it than I would have to pay for it anywhere else. So that when I got back to Jacksonville I had actually only $10 out of the $90 for my three months' work. My experience in teaching in Duval County was very little better. I had to get my orders "scalped," and there it cost me 20 per cent.

By Mr. CALL:

Q. What year was that?—A. That was in 1878 or 1879. I am not positive which.

Q. Do you know whether they "scalp" orders there now?—A. I am not positive now, but the latest that I have heard of orders in Tallahassee and the back counties, they "scalped" them.

Q. You would not testify to that under oath, would you?—A. I would testify under oath that in the back counties of Florida they "scalp" the warrants to-day, and that it is a hard matter to get par for warrants. Even when the treasury had money it was a difficult thing to get money for the teachers. It was so when I was there in Tallahassee; and I have known white teachers to go in after colored teachers and get their money.

Q. And you have not been in Florida for four years?—A. Well, they had the same superintendent in Jacksonville that they have now; he was not an angel by any means.

A. We are speaking now of your knowledge. What knowledge have you?—A. That is my knowledge.

TAXATION FOR SCHOOL PURPOSES.

Q. Which taxes the most heavily, in proportion to its taxable property, for school purposes, New York or Florida? Do you know anything about that?—A. I guess I know something about it; yes, sir.

Q. Well, which?—A. I guess the city of New York is worth more than the State of Florida, and I should think that taxation is about equal, perhaps, and perhaps New York taxes more than the State of Florida on property.

Q. You have not any definite knowledge on the subject, then; it is a mere matter of opinion?—A. No, I have not got the figures here, and it is not very easy to tell. I could not give you a positive answer, because that is matter of statistics.

Q. Is it not generally understood that the taxation in Florida and in

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the other Southern States has been as large as the people could reasonably pay, either black or white, for school purposes?—A. I don't think that is accepted in the recent discussions in the papers of the South on the subject. The matter was not accepted in that light.

### NATIONAL AID TO EDUCATION ON THE BASIS OF ILLITERACY.

By the CHAIRMAN:

Q. I understand you to say that you think it the duty of the General Government to make appropriations for distribution among the States on the basis of illiteracy?—A. Yes, sir; I think that would be just, and I think it would reach the case. The bulk of the illiteracy is in the South, and it is the illiteracy that we want to reach, and the best way to reach it would be by the ratio of illiteracy.

Q. You suggest a commission; I don't know that I quite understood what its function was to be.—A. Well, I don't prescribe what function it would have; I should leave that to the creating power. I thought, however, it would be a good thing to have a board of commissioners at Washington—though not necessarily there, but somewhere—to supervise the distribution of this money. Because, even if the General Government should create a commission and give this thirty millions of dollars, as I suggest, to the superintendents, they would need supervision to properly apply that money. That is my honest conviction.

Q. If these same superintendents of the Southern States were also appointed by the National Government to superintend or supervise the distribution of national funds, and should combine these funds with the funds in their hands from the States, do you not think the money would be reasonably well appropriated and distributed?—A. Well, if they were responsible directly to the General Government I have no doubt it would.

Q. Do you see any reason why they may not hold an office from the State and from the Federal Government at the same time, and thus combine the two funds?—A. I think that idea would meet the case. I think the money would be properly applied if they were made responsible to those commissioners for the proper distribution of it. But one of the greatest objections I would have to the aiding of education through the superintendents would be the recognition of separate schools, which should not be recognized by the Government. National aid to education, if placed through the State superintendents of schools, would be applied to the separate colored and white schools as they exist, and the United States do not recognize any colored or white schools.

### INDUSTRIAL SCHOOLS FOR COLORED YOUTH.

Then, I would urge the idea that I presented some time ago in an article to the Memphis Appeal—that each State should create an industrial college. We want more of that sort of colleges now than any other sort.

Q. You would not suggest that the National Government should appropriate anything for any but the common-school branches, would you?—A. I should not at this time.

Q. Unless it might be for industrial schools?—A. Unless for industrial schools. The only cost of running these schools would be in the establishing of them, because the industrial features would support them. I think a large number of people in the South would avail themselves of the opportunities to work their way through in that way.

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Q. How would you get teachers immediately for those industrial schools?—A. Oh, there are plenty of teachers in the North who are doing other work, who would teach if they got decent wages. But of course they won't work for nothing.

Q. But I meant teaching in the industrial schools; such as farming, and otherwise.—A. There are good men, both white and colored, in the North, and in the South, too, who thoroughly understand the industrial systems, who would gladly take hold. There would be no trouble about teachers.

ILLITERACY AMONG WHITE AND COLORED.

Q. I understand you to say that this matter of education is one involving not only colored people, but white people?—A. Yes; I rode through the county of Madison once, on a mule, and I did not come across a school-house from the time I left until I got to Madison.

Q. How far was that?—A. Eighteen miles. I passed by, say, twenty houses, occupied by poor whites, during that time. The fact is, the poor whites in the backwoods of Florida are getting very little or no education. Each decade you will find negro illiteracy being cut down much more rapidly than white illiteracy, because these poor white people have always stood back, and do not improve any more now than they did twenty years or forty years ago. They have a mule and a cow, and own twenty acres of "piney" woods, and they never get any higher than that, as a general thing. They live in a clayey country, and a good many of them eat clay.

Q. What do you mean by eating clay?—A. I mean that they live in the "piney" woods in the clay country, and have a reputation for eating clay when they are young. They certainly have a very clayey aspect, even in their old age. In the New York Sun, a few months ago, I saw an article on this same subject of clay-eating.

By Mr. CALL:

Q. When did you leave Jackson County?—A. I was compelled to leave Jackson County in 1868–'69. I did not leave there because I wanted to; I was compelled to leave it.

Q. Have you not got a brother living in Jacksonville?—A. My father lives there.

Q. Has he not been marshal of the city there several times?—A. Yes; and he was a member of the legislature, from Jackson County, and a member of the constitutional convention, and for that reason he does not live in Jackson County any more.

Q. He is one of the men that made the constitution and imposed the existing taxes on the people by the constitution, is he not?—A. Yes; I guess he helped to make the constitution as it stands, but the constitution is not always carried out. I think that the counties now have a right to tax themselves as the county commissioners see fit to impose the taxes.

Q. In addition to the constitutional tax?—A. Yes; so that if the constitution puts it at too low a figure the county commissioners can put it up to a proper figure.

Mr. CALL. The tax, however, is as large in proportion to the taxable property of the State as any State in the Union, and is a very onerous and heavy tax, and is objected to by both white and black.

The WITNESS. I know the tax in Florida is very severe, and I have nothing to say about it. The land is not so valuable as it ought to be,

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and taxes cannot be so great on it as they would be if it were better. I think therefore that every Southern Representative in Congress should be in favor of national aid to education. Some of the papers, such as the Louisville Courier-Journal, and especially some in Texas, are constantly talking on this subject. The school attendance in Texas is 75 per cent., and Texas gives a larger bonus to school work than any other State that I have read of.

### THE DESIRE FOR EDUCATION IN THE SOUTH.

By the CHAIRMAN:

Q Do you not think that within the last few years the desire to get educational facilities is stronger in the South than even in the North?—A. The struggle is harder in the South.

Q. But I mean the desire to get up?—A. Well, I don't deny that some papers, such able papers as the Charleston News and Courier, the Savannah News, the Atlanta Constitution, and the Louisville Courier-Journal are in favor of education and of aiding it, but the rural journals, generally, of the South object to education on the ground that the blacks pay no taxes.

Q. But they would not object if there could be some help from outside in the way of money, would they?—A. Oh, no; they never object to help.

Q. It is not that they object to education, but it is the expense which they feel hardly able to bear that troubles them; is not that it?—A. Of course they would not care how much education the colored man got if he got it from somebody else or from himself. If they could tax the State more for the education of the white people, perhaps they would do more of it than they do now, and they would have a better chance. But they object to taxing the white property holders for the education of the black.

### HOMESTEADS OWNED BY COLORED MEN.

Q. To what extent have the colored people got in the way of owning homesteads, real or personal property, or to what extent had they done so when you came away?—A. I was generally informed, as far as Florida was concerned, while there, and while I have been here I have read what is generally going on in that section, and I can only say that I believe the disposition to acquire homesteads is very strong among our people and always has been so. When they are intelligent enough they own their own farms largely.

Q. How valuable farms do you know of colored men owning there?—A. Well, I know several men in Florida who own farms worth $5,000. A man in Charleston, S. C., the other day bought a farm near there that he gave $20,000 for.

Q. Do you know the farm or anything about it?—A. I do not. It was in Colleton County.

Q. You speak of farms owned by colored men worth $5,000.—A. Yes.

Q. Can you describe anything of those farms, or of their productiveness, or where they are situated?—A. There is a man at a place called Medway, in Gadsden County, Florida, who ran three farms, and I should say that there are five hundred to a thousand acres in each. He has them all stocked, and employs about 150 to 200 men each year. And, aside from those that he runs himself, he runs other farms for other men that keep farms in Tallahassee and Quincy.

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Q. Do you suppose that one colored man in ten owns the piece of land that he lives on?—A. Well, I would say one in twenty.

Q. Are there any other matters that occur to you to state to the committee?—A. Well, I think that I have mentioned the points that I wanted to mention. I have reduced them as much as possible. Of course the tendency now is, all round, to leave our side of the question alone, and we are suffering in consequence. But we like to get heard when we can, and we like to get it reduced as much as possible. The penitentiary system, the school system, and the Freedman's Bank matter should receive the attention of Congress. I think the postal bank service will be of great benefit to us, and I would advocate the creation of such an institution—not merely for the colored people, because I don't altogether limit things to one class. I think it would benefit the poor people in all small places and would not come into competition with the other banks either, because, as a rule, where the small banks would be there would not perhaps be any other bank. In large cities, of course, rich men would want the other kind of banks to do their business. I I don't think there is anything else that I desire to say, sir.

Adjourned.

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NEW YORK, *September* 18, 1883.

The committee met at 10 a. m.

Rev. R. HEBER NEWTON, D. D., examined.

By the CHAIRMAN:

Question. Please state your occupation and residence.—Answer. I am a clergyman; my residence is at Garden City, Long Island. My church is in this city—"All Souls Protestant Episcopal church."

The CHAIRMAN. You are aware, I suppose, of the resolution under which we are acting here. You have read it, have you?

The WITNESS. I have seen it, but not very lately.

The CHAIRMAN. It instructs us to take into consideration the subject of the relations between labor and capital, the hours of labor, the condition of the laboring classes, both absolutely and relatively, as compared with similar classes abroad, the subject of labor strikes and the causes or agencies by which they are produced; and we are to take into consideration such legislation as may be adapted to modify or remove such causes. We shall be glad to hear from you anything that occurs to you on any of those subjects.

The WITNESS. In response to the invitation of your committee, I am here to give my views upon some of these questions.

### A LABOR QUESTION COMING.

The broad fact that the United States census of 1870 estimated the average annual income of our wage-workers at a little over $400 per capita, and that the census of 1880 estimates it at a little over $300 per capita, is the quite sufficient evidence that there is a labor question coming upon us in this country. The average wages of 1870 indicated, after due allowance for the inclusion of women and children, a mass of miserably paid labor—that is of impoverished and degraded labor. The average wages of 1880 indicated that this mass of semi-pauperized labor is rapidly increasing, and that its condition has become 25 per cent. worse in ten years. The shadow of the old world *proletariat* is

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thus seen to be stealing upon our shores. It is for specialists in political economy to study this problem in the light of the large social forces that are working such an alarming change in our American society. In the consensus of their ripened judgment we must look for the authoritative solution of this problem. I am not here to assume that *rôle*. I have no pet hobby to propose, warranted to solve the whole problem without failure. I do not believe there is any such specific yet out.

### NATURAL LAWS AND MORAL LAWS.

While I await hopefully the broad study of these problems by trained specialists, and while I thoroughly recognize that vast natural laws are driving the world of industry and trade, yet I do not think we ought to make a fetish of natural law, and sit down before it with the impotence of despair.

The natural laws which adjust the affairs of man take up into themselves, as factors in their forces, reason, sentiment, conscience, and will. Man weights these laws by his ignorance and folly and selfishness, and can weight them on the other side by his wisdom and conscience and brotherliness. He can largely command the natural law of society just as he so largely commands the natural law of the physical world. My vocation leads me to study natural law as the expression of mind and will. And so in political economy I see the laws of man as he is, of the average existing man, and find at the core of the evils human fault, the errors and wrongs and imperfections of the beings who are the atoms in this social world, in the correction of which, things will be bettered. Tregarva, in "Yeast," summed up his conclusions of the imbruted state of the peasantry in an English village into one sentence—"Somebody deserves to be whopped for all this." Who ought to be whopped here? Like every other question of which I know anything, there are two sides to this question—as to where the fault lies of the present state of labor.

## I.

## THE FAULTS OF LABOR.

Plainly, labor's first fault must be found with itself.

### ITS INEFFICIENCY.

(1.) Leaving upon one side the class of skilled labor, a large proportion of our wage workers are notoriously inefficient. In the most common tasks one has to watch the average workingman in order to prevent his bungling a job. Hands are worth little without some brains; as in the work done, so in the pay won. Our labor is quite as largely uninterested—having no more heart than brains back of the hands. Work is done mechanically by most workingmen, with little pride in doing it well, and little ambition to be continually doing it better.

### LACK OF INTEREST IN ITS WORK.

(2.) There is too commonly as little sense of identity with the employer's interests, or of concern that any equivalent in work should be rendered for the pay received. In forms irritating beyond expression employers are made to feel that their employés do not in the least mind wasting their material, injuring their property, and blocking their busi-

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ness in the most critical moments. Under what possible system, save in a grievous dearth of laborers, can such labor be well off, and incompetence and indifference draw high wages?

### ITS THRIFTLESSNESS.

(3.) Our labor is for the most part very thriftless. In the purchase and in the preparation of food—the chief item of expense in the workingman's family and that wherein economic habits count for most—men and women are alike improvident. The art of making money go the farthest in food is comparatively unknown. Workingmen will turn up their noses at the fare on which a Carlisle did some of the finest literary work of our century. I remember some time ago speaking to one of our butchers, who told me that workingmen largely ordered some of his best cuts. Now an ample supply of nutritious food is certainly essential for good work, whether of the brain or of the brawn. The advance of labor is rightly gauged, among other ways, by its increasing consumption of wheat and meat, but the nutritiousness of meat is not necessarily dependent upon its being from the finest cut. I should like to see all men eating "French" chops and porter-house steaks if they could afford it; but when I know the average wages of our workingmen and the cost of living on the simplest possible scale, it is discouraging to learn such a fact as that which I have mentioned, since all the elements of necessary sustenance can be had in so much cheaper forms.

The French artisans and peasants could teach our people many a hint as to how to make money go farthest in food supplies. Comparatively few of our workingmen's wives know much about real economy in the preparation of food. Quite commonly they do not bake at all at home, but buy bread, poor in quality and dear in price. They are, for the most part, ignorant of the art of making a soup, which, if so solid a figure can be applied to such a liquid object, should be the *pièce de résistance* of a dinner. Most of their processes, as I have learned of them in this city, are very wasteful.

### ITS HARMFUL INDULGENCES.

As in food, so in dress and other expenses, and notably in indulgences, such as smoking, drinking, excursioning, &c. Labor's drink-bill alone is enough to account for a considerable share of its present poverty. In this city there are some ten thousand licensed drinking places—ten miles of shops—one to every 115 inhabitants or to every thirty families. New York fairly represents other cities. Nor are our towns and villages much better in this respect. I know of one factory village where there is a liquor shop for every 80 inhabitants, that is, for every sixteen families, and nearly all these shops are thriving. The retail liquor trade of the United States in 1878 is given as over seven hundred millions of dollars, a large share of which stands for the wastage of our workingmen. Three drinks and three cigars a day, at the lowest prices, five cents apiece, would represent in the course of a year over $100, or one-third of the average wages of our workingmen, that is, one dollar in every three earned thrown away in such habits.

Then, the reckless multiplication in their families is a thriftlessness about which it is not pleasant to say much, while it cannot be ignored in the study of this problem.

These are but specimens of the thriftlessness of the average working

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man. The same fault runs through his life in many other ways. The old-fashioned thrift, by which our fathers and mothers climbed the lower rounds of the ladder, and which all experience shows to be the secret of success in the first and hardest pull of life, seems quite gone out of vogue; and how without it men are to forge honestly ahead in this world —whatever may be true in other worlds—I for one do not know. The Franklin type of the *genus* workingman seems well nigh extinct among us.

### ITS LACK OF COMBINING POWER.

(4.) Labor must fault itself further, on the ground of its lack of power of combination and of its defective methods in combination. It has been by combination that the middle class has arisen, and by it that capital has so wonderfully increased. The story of the Middle Ages, familiar to us all, is the story of the rise of the industrial class by combination in guilds. Labor's numbers, now a hindrance, might thus become a help. In a mob men trample upon each other; in an army they brace each other to the charge of victory.

### TRADES UNIONS.

Trades unions represent the one effective form of combination won by American labor. Trades unions need no timid apologists. Their vindication is in the historic tale of the successful advances which they have won for workingmen. Called into being to defend labor against legislation in the interests of capital, in the days when to ask for an advance in wages led to workingmen's being thrown into prison, they have in England led on to the brilliant series of reforms which mark our century, as told so well in the articles by Mr. Howell (The Nineteenth Century for October, 1882) and by Mr. Harrison (The Contemporary Review for October, 1883). Doubtless they have committed plenty of follies, and are still capable of stupid tyrannies that only succeed in handicapping labor, in alienating capital, and in checking productivity—that is, in lessening the sum total of divisible wealth. Such actions are inevitable in the early stages of combination on the part of uneducated men, feeling a new sense of power, and striking blindly out in angry retaliation for real or fancied injuries.

Trades unions are gradually, however, outgrowing their crude methods. The attempts, such as we have seen lately, of great corporations to break them up, is a piece of despotism which ought to receive an indignant rebuke from the people at large. Labor must combine, just as capital has combined, in forming these very corporations. Labor's only way of defending its interests as a class is through combination. It is the abuse and not the use of trades unions against which resistance should be made.

The chief abuse of our trades unions has been their concentration of attention upon the organization of strikes.

### STRIKES.

Strikes seem to me in our present stage of the "free-contract" system entirely justifiable when they are really necessary. Workingmen have the right to combine in affixing a price at which they wish to work. The supply of labor and the demand for goods, in the absence of higher considerations, will settle the question as to whether they can get the increase. The trying features of this method of reaching a result

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are incidental to our immature industrial system. Strikes have had their part to play in the development of that system. We note their failures and forget their successes; but they have had their signal success, and have won substantial advantages for labor. Their chief service, however, has been in teaching combination, and in showing labor the need of a better weapon by which to act than the strike itself.

The strike requires long practice and great skill to wield it well. Practice in it is more costly than the experiments at Woolwich. Mr. Bolles, in his new work on political economy, gives some statistics which abundantly illustrate the folly of strikes, although he only gives one side of the case, namely, the losses which fall directly upon the laborers themselves. If to these were added the losses of capitalists the aggregate would become colossal. In 1829 the Manchester spinners struck, and lost $1,250,000 in wages before the dispute was at an end. The next year their brethren at Ashton and Stayleybridge followed their example in striking and in losing $1,250,000. In 1833 the builders of Manchester forfeited $360,000 by voluntary idleness. In 1836 the spinners of Preston threw away $286,000. Eighteen years afterward their successors, seventeen thousand strong, slowly starved through thirty-six weeks and paid $1,200,000 for the privilege. In 1853 the English iron-workers lost $12,000 by a strike. Such losses marked, too, the strikes of the London builders in 1860 and tailors in 1868, and the northern iron-workers in 1865. The strike of the Belfast linen weavers, which was ended a few weeks since by the mediation of the British Association for the Advancement of Science, cost the operatives $1,000,000.

### THE COST OF STRIKES.

The cost of strikes is expressible only in the aggregate of the savings of labor consumed in idleness, of the loss to the productivity of the country, of the disturbance of the whole mechanism of exchange and of the injury wrought upon the delicate social organization by the strain thus placed upon it. The famous Pittsburgh strike is estimated to have cost the country ten millions of dollars. When so costly a weapon is found to miss far more often than it hits, it is altogether too dear.

Labor ought to have found out that a stunning blow between the eyes is not the best method of inducing a kindly feeling and a just judgment on the part of capital. It ought to have found out that the strike is a boomerang whose hardest blows are often dealt backward on the striker.

Trades unions in this country seem to me to be gravely at fault in clinging to such an obsolete weapon. They should have turned their attention to our modern improvements upon this bludgeon.

### ARBITRATION.

Arbitration is a far cheaper and more effective instrument of adjusting differences between capital and labor—a far more likely means of securing a fair increase of wages. It places both sides to the controversy in an amicable mood, and is an appeal to the reason and conscience—not wholly dead in the most soulless corporations. It costs next to nothing. It is already becoming a substitute for strikes in England, where the trades unions are adopting this new weapon. Mr. Frederick Harrison writes, in his address before the late trades union congress of England, as follows:

There are no men, I believe, in the country more opposed to a policy of strikes—more convinced of the suffering they cause—than the officers and managers of the great per-

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manent societies. There is a fine passage in the admirable report before you: "The measure of value in a strong union lies not so much in the conduct of successful strikes as it does in the number of disputes its moral strength prevents. Their influence and that of your congress has been steadily exerted to substitute arbitration for strikes. Even now in this melancholy dispute [a local strike of some magnitude] it is the workmen who offer and the employers who reject arbitration. Your influence in favor of arbitration is shown in the steady progress of that principle, and in the steady diminution of actual strikes, until their cost does not reach to one per cent. [of the expenditures of the unions]; but you have done all that you can do, and you will continue to do all you can to insure that even this small percentage may be spared to you, and that arbitration may prevail in all labor disputes."

### PROVIDENT FEATURES OF TRADES UNIONS.

Trades unions ought, among us, to emulate the wisdom of European workingmen, and use their mechanism to organize forms of association which should look not alone to winning higher wages but to making the most of existing wages, and ultimately to leading the wage system into a higher development. The provident features of the English trades unions are commonly overlooked, and yet it is precisely in these provident features that their main development has been reached. Mr. George Howell shows that a number of societies, which he had specially studied, had spent in thirty years upward of $19,000,000 through their various relief funds, and $1,369,455 only on strikes. Mr. Harrison speaks of seven societies spending in one year (1879) upward of $4,000,000 upon their members out of work. He shows that seven of the great societies spent in 1882 less than 2 per cent. of their income on strikes; and states that 99 per cent. of union funds in England "have been expended in the beneficent work of supporting workmen in bad times, in laying by a store for bad times, and saving the country from a crisis of destitution and strife."

### EFFECTS OF TRADES UNIONS ON LEGISLATION IN ENGLAND.

Trades unions ought to be doing for our workingmen what trades unions have already done in England. Mr. Harrison, in the address already quoted, after enumerating some of the beneficial actions of the unions, says:

> Besides many others, too numerous to specify, I have no hesitation in saying that the labor laws passed within the last twelve years alone form a body of legislation for the good of the working classes of this country such as no other civilized country in the world can show. Not Germany, where the all-powerful chancellor has now taken labor under his special protection; not even France or the United States, with their republic and manhood suffrage. It cannot be denied that this great body of legislation is to a great degree directly due to the efforts of this congress.

It has been by the power of combination among the workingmen, developed through the trades unions, that this long list of beneficent legislation—factory acts, mines regulations acts, education acts, tenant right acts, employers' liability acts, acts against "truck," acts against cruelty to animals, &c.—has been secured. It has been wrested from reluctant parliaments by the manifestation of strength on the part of the laboring classes.

In comparison with this brilliant showing, what have our trades unions done to affect the legislation of our States? That legislation has thus far been notoriously and shamefully in the interests of one class as against another—in the interest of capital as against labor. We have had bushels of bills for the furthering of capitalistic schemes, with here and there a grain chucked in for labor.

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### A MODEL BUREAU OF LABOR STATISTICS.

Our trades unions ought to be the means of securing one of the great necessities of labor in this country—accurate and generally diffused information concerning the state of the labor market. Were there any thorough combination in existence on the part of these unions in hard times there could be diffused through the great centers of labor in the East regular reports of the labor market in the different local centers of the country, such as would guide workingmen in their search for opportunities of work. Such information would be trusted, because it would come from their own class, and would be reliable because it would be given from those on the spot; and yet our trades unions, so far as I know, have made next to no attempt, even within their own peculiar spheres, to give to their members any such information in the hardest of times. In their hands is already existent—needing only to be used—the mechanism of the model of the labor bureau for which they cry so loudly.

### CO-OPERATION IN EUROPE.

Another action that our labor unions might take in the interest of the workingmen is in the development of co-operation. The story of European co-operation is one of the most encouraging tales of our modern industrial world. Germany, for example, had in 1877 some 2,830 credit societies; of which 806 reported 431,216 members; advances for the year, in loans to their members, $375,000,000, with a loss of one mark to every 416 thalers, or 23⅘ cents on every $297—an indication of soundness in their financial operations that many capitalistic corporations might well envy. The rapid growth of these societies is bringing the omnipotence of credit to the aid of the workingman in Germany.

We have within the past decade had a most encouraging growth of a somewhat similar form of co-operation in the building and loan associations, which are now estimated to number probably about 3,000 in the nation, with a membership of 450,000, and an aggregated capital of $75,000,000.

The co-operative stores have reached a wonderful development in England, with most beneficent results. There were 765 stores reporting to the congress in 1881, which showed aggregate sales of $65,703,990, with profits of $435,000; while Scotland reported 226 stores in the same year, representing sales of $17,423,170, and profits of $113,665.

### CO-OPERATION IN AMERICA.

Against this showing our workingmen have comparatively little to offer. We have, it is true, had a great deal more of experimenting in co operative distribution than is ordinarily supposed. Co-operative stores began among us between 1830 and 1840. The Workingmen's Protective Union developed a great many stores at this time, which together did a business in their best days ranging from $1,000,000 to $2,000,000 per annum. In the decade 1860–'70 there was an extensive revival of co-operative stores; plans for wholesale agencies being even discussed. A few of these earlier stores still live. Two great national orders have arisen, seeking to build up co-operative stores, among other aims.

The Grangers had in 1876 twenty State purchasing agencies, three of which did a business annually of $200,000, and one of which did an annual business of $1,000,000. They claimed to have, about the same

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time, five steamboat or packet lines, fifty societies for shipping goods, thirty-two grain elevators, twenty-two warehouses for storing goods. In 1876 one hundred and sixty Grange stores were recorded. In 1876 it was officially stated that "local stores are in successful operation all over the country."

The Sovereigns of Industry also developed co-operative distribution largely. In 1877 President Earle reported that "ninety-four councils, selected from the whole, report a membership of 7,273, and with an average capital of only $884 did a business last year of $1,089,372.55. It is safe to assume that the unreported sales will swell the amount to at least $3,000,000."

There have been numerous stores started apart from these orders. The finest success won is by the Philadelphia Industrial Co-operative Society. Starting in 1875 with one store, it has now six stores. Its sales for the quarter ending February 18, 1882, were $51,413.63. A considerable increase of interest in such stores marks the opening of our decade. Stores are starting up in various parts of the country. The Grangers claim to have now hundreds of co-operative stores, upon the Rochdale plan, in successful operation. Texas alone reports officially (1881) seventy-five co-operative societies connected with this order.

Yet while we have had a great deal more co-operative distribution than is usually supposed, we have had nothing comparable with the splendid development in England.

In the line of co-operative production, which has been so successfully essayed in France, we have scarcely a handful of real successes.

We had an epoch of brilliant enthusiasm over co-operative agriculture in 1840,-'50, but little has been left from it. One form of agricultural co-operation, a lower form, has been astonishingly successful—the cheese factories and creameries. It is estimated that there are now 5,000 of them in the country. In co-operative manufactures, we have had many experiments, but few successes, from 1849 onward. Massachusetts reported twenty-five co-operative manufactures in 1875. All of them, however, were small societies.

### POSSIBILITIES OF CO-OPERATION.

Now, co-operation has its clearly marked limitations. It is of itself no panacea for all the ills that labor is heir to. But it can ameliorate some of the worst of those ills. It can effect great savings for our workingmen, and can secure them food and other necessaries of the best quality. If nothing further arises, the spread of co-operation may simply induce a new form of competition between these big societies; but no one can study the history of the movement without becoming persuaded that there is a moral development carried on, which will, in some way as yet not seen to us, lead up the organization of those societies into some higher generalization, securing harmony. It is constantly and rightly said that business can never dispense with that which makes the secret of capital's success in large industry and trade, namely, generalship. Co-operation can, it is admitted, capitalize labor for the small industries, in which it is capable of making workingmen their own employers; but it is said it can never, through committees of management, carry on large industries or trade. I can, however, see no reason why hereafter it may not enable large associations to hire superior directing ability, at high salaries, just as paid generals give to republics the leadership which kings used to supply in monarchies. There are in the sav-

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ings banks of many manufacturing centers in our country amounts which if capitalized would place the workingmen of those towns in industrial independence; moneys which, in some instances, are actually furnishing the borrowed capital for their own employers. In such towns our workingmen have saved enough to capitalize their labor, but, for lack of the power of combination, let the advantage of their own thrift inure to the benefit of men already rich. They save money and then loan it to rich men to use in hiring them to work on wages, while the profits go to the borrowers of labor's savings.

But the chief value of co-operation, in my estimate, is its educating power. It opens a training school for labor in the science and art of association.

Labor once effectively united could win its dues, whatever they may be. The difficulties of such association have lain in the undeveloped mental and moral condition of the rank and file of the hosts of labor. The history of the various attempts at a higher association among our workingmen forms a sad story of ignorance, suspicion, timidity, irresolution, fickleness, and lack of self-control, by which wise plans and heroic labors have again and again come to naught. The several forms of co-operation present the best means of educating our workingmen in the qualities wherein they are most lacking, and thus of fitting them for that action of self help which must prove the first step to their salvation.

## TRADES UNIONS AND CO-OPERATION.

Now, of this effort at co-operation I find scarcely any trace in the trade organizations of our workingmen. Trades unions have until very lately passed the whole subject by in utter silence. What has been done by workingmen in this country in the line of co-operation has been done outside of the great trade associations, which form the natural instrumentalities for organizing such combination. They offer the mechanism, the mutual knowledge, the preliminary training in habits of combination, which together should form the proper conditions for the development of co-operation. Is it not a singular thing, considering the manifold benefits that would come to labor from such a development, that the attention of these great and powerful organizations has not heretofore been seriously called to this matter? It is a hopeful sign that two of our later trade organizations avow distinctively in their platforms the principle of co-operation. The Central Labor Union of this city and the Knights of Labor both profess to seek the development of co-operation. It remains to be seen whether there will be anything more than the profession.

Out of our trades unions, by combination among them, there might be already developed on our soil a power representing the labor element of the country which, with universal franchise, would be practically omnipotent. Could our trades unions enter the field of politics with reference to measures in the interests of their own classes, measures justifiable, necessary, and on which reasonable minds could be readily convinced, not many elections would be held in our various States before these reforms would be accomplished. Is there not a certain aspect of childishness on the part of so vast and powerful a body of men as is represented by those trades unions in their pitiful appeals to Government for the help which they have it already in their power to force from Government.?

The story of such attempts as have already been made in this direction is one of a sad and discouraging nature to all who feel the gravity of

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this problem. Again and again great organizations have arisen on our soil, seeking to combine our trade associations and promising the millennium to labor, only to find within a few years suspicion, distrust, and jealousy eating the heart out of the order, and disintegration following rapidly as a natural consequence. The time must soon come, let us hope, when the lesson of these experiences will have been learned.

### THE CORRECTION OF LABOR'S FAULTS.

These are some of the salient faults of labor—faults which are patent to all dispassionate observers. The first step to a better state of things lies through the correction of these faults. Whatever other factors enter into the problem, this is the factor which it concerns labor to look after if it would reach the equation of the good time coming. No reconstruction of society can avail for incompetent, indifferent, thriftless men, who cannot work together. Self help must precede all other help. Dreamers may picture utopias, where all our present laws are suspended, and demagogues may cover up the disagreeable facts of labor's own responsibility for its pitiful condition, but sensible working men will remember that, as Rénan told his countrymen after the Franco-Prussian war, "the first duty is to face the facts of the situation." There are no royal roads to an honest mastery of fortune, though there seem to be plenty of by-ways to dishonest success. Nature is a hard school-mistress. She allows no makeshifts for the discipline of hard work and of self-denial, for the culture of all the strengthful qualities. Her American school for workers is not as yet overcrowded. The rightful order of society is not as yet submerged on our shores. There are the rewards of merit for all who will work and wait. No man of average intelligence needs to suffer in our country if he has clear grit in him. "The stone that is fit for the wall," as the Spanish proverb runs, "will not be left in the road."

## II.

### FAULTS OF CAPITAL.

But—for there is a very large "but" in the case—when all this is said, only the thorough-going *doctrinaire* will fail to see that merely half the case has been presented. There is a shallow optimism which, from the heights of prosperity, throws all the blame of labor's sufferings on labor's own broad shoulders; steels the heart of society against it because of these patent faults, and closes the hand against its help, while it sings the gospel of the Gadgrinds—"As it was and ever shall be. Amen."

Labor itself is not wholly responsible for its own faults. These faults spring largely out of the defective social conditions amid which the working man finds himself placed. Before we proceed to administer to him the whole measure of the "whopping" due for his low estate, we had better look back of him, to see why it is that he is as he is.

### (1.) SOME CAUSES OF LABOR'S INEFFICIENCY—HEREDITY.

The inefficiency of labor is by no means the fault of the individual laborer alone. Heredity has bankrupted him before he started on his career. His parents were probably as inefficient as he is—and most likely *their* parents also. One who sees much of the lower grades of

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labor ceases to wonder why children turn out worthless, knowing what the parents were. General Francis A. Walker, in opening the Manufacturers' and Mechanics' Institute at Boston lately, said:

> There is great virtue in the inherited industrial aptitudes and instincts of the people. You can no more make a first-class dyer or a first-class machinist in one generation than you can in one generation make a Cossack horseman or a Tartar herdsman. Artisans are born, not made.

Our incompetents may plead that they were not born competent. It does not readily appear what we are going to do about this working of heredity against labor, except as by the slow and gradual improvement of mankind these low strata of existences are lifted up to a higher plane. Meanwhile we must blame less harshly and work a little more earnestly to better the human stock.

### LABOR'S ENVIRONMENT—TENEMENT HOUSES.

The environment of labor handicaps still further this organic deficiency. In most of our great cities the homes of the workingmen are shockingly unwholesome; unsunned, badly drained, overcrowded. The tenements of New York are enough alone to take the life out of labor. City factories often are not much better. The quality of the food sold in the poorer sections of our cities—meat, bread, milk, &c.—are defectively nutritious, even where they are not positively harmful. The sanitary conditions are thus against labor.

This could be largely rectified by the State and city authorities, and ought to be rectified in simple justice to society at large, which is now so heavily burdened by the manifold evils bred under such conditions. Government guards carefully the rights both of land and capital by an immense amount of legislation and administration. Has not labor a fair claim to an equal solicitude on the part of the State? Health is the laborer's source of wealth, but it is by no means so carefully looked after as are the resources of the other two factors of production. It is only within the last three years that in New York we have had a satisfactory tenement-house law, or a fair administration of any law bearing on this evil. There ought to be the exercise of some such large wisdom as led the city of Glascow to spend $7,000,000 in reconstructing three thousand of the worst tenements of that city, with a consequent reduction of the death rate from 54 per thousand to 29 per thousand, and with a corresponding decrease of pauperism and crime.

To this end our municipal governments should be taken out of party politics and made the corporation business that they are in German cities.

### DEFECTIVE LEGISLATION.

We have in none of the States of our Union any such legislation as that of the thorough system of factory laws in England, and we ought to supply the lack promptly. Whatever may be said as to interference on the part of legislation with the rights of capital, the sufficient answer is that the whole advance of society has been a constant interference on the part of legislation with the merely natural action of the law of supply and demand; and that only thus has England, for example, secured the immense amelioration in the condition of the problem of labor and capital which marks her state to-day.

It can be said also in this connection that if Government has one business more peculiarly her own than another it is to look after the



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class that most needs looking after; and that not simply from the interest of the class itself, which would rarely supply a basis for governmental interference, but in the interests of society at large—of the state itself. The state's first concern is to see her citizens healthful, vigorous, wealth-producing factors; and to this end bad sanitary conditions, which undermine the "health-capital" of labor, imperatively demand correction.

### DEFECTIVE EDUCATION.

The deeper seated the roots of labor's inefficiency in heredity and environment, the greater the need for an education that will develop whatever potencies may lie latent. Inefficiency will rarely correct itself. Superior ability must train it into better power. Where is there any proper provision for such an education?

Inefficient parents can hardly be expected to teach their children better skill than they themselves have won. The old system of apprenticeship has almost completely died out, partly owing to the stupid policy of trades unions and partly owing to the change going on in most of the old handicrafts, through the introduction of the factory system and of mechanism. No other system of industrial training has come generally into use among us, to take the place of home training and of apprenticeship. The churches have of late years been carrying on certain forms of industrial education in many places, but the work has only been, for the most part, rudimental. Here and there they are now adopting kitchen gardens (as introductory to domestic service), sewing schools, and in some places classes for training boys in manual handicrafts. Philanthropic societies have been essaying the simpler forms of industrial education, chiefly for girls, as notably in the industrial schools of the Children's Aid Society of this city. In a few cities, through individual or voluntary associative action, art industrial education has been considerably developed, as, for example, in Philadelphia and Boston; and our own city has within a few years received fine illustrations of what individual capital can do in the line of industrial education in the schools of Mr. Auchmuty and in the noble Cooper Union.

### INDUSTRIAL EDUCATION.

State governments and our national Government have for a number of years been fostering certain branches of industrial education, chiefly in the line of agriculture. The late report of the Bureau of Education upon industrial education presents a very encouraging summary of what is thus being done under the guidance of the state. It reports concerning forty-three colleges aided by State grants to give agricultural and mechanical training, besides a large number of technical departments in other colleges, industrial schools, evening classes for such instruction, &c. Probably the finest example of industrial education that the country possesses is found in the Hampton schools in Virginia. Of attempts, however, to combine general and intellectual education with practical training and handicrafts we have few examples. The Hampton schools, already alluded to, present one of the best. Professor Adler's school in this city is very interesting in this respect.

### COMMON SCHOOL EDUCATION NOT PRACTICAL.

Our common schools have until lately signally passed by the whole field of practical education. Drawing is at last being generally intro-

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duced, and sewing is also being introduced to a small extent, I believe, especially in New England. But the schools which are supposed to be intended for the mass of the people, and which are supplied at the public cost, have made next to no provision for the practical training of boys and girls to become self-supporting men and women—wealth-producing citizens; while the whole curriculum of the school system tends to a disproportionate intellectuality, and to an alienation from all manual labor.

### DUTY OF SOCIETY TOWARD EDUCATION.

It requires no argument, I think, to satisfy all but *doctrinaires* that a great mass of inefficient labor in a nation demands of its cultured and wealthy classes, of its churches and philanthropists, and of its government ample provision by which it may be trained to efficiency. Charity dictates this as the wisest help; self-interest suggests it to capital for its own increasing productivity. The true function of the state calls for this task, in the discharge of its duty to society at large, and in order to the exemption of society from the present onerous burden of taxation imposed by poverty and crime.

There is room in our country now for all these agencies. Churches can do no better work than by adding to their Sunday schools of moral and religious instruction industrial schools, which will train those boys and girls to habits of efficient toil—of toil wherein shall be the best safeguards against the temptations that infest life and that peculiarly appeal to the poor.

Individuals can find no more promising field for the use of their powers of philanthropy than in organizing and endowing such schools. Our manufacturers might well study, in their own interests, the example of the French firms which are successfully carrying on, in connection with their factories, schools for technical training. The story of the town of Mulhouse, one of the towns of Alsace, is a brilliant homily to all employers of labor.

### THE DUTY OF THE STATE TOWARD EDUCATION.

Above all it seems to me that it is bounden on the state to provide such training and education. The necessity of the state's entering the educational field is disputed by no one; but if it is to educate children at the public cost it is bound, I think, to so educate its wards that they shall return to society the taxation imposed for their education. Its justification in becoming school-master lies in the necessity of making out of the raw material of life citizens who shall be productive factors in the national wealth and conservators of its order. If, therefore, it is justified in teaching the elementary branches of education, if it is justified in adding to those elementary branches departments that may be considered in the nature of luxuries, how much more is it justified in training the powers by which self-support shall be won and wealth shall be added to society?

### NECESSITY FOR PUBLIC KINDERGARTENS.

What it may do and ought to do, as it seems to me, is, first of all, to lay the foundation of a complete education, which shall include the bodily powers as well as the mental powers—in the kindergarten system as the preprimary department of our public schools. While there

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is no technical training in any handicraft in the kindergarten, as indeed there could not well be, owing to the age of the children, and should not be, since it looks simply to the symmetrical opening of all the powers of the human being, there is none the less an habitual training of eye and hand, of the taste and of the imagination, and of the originating power, which goes far to create a love of manual labor and to develop skill in it. Its clay-modeling and block-building and stick and strip combinations teach and train in the elements which lie at the basis of art industry. No better beginning than such an education can be conceived. It inspires in the child-mind that joy in work itself and that pride in doing work well which labor so sadly needs to-day. Upon this basis the state should rear a carefully graduated course of instruction and training, calculated to develop manual skill as an essential element of a complete education and as a general preparation for technical trade education. The means for this fall into the line of the specialist, and need not be entered upon here.

### TRADE SCHOOLS.

Finally it should in some way—though I am not myself clear what way would be best—foster the development of trade schools, either by supplying them as annexes to its general course or by granting subventions for the founding of training schools, or at least by the publishing of documents that would call the attention of manufacturers to the need and to the possibilities of such schools, and that would illustrate what is already being done in this line in the Old World. The story of any of the successful training schools of Paris would be a revelation to most of our manufacturers. There is the *École professionale*, for example, a printing establishment under the management of Messrs. Chaix et Cie. This school has some thirty apprentices connected with it. The apprenticeship lasts four years. The wages are paid on a rising scale. The teaching lays its foundation in a special primary course for those whose previous schooling had been inefficient. It then adds a technical course, which covers grammar and composition, the reading of proofs and correcting for the press, the study of different kinds of types and engraving, and the reading and composing of English, German, Latin, and Greek; in the two latter cases from a purely typographical point of view, without any attempt to understand or translate. Lastly it builds a supplemental course, which includes the history of printing, simple notions of economics, a little mechanics and physics, and a little smattering of chemistry, dealing with the materials they will have hereafter to employ, such as acids, oxides, oils, carbons, soda, &c.; the result of which on the general intelligence and interest of the workingmen employed in such an establishment must be striking, and the return from which to the manufacturer, in increased efficiency, must be equally noteworthy. (*Cf.* Contemporary Review, September, 1880.)

That such efforts to encourage industrial education would pay our Government is best seen in the example of England. The International Exhibition of 1851 revealed to England its complete inferiority to several continental countries in art industries, and the cause of that inferiority in the absence of skilled workmen. The Government at once began to study the problem, and out of this study arose the Kensington Museum, with its art schools, and similar institutions throughout the country, which have already made quick and gratifying returns in the improvement of the national art industries, and in the vast enrichment of the trade growing therefrom.

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## (2.) SOME CAUSES OF UNINTERESTEDNESS OF LABOR.

Concerning the uninterestedness of labor and its too common lack of any identification with capital we must also look beyond labor itself to find the full responsibility of this evil.

The whole condition of industrial labor has changed in our century. Contrast the state of such labor a century ago with what it is now. Then the handicraftsman worked in his own home, surrounded by his family, upon a task, all the processes of which he had mastered, giving him thus a sense of interest and pride in the work being well and thoroughly done. Now he leaves his home early and returns to it late, working during the day in a huge factory with several hundred other men. The subdivision of labor gives him now only a bit of the whole process to do, where the work is still done by hand, whether it be the making of a shoe or of a piano. He cannot be master of a craft, but only master of a fragment of the craft. He cannot have the pleasure or pride of the old-time workmen, for he *makes* nothing. He sees no complete product of his skill growing into finished shape in his hands. What zest can there be in this bit of manhood? Steam machinery is slowly taking out of his hands even this fragment of intelligent work, and he is set at feeding and watching the great machine which has been endowed with the brains that once was in the human toiler. Man is reduced to being the tender upon a steel automaton, which thinks and plans and combines with marvellous power, leaving him only the task of supplying it with the raw material, and of oiling and cleansing it.

Some few machines require a skill and judgment to guide them proportioned to their own astonishing capacities, and for the elect workmen who manage and guide them there is a new sense of the pleasure of power.

But, for the most part, mechanism takes the life out of labor as the handicraft becomes the manufacture, or more properly, the *machino*-facture; and the problem of to-day is, how to keep up the interest of labor in its daily task, from which the zest has been stolen.

### HOW EMPLOYERS MAY HELP THEIR EMPLOYÉS.

Manufacturers ought to see this problem and hasten to solve it. Those who profit most by the present factory system ought, in all justice, to be held responsible to those who suffer most from it. They ought to be held morally bound to make up to them in some way the interest in life that has gone out with the old handicrafts. They could interest their hands *out* of the working hours, and in ways that would give them a new interest *in* their working hours.

### EXAMPLES IN EUROPE.

I give two examples of this wise action in Europe. The Messrs. Faber (of the celebrated pencil company), on their premises at Stein, Bavaria, have established kindergartens, schools, churches, libraries, archer clubs, and other institutions for the education and recreation of their men, while they supply provisions, &c., at wholesale prices. They sell lots of land and build houses for the men, which the men pay for through a term of years. They have founded a savings bank and a hospital, and pension their workmen in old age.

The famous *Bon Marché* establishment, in Paris, presents a fine example of what may be done to make life cheerier for employés. Three

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thousand hands have their meals in the building. Concerts are given them, and lessons in English, German, instrumental and vocal music, fencing. The clerks have an amusement room, with billiard tables, chess, checkers, &c. The women clerks have a parlor to themselves, with a piano, &c. A physician is employed by the store, and his services are free; all are pecuniarily interested in the store, receiving a small commission on every article sold and delivered; and after a certain number of years each person receives an interest in the house, which increases yearly.

### EXAMPLES IN AMERICA.

Let me give two illustrations from our own soil of what can be done by employers to render life more attractive to their men. I take both accounts from a pamphlet by B. G. Northrop, Secretary of the Connecticut Board of Eduaction:

One of these "models" is the silk factory of the Cheney Brothers, in South Manchester, Conn., by far the largest and most successful factory of the kind in the world, making over 25,000 yards of ribbons and broad silks a day. This business, started here by the Cheney family in 1836, has steadily grown in extent and prosperity to the present time. The factory village covers about eight hundred acres of land and includes some two hundred houses. A fine lawn, laid out with winding concrete walks and adorned with shrubs and flowers, fronts the mills, and usually each of the houses. No fence or visibly dividing line separates the front yards from the roads. The Cheneys have encouraged their hands to build and own their homesteads, and to this end furnish the land, and loan money for building at a low figure, with a "liquor reservation" in the interest of temperance, and with the understanding that all houses shall be on a plan provided or approved by their architect and that all shall be neatly painted some neutral tint. Not a house in glaring white here offends the eye. The beautiful grounds of the Cheney mansions, of the operatives and of the factories all present the appearance of an extended park, and give a look of refinement, kindliness, and good neighborhood to the whole village, which is like a well-kept garden. No private yard is left in an untidy state. No *débris* or rubbish is seen around or near any dwelling. There is evidently a public sentiment in favor of neatness and order that pervades the entire community and allows no dirty nooks to be found. Creeping vines cover "the office" and some of the factory buildings and dwellings. No block houses are found here. The cottages stand apart and vary in style, giving an individuality to each place. A capacious aqueduct carries water to every house. This village seems like a community in the best sense of the term, with common interests, pursuits, and sympathies. The providing of a large and commodious lecture hall, costing $50,000, together with interesting and instructive lectures and entertainments and a free library and reading room, solely by the Cheney Brothers, shows their intelligent and liberal methods of promoting the well-being and content of their employés. The hands highly appreciate the liberality of their employers and feel a manifest interest in their work and a pride in the place. Hence strikes and alienation between capital and labor are here unknown.

The other model manufacturing village is that of the Fairbanks Company, at Saint Johnsbury, Vt. There is the largest manufactory of scales in the world, employing in the factory and branch departments elsewhere, over one thousand men, and manufacturing over 60,000 scales annually, the sales now amounting to over $2,000,000 a year.

There is a superior class of workmen in this establishment. All are males. Their work is proof of skill. Their looks and conversation indicate intelligence. They are mostly Americans, and come from the surrounding towns More than half of them are married, and settled here as permanent residents, interested in the schools and in all that relates to the prosperity of the place. Many of them own their houses, with spacious grounds for yard and garden, and often a barn for the poultry and cow. These houses are pleasing in their exterior, neatly furnished, and many of them supplied with pianos and tapestry of Brussels carpets. The town is managed on temperence principles, and drunkenness, disorder, and strife among the hands are almost unknown. Most of them are church-goers, many of them church members.

There has evidently been mutual sympathy and interest between employer and employed. The senior (Governor) Fairbanks used to say to the men, "You should always come to me as to a father." He maintained relations of kindness with them, visiting the sick, helping the needy, counselling the erring, encouraging their thrift, enjoining habits of economy. He taught them that it was their duty and in-

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terest to "lay up something every month," and that the best way to rise in the social scale was to unite economy with increasing wages. He himself both preached and practiced economy. Yet his benefactions were munificent. The fact that so many of the workmen are "fore-handed," besides owning their homesteads, is due to his teaching and example. The worth and dignity of work he illustrated in theory and practice. The notion that labor was menial, or that the tools of trade or farm were badges of servility, he despised. His sons worked in the shop, and thoroughly learned the trade. Many workmen have been here from twenty to over forty years.

Years ago the men were aided in forming and sustaining a lyceum, and liberal prizes were offered for the best essays read. Recently Horace Fairbanks has founded a library, and opened a large reading-room, free to all. The Athenæum, containing the library, reading-room, and also a spacious lecture-hall, is an elegant structure, 95 by 40 feet, two stories high. The books, now numbering nearly 10,000 volumes, are choice and costly; 230 volumes have been drawn in a single day. In the reading-room, besides a good supply of American periodicals, daily, weekly, and quarterly, I noticed on the tables many European journals, including 4 English quarterlies, 6 London weeklies, and 10 monthlies. The library and reading-room are open every week-day and evening except Wednesday evening, when all are invited to attend the weekly "lecture," which is held at the same hour in all the churches. Having visited nearly every town of Massachusetts and Connecticut, and traveled widely in this country, I have nowhere found in a village of this size an art gallery so costly and so well supplied with painting and statuary, a reading-room so inviting, and a library so choice and excellent as this.

Thaddeus Fairbanks, one of the three founders of the scale factory, has liberally endowed a large and flourishing academy, which promises to become the "Williston Seminary" for northeastern Vermont.

These various provisions for the improvement, happiness, and prosperity of this people, coupled with liberality and fairness in daily business intercourse, explain the absence of discontent and the uniform sympathy, good-feeling, and harmony which prevail.

### GOOD RESULTS OF A HUMANE POLICY TOWARD LABOR.

Not a few of our manufacturers are already opening their eyes to these facts of the industrial problem, and, with far-seeing generosity and human brotherliness that will, according to the eternal laws, return even the good things of this world unto them, they are providing their workingmen with libraries, reading-rooms, and halls for lectures and for entertainments. They are encouraging and stimulating the formation of literary and debating societies, bands, and clubs and such other things as give social fellowship and mental interest. All this can be done at comparatively small cost. The men in the employ of a great establishment can be taught a new interest in their task as they learn to understand its processes and the relation of these processes to society at large, which can easily be done by lectures, &c. Such work as this is a work that demands the leadership, the organizing power which the employer can best furnish. At the last session of the Social Science Association an interesting paper sketched some of these efforts. In what wiser way could our wealthy manufacturers use a portion of the money won for them by the labor which has exhausted its own interest in its task?

### WHY LABOR IS NOT LOYAL TO CAPITAL.

Such personal interest on the part of employers in their employés leads up to a clew to that other branch of the uninterestedness of labor—its lack of identification with the welfare of capital—its lack of any feeling of loyalty toward the capitalist. How can anything else be fairly expected in our present state of things from the *average* workingman under the *average* employer. I emphasize the "average," because there are employés of exceptional intelligence and honor, as there are employers of exceptional conscientiousness, anxious to do fairly by their men. The received political economy has taught the average workingman that

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the relations of capital and labor are those of hostile interests; that profits and wages are in an inverse ratio; that the symbol of the factory is a see-saw, on which capital goes up as labor goes down. As things are, there is unfortunately too much ground for this notion, as the workmen sees.

### RATIO OF WAGES TO PRODUCTION, 1875–1880.

Mr. Carroll D. Wright, in the 14th annual report of the Massachusetts Bureau of Labor (1883), shows that in 1875 the percentage of wages paid to the value of production, in over 2,000 establishments, was 24.68; and that in 1880 it was 20.23. This means that the workingmen's share of the returns of their own labor, so far from increasing, has decreased one-sixth in five years.

The workingman is disposed to believe in the light of such figures that the large wealth accumulated by his employer represents over and above a fair profit the increased wages out of which he naturally regards himself as being mulcted. He may be thick-headed, but he can see that in such a see-saw of profits *versus* wages the superior power of capital has the odds all in its favor. He learns to regard the whole state of the industrial world as one in which *might* makes *right*, and feebleness is the synonym of fault.

How, in the name of all that is reasonable, can the average man take much interest in his employer or identify himself with that employer under such a state of things as the economy sanctioned by the employer has taught him. This is aggravated by the whole character of our modern industrial system.

### THE FACTORY SYSTEM A NEW FEUDALISM.

The factory system is a new feudalism, in which a master rarely deals directly with his hands. Superintendents, managers, and "bosses" stand between him and them. He does not know them; they do not know him. The old common feeling is disappearing. And—this is a significant point that it behooves workingmen to notice—the intermediaries are generally workingmen who have risen out of the ranks of manual labor and have lost all fellow feeling with their old comrades, without gaining the larger sympathy with humanity which often comes from better culture. The hardest men upon workingmen are ex-workingmen. It is stated, on what seems to be good authority, that the general superintendent of the great corporation which lately has shown so hard a feeling toward its operatives when on strike was himself only ten years ago a telegraph operator.

### LACK OF HUMAN RELATIONSHIP BETWEEN CAPITALISTS AND THEIR LABORERS.

A further aggravating feature of this problem is the increasing tendency of capital to associated action. What little knowledge of his employés or sympathy with them the individual manufacturer might have is wholly lost in the case of the corporation. To the stockholders of a great joint-stock company, many of whom are never on the spot, the hundreds of laborers employed by the company are simply "hands"—as to whose possession of hearts or minds or souls the by-laws rarely take cognizance. Here there is plainly a case where capital—the party of brains and wealth—the head of the industrial association, should lead

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off in a systematic effort and renew, as far as may be, the old human tie, for which no substitute has ever been devised.

To conciliate the interests of the classes, and identify labor with capital, individual employers must re-establish personal relationships between themselves and their men. What might be done in this way, and how, this being done, the present alienation of feeling on the part of our workingmen would largely disappear, must be evident to any one who has watched some of the beautiful exemplifications of this relationship which have already grown into being on our shores. I know of one large manufacturer, in a city not a hundred miles from this, who started to enter the ministry as a young man, but found to his intense disappointment that he had no aptitude for the work of a preacher, and turned his attention, on the insistant advice of those nearest to him, to active business. He took up the business which his father had left him at his death and had left largely involved. His first task was to pay off, dollar for dollar, all the debts which his father had bequeathed him, although in most instances they had been compromised by the creditors. He then threw the energy of his being into the development of the business, and, in the course of a few years, put it at the forefront of that line in his native city. Into his business he breathed the spirit of love to God and man which had moved him originally to take up the work of the ministry. He felt himself ordained to be what Carlisle would have called a "captain of industry." From the start he established personal, human, living relationships with his men. He taught them by deed rather than by word to consider him their friend. He was in the habit of calling in upon their families in a social and respecting way. In all their troubles and adversities he trained them to counsel with him, and gave them the advantage of his riper judgment and larger vision. In cases of exigency his means were at their service in the way of loans to tide them over the hard times. His friends have seen, more than once, coming from his private office, some of the hard-fisted men of toil in his employ, with tears streaming down their faces. He had called them into his office on hearing of certain bad habits into which they had fallen, and so impressive had been his talk with them, that they left his presence with the most earnest resolves to do better in the future. The result of all this relationship has been that during some fifteen years of the management of this large business he has rarely changed his men, and while strikes have abounded around him he has never known a strike.

I hold in my possession a letter from one of our leading iron manufacturers in this country, who, in response to an appeal for participation in a charity of this city, gave answer that it had been a practice of the firm to invest a certain portion of their profits in developing the comforts of their workingmen, and that they were obliged to limit their desire to give in charity in order that they may be able to build homes, club-rooms, reading-rooms, and all the *et ceteras* of a really civilized community in their work-village. These are examples, in our own country, of what might be done.

One of the most beautiful models that I know of in modern history is furnished by the town to which reference has already been made—the town of Mulhouse, where, after some thirty years, the spirit of brotherliness has so entered into the relationships of capital and labor that a firm would be disreputable which there attempted to carry on business as business is ordinarily done here. All the manufacturers plan out, organize, and carry on what to most of us would seem impossible schemes for the amelioration and uplifting of the condition of their

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working people. No one wonders that, as he walks through the town which his large-hearted philanthropy imbued with this fine spirit, the workingmen salute the originator of these schemes as "Father Peter."

### INDUSTRIAL PARTNERSHIPS.

In addition to this personal, human, relationship, capital might and should, in all justice and humanity, identify the pecuniary interests of labor with its own interests. What is known as industrial partnership is simply a solution of this branch of the problem. The principle is simply that of giving labor a pecuniary interest in the profits of the establishment *pro rata* with its own wages. A *bonus* is set on frugality and industry and conscientiousness of work by making the hands small partners in the concern.

### ILLUSTRATION IN FRANCE.

Industrial partnership has been much experimented with in England, and still more largely in France. The fullest exemplification of the principle of which I know is furnished in the establishment of M. Godin, at Guise. He had been an early disciple of Fourier. Into his large establishment, which embraces a number of industries, such as iron, copper, &c., and which employs some 1,500 people, he has introduced this principle. A regular association was formed between himself and his employés. The accounts of the concern are duly laid before them. They are open to the inspection of a committee appointed by the workingmen. All is done openly and above board. They know the profits of the concern and their own share in those profits. In addition to this general principle of industrial partnership he adds that paternal care which lies in the power of a philanthropic employer. Buildings on a gigantic scale have been reared for the employés; stores are opened, in which the best produce is supplied to them at the lowest rates; reading rooms, a huge hall for meetings, festivals, &c., are furnished; nurseries, schools, and kindergartens are provided for them, and in every possible way their life is made pleasant and comfortable. The declaration of principles which opens the articles of association is nobly religious: "To worship God, the Supreme Being, the source of all life. To hallow life itself. To promote the advent of justice among men." (*Cf.* Pamphlet issued by New York Woman's Social Science Society, room 24, Cooper Institute, New York.)

### ILLUSTRATION IN AMERICA.

One of the best exemplifications of this principle in our own country is furnished to us in the establishment of the Messrs. Hazard, of Peacedale, R. I. A few years ago the firm presented their employés, as a Christmas gift, with a carefully drawn up scheme whereby the employés were to receive a certain share of the profits for the new year, if those profits rose over and above the average of the past five years. The division was to be made *pro rata* to the wages then received. The first year there was no dividend to be paid according to this scheme. The second year a dividend of 5 per cent. on the gross wages was declared, amounting to $5,824.40. The third, a dividend of 5 per cent. on the gross wages was declared, and the fourth year a dividend of 3 per cent. For that year, owing to the high price of wool and other additional expenses, the profits were cut down, but there were still $3,760.14 to be

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returned as a dividend to the members of the company. Mr. Hazard writes concerning the experiment: "We believe that we can see an increase of care and diligence. As yet this increase is not so great as it should be, but the object to be taken into account in encouraging conscientious work is so important to the moral as well as the material good of the community, that we decide to persevere." In a letter written to me explaining more fully his experience, he declares that if no other good had resulted from the experiment it had demonstrated its capacity to act as a "lightning-rod," removing the electricity from the air and establishing a condition of peace.

### LIFE INSURANCE FOR EMPLOYÉS BY THEIR EMPLOYERS.

Our manufacturers might well carve over their doors the legend of one of the greatest shops of Paris, "The house for each, and all for the house." Corporations can apply this principle as well as individuals, and they need to apply it more than individuals. Some of the great railroad corporations in France regularly insure their men's lives from accident. If this had been done on our great trunk lines we might not have had the severe strike of a few years back. If the Western Union Telegraph Company had any such human bond between the corporation and the operatives would they have had the severe strike that recently occured, which must have largely crippled their resources while it has irritated the whole country? When will capital learn that an ounce of prevention is better than a pound of cure?

### ARBITRATION AS A SUBSTITUTE FOR STRIKES.

Capital may fairly be expected, moreover, to lead off in endeavoring to establish a better means of adjusting differences than the strike. Arbitration is less advanced in this country than in most of the countries in Europe. The forms of it are various in the Old World.

### IN ENGLAND, VOLUNTARY.

In England it is mainly voluntary. Arbitration committees or boards are frequently appointed by employers and employés of industrial establishments, which act together in cases of dispute. In some centers there are standing boards of arbitration. In France there is an interesting development of this system, which, following the genius of the country, is largely official.

### IN FRANCE, OFFICIAL.

The *Conseil des Prudhommes* is a simple court of equity appointed by the state through the local authorities. Each court consists of one manufacturer and one workingman. It sits daily, and is a court of appeal in cases of dispute. Its machinery is very simple. In a case of dispute a complaint is lodged with the *conseil*, say, by a workingman. A note is sent to his employer, requesting his attendance on a certain day. Both parties to the dispute then appear before the judges. Each states his own case, and the quick good sense of the judges, who for the most part learn to see together, irrespective of their class affiliations, generally reaches to the heart of the difficulty. The advice which is tendered is for the most part accepted, and the difficulty is composed without further trouble. If, however, one of the parties proves fractious, the

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law backs the decision of the court, and the penalty that it enjoins is enforced. So general is the respect felt for these courts, apparently, that their decisions are mostly acquiesed in without a resort to the final proceedings. Here is a machinery simple, easy of application, involving the slightest possible expense, which is ever ready at hand and has no cumbrous routine of law to be put in operation; providing an instrumentality which proves entirely sufficient.

### THE DUTY OF THE UNITED STATES REGARDING ARBITRATION.

Why could not our National Government spread broadcast through the country information concerning such simple devices for the conciliation of labor and capital, and our State or city governments, if need be, take a lead in instituting them? It is often the case that nothing more is needed than knowledge of an adequate instrumentality of justice to lead to a resort to that instrumentality, and so there is relief of the situation which otherwise would be one of great strain. And should more be needed, would it endanger the fabric of civilization and overthrow the gods of the economists if a city like this should appoint an arbitration board, composed of men whose names carried the weight of judgment and justice? Back of such a board public opinion would gather with a force commanding corporations and unions alike to resort to it before embroiling the community in strife.

### (3.) THRIFTLESSNESS OF LABOR FROM LACK OF EDUCATION IN HABITS OF SAVING.

The thriftlessness of the mass of unskilled labor brings other classes into responsibility besides labor itself. Thrift is a habit into which men and women must needs be trained. Since it is the basic virtue, according to political economy, one would have supposed that an industrial society would have been at pains to see that it was systematically cultivated in the people's schools. But among all the *isms* and *ologies* of our common schools, what help is ever given to children in the formation of habits of thrift? In some of the departments of France it is taught as a duty, and, for its culture, saving funds are formed among the scholars; and the teachers train the children in the habit of laying something by weekly from their little spending money. Some such plan as this has been in successful operation in many reform schools of England. Can it not in some form be engrafted upon our common-school system?

### POSTAL SAVINGS BANKS NEEDED.

For adults we have provided savings banks which have proved an invaluable means of developing the habit of thrift. They are, however, not plentiful enough in many portions of the country, and in large portions of the country they have become to the workingmen "suspect," through the great number of failures that have occurred in their management. Nearly all the Third avenue savings banks failed between 1873–'77. What is needed to the country at large is some system whereby the poorest man in the most isolated portion of the country may feel that he has within reach an institution into which may be placed his little savings, and where he may feel as secure of them as the capitalist now feels when he puts behind his thousands of dollars the resources of the nation. In other words, we need the introduction of the postal savings banks which in England, for example, have within a few years developed so largely the habit of thrift among the poorer

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classes. Two hundred and fifty-seven thousand accounts were opened last year in England alone, with deposits of $200,000,000. Canada, our neighbor, has developed this useful institution. At the close of a late fiscal year (date mislaid) it had 27,445 accounts open, representing a deposit of $3,105,190.80. The post-office is everywhere, and back of the post-office is the Government, and back of the Government are the whole resources of the people. This is the security that our poor people demand. These are the facilities that they need. We all remember that a few years ago, when ten-dollar bonds were issued by the United States Government, the demand for them was so eager as to lead to the formation of long lines of applicants waiting for hours at the places of issue. The experiment needs to be carried still further.

### POVERTY AND INTERMITTENT OCCUPATION CAUSES OF THRIFTLESSNESS.

Not only does society give little help in the formation of early habits of thrift, and an insufficient help to the formation of these habits in later years, but in many ways thriftlessness and its kindred vices are directly encouraged in the poor by the general conditions of the social and business world, and by our defective methods of government.

The broad fact of the great poverty of the large class of unskilled labor in this country is itself the prime factor in the thriftlessness of that class. Nothing is more clearly established in political economy than the truth that habits of thrift are only begun when labor rises above the level of despair. While men feel that there is no use in endeavoring to better their condition they will not make much effort. While they feel that all their resources will be unavailing to procure them independence and comfort they will be apt to sink those resources, small as they are, in immediate indulgence. Provision for the future is made at the cost of the present only when the future opens promisingly.

The intermittent character of our modern industrial system forms a strong discouragement to thrift. With steady work all the year round, year in and year out, men soon come to calculate their possible savings and to lay by for the future. Fixity of income is a great stimulus to thrift. But panics come, employers fail, mills are closed, slackening demand in the market leads employers to declare a reduction of wages, and, in its resistance, to make excuse for a lock-out; and in those and other ways the workmen are so frequently thrown out of employment that they get used to seeing their scanty savings used up in idle times and their families getting little ahead.

Now, of course, this ought not to be. The existence of such a state of things is an additional reason for thrift, but unfortunately human nature is such that little effort at self-denial is likely to be made with such a prospect. It is the hope of getting ahead which nerves men to do without a present good in order that they may have a more comfortable future. Destroy this hope and the energy of saving relaxes, as all history shows.

### BUSINESS STAGNATION: A HEROIC REMEDY.

The remedy for this intermittent character of work is not plainly at hand. The experiment proposed in France was not fairly tried. It is an easy thing to heap ridicule upon Government national workshops in time of distress, but the experiment of the *ateliers nationaux* was so conducted, *purposely*, in France as to bring opprobrium and ridicule upon it. Possibly the passage of a law compelling employers to support labor

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during such times—radical and heroic as the measure might seem to be—might open their eyes to devise some means of preventing these periodical fits of stagnation. The permanent escape from these periodic spells of enforced idleness is not likely to be found until the anarchy of our present systemless production is corrected by some rational co-ordination of the various industries, so that there may be a proportionate production.

### WAGES: THEIR PURCHASING POWER, 1860–1881.

The increase of prices which is going on in our society is imposing a constantly growing burden upon the resources of labor. Mr. Carroll D. Wright, in the Princeton Review for July, 1882, says that from 1860 to 1878 there was an average increase of wages of 24.4 per cent., and of prices of 14.9 per cent.; that from 1878 to December 1881 there was an annual average increase of wages of 6.9, and in prices an average increase of 21 per cent.; and that covering the whole period of 21 years there was an average increase in wages of 31.2 per cent, and in prices 41.3 per cent. In other words, between 1860 and 1881 our workingmen had suffered a reduction of ten per cent. on the purchasing power of wages, and this between a dead level year and one of general prosperity.

Under tendencies thus forcing prices up, the slight increase of wages where it may be found is relatively outdistanced, and the resources of labor are thus steadily diminishing. How hopeless, then, the preachments upon thrift, as the alone salvation of the poor man, become when his resources are steadily decreasing.

### NEEDLESS TAXATION.

The resources of labor, such as they are, are still further burdened by the needless taxation which is imposed directly by the Government and indirectly by the monopolies of the country. This taxation itself claims annually what would otherwise make a very substantial margin for possible savings on the part of the average workingman. I do not wish to enter the mazes of tariff discussion, and so simply observe that over against the higher wages which may possibly grow out of protection, if this much be admitted, there remains to be placed the higher prices imposed on so many of the necessaries of life by our revenue system.

In addition to this burden we have a heavy burden laid on our working people, as on us all, from the indebtedness of our national, State, and municipal governments. The United States census for 1880 puts the debt of the National Government at $2,120,415,370.63, and the indebtedness of States, Territories, counties, cities, &c., at $1,201,803,177.

One of the urgent needs of our workingmen's movement is that it shall turn its forces in the direction of purified government, and especially of purified municipal administration. All burdens fall ultimately upon labor, and although the taxes paid may seem to be paid by wealthy capitalists they all come out of the pockets of the laborer, in increased rents and increased prices. The corruption and maladministration of our municipal governments, which have imposed a gigantic burden of taxation upon our citizens—allowance being of course made for the proper works of public utility—means simply so much taken out of the pockets of the workingmen per annum. The debt of New York in 1877 was $132,096,992; imposing a taxation of $31,105,533. And yet to-day the cry of municipal reform is one of the last which seems to show any power of appealing to the workingman. He will throw up his cap for all manner of political schemes, but when

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a citizen's movement is originated in a great city like this to place the administration of municipal affairs upon a strict business platform, it only appeals to the nominally tax-paying community; and the portion of the community which thinks itself to be non-tax-paying passes it by in entire indifference, and so saddles these burdens anew upon its own shoulders. Mr. Frederick Harrison, in his address to the Trades Union Congress already noticed, appeals to the workingmen of England to throw every influence, through their organizations, at once into the problem of uplifting and purifying municipal administration. The appeal is still more urgent in our country, where municipal government is less developed than in any other portion of Christendom. Berlin, a city of about the same size as New York, and, like it, having grown very rapidly, with immense public works thus necessitated, had a budget for 1882 of nearly $6,000,000, of which "every penny has been well spent and accounted for." (Nation, No. 958.) New York's budget for 1880 was $29,642,991.98; nearly five times as much as Berlin.

### EXORBITANT PRICES OF NECESSARIES OF LIFE.—COAL.

But, in addition to the burdens of extravagant, wasteful, and dishonest government, we have another heavy burden laid upon the working people, as upon all others in the community, from the irresponsible power left in the hands of our great corporations. Take the case of a few prime necessities. The Anti-monopoly League issues the follow- statement, which I have not seen refuted:

The following is an itemized statement of the approximate cost of mining and delivering anthracite coal in New York at the present time, with profits included. By varying the items and distance the rightful cost can be calculated at any point:

| | |
|---|---|
| Royalty to land owner 12½c. to 25c., say | $0 25 |
| Paid to miner per 2,850 lbs., 65c. yielding when prepared and placed on cars, say 2,500 lbs., or per ton of 2,240 lbs., say | 58¼ |
| Expense of preparation and placing on cars, maintenance of mine, profit of operator, &c., say | 55 |
| Transportation to tide water, say 120 miles at ¾c. per ton per mile, say | 90 |
| Lighterage from railroad terminus to New York, say | 22½ |
| Discharging from lighter, say | 14 |
| | 2 65 |
| Less difference between gross ton (2,240 lbs.) and net ton (2,000 lbs.), say ten per cent | 26 |
| | 2 39 |
| Cartage | 30 |
| Profit of retail dealer, say | 75 |
| Waste, say | 5 |
| | 3 49 |

If delivered from yard, or in small quantities, it would cost a little more, but most of it is delivered direct from boat, and at above figures full weight of coal can be afforded in New York on the sidewalk of the consumer and pay every person connected with the business a fair profit. The difference between this price and what consumers of coal are now paying represents the tax paid to monopoly.

For considerable periods during 1878 and 1879 coal sold at an average of $2.25 per ton of 2,240 pounds at the railroad termini, or say $3.25 per ton of 2,000 pounds delivered to the consumer. The coal roads formed a pool and prices were nearly doubled. The legislature ordered an investigation. The evidence showed that $3.25 to $3.50 was a fair price for coal, and that the coal roads had watered their stocks so that it was not reasonable to expect that ordinary dividends could, with justice to the public, be paid upon the enormous mass of obligations outstanding. The words of the committee referring to this were as follows:

"During the receipt of these enormous profits many of the coal corporations, as was the case with railroads not engaged in the coal carrying trade, unable, under their charters, or for other reasons, to declare dividends upon their stocks that would ab-

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sorb their unexpended surplus, issued additional stock to the stockholders, for which they paid nothing, inaugurated what is commonly known as stock-watering, or a capitalization of surplus earnings, which is in substance exacting money from the people, creating an indebtedness representing the same, and making this the basis for forever asking the public to pay interest upon their own money so exacted."

Yet owing to railroad influence in the legislature nothing was done to put a limit to extortion.

### MILK.

We have just seen the Harlem Railroad reduce its rates on milk heavily, as a result of official investigation. Those rates had been, I believe, about triple the rates of roads running into Boston. And milk is the food of young children—their vital necessity; on which this heavy taxation was laid by a wealthy corporation.

### COAL OIL.—THE STANDARD OIL COMPANY.

The chief light of the poor is oil. Gas is too expensive for them even where it is at its cheapest. Oil is now supplied by a corporation which has established an almost complete monopoly; an organization, doubtless, with many good qualities, but an organization which is none the less, irresponsible to the people, and which taxes every can of oil that the poor man buys in a manner wholly unregulated by any law. Competition, the only self-regulating action which our society theoretically admits, is crushed out, and the Standard Oil Company can affix its own price, and that price must be paid.

Mr. Lloyd (Atlantic Monthly, March, 1881), thus estimates this tax:

To-day, in every part of the United States, people who burn kerosene are paying the Standard Oil Company a tax on every gallon amounting to several times its original cost to that concern. * * * In Pennsylvania the tax levied by the Standard above all expenses and legitimate profits is calculated by an expert at 14 cents a gallon. This makes a yearly tax on the light in most general use in that State of $2,555,000. The whole country consumed last year, at a low estimate, 22,000,000 gallons of kerosene. Putting the Standard tax, to avoid all possibility of exaggeration, down to 5 cents a gallon, we have a levy on the whole country of $11,000,000, besides the millions taken from the railroad in rebates.

One need be no foe to corporations to speak thus of the common defects of a governmental system which provides no superintendence of such corporations.

### MONOPOLIES.

The term "monopoly" is often used loosely against corporations. In the case of the Standard Oil Company its use is, strictly speaking, somewhat inaccurate. An accumulation or concentration of business which grows of itself naturally by the superior force of the brains of one man, or by the natural tendency of things in trade, can scarcely be called a monopoly; but the moment that legislation intervenes to give special rights to any corporator that moment true monopoly enters; and where a monopoly enters the play of competition ceases. Where, then, monopoly does enter there is bounden upon Government as special an interference on behalf of society at large as it has given to the corporations in their own interests.

And even where, as in the case of the Standard Oil Company, there has been no legislative privilege, yet if it has grown to so colossal a size as to absorb all rivals, we have the substance if not the form of monopoly, and the state is bounden, as the representative of the commonwealth, to see that the wealth of the commons is not impoverished to build up the private property of a company.

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### GAMBLING IN THE NECESSARIES OF LIFE.

The transient monopolies of gambling combinations in the necessaries of life are coming to be a powerful factor in the disordering of prices, opening opportunities of immense profits by "corners," which drive the prices of wheat and other staples up into exorbitant figures—and as such demand some wise and careful exercise of governmental supervision. The remedy for the existing speculations in food stuffs is difficult to define, since this evil has existed and been legislated against from the time of Edward III and his statutes against "engrossing," and since our business has become so largely a dealing in "futures;" but that some remedy needs to be found is plain to all thoughtful people, and that such remedy shall be found is the specially appointed task of legislators.

### MINING MONOPOLIES.

The private or corporate possession of mineral resources, which the Creator has stored up in the earth for the needs of life, with the consequent power of taxing the necessaries of existence, is a right of so dubious a character that any monopoly in such resources seems to me to call peculiarly for the intervention of Government, at least so far as to secure something like an equitable adjustment of prices.

And yet the irresponsible greed of great corporations and the absence of proper governmental superintendence and of restrictive legislation in the interests of society, have allowed the access to these supplies of the most vital necessaries of life to be monopolized; that is, have allowed the mass of the common people to be shut off from their due rights in the bountiful provisions of the Almighty. The corporations which have assumed the charge of transfer of mineral resources to our cities, have entered into the speculative development of those mineral resources; the two agencies have become one; and the practical conclusion of the whole matter is that which was bluntly avowed by a leading stockholder of one of those great corporations a few years ago. When asked what the price of coal would probably be during the winter, he replied, "as high as Providence will allow and as low as necessity compels." In other words, then, we have placed in the hands of almost wholly irresponsible companies the royal right to tax our citizens as they will, and we sit supinely under the yoke that we have imposed upon our own necks.

### PRIVILEGE-LEGISLATION.

I recognize the tendency to consolidation as an inevitable one in the world of business, and, under proper safeguards, as a useful one. But all power needs to be limited and watched, and the greater the power the more carefully defined should be the limits of its exercise, and the more thorough the inspection kept over it by the state. Government owes it to all its citizens, especially to the largest and worst-off classes, to see that the private fortunes for which it provides the opportunity by its facilitating legislation do not impoverish the commonwealth.

The whole question of our administration of privileges needs, perhaps, to be more carefully considered than it has been with us. The inordinate extension of patent-rights creates monopolies of what, with an advancing civilization, come to be the necessities of the people. While the just right of the inventor should be regarded—which, however, is a different matter from the unjust rights of the patent agent, who usually intervenes, or of the combination of capitalists, who buy out the rights of the discoverer—while, I say, the just rights of the inventor should



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be regarded, at the same time consideration should be given to the just needs of the people. As it is, every modern tool of labor is "protected" by a patent which saddles upon the neediest workman or workwoman an oppressive tax for its use—the use which alone can keep one from starvation. Franklin declined to patent his inventions, but then Franklin was an old fogy. Perhaps the notion is not so wild as at first sight would seem, that the state should buy patents from discoverers at liberal prices, and then give the results of these inventions to the mass of the people.

When these facts as to the burdens which society lays upon the wage-worker are duly weighed, a just judgment will, to say the least, greatly mitigate the sentence otherwise to be pronounced upon the thriftlessness of workingmen. That thriftlessness will thus be seen to be gendered in the anarchic business system of our age, and in the low level to which it and our vast system of taxation reduces the wage-workers, and the demand for thrift on their part to be almost a mockery when made by the classes who profit by our industrial and political systems.

### THE TASK BEFORE SOCIETY.

These and other similar considerations, for I have only touched upon the more salient features of the situation, should, as it seems to me, effectually disabuse candid minds of the illusion that the fault of the present condition of labor can be saddled entirely upon labor itself. Capital has its just share, and it is a large share, in bringing about the low estate of labor. Society at large needs to make the confession "we have left undone those things that we ought to have done."

And in all that has been said, there is nothing, as it seems to me, to which any just and open mind can take exception. These neglected duties of labor, of capital, of government, and of society at large, form, therefore, the tasks to be taken up at once if any improvement is to be made in the present state of labor, or if the undoubted tendencies towards a worse condition are to be arrested. Whatever other things will remain to be done when all these reforms have been carried out, will be much more readily perceived and much more easily effected after the education of both labor and capital has been led up to the level indicated in these changes. Indeed, I can see no way to any peaceable securing of more radical readjustments of the relations of capital and labor, such as must eventually take place, except through the gradual improvement of labor itself and of capital's attitude towards labor, which have been pointed out as now attainable. Most of the reforms which have been indicated involve a moral element. The whole problem is quite as much a moral problem as an economic problem.

Now, all reforms of character and conduct have this peculiarity, that one sees further and more clearly what there is to be reformed, as one earnestly tackles the job of righting the wrongs that *are* seen. However imperfect may be the perception of what is needful to be done, when one really sets at work to do that which *is* seen, his eyes open wider, and thus he grows gradually into a vision of the immensity of the task upon which he has entered—a vision that in the outset his conscience was not educated to recognize or his will to undertake.

I have understood this committee to have, as its primary aim, the drawing forth of suggestions that might lead to practical measures of immediate relief, and only secondarily the ventilation of ideas that look beyond the present to the future, and to a radical reconstruction of society on the ground plans of justice. But before I close I would like to say frankly that, in all which I have suggested, I clearly recognize

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that only the surface of the problem has been uncovered. There are far deeper and far more serious aspects of the problem which will have to be opened when the time comes ripe. If all that I have suggested were carried out, the evils of the present condition of labor would be ameliorated but not cured. The old troubles would recur again, after an interval of comfort. Not until the seat of the social disease, whose ugly developments have called out this consultation, is reached, and an alterative is found, will any permanent cure be effected.

It seems to me that all thoughtful people ought to be at least opening their eyes to see the possibility of there being graver complications in our case than is ordinarily suspected. And I would like, therefore, to offer a few hints as to the nature of those complications, in so far as I can read them, and of what may now be begun in the way of constitutional treatment, and thus contribute my little bit towards the second aim of the committee, as I understand it.

## III.

### SOCIAL FORCES FAVORING CAPITAL AND LAND AS AGAINST LABOR.

As I read the problem of society to-day, there are large forces making for the interests of capital and land, as against the interests of labor—these three factors together creating all wealth.

#### (1.) LEGISLATION WORKS AGAINST LABOR.

Legislation has thus far been in the hands of the well-to-do classes, or capital and of land, and it has been shaped in this free country, as in Europe, in the interests of these two classes. There is very little legislation recorded on our statute-books that looks to the care of the rights of labor, while there is a vast body of laws in existence guarding every possible interest of capital. Our legislatures are overburdened with all sorts of special bills, devised to benefit private parties, but the measures of purely public utility are few and far between. We have in no one of our States any legislation at all comparable with the elaborate factory acts of England. Only a dozen of our States have labor bureaus, and these are all, with one exception, the growth of the last half dozen years. This great State has only just created such a bureau. This metropolitan city has, only within three years, as the result of a long agitation, obtained adequate sanitary laws for the tenement houses which shelter (?) 500,000 human beings, and a proper staff of officers to enforce them. Rich men have all sorts of carefully drawn up acts guarding the loaning and borrowing of money; but the poor man when he wants to borrow, has to go to the pawn-shops, over which, as he finds, to his cost, there is next to no restraint of law; so that after he has once deposited a valuable article, in time of need, and agreed to pay a ruinous rate of interest, he has no security that he will ever get back his property, even though able and anxious to redeem it.

It is the same story everywhere. The men at the top of the heap cry out, whenever an attempt is made to secure legislation for labor, "Hands off; the sacred principle of self-help must not be interfered with; the less legislation the better," and so on to the end of the gamut of stock-phrases which the press and the professors roll off with unctuous glibness

Meanwhile these very many-millionaires and these very gigantic corporations, whose counsel are so eloquent upon the danger of over legislation, have climbed to their high prosperity by the helping hand of

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law through legislation specially enacted to further their schemes. They never could have been what they are but for special legislation. The hypocrisy of the cant of "non-legislation" is sickening to honest minds and must be irritating beyond description to those who are silenced by it. Labor is opening its eyes to see at last that a democratic country which rarely legislates for the *demos*, the people, is something of a fraud. Labor is preparing to enter the political field, and is making tentative essays in this direction. In England the pressure of the trades unions has already wrested solid victories from Parliament; and under the growing mental enlightenment and the deepening moral sentiment, an immense stride is being taken towards a new era of statesmanship; in which the state will look first of all, for its own safety and prosperity, to the rightful ordering of the conditions of life among the vast mass of labor, on which the whole social structure rests. We shall never gain a satisfactory adjustment of the problem until our governments, municipal, State, and national, concern themselves at least as much with the interests of labor as with those of capital. And this will never be until labor takes the field of politics in dead earnest, and compels attention to its long-neglected claims.

### (2.) INDUSTRIAL DEVELOPMENT WORKS AGAINST LABOR.

There are more puzzling factors than privileging legislation at work to handicap labor. Our century has witnessed a revolutionary change in the character of the industrial system—a change which has been steadily making for capital against labor, except in so far as its own excesses have wrought local and partial protest and reaction. The introduction of the system of aggregated labor in the factory, and the development of the principle of the division of labor, thus made practicable, have gradually reduced the once free artisan to a new serfdom, in which he is completely at the mercy of capital, except as by union he makes resistance. He no longer is master of a craft. He is a bit of a process. He does a fraction of a complete job. Of the rest of the process he knows nothing. Consequently he cannot stand by himself. If he loses his place he cannot set up, in a small way, for himself, even if the general conditions of the business would give him a ghost of a chance. In losing the home work of the artisan of the olden time he loses with it the foothold on the soil, though that soil were but a bit of a garden, which gave him the sense of freedom. He literally has no base for personal independence. He no longer offers his wares, the products of his handicraft, for sale in the market. He has neither the workshop, the tools, nor the knowledge of any complete process by which to make anything himself.

### LARGE WEALTH AND COMBINED LABOR NOW NECESSARY TO INDUSTRY.

Only large wealth commands the means of production, and only combined labor supplies the power of production. The workman awaits the offer, on the part of the capitalist of a workshop, of tools and of the fellows who can complete his fractional skill. He has become a part of a gigantic mechanism that is run by capital. He is utterly, absolutely helpless in himself. He therefore has to enter the "labor market" and offer for sale—no longer his works, but his working. He sells himself. Under what is, with grim sarcasm, called "the system of free contract" he engages on his part to make over to an employer his labor in return for that employer's finding him the means and conditions, without which he is no longer able to labor.

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A new feudal system is set up, in which, through all the descending gradations, labor holds its little all by the grace of the feudal lord. It draws the feoff of life from its master and suzerain. Of course it is true that under the old home-workshop system there were journeymen who were in a certain sense dependent on the master, for whom the master found the workshop, to whom he paid wages, and whose products he sold; but each man could become a master of his craft and of his tools, and thus of himself. Each man looked forward to becoming a master workman, hiring other workmen, an expectation which, while we hear much about its being still a possibility, is becoming increasingly difficult of realization with each fresh turn of the wheel in the evolution of the factory system, and which, to all intents, is practically unrealizable already in most branches of industry.

It is not speaking too strongly to say that such a radical revolution as has thus been wrought in the condition of labor is without a parallel in the previous history of Christendom, and that it is fraught with dangers of the most ominous kind to society at large. Unarrested—or perhaps, let me rather say, led on to no further and higher evolution, in which its present action shall be corrected—this system would crush out the free manhood of the workingman.

### MEN BECOMING MERE TENDERS UPON MACHINES.

This factory system has been still further aggravated by the introduction of mechanism and of steam. Increasingly, the labor formerly wrought by man is being done by machinery driven by steam. One after another the processes of every old-time handicraft are being transferred to vast and complicated machines, and production is no longer to be called a manufacture, but a machino-facture. The skill which of old lay in the deft fingers of the craftsman is becoming lodged in steely mechanisms. Men become the tenders upon the costly and cunning machine. As such mere tenders, whose work is to feed and wait on the intelligent labors of these giant looms and presses, skilled workmen are no longer requisite. Poorer workmen take their place; women take the place of these inferior men; children at last come into demand in lieu of women. Poor workmen demand less pay than skilled craftsmen, women less than men, and children less than women. Thus wages fall, and a man's foes are they of his own household, very literally. The contrast between the New England operatives of a generation ago and those of to-day is very significant of the change which the factory is steadily working.

Nor is this all of the evil effect of the system. The introduction of mechanism displaces *all* human labor to an ever-increasing extent. One machine does the work of a host of hands. So these hands are thrown out of employment, and thus as mechanism enters one field of production after another men retire. Of course this action is mitigated, to some extent, by the opening up of other lines of occupation. The enormous development of industry in our age, and especially in our country, prevents us from feeling the full force of this tendency. But it is working among us at an alarming rate of speed.

Thus, in these various ways, labor suffers severely from the modern mechanical improvements, and from the monster forces which science has broken in to these engines. Its work is first robbed of interest and educating power, as already pointed out in the early part of this talk, and then taken from it. The labor market is crowded with the dispossessed "hands," who bid against each other and bid their wages mutually down.

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The one beneficent effect of mechanism upon labor has been the cheapening of goods. Great as this benefit may be, its value seems to me much overrated when we consider the inferior quality of cheap goods, while it is as largely negatived when we note the lowered wages by which it is generally accompanied.

### THE TRUE *versus* THE FALSE FUNCTION OF MECHANISM.

Thus far it is questionable whether labor has derived any substantial benefit from the marvelous development of mechanism, at all comparable with the injury it has experienced from this revolution. It was fondly hoped, in the dawning of our era of mechanism, that all servile and exhausting toil was to be lifted from man; that all necessities were to be so multiplied that the poor would cease to want, and that leisure and its opportunities of culture would come to be a common blessing, through the immense increase of production, that is to say, of wealth. What a mockery these dreams seem now!

Yet these dreams were clearly no wild fancies. They were true visions of what might be, under any just system of controlling these genii whom science has summoned to the service of man; visions which may come true if ever *man* becomes their master instead of *men*—the commonwealth, and not private rich men. In any equitable distribution of the immensely increased wealth which mechanism has created labor would have been much better off. But it is precisely against such equitable distribution that mechanism has worked.

### THE INCREASED PRODUCTIVITY ENRICHES THE PARTY IN POSSESSION OF THE PLANT.

The party owning the plant and controlling the means of production has found its power multiplied portentously. It has been those means of production which have received the increase of productive power, and he who owns them gains the benefit of their increased productivity. Capital reaps the golden harvest. Capital's yoke takes a new clasp around the neck of labor—more its slave by each new improvement that dispenses with human skill. It is thus that capital—the party possessing the means of production—is becoming ever richer and more powerful, while labor is becoming ever poorer and weaker, save as it combines and, not being as yet wholly superfluous, stays the downward tendency; and save as other factors enter the problem, changing the equation.

### THE AWAKENING OF LABOR.

Labor's eyes are at last becoming opened to the fact that the present system plays almost wholly into the hands of capital. It is coming to see that the control of the increased productivity developed by mechanism must always remain with those who control the mechanism; that the bulk of the wealth thus created must go to capital. This is the meaning of the demand, now beginning to make itself heard from the ranks of labor, that the means of production shall not be left wholly in the hands of capital; that either directly, in great co-operative organizations, or indirectly, in the person of the state, labor shall have a share in the control of these monster forces. Sweeping measures truly, which, as a radical cure of the present disease of the industrial system, are coming to take possession of many minds, naturally impatient of mere mollifying ointments for organic disorders—ideas that if they once master the workingmen of a land where there is universal suffrage may work a rapid revolution, which, alike for labor and capital, is to be dreaded.

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### THE IDEAL CO-OPERATIVE COMMONWEALTH.

Unripe revolutions always fail. No power on earth can make a new industrial system work ahead of its time. Men must be educated for all higher institutions. The greater the advance which a new institution would effect, the more the need of taking it slowly, step by step, as we work up to preparedness for it. Those who believe that the principle of such a theory is right, as I do, should be all the more careful to point out that it is an ideal, which can only be won by patient education in co-operation and by general advance of intelligence and power on the part of workingmen.

If such a change were to be made to-day, by any power under heaven, it would, in the present state of our workingmen, simply bring industry to a stand-still and introduce worse evils than those now endured.

If the co-operative commonwealth ever comes, as I trust it may come, it will come as the final generalization of a long series of integrations, of which the co-operative societies, now so much neglected, form the next step in advance.

### STATE OF THE DISCUSSION BETWEEN CAPITAL AND LABOR.

But none the less is the general discussion of the relative rights of capital and labor, growing out of these new powers of production, likely to go on with a deepening sense of unrest under the existing conditions. Through the able tutorship of German economists, whose sympathies are all with the workingman, labor is beginning to reopen the whole case of capital *versus* labor from the standpoint of labor; and with surprising conclusions, flowing from a changed order of the premises. Charles Kingsley said many years ago that the equation of the social problem, stated thus, "Given the few in affluence how to find the condition of the many," would differ rather widely from the equation reached when the problem should be stated thus, "Given the many in comfort how to find the condition of the few." Labor is coming to state the problem thus, and to draw its own conclusions. It says, "Labor creates all wealth, according to good authorities; why should it have only the fraction left after the quotient has been entered on the side of capital?"

Of course, answers, more or less full, are ready at hand for such a question. It is open to capital to point out that hands need a head; that brawn needs brain to direct it, to feed it with the ideas which give value to one form of labor over another, and to give it the grasp of affairs necessary for industrial generalship to-day; that the worker needs still the man of resources to provide the costly plant that is indispensable to modern industry; that the chief share of productive power is now really lodged in these marvellous machines, which the human hands only tend; that a fair return is due as interest on the plant, as insurance against risks, and as wages for the directing services, ever becoming more onerous as business grows more complicated.

### THE LOOK AHEAD.

Wise men among our wage workers are quite ready to admit all that is true in these propositions, and to assent to all that falls due to capital on these grounds. Only, then, they are very likely to drop into the despairing feeling that since these claims, and especially the claim from the ownership of the machine, which is *the* factor in production, eat up all the profits, the very order of nature is against them, and that there is no hope ahead, except through a growth so slow that not only will it never benefit them, but not even their children or their children's chil-

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dren. And it must not be forgotten that wisdom is not any more lavishly scattered among workingmen than among other human beings, and that there are lots of foolish and unreasonable people in the class which by its numbers is everywhere a power, and which by its franchise may be here at any time the controlling power.

There are portentous significances in such an attitude, in which the sense of injustice on the part of man deepens into the sense of injustice on the part of nature; dark shadows of revolution and anarchy which may well "give us pause."

### THE DUTY OF THE HOUR.

Wise men among our capitalists and in our governments, it seems to me, ought to be stirring themselves to prevent such contingencies.

Capital ought to be seriously endeavoring to ally labor with itself, and to train it into capacities for a share in the possession and control of the means of production. The ownership of the means of production by the people and for the people seems to me just as certainly the ultimate form of the social order as government by the people and for the people is the oncoming form of the political order. And in society, as in the state, the choice for men is not that of accepting or rejecting an evolution of nature, but simply of resisting it and blocking its pathway, which means always French revolutions, or of guiding it slowly and peacefully along safe channels.

Perhaps the greatest benefactors of mankind to-day are those capitalists who, like Mr. Godin, are wisely training their workingmen for the higher order. No nobler discernment is shown to-day than where wealth recognizes that the gospel of demand and supply is after all an apocryphal gospel, not holding the secret of social salvation; that competition must needs be "ranked" by co-operation, as the next step toward an order in which the mighty resources and the monster forces of nature shall be the genii not of a few rich men, but of the commonwealth.

### WHAT THE STATE MAY DO.

Government's part in helping on this proprietorship of the people is not very plain. Yet that the State is supremely concerned in this matter of preventing the impoverishment of its people, and of seeing the mass of its citizens enter upon the possession and enjoyment of the productive power of our present civilization needs no argument. The National Government might certainly, for one thing, establish a national bureau of labor, to investigate the problem in a way that no one student has the opportunity of doing and to spread light upon it. Such a bureau might easily encourage and stimulate the self-acting efforts of both capitalists and workingmen toward the joint proprietorship of the means of production. I am not sure that, since the state grants subventions to railroads and steamers, and imposes a high tariff to aid manufacturers, it should not also grant subventions to properly organized societies of workingmen, seeking to develop co-operative production, as yet scarcely attempted with seriousness here.

### THE PROBLEM OF POVERTY.

The problem of poverty is to be solved not only by a larger production, but by a juster distribution. We do indeed need a vastly greater productivity in order to insure the comfort all crave; but we have enough now, if fairly divided, to do away with the worst horrors of our poverty.

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And in any possible productivity the real question is of getting it equally distributed.

So level-headed an authority as Mr. Edward Atkinson, in an address made at the opening of the second annual exhibition of the New England Manufacturers and Mechanics' Institute, showed that the average annual productivity of our country, if equally divided among the men, women, and children, would give an income of 50 cents a day per capita to all our people. That would be the equivalent, for an average family of seven, to the present wages of a skilled mechanic.

The moral is one that I will leave so practical a thinker as Mr. Atkinson to draw. He says:

> By so much as some of you enjoy more others must have less. What have each of you done, what are you doing now, to entitle you to more than what a half dollar a day will pay for in food and fuel and shelter and clothing? Are you rendering service equivalent to your greater gain?

A question this which plainly is primarily a moral appeal. As such it is to be answered by a more enlightened conscience.

### THE DUTY OF THE PULPIT AND THE PRESS.

The church's business, as also the business of all public teachers, the press, the professors of political economy, &c., is to urge this appeal and to illumine the consciences to which it is made, that so, gradually, clearer answers may be given. We must look first of all to the creation of a public sentiment which will hold large wealth strictly accountable to society for its extra share, and which will frown upon the accumulation of very large fortunes, as—what they really are—fungoid growths, denoting an unhealthy circulation of blood in the body politic.

### THE FUNCTION OF LEGISLATION.

Can legislation do anything to help a better distribution? In attempting this it must make sure not to check production, as many remedies proposed would do. I should doubt the possibility of avoiding such a check upon production by any limitation of the right of acquisition. The right of transference is less open to this danger, as sound economists have recognized.

It would be a wholly safe venture to try the effect of limiting the right of bequest, upon the problem of excessive wealth. Such a measure would secure the recognition of the vital principle of the subordination of private property to the commonwealth, and if it worked well would open the way to larger measures.

### (3.) LAND ALSO WORKS AGAINST LABOR.

Land is the first resource of man, and the last. It is nature's provision for his wants. Civilization begins by man's settling down to cultivate the soil. It grows by man's constant development of the resources of the land. It has died again and again in the mass of men being shut off from access to its bountiful treasures, under unwise and unjust social systems, which has made land the monopoly of a few instead of the heritage of the many.

### LAND THE BASIS OF HUMAN EFFORT.

There is no doubt about agriculture being the basic industry, the germinal industry. All other forms of industry rest upon it. All other forms of industry grow out of it. They are *it*, transformed. It equals all the rest of the social productivity. Every manufacture and trade

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represents a productiveness which is only possible as man is fed, and thus supplied with labor power. We all feel instinctively the absolute dependence of civilization upon the culture of the land in our anxiety about "the crops," in our forecast of a year's business by the state of "the crops."

### ALL HUMAN INDUSTRY MUST CO-RELATE WITH LAND-CULTIVATION.

Every industry, in a sound society, should be developed proportionately to the culture of the land. That such a proportion is necessary needs no argument, unless there is no law of stability in the relative proportions of the base of a pyramid to its height and mass. What this proportion should be is capable of being stated statistically from a study of different nations. Now this means simply that there is a close and exact relation between the whole mass of any society and its land-culture; that every atom composing society must have its due representation in the tilling of land. Food must be growing to supply the whole people and to drive their varied activities. And this, again, means that each individual of society stands in a real and necessary relationship to some particular bit of earth, which is being cultivated for him.

### EVERY WORKER THE EQUIVALENT OF A CULTIVATOR.

Whatever a man does, preach or write, handle tools or carry bricks, or keep store, some one is growing his food for him. In a simple state of society we see this readily, because no one is far removed from the original work of all. Every time the farmer drives into the village, and pays for the goods he buys at the store, in the wheat, or oats, or vegetables, or fruit that he has raised, this fundamental fact is seen. But it is just as truly a fact in a great city where there is no barter, and where we are so far removed from this simple state of society that we forget, often, our real relations to the soil. They are hidden in the complex web of society, but they are there none the less.

### MAN'S RELATION TO THE SOIL IN A SIMPLE STATE OF SOCIETY.

Now, if each man in a society stands on his own rood of ground it is his own fault alone if he cannot live. If, not being on it, but doing some other necessary work in the social mechanism, he can at any time get back easily upon his rood—*his*, and open to him—then it is equally his own fault if he starves. In a simple state of society the worst problems of poverty easily adjust themselves by the turning of men to the soil, in which they have their own place reserved for them, and to which they find their way readily. When the school teacher or the carpenter is hard up and can get no pupils or jobs he shuts the schoolhouse or the shop and goes back to farming—sure, at least, of a living. Thus no grave problems of poverty grow up while every man either stands on his own acre or by it.

### IN A COMPLEX STATE OF SOCIETY.

But as soon as this condition of things changes the whole state of a society changes with it; changes seriously and ominously. If a man who has left farming and gone to some other branch of social labor finds himself with no work offering, and finds that he has no longer left him his old farm, and that no other opens anywhere, then he is in a new and sad plight—face to face for the first time with absolute want. If no

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work opens and no friendly help tides him along he is likely to starve to death. Take an island where the area of land is definitely limited, and the problem states itself at once to the mind clearly and conclusively. When all the island is held by others, who will not part with any of it, the man out of work is utterly helpless.

He, though a free man theretofore, will then be very ready to get a bit of earth on which to raise potatoes upon any terms. Necessity knows no choice. He will pay any share of the products of a bit of ground to the owner, so that he can squeeze out a bare living. He will even sell himself to the lord of land and become a part of his estate if thus he can have food and live.

If he is the only man thus situated his case is forlorn enough; but if he be one of many in the same situation, his condition is made worse by each additional hungry man seeking a chance to live.

Precisely what would thus come to pass on an imaginary island has actually come to pass upon our very real globe. In early and simple stages of society every man either held in reserve his own share of mother earth or knew that he would have no trouble in finding a bit of ground that he could till. The poorest man, busied with the other tasks, of society felt himself independent in the consciousness that he could get back on the land and take care of himself.

### CHANGE IN THE TENURE OF LAND.

In ways which we need not now follow, this early state of society has practically disappeared from every country of Europe, and is rapidly disappearing from our own country. Land no longer so abounds in Europe that any one can go out and take possession of a bit. It is all held for use in some way, if capable of any use. It is no longer held by society at large, as once was the case, securing every individual's share in the fields of the commune. It is held by private parties. There is not an available rood of ground in England to which a starving workman may turn and say, "I have a right to that; it will support me." As this state of things came into existence men who were unable to find work in other labors were rendered helpless; glad to be dependent, content to occupy a wee bit of ground on crushing terms, thankful at last in the worst extremities to enslave themselves to the lord of land, and become his personal property, like the land they worked for him, in return for food. These are well-known facts of history in Europe.

So to-day the worst feature of the position of labor in Europe is that, with the private ownerships of all available land, labor is practically helpless when the periodic stagnations of industry and trade leave it idle. Of course, I say "helpless" with well understood modifications. Colonization opens an escape for Europe; and colonization is being used now, as perhaps never before in the history of man, to relieve the problem. It does so simply by enabling men to get at land in other countries, where the process gradually repeats itself.

### ABSORPTION OF LAND IN VAST ESTATES ALL OVER THE WORLD.

The problem is made vastly worse than it need be in the Old World by the growth in most countries of land monopolies—the concentration of huge estates in single hands. About 7,000 persons hold four-fifths of the soil of Great Britain. Ten or twelve persons own half the land of Scotland.

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Now, so long as the supply of land in some countries was practically unlimited it was possible to blind one's eyes to the bearings of the customs of land tenure upon the problem of poverty. But we are rapidly nearing the limits of available land in the countries which have hitherto opened outlets for surplus labor. As though nature meant to hurry up the issue of land upon our civilization, a perfect hot-house forcing of these tendencies to land monopoly is going on in these new countries.

In Australia, that magnificent empire of the South Seas, there is already the shadow of the Old World curse.

An Australian paper thus sums up the results of a commission appointed to inquire into the working of the land laws, under which gigantic speculations in land have been going on:

Nothing more damnatory of the existing system of land alienation by free selection, as well as by auction, can be conceived, and the details given of the war of classes it has engendered are perfectly hideous in their deformity.

"Vast tracts of country rendered useless by a carefully planned strategy of preemption, dummying, or purchase at auction; vast estates built up out of the wrecks of once thriving homesteads, or by the unauthorized yet successful amalgamation of adjacent squattages; whole districts, once the populous seats of rural industry, now desolate and silent. These are only a few of the tokens by which the advance of the fell destroyer, land monopoly, is traced.

RAILROAD LAND GRANTS IN THE UNITED STATES—208,000,000 ACRES.

What the process going on in our country is no one who keeps his eyes open needs to be told. The proper enough policy of encouraging the development of railroads in our newer sections has been pushed to such an excess, through the influence of powerful corporations, that the National Government has already deeded away to these companies 208,344,263 acres, an empire over six times as large as the State of New York.

Foreign capital is rapidly joining in the land speculation that is mounting higher with each new decade. Every few days we read in the papers of vast blocks of land in the south and west bought up by English and other capitalists and companies.

Of course both in the case of the railroads and of foreign capital these huge land holdings are to be broken up into small sections and resold to settlers or to lesser speculators.

AN ALMOST LIMITLESS DOMAIN EXHAUSTED IN OUR FIRST CENTURY.

But through this speculative rush for land on the part of capital it has come to pass that by the end of our first centennial of independence this nation, which thought it held an exhaustless reserve of land open freely to all comers, finds itself already practically at the end of its free lands. While engaged in experimenting in co-operative colonization a few years since I found out, to my exceeding surprise, that the United States Government held very little land open to occupation under the old homestead law that was worth occupying. Of course there is any quantity of good land to be had still of these capitalistic companies cheaply enough, but it is something of a shock to realize that we have already run through with the splendid dower of public lands, which was our pride and our security against the Old World social disorders. Carlyle used to say, in his savage way, that it was to our abundance of free land we owed our exemption from European pauperism, and he was right. This is what is making the outlook of labor so much darker of late in our country. Nature's provision for the relief of want is being rapidly closed against the poorest and most needy laborers, who, to get good land, must now go a long way and *pay* for it at the end of a costly journey. It is the beginning of the end of our day-dream of room for all and plenty for every one.

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### BONANZA FARMS—ENORMOUS FOOD FACTORIES.

And to add to this evil, the modern tendency to vast capitalistic industry is making itself felt in agriculture in our country as nowhere else in the world, and with alarming results and more alarming prospects. We are in the midst of nothing less than an agricultural revolution. As by magic bonanza farms have sprung up in the West. Farms of thousands of acres are getting to be quite common. We hear of farms of 5,000, 10,000, and even, as in the case of the Grandin farm, of 40,000 acres. There is one estate of 350,000 acres, covering an area of 547 square miles. Of course these huge farms are worked under new methods, by the application of modern machinery. They are simply big food factories, with the temporary good of the factory system, the cheapening of its products, whether shoes or grain, but with the permanent evils of the factory system reproducing themselves in agriculture. These food factories are worked exhaustively, being mere speculations from which capital hopes soon to retire; and in which, therefore, it has no regard for the future fertility of the land. They are worked by machinery; that is, by few men. On the 350,000-acre estate 100 men are employed. These men are hired according to the needs of the different seasons; so that while during the three summer months there may be a large body of laborers employed, the winter finds only a handful on the ground. These men have no hold of the land they work, nor does the land hold them.

### THEIR EFFECTS UPON OUR CIVILIZATION.

In stead of a settled, free, farmer-population, building up homes, developing villages and towns, laying the foundation for a sound society, we have gangs of hired laborers, drawn from a distance, herded on the ground during the busy season and then turned loose to shift for themselves; men trained in alternate hard toil and loafing, making no homes, furnishing the recruits for those bodies of tramps which of late years, in dull times, the West has found roaming around with constant danger to society.

If this system continues and develops, it will turn out a class of agricultural laborers wholly new to our country, incipient paupers and criminals where we looked to see a hardy yeomanry. It may not continue. Theorists are cocksure that it will not continue; that it will speedily give way to other and safer forms of agriculture. Perhaps it will. But as it is simply the action in agriculture of the tendencies making themselves felt, and increasingly felt, in every form of industry—the tendencies developed by the monster forces of our age—the prospect is of an indefinite continuance of this state of things and of a vast increase of it.

### AMERICAN FARMERS BECOMING TENANTS AND MORTGAGEORS.

Back of all this we can trace the working of yet graver evil tendencies in our system of land tenure. A study of the United States Census Reports, such as that given to them by Mr. George and Mr. Moody, whose deductions I have not seen refuted, reveals the alarming fact that our farming population is steadily losing the character of free owners of the land, and becoming in reality a body of tenant-farmers. The number of farms held free of mortgages is rapidly decreasing, while the extent of the liens held upon them is as rapidly increasing.

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## THE RELATIONS OF RENT TO LABOR.

A steady rise in rent is going on over the world, with, of course, local and temporary exceptions. Everywhere in the Old World we hear of "rent" as the burden that bears most heavily upon labor. When news of some fresh agragrian movement comes we have grown to expect to find complaints against rent, as in France and Spain and Germany and, notably, in Ireland. In the cities rent is literally eating up wages and small salaries.

There is no difficulty in accounting for this fact. Every work of society must be done upon land. They who control the land, control everything. All that is done to develop society makes for their gain. The more people that crowd a city or a country, the more demand is there for land, the higher the rent it will bring. The greater the skill and enterprise developed and the richer the accumulation of society in all that makes a civilization, the greater is the value of the land on which it all rests enhanced. Numbers and wealth alike run up rent. It grows without effort of land owners, by the efforts of every one else.

Now, this tendency we see being forced forward also on our soil. How preposterous have rents become in this city! They are revolutionizing the character of the city, and making it a city in which only the rich and poor will stay—a city of extremes. And while rents are higher here than elsewhere they are steadily becoming higher in all our cities and towns, as far as I can see.

Farming land is experiencing the same tendency. The selling price of good land in parts of the country where agriculture has any chance of profit in it, advances decade by decade; which is saying that rent advances steadily.

Thus the very progress of civilization makes for land as against labor, shutting men off from the free access to mother-earth, whose bounteous breasts are stored with the food of man; making the landless increasingly dependent, and laying ever heavier burdens of rent upon the landless, deepening thus their poverty.

## THE PROBLEM OF LAND NATIONALIZATION.

Christendom is wakening up at last to this truth. The problem of "land" is everywhere in Europe forcing itself to the fore front of the social agitation. The "nationalization of the land" is the cry which is evidently going to crystallize the forces of labor. The astonishing sale of Henry George's book, "Progress and Poverty," is a sign of the times which ought to open the eyes of the most optimistic believers in the gospel of "whatever is is right." In England, men like Mr. Wallace, the eminent scientist, and William Morris, the poet and artist, are heading the movement for the nationalizing of the land of England. A shrewd observer of affairs said to me several years ago that the Irish were evidently to be the instruments, in the hand of Providence, of working out the problem of our land tenure to its bitter conclusion, and of thus bringing on the issue of the true tenure of land. So it seems certainly.

Our own country will not for a good while find this problem the urgent one that it already is in the Old World; but it is only a question of time. The same tendencies are working, as we have seen, and are working toward the same results. Already an organization, bearing the taking name of "The American Free Soil Society," is in the field to open aforetime the agitation of this fundamental question.

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## JOHN STUART MILL AND HERBERT SPENCER ON THE LAND QUESTION.

Sooner or later our civilization must face the task of a radical reorganization of its system of land tenure, and of the outworking of a system which shall in some way guard against land monopoly, and, yet further, turn private property in land into personal occupation of a public property, the common soil of the commonwealth. This is no brand-new revolutionary notion. Great thinkers and cautious, like John Stuart Mill and Herbert Spencer, have seen the oncoming of this question. They have discovered the principle that the soil of a nation belongs to the nation—the body of the people; that property in it has a peculiar character of its own, quite distinguishable from the character of property in anything else; that it is nature's provision for the common necessities of man, and as such must be regulated in the interests of the commonwealth; that it is perfectly open to a people at any time to refashion its tenure of land as may seem best to its wisest heads. Indeed this new theory is simply a return upon an immemorially old system; upon the feudal tenure which vested the title to the whole land of a nation in its king; to the land communism which ruled for ages among nearly all peoples, and of which traces still linger in "the commons" of England, the "All-mend" of Switzerland, and other archaic usages.

Life moves in a cycle, and society, like the individual, often takes up in manhood some custom or belief which it had in youth hastily thrown away.

## FIRST STEPS TOWARD THE PEOPLE'S PROPRIETORSHIP OF THE LAND.

As a practical aid to the re-establishing of better relations between labor and land, I would suggest the organization by the National Government of colonization. Colonization has always been the natural relief of overcrowded centers. In this way surplus labor has gone back to the soil. Our country has been built up by colonization. Now, the abler classes of labor will undoubtedly take care of themselves in this respect as in others. The mass of men, however, who most need this salvation need to have a helping and guiding hand in gaining it. They don't know where to go, nor how to go, nor what to do should they go. They must have the initiative taken for them by superior intelligence and power. Where colonies are planned and organized and directed by capable men the feeble and the dull can be led back to the land and made self-supporting on it. This has been amply shown on our own shores. What a wise work for the state! It can be done as business, and not as charity—in the form of advances by the Government. Thus the state would be relieving the East while building up the West and the South.

Plainly any refashioning of the tenure of land must come, after due education of the public mind, through legislation. And such legislation, like the education that precedes it—of which indeed it is but the continuation, an educative function of the state—should proceed slowly and progressively, in the application of the principle of the common ownership of the soil by a people. The principle must first be recognized by law in clear and simple cases, and then it can be led along towards further applications, as we ripen for them.

As such an initial measure of legislation, I would respectfully suggest an enactment by Congress making all mineral resources hereafter to be opened the property of the people; to be held in trust for the commonwealth by the state.

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THE SOCIAL ALTERATIVES NEEDFUL IN OUR CIVILIZATION.

Thus, between the upper and the nether mill-stone—between capital and land—labor is ground as we see it to-day.

And, therefore, the true cure of our present social disorder will be found only in such social alteratives as will work an organic change in our civilization. The diagnosis of the disease is about as much as we can hope to achieve in our day. Then, through patient study and much experimenting, we may hope to grope slowly towards the true remedies. Meanwhile, it is all-important that we should recognize the gravity of our disorder, and its general nature, and thus encourage the consultations that the case demands.

The ameliorating treatment suggested in the earlier part of my talk is of value chiefly in getting the body politic ready for the more heroic measures, whether of medicine or surgery, which must, sooner or later, be ordered by our social doctors; one or two tentative experiments towards which I have ventured to suggest.

## IV.

### SUMMARY OF CONCLUSIONS AS TO THE CAUSES OF LABOR'S POVERTY.

To sum up the suggestions which I have to offer:

Labor is at fault, and needs to develop greater ability and interest in its work; more thrift; larger powers of combination and better methods in combination; the substitution of arbitration and co-operation for strikes; the building up in its trades unions of centers of political action.

Capital is at fault, and needs to develop greater personal interest in its employés; to create for them in their surroundings the interest that their work so largely lacks; to bind its men to itself through a system of industrial partnership; to prevent strikes by arbitration; to make out of its brains and means and position of control a real captaincy of industry.

The general world of business is at fault in its anarchic system of industry and trade, alternating between fevers of speculative production and congestive chills, in which labor is left idle in the market; in its vast monopolies of common necessities and common services; in its total disregard of humanitarian considerations in seeking investments.

Philanthropy is at fault in its unwise and obsolete methods.

Society at large is at fault in its thoughtlessness and selfishness, its luxury and extravagance, its manifold wastes.

Municipal governments are at fault in not taking civil administration out of national politics and making it wholly a matter of wise corporate management; in their dishonest and wasteful administration; in the burdens of debt thus imposed on the people; in parting lightly with valuable franchises; in encouraging intemperance, by their multiplication of grog-shops; in allowing the poor to be housed as they are.*

State governments are at fault in not providing a system of industrial education in connection with the common schools; in legislating freely in the interests of capital while neglecting the needs of labor; in establishing no control of the great corporations they charter and endow with munificent privileges; in allowing the present license of gam-

* The lines of responsibility of civic and State authorities overlap and are not readily separable at times.

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bling in the necessities of life, and of monopolizing the most important resources of the people; in not establishing labor bureaus.

The National Government is at fault in various respects, concerning which I sum my suggestions into propositions, which I should like to see this committee submit to the Senate of the United States:

(1.) Tariff reform.

(2.) A national bureau of labor.

(3.) Legislation concerning the great transcontinental railroads, and the appointment of a national railroad commission.

(4.) The establishment of postal savings banks.

(5.) The further fostering of industrial education.

(6.) A better system of patent privileges.

(7.) The limitation of the right of bequest.

(8.) The organization of colonization from our crowded centers to our newer regions.

(9.) The reclaiming of public lands whose grants have become forfeited, and the return to the old policy of preserving all public lands for actual settlers.

(10.) The reservation of future mineral resources as public property.

Back of all which lie the responsibilities of our capitalistic system of industry and of our tenure of land, concerning which the time seems to me unripe for other action than that already suggested.

### OBJECTIONS TO GOVERNMENTAL ACTION CONSIDERED.

The propositions concerning the action of the National Government are, of course, open to one serious objection—apart from all other criticism that they may deserve. They look to a considerable increase of the functions of the state, already burdened with heavy responsibilities and developing now a dangerous bureaucracy. Our prevailing theories favor the minimizing of state action, and regard any further assumption of offices by Government as a reaction, and not a progress; a return towards the obsolete ideal of a paternal government. I recognize the danger in every increase of functions by the state; but I see the danger that lies in the avoidance of such increase of function, an even greater danger, as it seems to me.

Apart from any theorizing, the whole trend of our social life is forcing on our age such increased action by the state, in the very teeth of what is believed to be the gospel of political economy. Doctrinaires prove powerless before facts. England, the home of the non-interference dogma, has been driven on, from one step to another, in the direction of larger state action, out of the felt necessities of the situation.

Thus within a few years we have seen the development of the postal savings bank, the purchase of the telegraph lines, the organization of the parcels post. Within a decade the state has added to its functions the office of banker and telegrapher and expressman, and the country lives and thrives. Wisdom dictates a slow feeling of the way in this direction, which is all that I suggest. The state should avoid assuming any new office until that office is fairly forced upon it, by the demands of the people or the exigencies of society; but, then, it should not hesitate to take up the work thus plainly indicated for it. The work of the Department, in one of whose buildings we are now meeting (the post-office) is the best vindication of the possibility of capable and honest administration of a huge business, with which no private company could be trusted.

The introduction of a real civil service reform is the indispensable preparation for such higher functions on the part of Government.



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SOCIETY AN ORGANISM.

If there is any truth in analogy we must expect society, as it grows more highly organized, to develop largely increased powers in government. Society is an organism, as Mr. Spencer has taught us. It is, as Hobbes quaintly taught in The Leviathan, a great man. The human organism, as the highest type in nature, certainly suggests the necessity of a head proportionate to the quantity and quality of the functions to be carried on in the body. The power of co-ordinating the functions of the body—the power of the brain—measures the place of an organism in the scale of nature. An acephalous body is not supposed to be an ideal sort of organization anywhere outside of political economy.

With the steady and rapid increase in the complexity of the functions of the body social, it is becoming more and more a vital necessity to evolve a great head capable of co-ordinating all these varied activities; a head which shall call to it the best blood of the body and build up a large and powerful brain.

PUBLIC ADVANTAGES OF LEASING MINERAL LANDS.

By Mr. CALL:

Q. I should like to ask you a question or two for my own information. You say that you think the mineral lands should be reserved for the use of the Government—for the use of the public—that they should not be sold in fee simple nor absolutely parted with, but might be leased or otherwise worked. In what respect would you distinguish the difference to the Government or people between giving a lease interest in mineral lands, and selling them entirely?

RESULTS OF PRESENT METHOD OF TREATMENT.

A. If you will compare the present manner of opening our mineral resources and of using them with what might be our action, the answer will be easily indicated. At present private parties, individuals, or corporations prospect for new mines; and when locating them proceed to open them, and use the treasures of nature's storing primarily for private emolument. Of course the people at large get a measure of good out of these resources—no thanks to our monopolizing friends, who find that they cannot make their Dives' feast without letting fall the crumbs for Lazarus. But the people have to pay vastly more for what they get than they should. Private owners put all the price on these supplies that they think they will bear. They thus, in getting control of mines, get control of a power of taxing the people. We allow nature's treasures, which no man creates, to become the feeder, not of the general comfort but of the wealth and luxury of the few.

RESULTS UNDER THE METHOD OF LEASES.

Now, think of what might be. Suppose that it was declared by law that all mineral resources hereafter to be discovered were to be held by the National Government, or by the State governments, as the property of the people; and administered for the benefit of the whole body of citizens. The mode of administering determined on might be direct Governmental management, in which all the profits, if the business was honestly carried on, would go to the public. It might also be the letting out of the privileges for a given number of years, subject to such conditions as should be imposed in the contract. Those conditions could secure for the people at large that the profits to be made out of

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the mining by the lessees should not be above a certain per centum of the capital engaged. The public would be secured against extortionate prices, and these prices would drag down the prices of private mining companies to a fair level. Thus, the people would be relieved of the present incubus of taxation imposed by the private ownership of mineral resources, and every man's income would go very much farther in purchasing coal, &c. At the same time the Government, State or National, would be drawing a large revenue for public purposes from the rental of these mines. So that there would be a gain to the people at both ends of the line.

PUBLIC ADVANTAGES ON EXPIRATION OF LEASES.

Then, when the leases ran out, a new appraisal would be made, inuring (where there was an increase of value in the property) to the people in the person of the State. Thus the running on of any arrangement by which the people suffered would be prevented. With the increasing development of the mineral resources of the land, the commonwealth would be steadily enriching, and a vast possession be accumulating in the hands of the people to be used for no speculative purposes injurious to the community, and for no oppressive taxation of the people, but for the varied constructive tasks ot the State, public works, education, &c.

Q. Your idea is that there should be short leases?—A. Yes.

Q. If the policy of co-operation and organization is so good in respect of other matters, why should it not be so with mineral resources?—A. I am not sure that I understand your question. If you you refer to the associative action of capital in business enterprises, I would answer that in so far as this free combination of capital works well in other fields, it certainly indicates the best method of action in this field, if there be no special circumstances here affecting the problem. But I contend that the ordinary action of capital, while working so much good in other fields, is working a great deal of mischief, and that the necessity for Governmental regulation of this action is steadily drawing on upon us. The question will soon be how can the State best control this action in the interests of the people at large.

Now, here in the field of future mineral resources we have a clear coast for such experiments. Before the mines yet to be found become property at all, we can determine under what conditions they shall become property. This is a case of legislating for the future. And the case is precisely that where man's labor, which is said to create value, is at the minimum; where nature's action does nearly all the work. So that it is a peculiarly good case for the introduction of the principle of "the ownership of the people, by the people, and for the people."

Q. Under short leases, with the prices constantly increasing or diminishing, by Government you could not apply the principle of co-operation so well, could you?—A. I don't see why not. The leases would have to be long enough and at generous enough rates to attract capital. And with the increasing difficulty in finding investments, capital is becoming easier to attract. Capital likes to deal with the State. It is a safe party, and one open to public opinion in a peculiar degree, and not reputed to drive sharp bargains. Thus such leases would probably not lack lessees.

Q. For a short time?—A. For such short times as I have indicated.

INDUCEMENTS TO CAPITAL TO ENTER ON MINING OPERATIONS.

Q. Do you think that what you call "capital" would have the same inducements to enter into arrangement for such short periods of time?—

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A. Perhaps not the *same* inducement, but a sufficient inducement, else it would not be induced. There would be no law compelling capital to lease Government mines. As I said before, the terms would have to be such as to attract capital.

Q. Your idea is that short leasehold interests might be adopted so that the Government should from time to time assess a new value and receive a better consideration?—A. Yes. At present the increment accrues to the private owners. Then it must enrich the people.

Q. Acquiescing entirely in the justice of that argument, and the propriety of it, and looking only to see which is the more economical and better mode of working the mines for the people, you hold that the return of the rents to the Government would be better for the people than the present plan?—A. Yes.

DIFFERENCE BETWEEN LEASEHOLD AND TAXATION OF MINES.

Q. In what way would that be different from the power of taxation? Why could not the Government tax now upon individual property just as it could, in the case of the rents, increase or diminish the amount at recurring periods?—A. Theoretically there may not be so much difference, perhaps; but practically there is a good deal of difference. "Taxation" has an ugly sound. Every attempt to raise the taxes upon such property is certain to be met with strong opposition. The raising of rent at the end of a lease seems much less obnoxious than an increase of taxation. When the lease is out, a readjustment comes naturally and is expected. Increase of taxation is almost never thought to come at the right time. The owners would be sure to "howl".

Q. Nobody would "howl", in that case, except those who paid the taxes?—A. Doubtless there would be echoes to the howl. The owners would at once raise prices, and Government would be powerless to guard against this effort at recouping. So the people generally would howl a little. And in particular all other affiliated capitalistic interests would join the chorus. On the recent telegraphers' strike the newspapers said that while at first there was a disposition to sympathize with the operators, yet on sober second thought, as employers came to see that the same principle might be applied to themselves, there was a change of sympathy. The solidarity of interests would act in this case as in that.

Q. Do you not think that the same solidarity would lead these people, when the rents are raised on them, to "howl" a little?—A. I don't doubt it. But what could they do? They would have either to renew the lease or step out from it and leave the coast open to others.

Q. And a man can sell his property now or keep it?—A. Doubtless; but still there is a great difference in the position of one who says, "Government has taxed me so as to drive me out of the business," and of one who says, "Government has put up the rent on me, and so I have had to leave the business." The human mind works curiously. In the one case a company would be very apt to have public sympathy, in the other it would not get much.

Q. I only wanted to draw out from you whether, as a matter of principle, the taxing power was not the same now as it would be then, under that principle.—A. Practically the same.

Q. The question, then, would be as to which was the most economical and beneficial form for the public interest.—A. Yes. But there is a deeper ground of interest to me in the plan of the State's owning and leasing the future mines. It would be the recognition of a principle which has far wider application—the introduction of the thin edge of a

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very big wedge, the driving in of which would, later on, break up the present uncontrolled individualism in the ownership of land and open the way to the State's control of it for the people.

Mr. PUGH. The power of taxation which exists in the Government over personal property is for a specific and defined purpose; the power of the Government growing out of the custody of the legal title to the public domain is a trust power that may be exercised, and is required by the existence of the power to be exercised, for the public good—the general good of the people. The power of the Government over the public domain, which it would exercise in allowing these leases that you speak of, is a trust power growing out of the legal title to the public domain, existing in the Government for the public benefit. The power of taxation in the Government is a very different power, limited and defined for a very different purpose.

The WITNESS. I agree to that, sir.

Mr. CALL. But he proposes to change the limitation.

Mr. PUGH. No; he proposes simply that, instead of granting individual ownership and corporation ownership to individuals and corporations, that right shall be reserved by the Government and kept in trust, as it exists under the Constitution, to be exercised by leasing them to individuals and letting the benefit to the public result from the lease and not from the ownership in a corporation or individual.

Mr. CALL. The Government reserves title now to the precious metals?

The WITNESS. Yes; theoretically. And the recognition of the public proprietorship that is involved in this action is most valuable. But practically what does it amount to? It is really given away.

Mr. CALL. But it is not given in perpetuity, only while then idividual works it. If he abandons it altogether and nothing is done with it at all, our law, as I understand, is like the Spanish law—that was the law of the old Latin nations—which never gave the land away but on a royalty.

The WITNESS. Has it ever been known that any corporation abandoned a profitable mineral right?

Mr. CALL. Very often they are not profitable.

The WITNESS. The point is, once in possession always in possession of what is worth possessing.

Mr. CALL. Thousands of them are abandoned in Mexico. By the way, I notice that a Yankee was over there lately.

The CHAIRMAN. I notice that he came back again, too.

Mr. CALL. Well, many are going. But that is the law now, and the Government reserves the power of taxation according to the State constitution defined and limited, but you can modify these limitations and apply them to the purposes indicated. We have lately adopted a mineral law in that respect. Instead of leasing we give, as I understand the law, during the period of occupation, subject to the imperial power of taxation.

## CAPITAL AND LABOR'S SHARES OF THEIR JOINT PRODUCT.

By the CHAIRMAN:

Q. I want to ask a question or two in another direction, not with the idea of controverting any of the positions you have taken, but to draw out your views somewhat in another direction. I gather from what you say that you consider the real difficulty one of distribution of the joint product of labor, capital, and land than otherwise?—A. I do.

Q. That, in other words, the stronger force gets a larger proportion than justly belongs to it, or than does the weaker force?—A. Yes.

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Q. You think that labor does not get its fair share. I suppose, then, the more wealth there is created the better, because there would be more to divide?—A. Undoubtedly.

Q. Do you believe the proposition somewhat generally received, I suppose, that production ordinarily can be more stimulated under private than under public management?—A. Speaking generally, I do. I believe that has been the function of individualism in the development of civilization. Perhaps another force than individualism is necessary for rightful distribution.

Q. Then, if the proper distribution could be effected, you think it would be better that this combination of the factors of production should remain under private management rather than be consigned to public management?—A. Yes, if that could be secured, except in so far as there are works which from their nature the State is better fitted to do.

Q. In other words, you believe that the individual in society is more capable of successful administration or working of these great factors of production than the mass, the Government at large?—A. On the whole, yes.

Q. So it would follow from these premises that if the abuses, whatever they are, that have caused it, now existing in society, could be remedied you would be satisfied with the existing order of things so far as titles and the general administration of social and business life are concerned?—A. Yes, with that very big "If."

Q. Then, all that conceded, I want to ask you to specify such particular direction or particular ways in which there is waste or improper appropriation of the result of production. Certain parties get too much; others do not get enough. Specify a few of the directions in which you think the greatest waste or misappropriation against justice occurs.

### CAPITAL'S SHARE TOO LARGE.

A. Capital, as a rule, gets a disproportionate share of production. Figures, I know, are so handled by skillful statisticians as to becloud this fact; but fact I believe it is. The whole mass of labor in a factory, say 500 hands, is balanced against the one capitalist, and then it is said that "labor gets the lion's share." It is enough to look at the wealth so frequently accumulated in manufacturing, and to look then at the general condition of factory labor, to see through all sophisms on this point. Here is a great waste or misappropriation, speaking from the standpoint of society. It would be juster and better to have our capitalists less wealthy, and their laborers more comfortable, better educated, and better housed. Plainly, society's need is of the many getting more and the few less out of production. It is this fact which lends force to the socialist doctrine, that if, say, four hours' work rep resents the productivity for which a man is paid in the wages he receives the other six hours represents his labor appropriated to its own benefit by capital.

### DISPROPORTIONATE SHARE OF LABOR'S PRODUCT TO MIDDLEMEN.

Then there is misdirection of the results of labor in the huge accumulations of middlemen, traders, merchants, carriers, &c. They serve an equally important function with production proper, but they get a share of reward wholly disproportionate. Thus it is that great fortunes are built up most readily by the men who simply exchange what

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others have produced. And in securing these great rewards, prices are run up high, so that while the producer gets but a small part of the value of his labor, when he needs to buy back that work, or some other branch of labor's work, he has to pay several times the value it had as a piece of production. Where are the colossal fortunes made? Not in producing, but in exchanging, including in this term, of course, carriage. So in other directions, through which it would take time to track the absorption into others than labor's hands of the value of labor's own production.

### THE GROWTH OF LARGE FORTUNES.

Q. You have mentioned the accumulation of very large fortunes in the hands of individual men.—A. As drawn to do so by direct questioning, otherwise I have not emphasized, I believe, that phase of the subject for more than one reason. These gigantic fortunes arrest attention, and so start questions and rouse antagonism. They serve to objectify a social tendency and to throw it into a strong and bad light. And all this I hold to be well. That tendency is unholesome, unsound, dangerous, especially in a Republic; so we are likely to hear quite enough about "the coming billionaire." But there is fear of overdoing the personal opposition and of concentrating upon a few men, perhaps personally by no means monsters, the indignation which ought to spread itself upon the wrongful social tendency. While the roots are in the ground it is of little use to mow down one crop of weeds.

### DIRECTING CAPACITY OF MEN OF FORTUNE.

Q. But generally take the fortunes of $200,000,000 that we read about in particular individuals. Do you think that these fortunes, as a whole, are better administered than they would be if they were vested in the Government at large; or, in other words, does it not follow, from the premises we have assumed, that Astor, Gould, Sage, Vanderbilt, Huntington, and others administer their large fortunes better than they would be administered in other hands?—A. Solely as a matter of production, possibly—probably, yes. Most of these men are admitted to have talents of an uncommon order. Commodore Vanderbilt was certainly a rare genius in organization, and Mr. Gould is often called a Napoleon of speculation. Less gifted men could not, perhaps, develop such enterprises as these men have done. But even then there are qualifications to come in. Perhaps no one man could as well manage Commodore Vanderbilt's lines as he did. But a large and well-organized system of officering can possibly do it as well. The Pennsylvania Railroad to-day is a splendid specimen of corporate capacity, with no one such man at its head. We are increasingly being driven into the peculiar power of administration that lies in well-organized companies. This is the new tendency already making itself felt over the older force of pure individualism.

### THE QUESTION OF BEST USE OF LARGE FORTUNES.

Then, moreover, it is open to ask how well for *public good* most of these gigantic private fortunes *are* administered? They seek investments solely with reference to dividends, and with an almost sublime indifference to every consideration of what the people most need. A host of urgent improvements may be waiting to be carried out right at their doors; are so waiting, with every promise of fair returns to the capi-

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tal invested. But huge fortunes rarely care to engage in such enterprises. They are filled with schemes of vast aggrandizement, with dreams of immense combinations, giving unheard-of power. They tend to go out into speculative enterprises; and these stimulate the country unhealthfully and help on the inevitable reaction. They go out "wild-catting" in all countries of the globe and lend kings the power to wage war. English capital has sunk enough, probably, in Eyptian improvements, after Ismail's heart, in floating Turkey and in all sorts of out-of-the-way and generally harmful schemes, to have reconstructed the worst defects of London, while drawing a fair return.

### A QUESTION OF DISTRIBUTION AS WELL AS PRODUCTION.

But the question of administration covers that of distribution as well as that of production. And there can be, as it seems to me, but one judgment as to the influence of the sort of expenditure which huge fortunes encourage. It is bad. It gives work, as the same thousands would, however spent; but it gives the work which creates little or nothing, and which enfeebles and degrades the workers. It builds up the classes which minister to luxury, and they are economically unprofitable classes to the community, and socially are undesirable classes.

It is not a question between A's having $200,000,000 and the State's having it. It is a question between A's having it and all the rest of the alphabet having it. If the State ran all Mr. Gould's roads it would be the people who pocketed the dividends in one way or another, if the administration was honest. Men say A. has to put out all his $200,000,000 in investments, except the few thousands he can spend a year. True; but there is a great difference between the way he puts out $200,000,000 and the way 2,000 people would each put out $100,000; as between the way he spends what he can of his vast income and the way they would spend their $6,000 or $5,000 apiece. Here is the root of the matter. Which is the best for the country, the investments and personal expenditure of one man with $200,000,000 or the investments and personal expenditures of 2,000 men each having $100,000, or of 20,000 men each having $10,000?

Q. We have come to the conclusion that what wealth there is may be better administered in private than in public hands, as a rule. But, on the other hand, there is a fault in distribution, and labor suffers. We mutually believe that. The real thing to ascertain is just what portion of wealth is misappropriated and might be otherwise used.—A. That is rather a difficult question to answer.

Q. But there is a difficulty, and it results from the premises that we have assumed.—A. Yes, it does.

### HOW CAN THE LABORER'S RIGHTFUL SHARE BE ASCERTAINED.

Q. Is it not like this: The laborer, as you have pointed out, wastes a great deal in his personal habits; a portion of his wages is put to very poor use. Then, of this immense mass of money handled by the capitalist, whether invested in labor or otherwise, a great deal of that might be better distributed. Now, do some of these ways occur to you? To put the idea a little more distinctly, are we not drifting toward some fundamental proposition like this, that before there be any reinvestment for the benefit of capital in any form, and before there be any appropriation of the product of labor and capital for the unnecessary uses of any individual whatever—whether the laborer or the capitalist—

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there must be first deducted from production all that is necessary to give to the producer the necessaries of life?—A. Certainly.

Q. If that is true, is it not necessary to take a position which, as far as I know, has not yet been taken or insisted upon before us—this primary position that there should be deducted from the price realized from production a greater sum than is now taken and appropriated to the wage laborer?—A. I believe that, thoroughly.

Q. Now, how can that thing be done?—there is no law for it. The law of supply and demand does not provide for it; the co-operative system does not provide for it, though perhaps it does so better than anything else—but under the existing laws of the land there is no provision for giving labor anything more of price than what it can demand under the laws of supply and demand in the market. Is it necessary, then, that there should be introduced into the laws of the country a proposition by virtue of the legal establishment of which labor should have a larger proportion in some way out of the price realized from production from time to time?

WAGES AND PRICES: IMPOSSIBLE TO REGULATE BY LAW.

A. I do not see how it is possible for legislation to effect such an end—at least not in the beginning of an effort for it. Legislation that was not backed by public sentiment would be inoperative. And if we have the public sentiment we can secure the end, perhaps without any legislation. At all events we should try for the creation of such a public sentiment before we try legislation. If legislation is needful it will soon be had, then. We have given up the endeavor to regulate prices and wages by law for good reasons. Law is too clumsy and unelastic a mechanism to adjust itself to the rapid fluctuations of the market. It seems to me that on such a point the teachings of our political economists are thoroughly sound. Here is the very case in which their theory of non-interference is right. Almost every other feature of the world of trade can be better interfered with than prices and wages. There is a simpler way.

THE POWER OF CONSCIENCE—ACTION OF MORAL FORCES.

The conscience of the community is uneducated on this point. Few suspect that there is any unwisdom or wrong in our present system of providing first for the luxury of the few and only after that for the needs of the many. What is, is right to the mass of men. The natural law of demand and supply does not necessarily exclude the action of moral forces. Immoral forces—greed and selfishness—weight these laws in one direction now. The sense of justice, the spirit of brotherliness, can weight these laws in the other direction without external action. Put back of our manufacturers a larger development of conscience, of conscience educated to discern the real ethics of the case, and the problem would soon be solved.

Q. Can you do that?

FOLLY OF CRYING DOWN CAPITALISTS AS A CLASS.

A. I believe it can be done. There are vast resources of moral energy among our people to be drawn upon for such action. The sense of justice is one of the strongest powers in man.

I have had a chance of seeing a good deal of manufacturers. Those that I know well I know to be men of kind hearts and real conscientiousness; who sincerely desire to do what is right, and who often are

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anxious, deeply anxious, to add to justice, as they see it, kindness. It is folly to cry down capitalists as a class, because there are so many grasping, hard hearted men among them.

But conscience needs to be educated. It takes its tone from public sentiment, and looks to custom for its standards. And society calls the present division right, while political economists check any rising of dissatisfaction with it by hosts of reasons why it always was and ever will be as it is, world without end; calling all such feelings "sentimentality." And there is next to no attempt made by the churches, the educators of conscience, to enlighten men on the ethics of this problem, or to stir their wills to larger justice. Churches preach charity, not justice. One generation in which the churches seriously grappled with this task would answer the question you have proposed in the only way I think it can be really answered.

### ADVANTAGES TO SOCIETY FROM MORE EVEN DISTRIBUTION.

I believe it could be shown that such increase of wages would not be wholly the loss to profits that men suppose it would be. Better pay draws out better work. Productivity is increased and there is more to divide; so that while the capitalist would get relatively less he might get absolutely nearly as much as before. Henry Carey, who brings out this law, rightly calls it "the most beautiful in the book of science."

Q. With that increasing productivity is there not an increasing want or multiplication of wants, so that with advancing civilization the wants of the common laborer may in time become what the wants of the refined and delicate are to-day?—A. Yes.

Q. And we have to deal with the things of to-day—what is luxury to-day may become a necessity to-morrow. So would you find any remedy in that direction?—A. If we are satisfied that the tendency is in the right direction, let us act for our own generation. The next generation will be better able to deal with its own problems. We are surely moving in the right direction when we move towards creating noble wants—wants such as grow out of deeper and richer and more varied life. The ideal of man is that towards which nature is moving, and as we place in men's reach the means of enlarging and enriching their beings we are moving with nature. Doubtless she is secretly a good deal more interested in the development of a town full of happy, healthy, intelligent, and virtuous people, than in the development of a half dozen splendid specimens of the gentleman and lady. We must probably diminish the supply of prize specimens of man in order to improve the general stock. Let us take one step at a time.

### THE SOLUTION OF THE LABOR PROBLEM LIES IN EDUCATION OF BOTH CAPITAL AND LABOR.

Q. Then, if I understand you, the remedy is, after all, an educational one, partially, as applied to the capitalist, and still more largely as applied to the laboring classes themselves?—A. I believe the solution of the labor problem is to be chiefly found in education; education of both factors in the problem—capital and labor—though I should not count the education of one less important than that of the other.

Q. Then, if there is no legislation that can be of any use, does not the remedy lie primarily and substantially in improving the schools of the country; the public schools, the industrial schools, the normal schools, and higher schools, in their order, rather than in other directions?—A. I did not say that I thought there could be no helpful legislation; there

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are many ways in which, as it seems to me, legislation can greatly help, some of which I pointed out in the body of my talk. I said that I did not think that legislation could do anything now to adjust the problem of wages. Education of the people is, however, certainly the primary question, an education which will fit men to win higher wages by doing higher work; an education of the whole man which will give labor the powers in which it can win its dues. Industrial education is the phase of education which has been of late most neglected and which needs most bringing up.

Q. But, whatever phase is developed, it requires more money?—A. Yes.

Q. And that must be got by legislation?—A. Yes, and by the increase of numbers and wealth.

Q. But do you think that there are large masses of capital that are now badly appropriated, and yet, as we ordinarily say, innocently appropriated, diverted to other uses, such as the extravagant expenditures in which many individuals indulge, as in dress, in buildings, and the like?—A. I do, sir.

### TENEMENT HOUSES IN NEW YORK.

Q. I suppose that in this city probably an expenditure of $2,500 on each of the tenement houses, whether in the form of improvements or otherwise, would give to each family occupying the house very much better accommodations than they now have?—A. Yes.

Q. Suppose, in illustration of the idea, that some one of these capitalists should erect a private residence at the cost of $2,000,000. He pays that $2,000,000 for labor in some form or other, does he not?—A. Certainly.

Q. If, however, that same amount of money were put out in the way of improving tenements at $2,500 apiece for a family, there would be the same amount of money spent?—A. Yes; while the results would be very different.

Q. How would the results compare?—A. Between the luxury of one man and the health and comfort and decency and virtue of large classes.

Q. In other words, do you think that there is any moral right on the part of the administrator of large amounts of wealth to so invest his money beyond his real necessities and comforts—those that seem to be essential to himself and his family—as to involve these extraordinary sums or sums beyond that limit?—A. I do not, most decidedly. A few years ago the question of tenement-house reform was agitated here. The papers took it up with great enthusiasm, and gave accounts day by day of what was being done in that direction. Some of the best men of business in this city were interested—not men themselves of enormous fortune—and for a time it looked as though a great change was going to be introduced. What was the result of that? No man of great fortune in this city came forward to give a lift to that movement; no man of those whose names would come naturally to your mind arose to help the effort. Although they had to invest their money, none of them saw fit to supply that crying need, even though it was demonstrated by the experience of the English, and of Mr. White, in Brooklyn, that it would make a good investment. Such is the tendency to invest money in purely speculative schemes, that the enterprise fell far short of its possibilities. One block of modern buildings has been put up, but what is one block in this city? *There* was an opportunity for men of these enormous fortunes, not to give their money away (I do not believe in

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charity as the true mode of permanently improving the condition of poverty), but to invest their money in decent homes for our wage-workers; homes which should return to capital its due reward, while transforming the whole life of the poor. So feeble was the sense of social responsibility on the part of our men of great fortunes that not one of them came forward to this opportunity.

### NEITHER MORAL NOR ECONOMIC RIGHT TO MISAPPROPRIATE ONE'S OWN MONEY.

Q. Do you believe that the wealthy man has any moral right to thus misappropriate his money, any more than to burn it up?—A. No, sir.

Q. You do not believe that he has any more moral right to do that than to destroy his jewels by dissolving them in acid?—A. No, sir; and not only do I believe that he has no moral right to do so, I believe that he has no economic right to do so. There is no such thing as pure private property. No man makes his money by himself alone. Each man makes his money through the co-operating labor and skill of others. The manufacturer has his hands working with him and for him who really produce the goods out of which he makes his fortune. The trader or the carrier has the whole country working with and for him. We see this most clearly in the case of real-estate speculation. Did the first Mr. Astor make his huge fortune by himself? He doubtless had the foresight which others lacked; but what was his foresight? The vision of the hosts who would come here to build up a great city. They came and have kept coming, and *they*—the hosts of men who get a bare living as well as those who get comfortable fortunes; laborers, mechanics, manufacturers, traders, merchants, &c.—have builded up New York, and given to its land the enormous value in which Mr. Astor's lots have shared. The city has built up Mr. Astor's huge wealth. The city has not only a moral claim, it has an *economic* claim, hard and solid as his own land. It holds a first mortgage on every house of the Astor estate, which it is not charity but simple justice to recognize. And so with every other form of private wealth, though we cannot always as clearly trace the connection.

### PRIVATE WEALTH A SOCIAL TRUST.

Private wealth is literally a social trust. It is a function called into action by society for the good of the body. This matter can even be reduced to an arithmetical statement, which ought to satisfy the hardest-headed millionaire. And, lest I should be put down at once as a "sentimentalist," let me again shelter myself behind so unsentimental an authority as Mr. Edward Atkinson.

I have already quoted his remark, but its substance will bear repetition here. He showed his hearers that the sum total of the divisible amount per annum is a definite and knowable amount, yielding a definite and calculable income, when divided by the population of the land. He showed that the average annual productivity of the country represented an amount which, if distributed equally to every man, woman, and child, would give to each person 50 cents a day. And then he told them in the words which I have already quoted that by as much as any of them had more than this 50 cents per diem, some one or some ones had less, there being no alternative to such an arithmetical problem.

### SOCIETY'S RIGHT TO LIMIT PRIVATE FORTUNES.

Q. Then this matter of what you call absolute individual ownership is, from necessity, subject to some such limitation as that which may be

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drawn by the law?—A. So it seems to me. Society has the right to limit the growth of the private fortunes which it really creates. If it finds them becoming excessive and so harmful, it can take measures to limit them. In such action it should, of course, proceed gradually and carefully, and in the light of the various experiments made by other peoples. It could limit the entail, devoting all over a certain amount to the state for public uses; or it could introduce a an income tax. Either of these resorts would be better than setting a limit to accumulation. That would be a dangerous experiment. We don't want to kill the goose that lays the golden egg. Indeed, I should deprecate the resort to legislation at all, until a fair experiment has been made of what can be done through the moral forces of public sentiment; an experiment on which we have scarcely entered as yet. Still, I think we might hold this rod of legislation over our great fortunes as an extra incentive to good behavior.

Of one thing I am sure. Society must either teach great wealth its duties, or prevent the handing down of these great fortunes, or even, as a last resort, their accumulation.

### WHICH HARMS SOCIETY MOST—THE PALACE OR THE TENEMENT HOUSE?

Q. Which does the most harm in society—and I ask it with reference to its effect upon the example of the classes below who are disposed to imitate what they see above them, as wealth, fashion, &c.—which does the most harm in society, one of those pestiferous tenement houses at one end of the city or the private palace at the other?—A. What do you mean by harm—physical or moral?

Q. Which does, on the whole, the most harm?—A. The tenement house breeds the most disease.

Q. Very well, which does the most harm in society?—A. I fancy that if the sum total of evil influences issuing from a luxurious palace could be admeasured; the impulse it gives to extravagance and luxury; the wasteful and costly fashions it sets; the strain it adds to the high tension of life; the temptations it thus open to business men, goaded to speculation and peculation to keep up with the "style"; the stimulus it gives to the idle and frivolous and sensuous life of women (and sensuous is not far from sensual); the inspiration it imparts to our worship of wealth; the alienation of classes it engenders by its wanton display of riches:—I say if all these and other far-reaching, subtle influences could be rightly admeasured, we might well say that a palace is more harmful to the city than a tenement house.

Take a fact which illustrates one point made above. A workingman was in the midst of a crowd that was looking at a great house lately built in this city. A person passing by observed this man, and saw his brow knit and his fists clenched. It was at the time that some beautiful bronze work was being put up. And then he heard the man mutter, "That 'll have to go to the melting pot one day." When poverty-stricken workingmen see such houses built, and near by stables for the rich man's horses, finer far and wealthier than any home they can ever get for themselves and their children, is it any wonder that mutterings are heard; the groanings of the blind sense of wrong, out of which come revolutions and anarchy?

Q. This extravagant expenditure in private architecture is everywhere.—A. It is certainly growing rapidly.

Q. I suppose you do not lose sight of the æsthetic effects of that?

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### GREAT WEALTH A CORRUPTER OF ART.

A. Doubtless great wealth has always been a patron of art. There is a good side to this palace-building, I am well aware. Certainly, with the rapid increase of large wealth among us, taste in domestic art has wonderfully improved. And this is altogether good, in so far as the law of restraint is observed and art is prized for its beauty and not for its rarity or costliness. But here comes in the inevitable danger of the art which is fed from great wealth. That art is drawn aside from its simplicity, its high ideals, its just restraint, its purity and seriousness. Great wealth tempts art to work for high pay; to minister to the whims and follies of Crœsus; to pamper pride and ostentation; to stoop to frivolous aims, and to rest content with brilliant tricks; to whet the sensual appetite of its idle and pleasure-loving patrons. I am not drawing on my fancy. This is the story that all history reads. Art has always been seduced and corrupted by wealth; and then, art itself has turned procuress to the lords of hell! Athens and Venice and every other city of art tell the same tale. We have been rarely fortunate in having had in the man who, more than any other, has guided the domestic decoration of our city, a noble nature animating great artistic powers. His ideals have been the highest, and his canons of art the soundest; and he has done a vast service in starting our æsthetic progress along right lines. But how long will the early restraint be allowed by men eager to outshine their rivals? We are only in the first dawn of the art which wealth feeds, and it is too early to feel much of its corrupting touch. But this gifted genius to whom I have referred, who knew well what art was really desired by our very wealthy people, was anything but sanguine of the tendencies at work. No more severe judgment on this question have I ever heard or read than that of the man to whom our city owes so much. He knew too well with what ignorance, conceit, pride, ostentation, and folly art has to struggle when it accepts Crœsus as its patron. What do you think of an estimable family proposing to decorate a dining-room ceiling with a copy of the paintings to which the *demi-monde* look up in a celebrated café of Paris? A fine patronship of art is American shoddy! The one hope is, that it may be conscious of its own ignorance, and leave to a man who understands his vocation full liberty to do his best.

By Mr. CALL:

Q. Where do these ideas carry you? Would not that be true if one man lived in a plain house, and another in a house a little plainer, and the one that lived in the plainer house should say that he would like to live in a house like the other man's?—A. It is easy to push any principle, by mere excess, to a *reductio ad absurdum*. In every principle we must observe the golden mean. This principle is open to such a logical conclusion as you draw. But fortunately we don't live by logic. There is such a thing as common sense, and that saves us from the folly of allowing no difference between men because we have to restrain too great differences. History does not warrant us in expecting any such direful results from the principle that great wealth is harmful.

### INTEREST OF SOCIETY IN THE BEST EXPENDITURE OF WEALTH.

Moreover if great wealth only seeks to use its powers with decent regard to the rest of mankind, there is no envy felt of its luxury; while

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if it really seeks the good of the community, the whole people will be proud of it. Who ever would have grudged dear old Peter Cooper the finest house he could have builded.

Q. That is another line of argument. But I want to know what harm there is in the building of that house by the gentleman you name, without reference to the question of whether he uses his wealth properly or improperly. What harm does building a fine house do? There is not any expenditure in the world that does not benefit some meritorious person, and go into the channels of employment in a proper and legitimate way, and even a beneficent way.—A. Doubtless. But if you will kindly recall what has already passed, you will find that we have discussed this point, and I have stated my views on the question. All expenditure employs labor. That is the law of the natural communism by which Dives has to feed Lazarus with the crumbs that fall from his table. But expenditures differ as widely as heaven and hell. I may, in spending money, employ labor at tasks that enfeeble its health, debase its mind, corrupt its character; or at tasks that build up body, mind, and soul. The man who patronizes a grog-shop, a gambling-hell, or a brothel employs people, and so does the man who goes to church. But there is some difference on the people employed and on society at large. It seems to me that only one-half the truth is told in the common sophism about luxury's employing labor. The other half is, at what and how does it employ labor? We have to consider the nature of the demand wealth makes, as well as the fact of the demand; its quality as well as its quantity. And then we have to consider the question, already discussed, of the moral bearings on society of extravagance and luxury, of which the palace is the type. In itself it may have employed labor well; but what is the sum total of the influence of this new departure in our American manners? That is the question.
quality as well as its quantity.

Q. You might spend your money in a liquor-shop and not do much good; but the finer the house you build the better for all classes of people.—A. Possibly. Certainly, if the house is truly fine and cultures the taste of the people. In so far as wealth stimulates true art it is doing a public service.

### ÆSTHETICISM AND LUXURY.

Q. Do you think that the æsthetic influence is good in human life?—A. Most assuredly. But it must be genuine æstheticism, and not the "Oscar Wilde" sort. And, as I have observed, I am suspicious of the sort of art that great wealth tends to call out, in the long run.

Q. That is not because of any rule or logic, that art cannot be developed out of luxury.—A. Perhaps not. But I incline to believe that the nature and constitution of things does ordain that no highest art shall spring out of mere luxury. Luxury always implies want over against it. It is, therefore, an unsound social life. And out of an unsound society how shall a sound art arise? How shall pure, high, noble visions be seen through the atmosphere of luxury, since luxury means thoughtlessness or indifference to the human suffering at its door, frivolity, or selfishness? We have pretty high authority for such a view of the relation of luxury to art in Ruskin.

Q. But Ruskin is not "gospel."—A. Perhaps not; though, as I think, whenever his ethical sense speaks he is about as near "gospel" as we often hear. But he does not stand alone.

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### RELATIONS OF A DEMOCRACY TO ART.

Take William Morris, certainly a high authority in household art. His late book, Hopes and Fears for Art, is far more radical than my talk. He contends that art is made by common people; that it grows amid simple surroundings; that its defects and vices to-day are due mainly to its dependence on wealth; that if ever it is to be revived it must be in a true democracy. He distinctly says: "Indeed, I fear that at present the decoration of rich men's houses is mostly wrought out at the bidding of grandeur and luxury, and that art has been mostly cowed or shamed out of them; nor, when I come to think of it, will I lament it overmuch. Art was not born in the palace; rather she fell sick there, and it will take more bracing air than that of rich men's houses to heal her again." His love of pure art has largely driven Mr. Morris into socialism.

By the CHAIRMAN:

Q. You think that there is some moral responsibility attaching to expenditure?—A. I do.

Q. And it is a moral responsibility which it is very difficult for the law to define?—A. Very; much easier for the churches to make felt.

Q. Are there church buildings enough in this country now?—A. I imagine that there are, though I have not studied that question very much; enough, I mean, for the actual church-going population.

Q. You imagine that there are church buildings enough?—A. I imagine so.

Q. In all parts of the country?—A. Perhaps not in the newer parts, but in the great cities there are now more than can be filled.

By Mr. PUGH:

Q. When this spirit that is generated in the mode that you have mentioned explodes in revolution what is the most prominent thing it strikes at?—A. The big man.

Q. The development of wealth—of the power that they believe oppresses them is the first thing they strike down?—A. Yes; that was the story of the French revolution. Revolution is often blind, but in its blindness there is a certain instinct; at all events there is a warning for us here, as there has been for other lands. When Samson despairs he will pull down the building, even if it crushes him in its ruins.

### THE CHURCH: ITS POSITION TOWARD LABOR.

The CHAIRMAN. Men popularly known as leaders in the labor movement and organizations have been before the committee, and many of them have given testimony to the effect that evangelical Christianity is very rapidly losing its hold upon the masses of wage-workers in this country. I suppose you have studied that matter from a somewhat different stand-point. I would like to know what your views are as to that, and whether you think that is the fact.

The WITNESS. I fear that there is too much truth in this view.

Q. How do you explain that fact?—A. I explain it to my own mind partly by the intellectual movement of our age and partly by the social movement of our age, from both of which movements the evangelical churches have held back.

There is a general break-up of the old order of thought now going on—a sort of climatic change in the human mind, in which the growth

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of former periods is disappearing rapidly from the world. The forms of belief of the middle ages find the conditions unfavorable for them, and are drying up of themselves; they are becoming unthinkable and unbelievable. About this fact, as a fact, there can be no manner of doubt; it is unquestionably true, and I shall not spend time in proving it.

### RELIGION INDESTRUCTIBLE.

By this change I do not at all mean a dying out of religion or of Christianity. Religion I hold to be the natural and necessary expression of man's spiritual nature before the mystery of the Power in which we live and move and have our being. The faiths of religion I hold to be the spontaneous and natural instincts and intuitions of the human soul; the affirmations it makes in the presence of the realities it fronts; the forms of its consciousness. As such I hold these faiths to be as valid as any other affirmations of human nature—as the cognitions of the intellect or the perceptions of the senses. Therefore, as it seems to me, there is no need of our worrying ourselves about the possible dying out of religion. It never has died out, except to find a resurrection in a higher form. While man's nature remains it is likely to remain with it.

### BUT NEEDS NEW FORMS.

But it may and does need new forms—new growths of thought—higher bodies of belief, in which the old spirit may live on after the death and burial of its wornout "bodies of divinity." And it is the business of the church to see that there is free play given to this natural development. If it does see it, if it changes its thought with the changing knowledge of man, if it grows with his growth, it will never be outgrown.

Now, Christianity is evidently passing through one of these critical stages of death and resurrection. The mass of open-minded, intelligent men have already made up their minds about the old theology. They find it simply obsolete. It doesn't translate itself into our speech or represent real thought and true knowledge of our age. If the fact were perceived and owned by the church, and if its doctors busied themselves in thinking the old thoughts over into the new forms made necessary by our age, all would be well. Religion would find forms in which it could live and act, and Christianity would take a new lease of life.

Instead of which the church doctors, for the most part, only repeat the old words more loudly, insist on the old thought more positively, and denounce the new knowledge as hostile to religion. They are simply driving off the intelligence of our age from the evangelical churches. And in this alienation the workingman shares. So much for that half of my explanation.

Now, as to the other half, there is a parallel story of obstructiveness on the part of the church, with similar effect.

### OUR AGE THE AGE OF SOCIAL SCIENCE.

Our age is pre-eminently, perhaps, the age of sociology. Social science—the latest born of the sciences—is felt to come as the natural head of them all. Every other study leads up to the construction of a true social order. And while it is the business of the sciences of political economy, sanitary science, the science of education, &c., to gather the materials of knowledge out of which to build this social structure, and to elaborate the plans by which it is to be reared, it is the business,



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as I see it, of religion to inspire the spirit which is to energize this herculean task. It is religion's function to waken the enthusiasm of humanity, as the love of God, and to set this omnipotent force at work on the building of the City of God.

When true to itself it always has so done, and, so doing, has kept its grip of man firm and fast.

### ORIGINAL CHRISTIANITY A RELIGIOUS SOCIALISM.

Christianity ought to be by heredity a religious socialism. It is the child of Hebrew prophetism. And the most striking feature of the religion of the great prophets was that it was a social aspiration. The state of Jewish society then was a close counterpart to the state of things now existing. The old land communism of the early Hebrews had given way, and great barons were monopolizing land, and great traders were amassing big fortunes, while labor was being thrust by land and capital down into poverty and pauperism. Then the prophets began to preach such a gospel as "Woe to them that join house to house till there be no room left in the land." "Woe to them that *eat up* my people as if they were bread."

A new sense of justice and brotherliness was aroused; and when, long afterwards, the reformed religion of the prophets came into power and became the established religion of Israel, it produced the most remarkable social legislation that the world has seen—the Levitical legislation on economics. This legislation nationalized the land of Israel, and vested the title in Jehovah; forbade interest, and freed all debtors once in fifty years, when the land was reallotted. All this was to the end "that there be no poverty in the land."

Original Christianity, as we are now learning to read the secret history of its origins, was also a religious socialism.

### CONDITIONS OF SOCIETY AT THE OPENING OF THE CHRISTIAN ERA.

In that age Roman maladministration had broken up the peasant proprietorship of free Italy and developed vast landed estates, substituting slave for free labor. Rome itself was crowded with a degraded proletariat. The provinces were drained to support the luxury of the capital. Among the oppressed and discontented classes secret, underground societies were springing up, as if by magic; brotherhoods having a common meal as a sign of fellowship.

When the original gospel was preached among the poor of the great cities it acted on this mass of discontent and rising aspiration as the yeast in flour. It was told about from man to man that God had come down to earth again in the form of a carpenter's son. He had taught men to look up to an all-Father and to live as brothers. He had promised to come back from the skies at the head of legions of angels and overthrow the tyranny of man and set up the kingdom of God. Then the good time coming would come at last.

This I believe was really the secret of the quick working of early Christianity. Whatever the Christianity of philosophers and rabbins may have been, the popular Christianity appears to have been a religious socialism, such as I have suggested. The Christian communism of the early church at Jerusalem was a type of the social aspiration of the whole church.

Now, I believe that this was the real genius of Christianity, inherited from the Hebrew prophets. It was a religion that was expected to

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make the world over. And in great revivals of Christianity, such as the early dawn of the reformation, about which men are thinking now, this feature has renewed itself.

If this strong social instinct had been kept alive, and the Christian church had continued to lead the aspiration of man for a better civilization, would it ever have lost its hold on men?

A sense of wrong is a mighty strong eye-wash. It will clear out a lot of sophisms which blind men's eyes.

### THE CHURCH HAS FORGOTTEN THE GOSPEL.

The well-to-do classes are not quick to see how completely the Christian church has forgotten its Master's gospel, and become the church of respectability and wealth and "society"; how it has become the upholder of civilization as it is; how it has accepted the anti-Christian dogmas of the older political economists, and in so doing really turned traitor to the ethics of Jesus Christ.

But the workingman sees all this quickly enough, his eye-sight, as I said, being sharpened by the sense of wrong. Is it any wonder that he turns away from a church that has no better gospel than *laissez faire*, no better brotherhood than the selfish strife of competition, no kingdom of God for human society here upon the earth, but only one up in the skies; a church which baptizes the kingdom of the devil with fine Christian names and asks the suffering mass of men to accept it as the will of the good Father in heaven? The only wonder is that in such an apostasy from its Lord's life and spirit the church has kept any hold upon the workingman.

### A CHANGE GOING ON.

But I believe that there is a mighty change going on in the Christian church. One sees the signs of it everywhere. Let me mention one fact. Four years ago I was asked to make a speech at the Church Congress of the Protestant Episcopal Church upon "Communism and Republicanism." What I had to say you can probably guess from my talk to-day. I expected to stand nearly alone in the position I took, counting only on Dr. Rylance, of this city, as being on that side of the question. To my surprise every one of the seven writers and speakers took very much the same ground, and the congress went in spirit with them.

### THE CHRISTIAN SOCIALIST.

Only a few days ago I came across a little paper published in London called "The Christian Socialist." It bears the name of the movement started a generation ago by Maurice and Kingsley and their friends, and is a sign of the times. The new movement in religious thought runs into the channel of a new social righteousness.

The Christian Union, which represents this movement in congregationalism, is thoroughly outspoken on questions of monopoly, strikes, &c. Indeed, the new Christianity which is coming on fast is going quite surely to find the old social enthusiasm. It will preach justice and not charity, and will inspire men to seek not so much to save their souls as to save society.

And then I have no fears about the attitude of the workingmen to the church of the Carpenter's Son.

Q. You believe, then, that one of the things essential is for the church to reform herself?—A. I do, most assuredly.

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EXTRAVAGANT ATTIRE OF CHURCH MEMBERS.

Q. There has been some testimony by some representatives of these working people to the effect that most of them remain absent from the ordinary church ceremonies on the Sabbath because they are unable to clothe themselves that they can feel comfortable in church alongside of others who are more richly dressed.—A. That I have no doubt is true. Rich people are not wholly blind to this evil. I think that I have noticed of late years a sensible disposition toward a little more plainness of apparel in church. Just as people become really cultivated they get simpler; and as new wealth finds other and better opportunities of showing its "store clothes," it finds it unnecessary to go to church in order to display them.

Q. You think that the expensive and, as I have sometimes thought, the meretricious adornment of church attire has made common people feel somewhat out of place there?—A. Doubtless.

Q. Might there not be a little economy of money in that respect?—A. Certainly.

By Mr. CALL:

Q. That might interfere with your æsthetic idea?—A. I do not make a hobby of the æsthetic idea.

By the CHAIRMAN:

Q. Do you think that the æsthetic idea is best to be subserved in that way?—A. I do not think so.

Q. I suppose a bean-pole could be made as beautiful a thing as anything else, if it were properly fashioned!—A. Beautiful in its place.

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NEW YORK, *September* 18, 1883.

Mrs. LILLIE DEVEREUX BLAKE examined.

By Mr. PUGH:

Question. Where do you reside?—Answer. No. 163 east Forty-ninth street, New York City.

Q. What position or pursuit enables you to state to the committee any facts relating to female labor in this city or elsewhere? Are you in any position, or engaged in any pursuit, that brings you into contact with the female laborers of this city?—A. I have been for a long time past very active in a great many different organizations here, and have written a great deal upon industrial questions, and in the course of my researches in the preparation of articles, &c., have collected a good many statistics, and I would like to present them to the committee.

Mr. PUGH. We should be glad to hear anything you have to say on that subject.

EFFECT OF PROGRESS ON THE INDUSTRIAL CONDITION OF WOMEN.

The WITNESS. I think that in investigating the condition of labor and education in this country, as your committee is now doing, the investigation cannot be made thorough unless the condition of women, as well as men, is gone into somewhat, and I think that perhaps gentlemen in your position scarcely understand or appreciate as much as women

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do the great change in woman's position which the last century, and especially the last fifty years, have produced.

Fifty, or certainly one hundred, years ago women were occupied in a great number of pursuits which the development of machinery has now taken from them. The spinning was done by women and all the knitting was done by women. Also, the sewing was done by hand, and by women. All these different occupations and others went into the industrial pursuits of women, but women no longer have them. The introduction of steam took from them all this work, and gave them nothing in the place of it.

### RATIO OF MARRIED TO UNMARRIED WOMEN.

Another very singular result of the discovery of steam and the application of it by means of the steam-engine to the field of labor is that its universal adoption has caused men to travel, so that they have left the older civilization and gone out to colonies, and, as in this country, to new and remote parts of the world, leaving to the old civilization and more settled community a great number of women; so that marriage is not so much of an attraction as it used to be, or as it ought to be to women. For instance, in this State we have over 72,000 surplus of female population, and even supposing that every man was married, there still would be 72,000 women who could not have husbands even though they all wanted to be married, which of course all do not. One-third of all the women over 21 are not married. Marriage, then, is no longer a career for women, nor a means of support for them. We have to-day only 897,397 married women in the State, so that the remaining four or five hundred thousand women over 21 must be unmarried. Of course, these women are almost entirely obliged to provide for themselves.

It is on this account that this question of the position of women has assumed the importance that it has. It is not, as some people suppose, a question confined to a few agitators. It is not that there are a few unhappy widows or old maids troubling themselves about their position. But the fact is that there are great multitudes of women who are in a most unhappy condition from the fact that they can not better themselves. The agitation has assumed the proportions that it now has during the last thirty years.

### WAGES OF WOMEN.

All the women who are employed in this city, who are forced to earn their own living—a very large proportion of them, are earning very much less than men. In the occupation of school-teaching, for example, they get one-third or one-half the salary of men. In stores they get even a less proportion. In industrial pursuits generally women are paid far less than men. Sewing, for example, in all its branches, is not really a man's work, and must be done mostly by women. But see how it is compensated. I have found exact statistics on this subject very difficult to obtain. I have inquired of various authorities and written to a great many people, but have found it almost impossible to get reliable statistics. But it is certainly fairly within the mark to say that there are 7,000 women in the city of New York working for only $3 a week.

Of course, it is impossible for a woman to live respectably on so little money, for she has to pay that for her board alone. To-day, since I have been in this room, I have heard of a young woman who committed

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suicide. She could only get work that would pay $3 a week, and she could not stand it. The other alternative, of course, is vice. That alternative is constantly presented to our young women. They are tempted to vice because of the inadequacy of their compensation. I know you will say, perhaps, that this matter of labor is a matter of supply and demand. Of course it is, but, after all, there is this about it, that without regard to supply and demand there is no kind of pursuit that a woman follows in which she is not poorly paid. A man gets a dollar a day very often for the same labor for which a woman only gets 50 cents.

Q. What proportion of unmarried females are depending upon their labor for their support?—A. Almost all of them. Of course there are some wealthy women, but they almost always marry. It is the poorer women that are left unmarried, and, besides, there are widows. I do not propose to go very far into this question, because I think Mrs. Croly, who will follow me, will give you some facts with regard to the labor of women in New York in more particular form than I could do. But, I was going to say this: I do not believe in men doing women's work or women doing men's work, except in the general way, where we all meet in common, such as writing, &c. But a man cannot, of course, run a sewing-machine—although there is one in our neighborhood who *does*—and women do not carry hods or dig ditches, but while a man gets a dollar or a dollar and a quarter a day for his special work, a woman, for the greater delicacy of perception and minute application to detail usually required in her work, gets only 50 cents a day. How can she live and clothe herself upon such compensation? And it seems to me that it is just as important for women to have food and clothing, no matter what their occupation, as it is for those who carry hods and dig ditches.

### POLITICAL POWER NECESSARY FOR WOMEN.

Q. To what do you attribute this difficulty as to the number of women who have to work?—A. I think, sir, that if women had political power they would be better situated; and it is on that account that I favor political power for women. No man cares what becomes of women. While you, gentlemen, are of course very good and kind to ladies, yet to men generally it does not matter what becomes of women. I heard the other day of a prominent politician who heard some of the testimony given before your committee with regard to this subject; and he said, "No matter what the men are, they all have votes." The women represent nothing. When they try to strike, or mass together for their betterment, nobody cares what they ask for.

Q. Do you not think that women exert a great influence on suffrage without having the right to vote?—A. No, sir; if they did, there would not be laws such as we have now. In your own State they have no property rights, I believe.

Mr. PUGH. Oh, yes; in my State, they have separate property rights.

Mr. CALL. And in mine.

The WITNESS. Well, in many States it is not so.

### LAWS RELATING TO GUARDIANSHIP OF CHILDREN.

In this State we have the most infamous law of any community in the world, I think. The children are given to the father. Such a law as that would not exist if women had votes.

Mr. CALL. That is not so when the father is a bad man.

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The WITNESS. It does not make any difference. A father here, last fall, who was only a Chinaman, and not even naturalized, took a child from the mother's arms when only three days old and gave it away.

Mr. CALL. You are mistaken about the law here. That is not the law of New York or of anywhere else.

The WITNESS. That is the law, sir. It was passed in 1871.

Mr. CALL. The old English law was always that the court was the guardian of a child; that the father is primarily the lawful guardian, but that the court has the power to decide in such cases as you mention. The court has a right to take the child from the father and give it to the mother when the father is not a proper person to take care of it.

The WITNESS. The old English law was set aside here, I think, in 1860. I am sorry I have not got a copy of the new law with me. But I know it so well that I think I can undertake to repeat the substance of it: "The father of any child, though he be a minor, shall have the right to dispose of the custody and tuition of that child by his will or deed, and shall give to the person thus assuming the tuition of the child their entire rights in socage and otherwise."

Mr. CALL. You speak now of the custody after the death of the father?

The WITNESS. And by deed during his life. He can bind out the child during his life without the consent of the mother.

Mr. CALL. But that is the case of a father who is performing all his duties. What I say is, that if he is a bad man the New York law gives the court authority to change the guardianship of the child.

The WITNESS. I can only say that in the case of this Chinaman the case was brought into court by the Society for the Prevention of Cruelty to Children. The Chinaman was supposed to have killed the child; I do not know whether that was true or not. When the case was brought into court by the society the judge said to the man, "What did you do with the child?" He said, "I gave it to my brother to take to China," and the judge said, "You did perfectly right."

Mr. CALL. I certainly agree with you, if that is the fact, that the law is a bad one.

By the CHAIRMAN:

Q. What you complain of is that when neither party is in fault the mother has no control, or is not consulted?—A. Yes, I only instance that to show the necessity for women to have the ballot. But we should not have such laws if women had the ballot. However, I did not come here to discuss the question of the ballot, though I do hope that in considering the question of labor in this country you will consider that.

### WOMAN'S INFLUENCE IN EDUCATION.

Now, in regard to education the law does not give women their proper influence. We have women school officers throughout the whole State, but there are no women voting in this State, and the consequence is that it is almost impossible to get any woman on the board of trustees. Nine-tenths of the teachers in the schools of this city are women, but they have not a woman on the board of education. Yet women I think are specially well adapted to look after the interests of the education of their own sex. The education of women is one of the most momentous things that society has to consider. As long as you have to admit that women are no longer supported by those who are called their natural protectors, then, of course, you have to give them a respectable means of in-

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come, or else you are apt to drive them to vice. And it seems to me that it is a paramount duty on the part of a republican government to do all in its power to so adjust the conditions of life for women as that such a terrible alternative may be taken out of their lives.

### MATRONS WANTED IN POLICE STATIONS AND JAILS.

There is another point upon which I am anxious to speak to you gentlemen. It is a question that we ladies have been very much interested in for several years. It is a crying necessity, and one that it seems to me must be met. That is the necessity of having women in charge of or connected with all public institutions where there are women prisoners or criminals. In our own city of New York, in the prisons and elsewhere in public institutions, women are entirely in the charge of men. We have here thirty-two police station houses, and a large number of women are obliged to sleep in those houses; not all as criminals either, but many as lodgers. Of course, the number of women prisoners is comparatively small when compared with the number of men prisoners. The statistics of last year show that, notwithstanding this fact, there were 3,000 men and 12,000 women that found lodging in the station-house, because women very often are obliged to find shelter who are not criminals. These people are entirely in the care of men in these station-houses. There is not a woman officially connected with any of the police stations in this city; and taking the very worst view of the subject, it is a shocking thing in such a civilized community as ours that even the lowest of women would be subjected to such a degrading necessity. For even when they have committed crimes, still we know that there must be, or must have been, a first offense, and perhaps good treatment in the first instance would render the commission of a subsequent offense less probable. From another point of view, this is a pitiable situation for women. Where a woman is arrested upon suspicion, as perfectly respectable women sometimes and indeed often are, in so large a city as New York, there is no women in the police stations to perform the necessary search. If a woman is called in to do the work it is a mere matter of grace and good will upon the part of the police authorities, and is not a necessity of the law. If a woman is taken down with sickness in the street she is taken to the police station, and there is nobody there to attend to her except men. We have tried to get a bill passed through the legislature to remedy these difficulties and to authorize the appointment of women inspectors in the police stations. Although the bill passed the legislature, it failed for want of the governor's signature. Another bill of the same kind failed for want of support from the police department in this city. In Portland, Me., there is such a matron for the police stations. In Brooklyn there is one woman, who is not, however, paid by the authorities, and has only a *quasi* authority.

Q. Is there a police matron at the New York City headquarters?—A. There is a matron in the Tombs, of course. I was going to speak of one such woman, Miss Foster, who was a most excellent matron. But there is no woman in any of the jails of this country occupying any such official position, and there certainly ought to be. I have a report of Mrs. Lord, who was on the State board of charities, in which she says that she found a horrible condition prevailing in the jails of this State, a condition that would not, of course, be tolerated if there were women in charge of the women prisoners, for she says, among other things, that the apartments of the men and women prisoners are not properly separated in many of the prisons.

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She then goes on to speak of the effects of this condition of affairs. It seems to me a first principle of civilization and propriety that there should be women in charge of these institutions. Yet every time that we have made demands to have such women appointed our demands are thwarted. Of course, everybody knows that if women voted we should have all the police matrons that we wanted. Mrs. Lord and other ladies have tried to secure here a reformatory for girls. There is one for boys, but none for girls, notwithstanding the large number of young women here who are tempted to go wrong. We cannot get these things done because of our lack of political influence and power, notwithstanding the kindness of politicians and gentlemen generally, as individuals, to women as individuals. Last year, when we tried to have these women appointed in police stations, we asked but the very moderate sum of $500 apiece salary for them. There are thirty-two station-houses in the city, and we asked for the appointment of two women at each station. Our idea was that they should be able-bodied women, at least thirty years old; that is, not so young as to seem inappropriate, but old enough to have good physique and to have in their favor the presumption of maturity of judgment. Our idea was, too, that they might be perhaps the sisters or the widows of police officers, and, of course, they should be respectable people. The objection was made that we wanted so large an appropriation. Yet, with two women at each station, it would only have made $1,000 for each station, and that would make $32,000 for the whole city. The taxes of this State are paid in enormous proportion by women. Women pay one-third of the amount of taxes of this State directly; besides the enormous amounts of indirect taxes which they pay any way. The men asked for an appropriation of $700,000 to increase the salaries of the policemen and others, and they got it; we asked for $32,000 to protect our sex, and we did not get it.

## WAGES OF WOMEN.

I have here a little memorandum about the prices paid to women in this city for their work. I got these facts from the Working Women's Protective Union. I think there is a representative of that union here this morning, who may go more at length into the subject of the work of that association. I find that women are paid 3 cents a dozen for making button-holes. Now, no matter how badly the button-holes are made, it must take some considerable time to make a dozen of them, and they are certainly worth more than that price.

By Mr. CALL:

Q. How much can a woman make in a day at that rate—that work is done by machine, I suppose?—A. No, sir; it is done by hand. Some of them are clever enough to make ten dozen a day, but at that rate even, for that large number, the compensation is extremely small. Then, for making shirts they get 35 cents a dozen. For good shirts—shirts of the better quality—they get 8 cents apiece, and a clever woman can make a dozen a day. But the average which these women earn is from 30 to 50 cents a day. The difference in wages received by men as compared with that of women was very well shown in a recent article by Mr. Elliott in the North American Review. He said that the average wages for men was $15 a week, while the average wages of women was only $4 a week. Just think of it!

Q. How many hours a day do they work?—A. I was supposing that they worked ten hours a day. Now, it seems to me that if you gentle-

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men would recommend the appointment of women for these official positions that I have referred to in the police stations and jails throughout the whole United States there would be then one very grave defect remedied in the application of our criminal law. The same principle should be applied of course in the case of the asylums for the insane and of public institutions having the charge of women. The details that have been given to me of the mismanagement of some of the county poor-houses and jails and other public institutions of that sort have been most terrible—things that can scarcely be spoken of, which could have been prevented had those places been in the charge of women.

Mr. PUGH. Those are matters under the sole control of the State legislatures.

The WITNESS. Of course that is true, but I presume you gentlemen have a broad scope for your recommendations. Even in the District of Columbia, where you have the power, you could appoint police women there, and that would set an example which might be followed throughout the entire country.

The CHAIRMAN. And Congress might extend the rule to the Territories as well.

The WITNESS. Yes.

The CHAIRMAN. And to all prisons where United States offenders are confined, and they generally are confined in the prisons of the States.

The WITNESS. For all violent crimes, I think, there are only about three women convicted to one hundred men. The statistics I have show that; that is, to-day, including burglary and every form of violent crime. For the desertion of children the difference of percentage is still greater of course. Women almost *never* desert their children.

## LEGISLATION REGARDING WAGES.

I have heard of your committee receiving a good deal of testimony with regard to the labor question generally, and it has been said that legislation should ameliorate the condition of the laborer. If that should be done, there is no reason why, if you gentlemen are going to suggest any measures of amelioration, you should not suggest some direct legislation looking to the better payment of women for their work; that is, where women do equal work with men. In the Departments at Washington women are not paid as well as men for the same class of work.

Mr. Spinner, formerly Treasurer of the United States, and other gentlemen have testified fully to the efficiency of the women employed by the Government, and they are paid very much less than the men. Among telegraph operators, as we have all lately had occasion to learn, men are paid very much better wages for the same class of work.

By Mr. PUGH:

Q. If the suffrage is any remedy, do you not think that there is already a good deal of neglect among men in not enforcing this remedy in the case of their own rights—the fathers and brothers and male relatives of the women?—A. Well, I think that if all you gentlemen should resolve that the women should have the right to vote we should have it very soon.

Q. I mean that this right of suffrage now exists in the fathers and brothers and male relatives of these women, and if the remedy lies, as you say it does, in the right of suffrage for women, do you not think that the men ought to exercise that right in the remedy of their difficulties, if legislative provisions would be a remedy?—A. As I have

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just said, the larger proportion of these women who are earning their own livelihood and are suffering most have no male relatives. They are not married, and have nobody specially that they could influence perhaps in any direct way. We have, of course, men in every legislature who are willing to attend to the interests of women, and even generously so, where matters have been brought prominently to their notice. But I do not think men feel the interest in this question that women do. That is natural. You do not find the capitalist taking that interest in the laboring class that the laboring class feel for themselves. So it is with men and women. If you gentlemen occupied our positions and were disfranchised for a simple physical cause over which you have no control, simply because you had blue eyes or black hair, why you would call meetings and express your opinions and have a great deal of feeling about your position. Why even with regard to the disfranchising of the black men because of the color of their skin every white man was protesting. We women are the descendants of the founders of the Government; we have contributed our money to its support; we are law-abiding citizens, and yet we have no voice in that Government. I think that is rather hard.

Q. Have you finished all that you desire to say on this subject?—A. Yes, I have, I think.

By Mr. CALL:

Q. Have you any other facts in regard to the present condition of the laboring women of the country?—A. If you mean special statistics, I have not just at present.

Q. You think that as a general fact the industrial women of New York receive inadequate compensation?—A. Well, I notice that they pay the school-mistresses very much less than they pay the school-masters, and it is so through all the other occupations. The women among the telegraphers were paid very much less. In all occupations where women work side by side with men the women are paid less than the men.

### EMPLOYMENT FOR WOMEN IN THE CIVIL SERVICE.

Q. Have you given any attention to the opening up of new industries and employments for women?—A. Yes, that is being done all the time. Therein is one of the wrongs in their present positions. They are cut off from a vast number of employments. The civil service of the country should be open to men and women alike. I think that the new civil service act does give more help in that direction, and yet I saw the other day, that in examining people for the civil service they examined women only for women's special departments. If the entire service was open to women I think it would be a great improvement and help women. And when I say that I do not mean it to apply merely to the Departments at Washington (the Treasury or the Post-Office Departments), but I mean that it should include the whole civil service of the country, in contradistinction to the military service. So that my idea would include, of course, legislative and judicial vocations. If women had access to all these things (which they cannot have as long as they are not voters)—they should fill these places, and then there would not be this rush for the places to be filled by women in outside positions in life.

Q. But you are aware that you would not really get much relief by getting offices as a means of support for women, since the offices of the country are very few compared with the wants of the great mass of

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people?—A. I saw an elaborate article in the New York Times which said that there were 600,000 men in the employ of the Government.

Mr. CALL. If the positions were divided equally between the men and the women it would give 300,000 positions to the women; that is your idea?

The WITNESS. Yes; that would be fair. There are 300,000 school-teachers in this country now, and if the school-teachers left that business and went into these other occupations the compensation for school-teaching would rise.

Q. Then you would open the whole civil service to women?—A. Yes. I would have the system based wholly on merit, pure and simple, and not upon sex.

Mr. CALL. I do not know anything that keeps women out now. There is nothing in the law which requires it.

The WITNESS. Perhaps there is not, but as long as women have no political power no politician will give them any office. It was said as soon as Mr. Arthur got into the Presidency that no women were going to get office, but that was promptly contradicted.

Mr. CALL. I think the President would be a man of very poor judgment to oppose the women of the country.

The WITNESS. That was telegraphed over the entire length and breadth of the land—that no more women were to be employed in the civil service, and yet, with all our newspapers, not an editorial was printed denouncing the statement; whereas if the President had said that no colored man or Irishman was to be appointed you can hardly imagine the number of editorials that would have been printed on that subject, denouncing it as a great wrong.

Q. Do you really think that the women of the country are not really a great political and moral and social force as they are without the suffrage?—A. Well, if you had a political mass meeting somewhere, and you found that the attendance was composed nine-tenths of women and one-tenth of men, would you feel as well satisfied as if the proportions were reversed?

Mr. CALL. I think I would. I think I would rather have the women on my side than the men.

The WITNESS. I have no doubt that women exert an influence. The part they took in the Frémont campaign shows what power they can exercise in certain circumstances. At the same time any man knows that a mass of women getting together exerts no such power as a mass of men, and their wishes are not attended to so well.

By the CHAIRMAN:

Q. Do you think, Mrs. Blake, that women know enough to vote?—A. Well, I think a few of them do. They tell a story about a man in Michigan who heard of a meeting to which people were going; somebody had handed him a notice about this meeting, and after looking at the notice, and showing that he could not read, he said to the person who handed it to him, "What is this about?" and the reply was, "It is a meeting in favor of giving women the vote;" he smiled contemptuously and said, "Why, women don't know enough to vote." Of course, I do not expect that giving women the right of suffrage would remedy all the trials and troubles that they now have, but I think it is a matter of justice and honesty to give women, who certainly are a part of the Government, and who pay taxes, a fair chance in life. That is all I ask for. They have duties of course, sometimes, that would interfere with their participating actively, but they ought to be given the opportunity.

Q. Can you give us any idea of what occupations a woman may re-

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sort to for a living in case she becomes dependent upon her own exertions for her livelihood?—A. Well, there are now quite a good many occupations open to woman; but, of course, it is not the thing for women to be always sewing, and always school-teaching, and always keeping a boarding-house. Telegraphy and stenography and occupations of that kind are now open to women; but the women are of course paid much less than men. There was an instance of what I call great cruelty shown here a short time ago. A young woman was discovered to have disguised herself as a man, and she was detected, and was condemned to six months' imprisonment on Blackwell's Island—simply for dressing like a man; and she gave as a reason for thus dressing the fact that she could earn disguised as a man $9 a week, while as a woman she would only earn $4.

Mr. CALL. I think that was an outrage.

The WITNESS. It was indeed a great outrage, because the dress was worth $5 a week to her.

By the CHAIRMAN:

Q. It more than doubled her pay?—A. Yes. Really in this country you may almost say that it is a crime to be a woman. In fact the indictment in her case said that she "wore man's clothes, she being a woman," as if the offense which she had committed was that of being a woman. Everything that a woman does, if she tries to enter into competition with men, she must do not only as well as men but better. If a woman only does as well as a man she finds more criticism than is given to men. Of course, I do not mean to say that women always do their work very well; but at the same time there is a disposition to pick all the flaws possible in her work and in her conduct. If a woman, for example, had built this post-office building we should never have heard the last of it. You know how it was built; they had to put another story on after it was completed.

By Mr. CALL:

Q. Why should not a woman be a good architect?—A. There is no reason why, except that probably she would get no employment, or very little. There is one woman architect in Chicago, and there are several others now springing up in the country.

The CHAIRMAN. Is there anything else that you would like to state to the committee?

The WITNESS. I think not, sir; only I think that the committee ought to recommend that women should be paid equally with men wherever they do the same work, and wherever Congress has control of women's wages, and that, for that matter, they should be paid equal with men throughout the whole country.

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NEW YORK, *September* 18, 1883.

Mrs. JENNIE CUNNINGHAM CROLY examined.

By Mr. CALL:

Question. Will you please state your residence?—Answer. No. 171 East Seventy-first street.

Mr. CALL. You may state to the committee such suggestions or opinions as you think proper regarding the subjects which we are investigating.

WORK THE BEST THING IN THE WORLD.

The WITNESS. I should like to say, in the first place, that I always was sorry to have work put in the position of being apologized for or

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helped. In my life I have always found work to be the very best thing that there is in this world, and I do not think that it needs to be either helped or apologized for, whether for women or for men. In its normal condition it is the most beneficial and the most healthful thing that we have in the world; therefore, I like to have honor and dignity conferred upon work, or at least acknowledged in work, and not always have it put in the position of defendant. I would like to say also that I consider any legislation which discriminates in any way between men and women as workers creates obstacles which hinder and impede both men and women. It does not help them. Class legislation is not what work needs. What work needs is preparation.

### THE HARDSHIPS OF WORKING WOMEN.

I should like to say, too, that the peculiar hardships of women in this country are, I think, threefold: First, that they have not been trained to work for pay; second, that when forced into the labor arena they not only have to support themselves but to make up for the short-comings of some man; third, I should like to say, too, that a peculiar hardship in this country in the way of labor, both of men and women, is the high prices and the poor quality of so many of the articles that their money, earned by hard labor, has to purchase.

### EDUCATION FOR WORKING GIRLS.

To improve the condition of working girls I would raise the standard of useful work by education and special training. I would make the education of the common school compulsory. I would supplement this common-school education with technical or industrial schools, where they would be made thorough mechanical draftsmen, engravers, modelers, designers, dress-makers, embroiderers, laundresses, cooks, and tailors. I would limit the public high school to its normal vocation of training teachers, and give the useful arts, upon which the health and prosperity of the nation depend, as much chance as the single vocation of the teacher. This single vocation has heretofore received all the benefit of the public purse, and it has therefore become overcrowded, while the trades are supplied by men and women from abroad.

### TRAINING IN THINGS INSTEAD OF IN WORDS.

The training of the hands and the training of the eye is as needful in life as the training of the memory, and one is as much a duty we owe to our children as the other. In short, I would reorganize supplementary education, at least make it a training in things instead of in words. Above all I would teach work as something to be rejoiced in, not to be gotten rid of; the pride of the world, not its badge of disgrace.

### HOMESTEADS SHOULD BE INALIENABLE.

To help women permanently I would make the homestead in city or country inviolate, inalienable for debt, and not subject to mortgage. I would make it the absolute property of the family, and vest it in the wife up to a certain rate of value, say $10,000 in the city and $5,000 in the country. This would place the home upon its proper footing as an essential element, a potent factor in all civilization, and as lying at the base of all possible government. It would in effect "moralize" our sys-

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tem of politics by introducing into it an element of justice which it now lacks, and a recognition of the best things in our lives—the one which offers the best guarantee of stability and true growth. The State ought to recognize married men and women as more than mere individuals—as a complex body called the family—and it has a right to protect itself by exacting a measure of protection for the children of this family in the shape of a home that cannot be wrested from them. I think, also, the formation and maintenance of a homestead by a woman, married or single, should be acknowledged as a qualification for citizenship.

RECOMMENDATIONS FOR IMPROVING THE CONDITIONS OF WORKING WOMEN.

To summarize these points I would first make elementary education compulsory. Second, beyond this, public teaching should be technically a preparation for earning an honest livelihood, thus filling the gap between ignorance and mastery. Third, a valuable element in education is raising the standard of useful work. The majority must live by work and ought to be trained for it—ought to be taught to think more of work itself and less of its rewards. Fourth, the value of the home and of the family should be recognized by making the former inalienable for debt or by mortgage. Fifth, the responsible headship and control of a homestead should be a qualification for citizenship.

Q. Have you had opportunity of observing the conditions of the working women?—A. Yes, sir.

DIFFICULTIES OF WORKING WOMEN.

Q. Please tell us something of the difficulties that women encounter in the manner of their lives and in the expense of living.—A. The difficulty of the working girls in this city is because there is no relation between the money that they can earn and the supply of accommodation; that and one other; the principal hardship which they suffer is from the fact that they are not able to leave their miserable homes. It is as I said; the working girls of this city are not in a normal condition; they are not the natural outgrowth of the needs of the country; they are forced into the labor arena by the short-comings of some man, by the drunkenness or laziness of the father or husband. You see in that case it is not a normal condition. They have their work at home; they have the requirements of a household very often when married, and the girls have nearly always to turn the larger part of their wages into the home to sustain the mother and the rest of the family. That is the case with nine-tenths of the poor working girls of this city. They cannot accept even gratuitous homes that could be made for them because their little means are required to sustain the family at home.

WORKING CONDITIONS IN EUROPE AND AMERICA CONTRASTED.

It is not as it is in other countries, where labor for pay is the normal condition of the whole family, where the children are put to work as soon as they can begin to earn money, where they take some little branch of their father's trade and work at it. Here, if a man is a hard, industrious working man he is ambitious for his family. He wishes his family to be better than he was himself. He wants to educate them better. He sends them to school; above all, he sends his daughters to school as soon and as long as he can; but when he cannot do that any longer,

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when the girls are forced out, the conditions are doubly hard for them; it is the strain at home and the strain abroad, added to poor food and no comforts; no supplies necessary for strength and not even enough for warmth. These are the conditions that make it so hard to bear. I have myself seen whole families die off. I have seen the five daughters of one family die off, one after another, simply for the want of food and proper accommodation, whose little means of $5 a week were taken to their mother for the support of the family, and very often these were absorbed by the father in drunken freaks. I mention that as one instance. We very often think that those are isolated cases, but they are not isolated in this country or in this city. The normal condition of the working women, of course, is doubly hard because they have the strain upon them, as I have stated, both in their work and in their home. They have to buy, at high prices, poor articles, and have to pay very high prices for such accommodation as they get, for meats and everything that they need, for which their money is expended, while all the time the pressure from the outside is to reduce their wages and to make the circumstances so hard for them that they can hardly live.

### WAGES DEPENDENT ON SKILL.

The wages of girls in this city are, of course, graded by their skill; and that is why I place so much importance upon the training of girls in these trades. It is a curious fact that to-day, while girls are starving, while they are making miserable pittances by making shirts and overalls and doing slave work for $3 a week, yet if they were trained to labor they could earn from $10 to $15 a week. There are plenty of places that are open to women that they cannot fill. I myself have had a great many opportunities to put women in places, but I could not find the trained women.

### TRAINING WANTED BY WOMEN.

It is training that we want for our girls and women in order to make them able to support themselves. I disagree with Mrs. Blake in her comparison between the laborer at $1.25 a day and the sewing woman at 50 cents per day. The sewing woman earns 50 cents per day because she cannot sew; the washerwoman earns a $1.25 per day because she *can* wash. Wherever a person can do anything, can *do* it in a proper sense, they can always earn a living by it; they can always get a certain amount for it; but, I do not approve of encouraging women or girls to think that because they can only earn $3 a week it becomes, therefore, only a question between starvation and vice. One can live on $3 a week a great deal better than one can die morally, whether for more or less.

Q. What is the cost of renting comfortable rooms such as are ordinarily rented or suitable for people of small means?—A. Within a few months I have had interviews with a great many working girls, because I have been writing a number of articles in regard to the way we live here in New York, in regard to the methods of living among the working women.

By the CHAIRMAN:

Q. Where are those articles published, please?—A. I have one of them here, and I will, if you will permit me, read you what a working girl herself told me.

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## STORY OF A WORKING GIRL.

An intelligent cigar girl, recently on strike, said that of all the girls she knew, who had grown up with her and worked with her, the worst off were those who had married, for they had, almost invariably, to support the family, and suffer abuse and ill-treatment besides. This young woman is perhaps twenty-five or twenty-six years of age; she is by no means ill-looking, and is one of the most sensible and thoughtful of her class. She has always, as she says, had a comfortable home. Her father was an honest, industrious man; her mother a kindly, home-loving Englishwoman, who cooked, and washed, and ironed, and took the best care of her family. When the husband died she took in sewing and washing, and kept the children together, with their help, till a son and daughter married, and then the mother and only remaining daughter lived together, the daughter supporting the mother, and the mother taking care of the daughter, doing the little housework and all of the sewing, and occasionally helping by doing something in the way of sewing or taking care of children for a neighbor. "I never knew what it was to hear an unkind word," said the girl, when she related to me this little history, "and mother was never tired of doing anything she could to give me pleasure. I would far rather have had to support her than not all my days, and since she has been gone I still live alone and keep house, for I can't bear to part with her bits of things, and I feel more independent like in my own room, where I can come and go just as I please."

### COST OF HER SUPPORT.

"How much does it cost you to support yourself in your room?" I asked. "Well," she replied, "I have two little rooms in a rear house, but it's clean, and one of them has a window as looks out where it is quite fresh and pleasant. For these I pay $6 a month, and my living, I reckon, costs me, what with coal and wood and light, about $4 a week." Your washing, then, I remarked, would bring your weekly expenses, without extra fare, clothing, and the like up to $6 per week. "I do my washing and ironing myself," she said, "on Saturday afternoons, but you may count it $6 all the same, for it comes to about that."

### HER EARNINGS.

"How much are you able to earn, then, at cigar-making," I inquired. "Well, cigar-making used to be a pretty good business for first hands," she replied, with a pleasant look, at the thought of those old times. "I've seen the time when I could make $12 and $13 a week at cigar-making; but you can't do it now, and that was the reason why we struck; it was not for a rise; it was to have the superintendent back as was good to us, and give the girls some chance as well as the bosses."

### DIFFICULTIES OF HER WORK.

"How did the change of superintendents affect your interest," was asked. "Well, you see, we had been getting 80 cents a thousand, and a smart worker can make 2,000 cigars a day, counting a day from 7 o'clock in the morning till half past five in the afternoon, with half an hour for dinner, which is a regular ten-hours day. But sometimes, when we are very busy, like now, we'd have to work till 9 o'clock at night, and then we'd make 2,500, may be, and earn $2 in a day; but that would only be for a little while, and we could not do it for long. Besides, we never get the full count; if there is the least little flaw the inspector throws it out, and these do not count at all; but they always go through another sorting, and more than half of those that have been thrown out and are not counted in the girl's work are counted in as good all the same. Our superintendent and his inspector were very good to us; they didn't throw out unless there *was* a flaw; and they looked out that the tobacco was in good condition for rolling, neither too dry or too damp, for this makes a great difference in the doing of the work; so they made up their minds that this superintendent was too good and too much of a gentleman, and they discharged him and put a regular rough in his place, a man who bullied the girls and never spoke a civil word in giving an order, but just swore at them; and when he found how much the best hands could earn he cut the prices down from 80 to 65 cents a thousand and threw out at such a rate that the loss of pay went up from $1 to $2 a week; you see $1 a week out of each girl's wages, where 500 girls are employed, mounts up to $500, and is an item, but it cuts the wages of the girls down to a little over half what they used to be, and a good many of the best girls have given up the business. I think I'll give it up myself, for I can't earn enough to keep myself in a home of my own, and I don't like boarding."



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### THE MANNERS OF ROUGH WORKING GIRLS.

Subsequently I asked her how it had happened that she had not married since her mother's death. Her reply was characteristic. She said, "Men was too sassy." She woudn't mind so much supporting a man for company, but she didn't want to be abused for it." A good deal of the slang among the rougher girls, who work with men, is the same as that commonly used by the rudest men; but it would give a bystander, who might be shocked by it, a very false impression, if it were supposed that they were moral delinquents, and not abundantly able to "take care of themselves" They pride themselves on being "tough," able to "give as good as they get," but it is the universal testimony of men themselves who work in these shops that it is not these apparently rude and aggressive girls who fall; it is more frequently the gentle and timid, who crave affection and companionship, and must take them in any form in which they can get them. The manner of the majority of the girls is derived from their often dreadful associates and surroundings. Even correctness of language would be looked upon as "airs," and punished accordingly. Yet that appreciation, and even ambition for a different life exists in common with rough habits, and almost brutal surroundings, there is sufficient evidence. In one of the worst neighborhoods in the lower part of this city there live in two rooms three girls. Dens of wickedness are on either side of them and over the way, and the girls themselves would perhaps be taken by a superficial observer for specimens of the lowest order. For they can swagger, and even swear, and "talk back," but if rude words proceed beyond their limit they would not perhaps hesitate to hit back, and hit "straight," for no man who knows them in or out of the shop but respects them for all their free talk, and is well aware that they "don't stand no nonsense," and that they "know how to take care of themselves." The girls work in a type-foundry, and earn from $5 to $7, and $8 per week. Their father died in a drunken fight; their mother, as soon as they were old enough to do regular work, they relieved from outside labor, keeping her at home, "like a lady" and maintaining also a brother at school. Upon this brother their hopes and ambitions rest, and they are devoting all their young lives to him. Their mother died, but they retain their home, such as it is, and, inside, it is home to them, after all, and they have educated their brother at a high preparatory school and now at a medical college, for he is to be a professional man and a gentleman, and he is to be made so by their labor and sacrifices. Will he remember and not be ashamed of the sources from which he derived his inspiration and opportunities?

### HEROISM OF WORKING GIRLS.

It is almost a hopeless task to present in one brief paper even a glimpse of the heroic lives which are to be found behind the dreary and common-place exteriors of many working girls' homes. Doubtless these are, in some of their details, exceptional; but the girlhood which grows up to young womanhood in the dark and cheerless places, the youth which knows nothing of beauty and brightness, the age which has no loving, cared-for past or restful future, these are not exceptional. Meeting with individual cases which present features of great severity, we are apt to think that these are unusual, until more intimate knowledge proves them so common as to have become commonplace and incapable of exciting sympathy. A quiet girl, employed in a foundry down town, attracted attention simply because of her reserve, her extremely gentle bearing, and freedom from the usual defects of loud talking and free manners. She proved to be the daughter of a man who came to New York after a fire which had destroyed his home and business, ruining him financially and, as it proved, mentally. The family struggled along for awhile, the daughter being the chief dependence. Then one by one two younger children died and were soon followed by the mother, who was worn out by grief and want of nourishing food. The repeated shocks prostrated the father, who had been able to find no steady employment, and he became an imbecile, dependent entirely upon his daughter, not only for support, but for care and protection. This daughter has, through all the years of her youth and young womanhood, since she was fifteen years old, worked in a shop and supported the family on her earnings of $7 per week. At the same time she has spent her evenings and early mornings in doing the work of the poor room they occupy, her nights, many of them, in nursing and tending the sick, and days in one eternal round of hard mechanical work. She is now more nearly broken down than at any previous time in her life, for her father is a constant anxiety as well as burden. She must have a place they can call home, because that is the only way they can live, and she cannot relinquish her steady hold upon the hard routine of her life for one day, one hour, or one minute. Talk to this girl about two weeks at a "seaside home!" One of the terrors of her life, though she can hardly drag herself to her shop, is that she may be deprived of her work.

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### PHYSICAL STRENGTH AN ELEMENT IN WORK.

The silk manufacture of this country is of comparatively recent growth, and the papers frequently contain congratulatory paragraphs concerning its rapid development and future prospects. Already it has built up the fortunes of manufacturing firms engaged in its production and enlisted the labor of thousands of operators, the majority of whom are young girls. The work requires constant standing at a loom and incessant activity in manipulating threads; the standing behind a counter with the counter to lean upon, and the body exercised easily and in a diversity of ways, is nothing to it, yet a crusade was organized in favor of seats for the shop girls, while no one dreams of making a protest for the benefit of the loom-tenders, the silk weavers, carpet weavers, stocking weavers, woolen-cloth weavers, and others. Why? Because we do not see it, and do not realize it, and also because bread is the first necessity of life, and bread must be had by whatever hard and cruel means it is obtained.

People, particularly girls and women, who are naturally inclined to accept whatever falls to their lot, can "get used" to almost anything, but sometimes the flesh breaks down, even though the spirit be willing. The pay for weaving a yard of silk is from 7 to 10 cents, and an expert operator can weave from 10 to 12 yards per day; less skillful hands do not average so much, and wages range therefore from $4 to $8 per week. A young Russian girl, well brought up, tenderly reared, with property in her own right, left her own country and her possessions because, upon the death of her parents, she was tyrannically controlled by a brother and an aunt, and because she had become an enthusiast of republican ideas. She was willing, in her own words, "to go anywhere, and to do anything to be 'free,' and to say the words that were in her own mind." She arrived in New York with a party of thirty of her countrymen and countrywomen. Their dreams of a new Atlantis and of a model community in the New World were somewhat rudely dispelled, and a number of them returned to their native land. But the remainder resolved to stay for a few years at least, and see what there was in this land of promise which would be worth garnering and taking back to their own countrymen and countrywomen. Among the remainder was the young girl alluded to. They had made common cause and common purse. She obtained work in a silk factory, earning $4.50 per week, and living in a little attic under the eaves, and with only a skylight, that she might divide with those who were not earning anything. The work, to one unaccustomed to manual labor, was almost impossible. She suffered tortures from the heavy, incessant movement, the noise of the looms, and the standing from morning till night, with half an hour of interval for rest and dinner. At the end of four weeks she broke down, but rallied and went to work again. She can better sustain the difficulties of her position now, but she is not of the kind who will ever quite get used to them, her sensitive organization and more delicate bringing up precluding such a possibility. The one strong reason she gave for endeavoring to overcome the hardships of this species of mechanical labor was that it was "clean," which she remarked was so "all-important" to her.

### PERMANENT, NOT TEMPORARY, MEANS OF ADVANCEMENT WANTED.

I could go on multiplying instances through a volume, for the class is so numerous, and they are re-enforced from sources so wide and diversified, as well as by the ever-increasing pressure of the labor-seeking millions who throng to these shores, that it must forever increase instead of growing less. What is needed, therefore, for their benefit is not temporary help so much as permanent means of advancement, higher ideals for the majority, associative effort for strength, protection, companionship, and a social life, brightened by all gracious influences. They need to be inspired by self-respect and a knowledge of their own powers and possibilities, by a consciousness that instead of pariahs they constitute the best elements of society, according to the excellence of their work, and the courage and constancy, the truth and honesty they put into it. It is an infinite pity that all the appeals that are made to them, nearly all the evidence of sympathy that reaches them, come in the shape of demands for wages and cutting down hours of labor, irrespective of the work or worker. This has a distinctly detrimental influence; antagonisms are fomented, there is no enthusiasm for work, or the attainment of excellence, and the only object set before any employé is to do as little and that as poorly as possible for the money he or she receives. This is immoral, and the results are as bad for employer as employed. It is not a question for the conscience of the worker whether the work is sufficiently paid; it is whether it is well done, and the conscience must be cultivated as a basis of permanent advancement, whether by those who labor or those who employ labor.

### A GREAT MISSION FOR WEALTHY WOMEN.

"Wealthy women, educated women, socially protected women have a great work lying right at their doors, in the isolation and needs of these armies of poor working

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girls and women. Is there any reason in what either do, or in what they are, why one should walk always in darkness, the other always in light; why one should enjoy all the sweet, the other all the bitter; why one should know the earth only as a driving wheel, the other as a garden of exquisite delights? The conditions are perhaps not so wide apart as they would seem, for in work there is compensation, in all idleness dreariness; but conscientious endeavor on the part of those who hold the power in their hands would build a bridge, over which angels might walk from one to another, bringing to one light and warmth, beauty and enlargement, and to the other elevation of character, which comes from a knowledge of duty and its performance."

By the CHAIRMAN:

Q. What have been your opportunities for learning of the condition of women in New York and elsewhere?—A. Thirty years of work among them, sir.

Q. From the very proper and eulogistic manner in which you speak of work, you have no objection I presume in telling us what kinds of work you have been engaged in?—A. I have been a writer for newspapers and I have been an editor and journalist all of that time.

Q. Will you state to the committee the name under which you have usually been known to the public?—A. I have no objection to stating it, though I do not feel proud of it, because it was a young name and was intended for a young girl and not for an old woman. It is "Jennie June."

The CHAIRMAN. You may permit others to be proud of it, however. I should like if you would state to us a little more at large from your experience and observation what you have come to know of the actual condition of the working women of this city, and if there is any under side to their life give it to us a little more fully.

### ONE GREAT NEED OF WORKING WOMEN: TRAINING.

A. The under side to the lives of the working woman of this city seem to me to come from the lack of two or three things. One is, as I have said—and I have mentioned it in the little memorandum I have made—I think elementary education ought to be compulsory, because girls now are put into work as little cash girls in the great business houses of this city when they are scarcely able to come, when they are certainly not strong enough to stand on their feet all day and run around, when they ought to be in the home or school-room; they are made little "exclamation points" of business; they do not know anything but just "Change!" they do not know anything but how to get change for a dollar, and when they grow up in life what kind of women are we to have in the future out of such little girls? I think, therefore, that education ought to be made compulsory up to a certain age. Then there ought to be, I think, industrial schools, and I think, above all things, we ought to have those girls trained for sewing—the thing that they despise so much. We have to pay $25 to have a dress made because we cannot get anybody but what is called a "first-class dress-maker," and these first-class dress-makers are never American women, but are women from over the water, who spoil the material while our own women are not trained to make dresses. We want tailoresses, but we want them trained. The great work of the world for women is always crying out for *trained* women, and the school ought to put into their hands the means of livelihood, and so not leave them at "the mercy of the winds and the waves." There is another point: when the conditions are normal; when you have a well-trained woman, who can do skillful work, I do not consider that she is pitiable when she has got to work, but I consider that

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she is happy. Work, to a well-trained woman, is a happiness and supplies the place of a husband. She can get out of her life just as much as a man can, provided she can earn the money to pay for it, and she can do that if she is paid for it. On the other hand, there is this large class of girls as to whom, even if they were trained, there must be a large number of them who ache for a great deal that they cannot put into their lives, that they cannot get.

ANOTHER NEED: THE SYMPATHY OF THEIR KIND.

It is not the province, I suppose, of this committee to deal with the point that I am now going to mention; but I think it is a great lack that our rich women do not understand their duty and do not fill this gap between themselves and this great mass of working girls. We ought to have a ladder stretching from here to Heaven, and have these women walking up and down continually, like a Jacob's ladder, so that those at the top and those at the bottom shall be brought into close contact. What the working women need above all things is friendship, sympathy, and acquaintance. It is hard now to get into their confidence, because they have a bitter feeling toward women who have better opportunities than they; but when they are reached there is a mine in them. They are just as good and true and tender, and as desirous of doing the best things if they only knew how. There could be so much that is comforting put into their lives and got out of their lives if women who can do so would only help them to reach it.

PHILANTHROPY MERELY PERFUNCTORY.

There have been little spasmodic efforts made, but it cannot be done in that way; it must be done in a larger and broader way; and if the Government in our country only showed some human interest, if it only showed that it has something else at heart beside the success of an election, it would help largely to cultivate human sympathies. As it is, all our philanthropy is perfunctory. It is all adapted to the special wants of some particular interest. It builds up institutions of brick and mortar, with strong walls and fine floors and high ceilings perhaps, but it simply ends in being a little asylum for the relatives of the founder or of somebody interested in it. It does not reach the cases that need help. If you find an individual case of want you probably cannot find an institution that helps it.

By Mr. CALL:

Q. Do I understand you to say that there is no charitable institution here where you can apply for help in cases of individual wants?—A. I should be sorry to say that, but I mean that I myself have never found one that could reach the particular individual that I wanted to help.

FEW RECREATIONS FOR WORKING GIRLS.

By the CHAIRMAN:

Q. As to the large numbers of these poor girls that you speak of, what opportunities are there for them in the way of recreation, in the way of reading or any of the ordinary pleasures or relaxations in life—what is a girl going to do if she has half a day of spare time?—A. Well, in the first place, such girls do not care much about sitting down to read. If they have half a day of spare time they want to get out of doors, they

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want air. These poor girls do not see daylight only a little while perhaps on Saturday afternoon or on a public holiday, such as the Fourth of July, or occasionally on a Sunday; in all probability not even then. In all probability they are required to spend the day at home doing something for somebody. The great trouble, is as I have said, that they have their home duties as well as their outside and public duties. Earning a living is not much. Almost any body can earn a living, and earn a living for themselves. But the difficulty is, they have to earn their living and do the work at home besides. These poor girls when they get home are worked almost to death. I think that the training of women is so important in their own lives because they need all the help they can get if they have to earn their own living. The physical organization of women is more complex than that of men; they cannot endure the long strain with the same ease that men can; it tells upon them in the long run. And when this double strain comes they cannot throw it off, for their sense of duty is too strong to enable them to do so; I know it, because I have been among them for a great many years. Their sense of duty is so strong that they cannot leave their homes, or such rooms as they call their homes, when something calls them there, not even to get necessary air or recreation.

### THE READING OF WORKING GIRLS.

And as for reading they want something very different from what they have in their daily lives, and so they run to the story papers that contain flashy stories; that tell about the fine ladies and how many dresses they have, and that tell about the worst murders and the most exciting incidents that they can get. And I do not blame them for it. They are crazy for something that is outside of themselves, and which will make them forget the hard facts of their daily lives.

### LIMITATIONS UPON LEGISLATION.

I do not think that legislation can be applied to all these minor cases. Legislation cannot be applied to remedy all the difficulties of individuals, especially in a country like ours, where the labor does not grow normally up out of the condition of the country, but is forced upon us from other countries. It is, therefore, a much more complex and intricate problem here than elsewhere. The only thing we can do, therefore, is to furnish the means of preparation. We can furnish the means of preparation to enable them to perform their work to the best advantage, and that is the best thing we can do for them.

Q. To accomplish that you think there should be schools established or organized for the purpose of instructing in such industrial occupations as women are fitted for.

### INDUSTRIAL TRAINING FOR GIRLS.

A. I think so. I think the industrial training of girls is the most important thing needed by this generation. It seems to me so obvious that it hardly needs discussion, because the whole force of the country now is put to training women and girls as teachers, and that profession is greatly crowded. Every girl who wants to earn a living wants to become a teacher, and necessarily we have five times as many teachers as we want. I know myself at least five graduates of the normal college who have been compelled to wait three years for positions

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as teachers. Now they are starving themselves in trying to sew—a vocation for which they have had no preparation at all. And they live in a little room and do the work of common seamstresses, while they might have been trained in an industrial school as engravers or draftsmen or milliners or something that would pay them well.

Q. Would these same women be willing to go to other parts of the country if they had places offered them?—A. Certainly. They have no political influence, but they have had friends looking for something for them.

Q. To teach?—A. To teach.

Q. But teaching does not depend on political influence?—A. It does, sir; in this city. Still, I do not place any stress upon that.

### WORK MORE IMPORTANT THAN A VOTE.

I think work is infinitely more important than a vote and infinitely better.

Q. If, however, a vote was a means of getting work you would not object to the vote?—A. No, I honor the women who have worked so hard to get what they believe to be the best thing.

Q. Is there any other suggestion you desire to make to the committee?—A. No, sir.

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NEW YORK, *September* 18, 1883.

Mrs. Dr. CLEMENCE S. LOZIER examined.

By the CHAIRMAN:

Question. You are a physician?—Answer. Yes.

Q. State how long you have been practicing that profession.—A. Forty years.

Q. In this city?—A. Thirty years in this city. Previous to my graduation in medicine I was a school teacher. I taught a young ladies' seminary in this city for eleven years, and, from sympathy and practical knowledge, I really became a physician of my school and practiced medicine for ten years without a diploma, because I could cure, and the people would have me.

By Mr. CALL:

Q. Of what school are you a physician?—A. The homeopathic.

By the CHAIRMAN:

Q. I understand your practice has been very extensive in the city?—A. Yes.

Q. And your general opportunities for becoming acquainted with the question that we are investigating here have been considerable?—A. I think so.

Q. Will you please state to the committee such facts and make such suggestions as seem to you to be pertinent to our inquiry. You may do that in your own way, taking your own time, and resting assured that you can have all the time you want, in order to make the statement as full as you please.—A. In 1841, 1842, and 1843 I was one of the active workers in the Moral Reform Society, in this city, now known as "The Home of the Friendless," and was one of their visitors and book-keepers; that is, I kept their books for a short time; that was after the dismissal of my school. I became an active worker in that cause. I vis-

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ited extensively among the poor and among all classes of working-women, as well as degraded women, with Mrs. Morgan Pryor and Mrs. Hastings, and some of our older ladies, in a moral reform way, and I am prepared to coincide both with Mrs. Blake and Mrs. Croly.

### DISFRANCHISEMENT THE BASIC FACT OF WOMEN'S INFERIOR POSITION.

I think, sir, that labor needs to be dignified, above all things, among men and women, and we should have, therefore, preparatory aids for labor, for honest toil and self-support; and I believe the ballot is necessary for that self-support, and to bridge over the chasm between rich women and poor women. We see how it really relieves the men in a republic. The black man was always degraded until he got the ballot; just so women are degraded to-day; the disfranchised class are always degraded. And I have come to feel that that is really the basic fact in woman's degradation. It not only degrades her, morally, I was going to say, but socially—that is the word I want—feeling that she is placed among a class—of what? She is ranked among idiots, minors, criminals, and Indians not taxed, even lower than the paupers of our cities, who are supported largely by women's taxes. They are permitted to vote, while we feel that for want of the ballot our employments are crippled and our wages are lessened. I think that, therefore, our disfranchisment is the basic fact of woman's degradation in this country. The women of England have larger liberty in that respect than we have, even though they live under a monarchical form of government. We all know that persons feeling themselves inefficient, and needing something that others have, but which they cannot get, become discouraged and lack self-respect. Suffrage would give this to women, besides broadening their sympathies and activities. Why, we all say, it is a self-evident axiom that "the ballot educates;" it is an incentive to education it gives us equality of feelings and sympathies with the opposite sex and with each other, and I can see how it would cause the rich women to have sympathy and interest in the poor women, which, as Mrs. Croly has observed, does not exist to day, and I know that very few working women can obtain a decent room, however small or large, enough for her to breath and sleep the night in, for less than $3 a week; indeed, I do not know of any for less than $6 a week, and I have visited extensively in this city. My profession has called me in among the sick women, sick mothers, who are toiling for children and doing the best for them, and it is for want of better wages that they are suffering, and that difficulty would, I think, be very much helped if we had the ballot, as Mrs. Blake observes. The politician would help us; they would plead for a shorter day's work and equal pay for equal work done. We know that in many instances they do their work as well as men, with the smaller opportunities that they have had for education.

### A PLEA FOR PRACTICAL EDUCATION.

I would plead for practical education. I know that that is very necessary; our educational establishments are nothing more than literary establishments, and teach children nothing that they are expected to do in adult life, in manhood or womanhood; and while I would have equality between the sexes, I do not mean that a woman should become a perfect man, or a man should become a perfect woman; we are dissimilar, but equal in our responsibilities to law, whether we under-

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stand the law or not. You know that a voter is more thoroughly induced to study the law that governs him than if he had no ballot; there is where women suffer very much. They are ignorant of the laws that govern them, and they are frequently punished when they think they have done no wrong; I have known many instances of that. Mrs. Croly has covered the ground of education so beautifully and so pathetically that I feel that I can give little in addition to what she has stated.

I should like, however, to say that I think physiology and the laws of hygiene and the chemistry of food should be taught in the schools to boys and girls alike. Home duties belong as well to men as to women. The family is a compact, and the laws of life and hygiene affect all alike; healthful cooking and healthful selection of food in marketing are indispensable to the health of the individual. Very few persons understand how to select healthful food or how to cook it or how to cultivate the appetite and tastes of children for healthful food. Women are very responsible for the health of their children. That is admitted everywhere. But they are expected to make brick without straw. They are expected to know it without having been taught it. We see a great deal of ignorance among women of wealth, as well as among the poor working women, and mothers of all classes are but little prepared to help their daughters.

### THE NEW YORK MEDICAL COLLEGE FOR WOMEN.

I have devoted my life for the last twenty years to the establishment of the New York Medical College and Hospital for Women. It is a very active institution, and has been supported, I should say, enthusiastically by its friends, and has done a great deal of good with little or no means. Neither the city nor the State gives us anything, while I think the institutions of men of a similar character are supported or very much aided by the resources of the Government. I have applied several times to our State legislature, but found that it was impossible for them with their hands so tied with what they thought more important interests, to get the least assistance from them. And for many years before I was called upon to pass through some financial straits, I nearly supported this institution myself—poorly, perhaps, but to the best of my ability. For the last five or six years others have come forward to assist me by voluntary contributions, and men and women of the best of noble ability have taught in our faculty, and, although our students pay the usual fee, the professors have, each of them, donated their fees immediately to the hospital and to the sustaining of the institution for the last five or six years. I am not here to represent that, but merely to show how we women are doing with small means a great deal more than rich women are doing. It is a great pity, as Mrs. Croly has said, that rich women cannot see the needs of their sisters. And I think that as the ballot has done so much for men—and the ballot is lauded all over the universe for what it has done—I do not see why it should do less for women, and so indirectly elevate men still higher, if women were allowed equal franchise with men.

I believe I have said all that I had to say.

### SANITARY CONDITIONS.

**Q.** I would like to hear anything you have to say as to the sanitary, or perhaps the unsanitary, condition of the dwellings of the poor in this city, and any special facts that may have come under your observation in regard to the condition of working women and their residences, &c.—

**A.** We have graduated one hundred and eighty-two practicing phy-

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sicians within the last thirty years. Ten of that number have deceased. Our graduates are supporting, I think, eight dispensaries in this city and visiting the poor, and aiding them at their private dispensaries. We have one up at 215 West Fifty-fourth street—a large dispensary, at which a great many thousands are treated every year by graduates from our own college. Then, we have about thirty-six beds in our hospitals, and as we go into the families, both rich and poor, we endeavor to instruct the women in the matter of ventilation in their own homes, and in cleanliness, and in the conditions necessary to avoid sewer-gases, and give instruction as to disinfectants, &c. We give not only health to the people, but we give them sanitary instruction as well. I think that mothers and women generally will listen to female physicians as they will not to male physicians, or perhaps as male physicians would not feel the obligation, or, even if they felt the obligation, cannot take the time or do not think it necessary to the same extent to give that we women can and do. We can use the familiarity of our sex as the opposite sex could not. So that we really need both sexes in this work. It would be a miserable world if we had only women physicians, and I must say I think women physicians are as necessary as men physicians.

DEMAND FOR LADY PHYSICIANS.

Q. What opening is there for competent lady physicians?—A. They are in great demand. I am constantly importuned by our various missionary boards for women physicians.

Q. Foreign missionary boards?—A. Yes, and home missionary boards. I wish I had brought here our statistics to show just where our graduates have settled, but everywhere they have done themselves credit and the people great good, I am sure. They have succeeded admirably, and from year to year I can truly say that the demand is increasing for educated female physicians.

Q. How about the supply?—A. I think it is too small. There are about 300 lady physicians in practice.

Q. Is there an increasing supply; that is, are women more and more resorting to the profession?—A. I think so. Of course it is an arduous profession; very few, comparatively speaking, would seek it but those who are very earnest, and as they succeed others are encouraged. Our class gradually enlarges from year to year. At first we had but 22; last year our number was 42. It is of slow growth, but of course it has had considerable opposition from the opposite sex.

Q. You mean of the same profession?—A. Yes.

Q. I suppose during your time other institutions like yours have been established?—A. One has been established since ours by two sisters—Doctors Blackwell They are more distinctly allopathic.

Q. To what extent, as you have mingled with the people, have you found that the houses were badly constructed, with reference to ventilation, and sewerage, and the like?—A. I do not know that I understand the question exactly.

Q. In what part of the city has your practice principally been?—A. In the northwest part of the city. For thirty years I have practiced in the neighborhood where I now live—Thirty-sixth street and Thirty-fourth street, and now Forty-eighth. I think *that* part of the city is, perhaps, more healthy than almost any other part of the city.

The CHAIRMAN. I do not know that there is anything further that we desire to ask, unless you have something in your mind which you would like to suggest.

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COMPULSORY EDUCATION.

The WITNESS. I think that public school education should by all means be made compulsory. I know that physiology is professed to be taught in the schools, but it ought to be taught by a lady professor who understands medicine; and it should be taught more thoroughly and simply. It should be simplified, especially as to the laws of hygiene and personal habits, for children, because the misery of poverty is sickness.

Q. Do you find parents, as a rule, unable to give that sort of instruction?—A. Yes.

MEDICAL EDUCATION FOR WOMEN.

The medical colleges have been closed to women, you know. It is only within the last thirty years that they have been open. The eclectic school of medicine has permitted women to study for some years past. I am myself a graduate of the eclectic school, although I studied with my brother, who was a regular allopathic doctor. And after Miss Blackwell graduated at Geneva no lady has been allowed to enter the allopathic college. Homeopaths have broadened the line of professional training for women and so has the eclectic school. You know we have three schools of medicine, chartered by the laws of the State—the allopathic, the eclectic, and the homepathic. I am happy to say that most of our schools are selecting the best from all the schools, and there is much more liberality among the schools of medicine than there used to be. I have only in one instance since my commencing to practice, thirty years ago, in this city, been denied a consultation with any school of medicine. I have been fortunate, having been known in this city so many years ago as a teacher. That, I think, opened my way very much. My pupils and their children, and even grandchi dren, employ me to this day, and I have friends in all the different schools of medicine, and I have had very little difficulty. To be sure, I have heard of unpleasant things being said, but never have I heard them said to me personally. I think if medical women had the ballot they would be able with greater force to urge the necessity of this practical education, especially in hygiene and in physiology and chemistry, which is the foundation of medicine. I think they would be of great service to the people.

Adjourned.

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NEW YORK, *September* 19, 1883.

The committee met at 10 a. m.

Mrs. Dr. CLEMENCE S. LOZIER recalled and further examined.

By the CHAIRMAN:

Question. There are some additions or corrections which I understand you wish to make in your testimony of yesterday; if so, you may proceed to make them.

SANITARY CONDITIONS OF THE SICK POOR.

Answer. Yes. In reply to your question regarding the sanitary condition and surroundings of the sick poor as I saw them in my professional practice, I wish to reply that they are generally deplorably deficient, and mostly on account of the ignorance and inefficiency of the

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people themselves. Small, close sleeping rooms, and the fear of drafts of air, which can scarcely be avoided in narrow flats and in basement tenements, are great troubles that this class of people have. Dark bed rooms between the light rooms are also a great difficulty. No attempt seems to be possible of success in the matter of ventilation without dangerous drafts of air; and, of course, the drainage is often very defective. We are all aware that the water supply of our city is also quite limited; although I hope that that will soon be remedied.

### WOMEN PHYSICIANS TO INSPECT TENEMENTS.

I would like to suggest that women doctors, in suitable proportion, should be appointed to visit the tenements of our cities. We have a committee already of fifty gentlemen physicians in our city, under the support and pay of the city, and I should suggest that a suitable number, perhaps as many, or only half as many, women doctors be appointed and also paid for visiting among the tenements of our city, as a committee either by themselves or in connection with the committee already formed of gentlemen physicians.

Q. That I understand you to suggest as applying to all places where there are similar conditions, that is, to all cities and populous places, wherever medical inspection is necessary throughout the country?—A. Yes; the small number of lady physicians in the country would perhaps make it difficult to find them in small places, but where they can be found I think they should be appointed.

Q. Probably the appointment of a few would tend to multiply the number of those who would become lady physicians?—A. I think it would, sir. I think that the general acquaintance by women with women physicians, and by children as well, would be a very good thing for the women and children. They would understand them better, and suggestions from women physicians would be perhaps more readily received and taken advantage of by the poor. Women are more patient, frequently, I think, with women. They see their needs quicker than men do. The schools should have the services of women physicians as instructors in sanitary needs and studies.

### ETHICAL TEACHING IN SCHOOLS.

There is a code of moral ethics, as elaborated by Mrs. Matilda Fletcher, a lady from Iowa, which, if it could be introduced into our schools would be less taxing to the minds of children than so much memorizing of names of generals, and of cities and rivers. We all know that the geographical names of rivers and cities change frequently. This taxing of the nervous system and of the brains of children to remember those tedious and unpronounceable names seems to me so useless and injurious to the children that I would like to have this committee to look over this system of practical moral ethics, or whatever it may be called, ethics at any rate, that teaches how to understand one's own self, and how to conduct one's self toward others in this world.

Q. Can you suggest some one who could make a more definite explanation of the system to us?—A. I think my son, Dr. A. W. Lozier, who is present here, could do so.

Q. Is he familiar with it?—A. Yes.

Q. Do I understand that it is a system which you know so well that you would recommend its general introduction into the schools?—A. Yes.

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Q. Is it a simple system?—A. It is simple, but yet profound; it is very easily understood. Ethics, I think, lie at the foundation of character, and so a book of this character would be exceedingly valuable in the teaching of children.

Q. Is it a matter difficult to convey to others by a teacher?—A. Not at all. It is already introduced in the public schools of Massachusetts. Five years ago Mrs. Fletcher visited Washington and presented it to Congress and endeavored to have it adopted in the schools of the District of Columbia, and came very near succeeding—within a few votes, I think—of having it introduced into those schools.

Q. Do you understand that it has worked well where it has been introduced?—A. Very well, indeed.

Q. At what time could your son explain this to the committee?—A. This afternoon, if you please. It has been introduced into the city of New Haven, Conn., not into the public schools, but into one of the Sunday schools there. I visited the school, perhaps, a year and a half ago, and then it numbered two hundred members, adults and children, in the school of ethics. The Rev. Dr. J. P. Newman, who was my pastor, observed to me that he thought it the best system that had been elaborated in the last two hundred years. I really would be very glad to have it instituted.

The CHAIRMAN. The committee will examine it.

### PHYSIOLOGY AND HYGIENE IN PUBLIC SCHOOLS.

The WITNESS. Especially should the department of physiology and hygiene be taught in the public schools by lady physicians. The chemistry of food, and how to select healthful, unadulterated food should be taught, as well as the science of cooking it, so as to secure the best nutrition from it. I think, too, that the circulatory system should be taught to children, and the means of securing equal circulation to the arterial and venous blood.

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NEW YORK, *September* 19, 1883.

Miss HELEN POTTER examined.

By Mr. PUGH:

Question. Where do you reside?—Answer. In this city.

Q. Upon what subject do you desire to make a statement to the committee?

### SANITARY CONDITIONS OF THE POOR.

A. I propose to take up some of the points regarding the sanitary conditions of the poor in this city.

Mr. PUGH. You may proceed to give the committee such information on that subject as you think proper, and in your own way.

The WITNESS. First, in order to have a good sanitary condition we should have plenty of water, which we have not. The water in the highest parts of this city will not flow above the second floor at its best. There is not a sufficient supply to protect the people and to keep them cleanly, to say nothing of affording protection from fires. We read columns in the newspapers about the protection of large store-houses of rich goods, but not a word about the condition of the poor people who have not water enough to get a bath, or even in some cases to wash their faces.

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### CROWDING IN TENEMENTS.

Human beings are crowded together in hundreds in the tenement quarters, 20 or 30 or 40 in a room, without water to keep themselves in a normal condition, to bathe themselves or keep themselves clean.

Q. What is the size of such rooms as you speak of, where so many people live?—A. There is a school building on the corner of Fourth street and Avenue C in which there are 300 pupils, and there is only one place where they can get water, and that has to supply also a store and a stable, and if the store or the stable wants water the children have to go without it. At No. 310 Houston street there is sometimes no water in the house at all, and when there is it has to be brought in from the yard for the large number of people who inhabit the tenement, so that the indolent, the inefficient, and the poor, especially the children, are suffering from the want of a good water supply. At No. 110 Ridge street is a rookery, an alley that people crowd into and mass together, without a sufficient water supply. People cannot be moral if they cannot be clean. The first step to everything that is good is cleanliness. At 161 Lewis street is another large tenement house without water supply sufficient to the needs of the people. And so far as cleaning the streets is concerned, or using water to clean their apartments, it is totally impossible to get a sufficient supply to do it. I cannot go into the technical details as to pipes, &c., or where we are to get the water supply from, but with all the brains that are to be found in the metropolis of the United States it seems to me that water enough might be found somewhere in the vicinity and arrangements made to conduct it here, so that poor people might keep themselves and their children clean.

### WATER SUPPLY OF NEW YORK CITY.

There is a heavy tax also on any unusual use of water when the reservoirs are low; and every house pays $10 for the use of water. I should estimate that we need at least double the present water supply for sanitary purposes, to say nothing of fires. If all the goods in the city were in danger, we would need twice as much as that, in order to secure cleanliness to the people.

### BAD AIR AND DEFECTIVE DRAINAGE.

The second condition necessary for the advancement of the poor people is pure air. We have not pure air in a large part of this city, and the reason for that is bad drainage—bad sewerage—and nuisances in the shape of garbage and refuse matter from the manufactories, which render impure the water which surrounds the city.

### GARBAGE IN NEW YORK HARBOR.

The garbage of this city is dumped into the harbor, ruining the harbor by filling it up, as this stuff must accumulate at the bottom, and when it is stirred up by the machinery of vessels passing around the city it produces a very offensive odor—an odor that is offensive to all people, no matter how low their condition. On the old maps of the city there are shown creeks of running water, and, in building up the city, these creeks have been filled up with garbage and built over. Some of the most fashionable parts of this city are built over filled-in ground, some 30 or 40 feet deep. On Fifty-seventh street and Fifth avenue

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there is 40 feet of garbage, and there is no subdrainage. The result of this is that when the tide comes in the water is backed into these old creeks or vats, and the cellars and basements become damp and in many instances flooded. In Harlem this is often the case. Do you desire me to speak as to anything outside of this city?

The CHAIRMAN. Yes, anywhere.

The WITNESS. Well, in Toledo Ohio during the present spring flood, the sewerage being similar there, when the floods came up they brought matter from the sewers into the basements and around the walls. The walls and boards had to be scraped to get it all off, so bad is the sewerage and drainage system of the cities of the country. There is really no one subject more important to the health of the country, nor one so much neglected.

Q. That condition must be known to the officials of the city government?—A. It is. It must be known to them.

## NUISANCES IN NEW YORK CITY.

I want to speak particularly of some of the special nuisances in New York. The dumping of the garbage in the harbor around New York has affected the bathing, and makes it very disagreeable to people who resort to Coney Island and places around the city for bathing purposes in the summer time. There is a factory on Long Island where a refuse is given forth which is bad enough when you are a mile away from it without going any nearer to ascertain exactly what it is like. It is clear to thinking people that the garbage of this city should be taken out upon the ground and placed between the sun and the earth, where it will help the earth; the soil needs it. The reason why this is not done is strange; it is past my comprehension. Mr. A. T. Stewart, the rich merchant, who recently died in this city, and also his successor, Mr. Hilton, offered to clean the streets of New York City and take all the refuse out of the city, free of expense, on their own barges, if the city would allow them to do so; but the city would not allow them to do so. Farmers in the vicinity of New York have endeavored to obtain this garbage to enrich their lands, but they have not been allowed to take it. Why, it is against the law for a person to dispose of any portion of the refuse of this city, even if it is upon their own grounds and produced from their own homes. I could not sell, on my own place, a barrel of refuse, or even give it away or take it out of town and put it on my own ground if I wanted to do so. Why that is so I do not know. Within a stone's throw of this place there is garbage that has been there three years, so that the things that have been thrown into it have become skeletons. No one has ever seen those streets but the folks who live there, for the tax-payers do not go there, and ladies do not go there, and the municipal officers evidently do not go there, and when you ask them to go down and see to matters in that neighborhood they have a headache or are otherwise indisposed. Property there has depreciated to such an extent that within a stone's throw of the city hall property is almost valueless, it is in such a bad condition. Miss Susan A. King, who was here yesterday, but did not give evidence, told me to say to the committee that she was acquainted down there, and had property there, and had dealt in real estate there sufficiently to know the quarter. She said that she had taken some of the city officers and insisted upon their going down there to visit these quarters, and they have never been heard of since. She does not advise the committee to go down there unprotected, as it might not be safe; but if they will appoint a time

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she will escort them. She thinks she might pilot them through safely. Then, there is Thompson street, and Mulberry street, and Bayard street, and Baxter street, and Chinatown, and Irishtown, and Italiantown right within reach of a short circle of the city hall. At No. 200 Mulberry street is situated the headquarters of the bureau of police, and actually of the board of health, and how they can escape seeing all these unsanitary conditions is wonderful to me.

CROWDING IN TENEMENTS.

In Baxter street in one room there are eight families, composed altogether of forty-two people, and three-quarters of them are so destitute of clothing that they cannot go into the street even to beg.

By the CHAIRMAN:

Q. Where is this room; is it above ground or under ground?—A. Well, it is a basement, a half-cellar, and, when the tide comes in the water is eight inches deep on the floor; they have to put scantlings and slabs across to put their clothes on. One small stove is all that can be found in that enormous room to warm a whole crowd of people in the cold weather.

By Mr. CALL:

Q. Do you say that there are eight families in one room?—A. Yes, sir.

Q. What is the size of the room?—A. It is a large room—a whole basement. It is, perhaps, longer but not as wide as this room—it extends back.

By Mr. PUGH:

Q. Do you know how the people who live there employ themselves?—A. I think they are rag pickers, mainly. I say that the houses for the poor in this city are too dark, too damp, too much crowded, too poorly ventilated, and have altogether insufficient water, and hence are too vile to live in. I refer to the tenements for the masses. Who it is who owns these houses I do not know. I have been told that some of these tenements—places of the lowest order—are owned by people like the Astors. How they can ride in their carriages, and dress in silk and velvets, or sleep peacefully at night while they permit their tenants to have such dwellings, I cannot understand. I suppose we are obliged here to speak within the limits of what the law can help; but the law could oblige builders to make buildings strong enough so that they would not tumble down, and to make them dry and substantial; and I suppose that the department which has charge of the sewerage in the cities could manage so that the sewerage system would be more efficient than it is. I suppose, too, that the building department could compel builders to have means of ventilation so that these houses would be habitable, and that they could compel them to have proper lights and windows and communication with the outer air, and the law could certainly compel them to put more than a small four-pane window in a place large enough for forty people to get into, to say nothing of their living in it.

NECESSITY OF FIRE ESCAPES.

The law should compel builders, also, to have plenty of fire escapes, and not allow buildings to be made in such a way that at the tops of hotels, and in corridors, and away off in remote and inaccessible parts

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cannot afford that. So they suffer along as they are, because they cannot get out. A woman who sews for me on One hundred and fifth street has a corner lot which she has worked for for twenty years and paid for. She pays $23 tax on that little corner without any exit; it goes nowhere. She has bought it, however, on her wages as a sewing-woman at a dollar a day. There is a church in this city that cost $2,000,000 and is rolling in wealth, and it is not taxed at all, while this poor women is taxed $23 a year for her little corner; and yet this church sets up to teach her morals and says she is a miserable sinner.

Q. Whose chances would you take for the future, this woman's or those who belong to that church?—A. Well, sir, there are very few people in this world who have the strength of charactor to say what they think, and I do not know that I have; so I will keep still. I have been connected with churches a great portion of my life, as I was so placed in business that it was necessary and proper that I should go to church as an example to others, having been connected with colleges and schools. The churches tell me that I am an inferior being, that I must obey the laws, and be tried by the laws, but I have nothing to say about making the laws, and they say I must stay at home and mind my business, but as I have no home to stay in, I cannot stay; that is, I have no husband and children, and that is what they expect us to have, whether we can or not.

Mr. PUGH. You give some very forcible facts, and some strong opinions as to how the law ought to be and how it ought to be executed.

INFERIOR POSITION OF WOMAN.

The WITNESS. The church tells me that I am not made for myself; that I must obey man; but I have not seen the man that has the right to command me, and therefore I do not obey. Therefore, I am breaking the moral law all the time, because I cannot obey anybody. My father is old, and is out in the West, and my brother is dead, and I have no husband; so I have nobody that I can obey, but if I did obey a man I should expect him to be responsible for my actions; if I did anything wrong he should suffer the penalty; otherwise he might tell me to murder somebody and I might be hung for it.

The CHAIRMAN. That would be a good way of getting rid of you. You have certainly stated some very startling facts.

The WITNESS. It is really an important question—this of the condition of women in our community. When I was a young girl I had some ambition, and when I heard a good speaker, or when I read something written by a good writer, I had an ambition to do something of that kind myself. I was exceedingly anxious to preach, but the churches would not have me; why, they said that a woman must not be heard, and to-day, to show the prejudice against us poor creatures, who are really slaves, public sentiment is such that the reporters in public meetings will report nothing that a woman says.

Mr. PUGH. I understand that Mrs. Croly has made a fortune with her pen.

THE BALLOT FOR WOMEN.

The WITNESS. Mrs. Croly is a very remarkable and strong woman; no better woman lives in New York; and I was very sorry to hear her say that women want education without the power to vote. Any woman that wants to vote cannot get into the newspapers. We are so placed that we get no hearing. Churches tell us to stay at home. But what

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is the home of these poor girls? Take a girl who works from seven in the morning until six at night in these large stores—behind counters all day—when she gets back to her home, where does her home lie? It is to be found in some tenement house, with 30 or 40 other families. There is no base-ball club for her, no bowling-alley for her, no gymnasium, no reading-room, no art gallery open on Sunday, no anything for this poor girl when she is at liberty—nothing but a den where there are 30 or 40 people huddled together; she has not even facilities for bathing. How can she grow up to be a great and good woman? Men can go to concerts and entertainments, but women have to wait for invitations. The church tells us this poor girl should go home—perhaps to a drunken mother or a vile father. Where is her home? Will the church provide a home for her? If you gentlemen were in our places you would feel our degradation with a feeling such as no pen or tongue can describe.

By Mr. CALL:

Q. You surely do not mean to say that this is a picture of the condition of the women of New York generally?—A. I say it is the picture of those who have not money enough to take care of themselves—who have not money enough to get any better homes.

Q. Do not men go to these same homes and live in that same condition of poverty?—A. Yes, they do. I have spoken on a broader basis than sex. I speak of the whole human family.

### PICTURE AND ART GALLERIES SHOULD BE OPEN ON SUNDAYS.

The picture galleries ought to be open on Sundays, when the poor men and women can get to them. In Coldwater, Mich., there is a man named Lewis who owns some eight or nine hundred pictures from the very best masters, some originals and some copies. Every Saturday his gallery is open to the public. While waiting for a train on one occasion I went to look at this gallery, and I saw little girls and boys come in with their toes out of their shoes, children of the poorest people apparently, and only five or six or seven years old; but they came into this gallery and walked breathlessly about, not touching anything and scrupulously observing the rules; they looked up at these things and their little minds could not help being elevated by them. The children of this city, with all its great galleries and museums, cannot get such advantages as those. On Sundays, when their fathers or mothers could best take them to these places, the places are closed. The rich people can go to the art museum every afternoon and can show their fine turnouts. They can afford even to buy whole galleries of their own, and put them in their houses, and so *they* do not need the public galleries.

There is a man in Boston who has a fine collection of statuary—Mr. Appleton, whose gallery is open to the people every Saturday. The rooms are warmed with large hospitable-looking stoves, and everything is made pleasant and welcome-like for people. They are requested by placards not to enter any other part of the building than the gallery, and when I was there I saw no one attempt any infraction of this rule. The poorest people whom I saw there never attempted to overstep the line.

Q. In contradistinguishing the classes of people here in New York as "rich people" and "poor people," do you not make a mistake? Is not wealth here, as elsewhere in the United States, exceptional?—A. Oh, I did not speak of it as isolated or confined to this place at all.

Q. Like all other places in the United States, and elsewhere, is it not

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the fact that in New York the majority of the people approach something like the conditions existing elsewhere—that is to say, the property of the community is distributed among the people at large, perhaps 90 per cent. of them being poor in that sense?

RESPONSIBILITIES OF THE RICH.

A. There is no reason why people, whether men or women, should not accumulate property, all that their brain will allow them to accumulate; there is no objection to that; for if that were not the case there would be no stimulus to advancement of any kind. The wealthy people have done great things for the country, undoubtedly, but very much remains to be done. Builders should make habitable homes, and railroads should charge such rates that people may be able to get fair homes in the suburbs of cities, or in the country, and that farmers may get their produce to market at reasonable rates. They should be governed a little by the interests of society. We want wealth, and must have wealth. There has never been a time in history when there has not been wealth, and if the property of this island were all distributed among the people to-day it would not be sundown to-morrow before the relations would be changed. Some people cannot keep money. The strong and clear-headed should be like tug-boats to carry those people on, instead of neglecting them and shutting the doors against them. If a person is born with a small brain he cannot help it. If he has no power of accumulation he cannot help it. If each does his best, that is the most that we can expect of him.

SUFFRAGE FOR WOMEN.

I had not intended to touch on the woman question, because it is really a matter of adjustment, I think, before women can become educated and established and have ways opened for them. We will have to submit to that. I do not say it in any bitterness, because humanity is always the same. There are grand and noble men and women everywhere, and there is no distinction in that regard. But if you gentlemen should take a whole day to think it over, and each of you imagine yourself a woman, with all woman's relations and limitations, I think you could understand it. Take a whole day to it and think it over, and reflect how, if you were a woman, you could not do thus and so—you could not do so many things that are within the grasp and scope of man's power in the community.

Mr. CALL. They do not treat women so badly anywhere that I know of, unless it may be, as you say, here in New York. I acknowledge that things are very bad, certainly, if that is the way they treat their women. But the suffrage question would not help that.

The WITNESS. Do you think, sir, that if I were a member of the board of health I should permit the sanitary conditions that I have referred to to exist as they are? Why, if you should go and ask these people at our city hall here to do their duty in regard to these sanitary conditions, they would simply tell you to go home and mind your own business.

Q. Do you mean that women have no political influence?—A. Well, I suppose every human being has an influence, but in our case it seems to be so little that we can accomplish nothing. What can we do?

Mr. CALL. You can make a man vote the way you want him to.

The WITNESS. Where is mine?

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Mr. CALL. Well, if you have not got one it is your fault; you must not blame that on the men.

The WITNESS. Well, I will not go into that question. But, in all seriousness, I think it would take perhaps two or three hundred years to get women into a condition, as voters, to thoroughly understand or resort to the tricks of men in politics. It would take that time to "educate" them.

WOMEN AS VOTERS.

By the CHAIRMAN:

Q. I suppose you have an idea that women might abolish some of the tricks of the politician's trade?—A. Well, sir, it would take them a long time to learn to dare to do those things that men do in the way of politics—to sell and buy votes.

Q. Do you think that if they could have a vote they would have any anxiety to acquire those tricks?—A. Some would, no doubt, and some would not. If a woman learns a trick, however, she can soon excel a man at it.

Q. If that be so, what would be the effect of conferring suffrage upon women? Would not the effect be injurious to the moral character and high influence of woman, if she should devote herself to the tricks of the politician's trade, which you very properly criticize so severely?—A. If you will permit me to say—I am always a little afraid to tackle these subjects; they are a little too deep for me—but if I may say what I think——

The CHAIRMAN. That is just what we want.

INFLUENCE OF WOMAN SUFFRAGE ON THE CHURCH AND STATE CONNECTION.

The WITNESS. The only unpleasant result that I should anticipate from woman's suffrage is that which might possibly occur from a union of the church and the state. Nine-tenths of the church members are women. They are more devotional, more religious, and more moral than men. I say this, too, with all respect to men, for I think there are most excellent men. Women forming, however, a large proportion of the religious element would naturally place the power more or less in church hands, and there would be perhaps a tendency toward the union of church and state, which a republican form of government should avoid; indeed I do not know but that every other form of government should also avoid it.

Q. You think that by virtue of her being better——

The WITNESS. [Interposing.] More religious, say.

The CHAIRMAN. That it would therefore be dangerous to give her the ballot?

A. Well, it is in that regard only that I see any reason for doubt. I certainly think it would clean our streets, and I think it would purify politics, at least for the next two hundred years. It would take about that time to get women to understand the tricks of politicians as at present practiced. I do not think that women would be injured by it. Men and women are raised in the same family, they go to school together, they marry together, they go to church together, and why they should separate just at that point I do not quite see. It does not contaminate a woman to sit side by side with a man in her own family, or in the church, or at the theater; why should it do so to step up to a box and drop in a ticket stating her wants.

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PROPERTY HOLDERS' RIGHTS.

There is a woman in this city who pays taxes on perhaps a million dollars' worth of property, but she has no vote. A man across the street, who cannot read or write, and who shovels dirt for the plants and flowers and wheels a wheelbarrow in the garden of this same lady, has a voice to say whether a street shall go through her property, and whether her house shall be torn down or not. This woman came to the city of New York thirty years ago, with 20 cents in her pocket, and by her own skill and knowledge of values, and business capacity, has become worth a million of dollars through real estate in this city. Yet she has not a chance to say one word as to the taxes she shall pay or as to the disposition of her property.

Q. Is that the lady who was here yesterday, Miss King?—A. Yes, sir; she has no voice, as I have said, in the disposition of her property, or whether she will have in this city more water works, or less, or whether we shall have to suffer all the inconveniences that result from bad laws and a bad political system, while this Irishman across the street, who works for her, can say what shall be done with her property. Put yourselves in that condition, and see how you gentlemen would like it. She is not a married lady; there is no law to compel her to marry, and if she chooses to remain single why should she not be permitted to have the same right of disposition as to her property that a man has?

By Mr. CALL:

Q. Is not that so with all property owners under a system of universal suffrage? The unit of power that one man has is nothing. Every man's property is disposed of by others, in a civilized community, depending, as ours does, upon universal suffrage.—A. Well sir, suppose you reverse the thing. Suppose that *we* had all the power.

Q. I was only saying that in that respect the point is not well taken. For instance, every property holder here lives in a town where universal suffrage prevails, and where taxes are imposed by the general voice of the people. Property holders are comparatively few, and the people who largely control the Government are non-property holders. Is not that true of people who hold property in every municipality?—A. Well, in a republican form of government the very basis of it is that those who are governed should have a voice as to the action of the government; while with us, one-half of our people have no voice at all, though they can read and write, and are considered fit companions for the other half, who are so very superior to them in political wisdom. This Government is based upon the will of the people—women are "people," yet we have not a word to say about the laws. You will hear women in the course of your acquaintance say they wish they were men; I never heard a man say he wished he was a woman.

Q. Do you think the only reason for that is that they want the suffrage?—A. Yes, sir. They want the power, and I do not blame them.

WHY WOMEN DO NOT GET THE SUFFRAGE.

By the CHAIRMAN:

Q. Why do you think that the suffrage is not extended to women by men—what is the true reason, the radical reason, why men do not give up one half their political power to women?—A. Well, it may arise from a false notion of gallantry. I think most men feel like taking care

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of, and protecting the ladies. They do not stop to think that there are in New England alone 150,000 unmarried women, who can have no help, as things are. It would be all very well, perhaps, if all women had representatives, and if all had a generous, straightforward honorable man to represent them. But take the case of a good woman who has a drunken husband; how can he represent her? He votes for liquor and for everything he may happen to want, even though it may ruin her and turn her out of doors, and even though it may ruin her children. If the husband is a bad man would it not be better for that woman to represent herself?

Q. If she could vote, wherein would anything be changed?—A. I think the children raised would be better in every way. The mother could have something to say as to whether she should have a liquor saloon on each side of her home, so that her children would not have this terrible temptation constantly before them from the time they are brought into the world until they are grown up. If she had a vote she would have nine out of ten of these places put out of the way. It may be said, perhaps, that there are drunken women, too; but for one such woman there are nine or ten drunken men. In the two extremes of life you will sometimes hear it said that there is some drinking. They say that there is drinking in the very highest classes of society and in the very lowest classes, but less in the middle class; but I think that nearly all women of the middle class, all those who have to work for a living, are honest and industrious women, and women whom you could trust if they had a vote—and they are in the majority.

EFFECTS OF SUFFRAGE ON THE MATERIAL CONDITIONS OF WOMEN.

Q. What effect do you think the extension of the suffrage to women would have upon their material condition, their wage-earning power and the like?—A. They would get equal pay for equal work of equal value. I do not think a woman ought to be paid the price of an expert, when she is not herself an expert, but I believe there would be a stimulus for a woman to fit herself for the very best work. What stimulus is there for woman to fit herself properly, if she never can attain the highest pay, no matter what sort of work she does? If women had a vote I think larger avenues of livelihood would be opened for them and they would be more respected by the governmental powers. I do not say it with regard to myself particularly, but I do not see any reason, for example, why it would not be just as proper for me to sit down and copy deeds in a nicely carpeted, well-ventilated room, out of sight of the world in the register's office, or similar offices. Why could not I do that and be entirely respectable and retain all my moral qualities, as well as a man? There is no such place open at present for women. There are over six thousand municipal offices in this city, and not one for a woman, no matter how much taxes she pays.

By Mr. CALL:

Q. Have you heard the testimony before this committee as to the very large number of men that are out of employment in this city—the number that cannot get copying to do or anything else?—A. Well, sir, I have not read it, but I know that such is the fact.

Q. And have you heard or do you know of the very limited amount of wages that men receive?—A. Yes, sir.

Q. Then do you not see that having the ballot does not cure that

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evil; it does not give employment to all these men, nor put them in trades; how could it do so for a woman?—A. All these men are not perhaps fitted for these offices.

Q. But they have no employment of any kind, and how much better would it be for a woman?—A. Well, possibly, if the franchises were equally distributed some of these offices would be given to women—the women would have to take their chances. I suppose some of them would be out as some men are out.

Mr. CALL. There are a number of women employed in the Departments at Washington, and I am in favor of giving them all the offices that they can competently fill, yet I am a man. You could not do any more for them if you had my place.

The WITNESS. Certainly not. But men are always saying, "I let my wife do just as she pleases;" that "let" is good.

Mr. CALL. Well, that is not the way with me. I do as my wife pleases. She "lets" me; and I expect that is the case with a great many men. You do not know all men.

The WITNESS. I know there are a great many good men. But I am serious on this point. I am earnest and honest in my belief that it would advance woman's condition if she had something to say with regard to the laws that govern her. We hear a great deal said as to the freedom of a people who make their own laws, while the fact is that half of us have nothing to say about the laws which govern us.

By the CHAIRMAN:

Q. You make these suggestions, I suppose, on the ground that so far as woman is a laborer, or a capitalist, the relations between labor and capital are largely influenced by the fact that she lacks the suffrage?—A. Very much, indeed, sir. For example, in this city a year ago they reduced the salary of all the lady teachers in the public schools 3 per cent., and all those in Brooklyn 10 per cent.; and at that very same time the salary of the principal of the grammar school was advanced either $1,500 or $2,500 a year. I think he had $4,500, and he was to have $6,000, or something of that kind. Now, they said the treasury was low, and if they did not have money enough to keep these poor women on $600 a year I cannot see the logic of increasing the salaries of others. These poor women are generally the support of somebody—some crippled brother, or aged mother, and when the argument is used that a man's salary is increased because he has a family, the argument is just as good for the increase of the women's salaries, for in almost every case there is somebody depending upon them. There are thousands of women in our cities who are supporting families on half and some of them upon quarter of the pay which men would get for similar work.

MRS. LILLIE DEVEREUX BLAKE. If the committee will permit me to say a word at this point, I would like to state the fact that at the time this reduction was made in the salary of school-teachers, it was the only city department that was touched, and it was the only one that had non-voters. They never touched the policemen or firemen; nor did they touch the salaries of the male principals of the public schools, or of the janitors. There are 3,000 teachers, and nine-tenths of them are women.

The WITNESS. If these women were all voters that never would have been done. It is unjust and unfair. Girls are induced to go through the normal school, to prepare themselves for teaching, and after going through they cannot get anything to do.

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### TOO MUCH CLASSICAL EDUCATION.

The fact is, however, I think we have too much classical education in this country. I have been in the business myself, and have taught all the way from the log school-house up to the highest colleges, and my conviction is that we have too much classical education.

I am very sorry that Cornell University, which was meant to be an industrial school, was turned into a classical school through the influence of the president, who could not bear to have his school rank lower than Yale or Harvard, and the consequence is that the poor farmer's boy, whom it was intended to help to some education, cannot go there. The prices are high, and there is a spirit of aristocracy that keeps such a boy away. It is turned into a classical school, instead of an agricultural or industrial school. If we could have some schools founded by large-hearted men, which would help poor boys to get an education that would fit them for after-life, and where the school would be kept up to its true object and not permitted to fall away, some good results would be reached by it. I do not know how we are going to do that, however. It is an anomaly as it stands. The number of teachers graduating out of our normal schools and colleges have flooded the country with half literary people who cannot find employment, but we have not enough workers.

### TECHNICAL EDUCATION NEEDED.

If the technical part of our education were elevated, and the classical part a little depressed, leaving the Latin and the Greek for those who really have the leisure and the need of them, and giving boys and girls more thorough practical knowledge, it would be much better. When they graduate from our present schools and colleges they are above all manual labor; they are too great "gentlemen" and too fine ladies to do any actual work, while perhaps they are living—some of them at least—on their friends; and, after visiting about in an aimless and useless way for awhile, finally drop out of sight and are never heard of more.

There are hundreds of graduates of normal schools, and of law schools and colleges who are in that condition. They cannot find employment; but if they were to go into trades, or to work in some way with their hands, they might get constant occupation. They are unfitted for this by their classical education. They get their ideas too high. They may all be Presidents. The causes of this are somewhat complex.

### CHANGES IN THE CONDITIONS OF INDUSTRY.

Farming being done so largely now by machinery, and in so large a way, the small farmer is crushed out; he rushes into the cities and small towns and there he becomes lost. Then, there are no small dairies any more; it is one enormous factory. There are no small grain-growers; the grain grows in immense fields now.

So it goes with everything else. Everything is done by steam or electricity, and these people, being thrown off their little farms, come into the cities to find something to do.

If we had evening schools for technical education, boys and girls could prepare themselves for some of the finer handicrafts. There are many forms of decorative art, for instance, that might occupy hands that are now idle; and it seems to me that if some of the public money

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were appropriated to establishments for the education of all this superfluous population we should have the benefit of a great advance in the decorated and ornamental arts and in improved architecture, of which we have a very poor style, I am sorry to say, in this country. There is no reason why smart girls should not grow up to be cultivated, practical chemists, and do many other things that they cannot do now for want of opportunity.

AGRICULTURE AS A MEANS OF LIVELIHOOD.

By Mr. PUGH:

Q. These idle people, by cultivating the soil, could secure sufficient food and shelter and health, even if they could do no more, and all this they lose by coming into the cities.—A. They come to centers. I do not know that we can help that.

Q. Well, they are to blame for that, are they not?—A. Are they to blame—or is the person to blame who buys up all these lands?

Mr. PUGH. There is plenty of soil that they can get; there is abundant opportunity for those who work the soil to secure an abundance of food and good shelter, good clothes and good health.

The WITNESS. How are they going to pay their taxes?

Mr. PUGH. They would not have to pay taxes if they did not own the land; there are plenty of farmers who would employ them; or they could get good homesteads, as a free gift, from the Government.

The WITNESS. It costs more now, you know, to bring a car-load of wheat into town from a place between here and Albany than it does to get it from Chicago.

Mr. PUGH. I am not speaking of the surplus food-crop that they could sell. I am speaking of how they could better their condition by cultivating the soil. You have described the large number of people who live here in tenement houses without good air or good food or good shelter.

The WITNESS. I was speaking then more of the middle classes, who come from the farms and huddle about the towns.

Mr. PUGH. But they came from somewhere and paid their transportation. Instead of coming here if they had gone where they could get free soil they would certainly have secured for themselves plenty of food and plenty of pure air, and good shelter, even if they got nothing more. All these are great blessings, and they lose them by coming to these cities and staying here in filth and rags, and disease and crime.

The WITNESS. The lowest population of this city are not of that class. They never came that way. They came from across the water. Those that are living in the most miserable quarters are not our people.

Mr. PUGH. I can show those people millions of acres of land already opened and fenced and with houses on them, that are unoccupied, where they would have health and would have plenty to eat every month of the year.

The WITNESS. Theoretically this thing works beautifully, but take it practically; here are fifty little farms, with a farmer and his family on each. A man comes along and buys them out one after another. Of course you will say they need not sell, but perhaps they have mortgaged their farms to educate a son at college or something of that kind—the mortgage is foreclosed and the man has nothing left, or hardly anything. Do I understand you to say that you want these farmers to hire themselves to this rich man at a few dollars a month and stay away from their families?

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Mr. PUGH. You do not. That is wholly unnecessary. It is true that these mortgages and such things as you speak of exist, but the people who make these mortgages are themselves responsible. If they would remain satisfied with the condition of a farmer, and a worker of the soil, they would be all right. They would make every year food enough to feed themselves and their families well; clothes enough to keep them warm, have good houses to shelter themselves, and they would have robust children and good surroundings. There is no doubt about that.

The WITNESS. I believe that, sir; but what is exactly good for a man or woman is a very difficult question. In the State of Iowa, one of the richest in the United States for farming, and out of debt, and having the largest public school fund of any State in the Union, forty-nine farms out of fifty were mortgaged to enable their owners to visit the Centennial Exposition.

Mr. CALL. I should think "forty-nine out of fifty" must be an exaggeration.

The WITNESS. I have seen it stated at about that proportion.

Q. Is there any legislation on earth that would remedy that?—A. Well, the question was whether they were not greatly benefited by seeing what they did. Do you not think that a world's exhibition, if properly organized, is of great benefit to people?

Mr. PUGH. I think a man had better keep his money to supply his family with food.

By Mr. CALL:

Q. You think that if the titles had been in the women they would have had better sense than to mortgage the farms in order to see the Centennial Exposition, do you not?—A. Well, I don't know, sir.

The CHAIRMAN. The difficult point in the evils as they exist is to make the connection between the poverty-ridden people in the cities and the free soil at a distance, where, perhaps, if located, they could raise good crops, but as to those people who are in New York and other large places, I do not know how they are to get on to the homesteads that "Uncle Sam" proposes to give them.

The WITNESS. I do not know either.

### FOOD GOING TO WASTE.

In California there are tons of delicious fruits that rot on the ground, and wheat that rots in the fields. In Kansas I have seen corn-fields unstacked, by the acre, while people were starving in the city of New York. They burn the corn in the stoves as fuel. Wood is scarce, and coal mines are far from Kansas, while the soil is fruitful and produces great crops of corn, which they burn as fuel. I do not mean to say that a man does not get his living there, and good air, &c., but he cannot make his own clothes, and he has to pay his taxes.

By Mr. PUGH:

Q. What hope has he of doing these things in the city?—A. It is not that class of people who are in this city that are so badly off, it is these iimmigrants

### ADULTERATION OF FOOD.

By the CHAIRMAN:

Q. Please give us your views with reference to the adulteration of food and topics connected therewith.—A. The working people in our city suffer much from adulterated food. Bread is often made with bad

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baking powder and alum. The English Government attaches a penalty to the sale of deleterious baking powder or of bread made with it. The milk, which forms so important a part of the nutrition of little children, is not always good in the cities. Poor and swill-fed milk produces disease. Under the microscope good milk is found to consist of fatty and albuminous round globules floating in a yellowish water, the globules moving about all the time. Swill-fed milk does not show the same roundness of globule. The globules are elongated and stick together, and, instead of floating in a yellowish, float in a bluish water. There is also found in it foreign matter, no doubt fungus or animal germs. At twelve hours' standing this milk shows *bacteria fungi fibriones*, which Professor Tyndall describes as long, eel-like organizations, tossing the globules aside and wriggling across the field of the microscope. Professor Law, of Cornell University, says that cows drinking water from impure pools containing fungus germs will have these low vegetable growths conveyed into the circulation of the blood and from the blood it is transmitted to the milk. It does not show at first, but, after standing, it shows under the microscope—the same fungus vegetation shows in the milk as was seen in the water. Swill-fed milk has not only fungus but particles of pus. I have here an analysis of pure milk as compared with swill-fed milk, which I would like to have made a part of my statement.

| Pure milk: | | Swill-fed milk: | |
|---|---|---|---|
| Water | 87.40 | Water | 94.00 |
| Butter | 3.43 | Butter | 1.8 |
| Caseine | 3.12 | Caseine | 3.4 |
| Milk, sugar | 5.12 | Milk, sugar | 0.7 |
| Salts | 0.93 | Salts | 0.1 |
| | 100. | | 100. |

You will see from this that swill-fed milk has six per cent. more water and is deficient in the particular of butter.

The packing of live chickens, for transportation, into close quarters, as if dead, and their being sold for food after the long delays of transportation, may be mentioned also as one of the unsanitary features of food.

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NEW YORK, *September* 19, 1883.

Mrs. M. W. FARRER examined.

By Mr. CALL:

Question. Please state your residence?—Answer. No. 439 West Seventy-third street.

Q. Are you connected with any association for the improvement of the working men or women?—A. I am connected with the "Working Women's Protective Union."

By the CHAIRMAN:

Q. Are you the superintendent of that?—A. Yes, sir.

Q. How many years have you been in that position?—A. Since it was established—nearly twenty years ago.

By Mr. CALL:

Q. Will you state to us the nature and objects of the association, and generally such facts as are within your knowledge relating to the con-

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dition of the working women of New York, and any measures which may occur to you for their improvement, either from voluntary sources or by legislation?—A. I am afraid my opinions would not be worth much on that subject, but I will give you some facts.

### THE WORKING-WOMEN'S PROTECTIVE UNION.

The Working Women's Protective Union was established during the war for the employment and protection of sewing and trades women especially—more especially to protect them from frauds by unscrupulous employers, to see that justice was done them; that their money, when honestly earned, should be paid; and the institution was organized for the purpose also of seeking employment for them in the various trades and callings in which women are employed, except household service. That was excepted entirely. We do not furnish anything of that kind. We deal with all classes of trades, however; teachers, housekeepers, and all sorts of out-door labor. We also exclude household service in our collections for the reason that the woman who lives at service has her home where she is, and at least her board, while the poor woman that works out by the day is often deprived of her shelter, and turned into the street when her wages are withheld. In one case I knew of a young girl who sat in the hall-way of her working place all night, when she could not get her pay, because she was afraid to go to the house where she lived. She would not be admitted. She was told in the morning that she need not come back if she could no bring her money. It was to assist that class of women that the institution was established. We receive complaints from working women and attend to their wants as far as possible. We investigate every complaint that comes before us of cases of withheld pay, and if we find it just, we make efforts at the collection of the bill. If necessary, we sue, and, if possible, collect, and the whole amount collected is paid over without any charge. We also keep a bureau of employment, in which we seek by every means in our power to obtain employment for which the women are fitted.

By the CHAIRMAN:

Q. Is it an incorporated institution?—A. Yes, sir; it has been incorporated for a number of years.

By Mr. CALL:

Q. How is it supported; by voluntary contributions?—A. Entirely.

Q. Can you state to us the amount received every year from contributions; how much money do you generally get in the course of the year for the support of the institution?—A. The amount varies; we get anywhere from $3,000 to $5,000 a year; sometimes more and sometimes less, according to the generosity of the public.

Q. Do you rent your house?—A. Yes, sir.

Q. Do you give shelter?—A. We do not give shelter, and we do not give charity. We furnish employment, and we furnish advice and protection, and open, as far as we can, avenues of labor to women.

Q. You collect their wages, I understand you to say?—A. Yes, sir; the wages of sewing and trades women, not of household servants.

Q. You confine yourself to sewing and trades women?—A. No, sir; we help all classes of labor except household servants.

Q. I suppose you mean that you receive their wages where there is any dispute or controversy?—A. Yes, sir; we sue for the wages if necessary, pay all the legal expenses, and take charge of the matter, and

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make it our own matter until it is all settled. Then the wages of the girl are paid over to her without any reduction whatever.

Q. How many people have you found employment for during the last year?—A. Well, sir, we find employment for about from one thousand five hundred to two thousand a year. We have a great many applicants that we are not able to find any employment for. Some are not competent, while others are. We endeavor to suit the person to the work as far as possible.

### THE WORK OF THE UNION GRATUITOUS.

Q. Does your union receive any compensation for getting employment for these people?—A. No; no charge is made either to the employers or the employés. There is no charge or fee of any sort paid to us.

Q. What are the classes of people, in respect to their antecedents in life, that have passed through your hands?—A. I think I may say almost every class, from those who have occupied very fine positions in society, down to the lowest. We have highly educated women applying to us, not only for protection, but also for employment.

Q. What class of employments or pursuits are you able to obtain for them?—A. Employment in the different trades and callings.

Q. In what trades?—A. In paper-box making, for example.

Q. Do you find positions in stores and as clerks, &c.?—A. Yes, sir; as cashiers, accountants, seamstresses, dress-makers, and in fact all the pursuits in which women work. In the higher callings, after they once get established, they are able to take care of themselves.

Q. Do you know how many women there are employed in the different trades and arts in this city; have you ever looked into that subject?—A. I do not know, sir; I could not on the instant tell you.

### COMPENSATION OF WORKING WOMEN.

Q. What are the rates of wages that these women generally receive for whom you get employment?—A. Well, they get different rates of compensation. There are women working in the city of New York making shirts as low as 35 cents per dozen, and some even as low as 25 cents a dozen.

Q. How many can they make in a day?—A. If a woman is a very smart worker she will make a dozen and a half, perhaps, and possibly she might make two dozen. They are very common work, of course.

Q. How many hours would it take her to make two dozen shirts?—A. Well, I think she would work twelve hours, probably a little longer.

Q. At 25 cents a dozen for the shirts?—A. Yes, sir.

Q. They generally get more than that, though, I suppose, say, 35 cents?—A. Prices vary according to the competition in trade.

Q. Does that amount furnish anything like a reasonable support for them?—A. I should think not. They manage to exist; that is all.

Q. They manage to get enough from day to day, I suppose, and no more?—A. I do not think they get enough to eat. I know there are many that do not get enough to eat, but they have to get along with what they can earn.

Q. Do you know how many are employed in that business of making shirts at 25 or 35 cents a dozen?—A. There are thousands. I could not estimate. It would be impossible to estimate how many there are.

Q. Very large numbers, I suppose?—A. Yes, sir; very large numbers. Women are also engaged in tailoring, and the work in that line of business is a little better.

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Q. How much better?—A. Well, not a great deal in the poorer lines.

Q. How much can a woman earn a day in the tailoring business?—A. If she is a good tailoress, and understands her trade thoroughly, she can earn from $7 to $8 a week. If she is an indifferent worker she may not earn more than $3 or $4 per week, according to her capacity.

Q. How do you regard the condition of the women generally in New York, in regard to compensation?—A. I think it is very poor.

Q. Do you mean to say that it is entirely inadequate for their comfortable support—for the procurement of the necessities of life—a reasonable place to live in and good food?—A. Yes, sir; I think it is inadequate to their wants. But, of course, that is not easy to regulate. A competent worker may earn a comfortable living, and a person not so competent suffers accordingly.

Q. I speak of the average. Do they earn enough to give them a good place to sleep in, and good food and good clothes?—A. No, sir; I think not.

Q. You think it is entirely inadequate for them?—A. Yes, sir; I think it is.

Q. Even for the wage workers?—A. Yes, sir.

Q. And if there is any one dependent upon them, how is it then?—A. Of course it is worse then. Nearly all of them have somebody dependent upon them, either an aged father, or brother, or sister. There are very few workwomen that have not got somebody dependent upon them besides themselves.

Q. Besides these voluntary charities, what other remedy would you propose for this state of things?—A. I am afraid that I shall have to leave that to wiser heads than mine, sir. I do not think it is a subject on which I could give a practical opinion.

Q. There has been no effort in that direction, so far as your association is concerned?—A. We endeavor, as far as possible, to get adequate pay for them.

Q. You do that by personal solicitation?—A. Yes, sir; by using our influence personally, and as a society, to get the best possible pay for the labor required.

Mr. CALL. Your society is a very admirable one, I have no doubt, and is doing a most excellent work.

The WITNESS. I have brought with me a copy of our last report, and also a copy of our constitution, if they will be of any use to you.

Mr. CALL. We shall be glad to have them.

Q. What other charitable associations are there, within your knowledge, having the same object as yourself?

### THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION.

A. There is the Young Women's Christian Associations.

Q. Does that afford relief to a large number?—A. Yes, sir; that, however, is sectarian. I omitted to state that ours is not.

Q. What do you mean by that?—A. That we do not ask what is the religion or nationality of a person.

Q. Whether they have religion or not you receive them all the same?—A. Yes, sir.

Q. Does not the Young Women's Christian Association receive them if they have no religion?—A. That I could not answer; but they do not aid anybody excepting Protestants, while we do. That is the difference.

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Q. They are confined to Protestants entirely?—A. Yes, sir; they confine themselves to Protestants entirely, while we are not confined to any religion, nationality, or color.

By the CHAIRMAN:

Q. Have you had occasion to help girls of the colored race?—A. Yes, sir. We furnish them employment, and have also collected their wages.

Q. Are there many such in the city?—A. Yes, sir; quite a number; not so many, though, who come to us, in proportion to the number in the city, because colored women are more exclusively engaged in household service. There are not so many of them seamstresses and workers outside.

Q. What is their relative condition as a laboring population, compared with the white laboring population of the city?—A. I think it is good; quite as good as the white population; indeed, I have seen a great many colored women come to us who seemed a great deal more comfortable than many white women that came.

Q. You think they hold their own in competition with their white friends in this city?—A. I think they do; yes, sir.

DIFFICULTY OF COLLECTING WORKING WOMEN'S WAGES.

By Mr. CALL:

Q. Have you observed whether there was any difficulty in making the collections of the wages of these workwomen when they were intrusted to you?—A. Oh, yes; many times great difficulty. We sue these cases, and have sometimes very great difficulty. We do not always collect when we get judgment, but there is in this State a law of imprisonment which enables us, for anything under $50, to imprison a man for fifteen days if we are not able to obtain any money. I need not say, however, that we do not exercise that privilege unless it is a case where we know they have money, and can pay if they want to.

Q. Do you not think that is a pretty severe law on the poor people?—A. No, sir; not as we exercise it; we only wish that it could be exercised against women as well as men, because there are many among the women who are very unjust to their sex—quite as much so as the men.

Q. Are there not a great many who are honestly unable to pay their debts?—A. Well, when we are satisfied of that we do not press them. We have to use great caution on this subject, and be satisfied about it.

Q. Are the women in favor of a law imprisoning the people for debt?—A. Well, sir, I think some of them would be that suffer from not being able to collect their wages.

Mr. CALL. Under the old Roman law they used to sell them into slavery.

The WITNESS. Well, they do not suffer much here by fifteen days' imprisonment. However, that law does not apply to women at all, though the intention of the law was to apply it to them as well as to men. There was some omission in the act as it passed the legislature at Albany—just enough for them to escape. We do not have to exercise that law very often, but we do occasionally.

Q. You do sometimes?—A. Sometimes we do; we are not called upon to do it very often, and when we are called upon to do it we generally get the money. They find that they are able to get the money then.

Q. What are the amounts that you have to sue for generally?—A.



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We have claims of from 50 cents up. The highest we ever had was $300. We had a breach of contract for $300. We take a claim if it is only 50 cents.

Q. But you would not put a man in jail for 50 cents?—A. No; we should not need to, because he would pay rather than go to jail.

Q. You think it would be better if the law were extended so as to include women too?—A. Well, I do not think it would do some of them any harm. I do not wish, however, to express any decided opinion on the subject, but my experience shows me that we could get the money if the law applied to them as well.

Q. Are there any other facts which you would like to present to the committee in reference to the condition of the working women of New York?—A. I do not recall anything special, unless you desire to question me; perhaps my experience would enable me to answer any questions on that subject that you might ask.

### THE HOME CONDITIONS OF WORKING WOMEN.

Q. Have you any information in regard to the condition of the laboring people, in respect to their homes?—A. Yes, sir.

Q. And as to the rents they pay?—A. Yes, sir.

Q. And the number of persons in the families?—A. Yes, sir. That sort of information comes to us many times a day. We ought to know in regard to their rents and the amount of money they receive.

Q. Please state any facts within your knowledge in relation to these subjects; what kind of premises they occupy, and what they pay for them.—A. Perhaps I cannot illustrate it any better than to give the history of a young girl to whom we had taught the use of a sewing-machine for the purpose of helping her along. She had a mother in ill health, and a little brother and sister. They lived in a rear building, a poor place, somewhere on Nineteenth street. That girl was less than eighteen years of age when we taught her the use of a sewing-machine, and she used to walk every morning from Nineteenth street down to Canal street to her work.

By the CHAIRMAN:

Q. How far is that?—A. A mile and a half probably. I do not know the exact distance. She used to walk down every morning and walk home at night, and do her work in the mean time, and when she got home she would get the supper for the children and get breakfast for them in the morning, and she went through this labor every day. She had to pay $6 a month for rent. There were four persons to be supported by her labor. Her mother was unable to do much, and her little brother and sister were too young to work.

By Mr. CALL:

Q. What wages did she get?—A. She used to earn about $6 a week, so you can judge of her condition. She could earn that much by working very hard.

Q. Out of that she had to pay $6 a month rent?—A. Yes, sir; and food had to be provided for four persons, and she had to get such clothing as she could get on her means. Sometimes she had a little help from ladies.

Q. That is rather a better rate of wages than the average for a girl of eighteen years of age, $24 a month?—A. Well, she was a clever girl. While she could earn $6 a week there were others who could not earn more than $3 or $4.

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Q. You consider that that compensation is greater than is usual?—A. Yes, sir; for a girl of that age it is unusual. She must be a pretty smart girl to earn that, week in and week out. She knew the necessity of remaining in her place. She was in one place six years.

Q. Upon the whole, you regard the compensation of working women as entirely inadequate for their reasonable wants?—A. Yes, sir.

Q. And in respect to the character of houses that they are compelled to occupy?—A. They are very poor.

Q. Are they healhty in their arrangement and condition?—A. I do not see how they can be healthy. It is not possible that they can be healthy with so many people crowded together and with poor ventilation.

Q. Are they generally tenement houses?—A. Yes, sir; they must be. The rents could not be obtained at these prices in any but tenement houses. This young girl's dwelling was in a rear building.

Q. Such apartments rent at from six to ten dollars a month?—A. Yes, sir; and more than that. I do not know of any one who gets rent at less than $6 a month for one room. This family had only one room.

Q. Are they not generally in suites of three rooms together—a kitchen and two bed-rooms?—A. Not usually. Of course there are places, flats and floors, that they could obtain in that way, but as a rule the very poor classes of women, who are obliged to support themselves and families, are not able to pay the rent on such places.

Q. They occupy still poorer apartments?—A. Yes, sir; according to what they are able to pay.

### RENTS IN NEW YORK CITY.

Frequently a whole family will live in one hall-room; it is no uncommon thing for five or six persons to be found living in one room. I understand that from six to ten dollars is the rent for one room per month and fifteen dollars or more for two rooms.

By the CHAIRMAN:

Q. I would like to have you give us some idea of the actual domestic condition of these working people that you have come in contact with; what their idea is of moral and religious instruction, and something of their relaxations and of their social life, what becomes of their children, what sort of education they receive, and some such particulars as these. What we want is a somewhat definite picture of the sort of domestic life that these people live, and their chances in this world, or in any other.

### AN ACCOUNT OF A WORKING WOMAN'S TREATMENT.

A. Well, I sometimes think that their lines fall in pretty hard places. It is no uncommon thing to have a woman come in who has four or five children to support by the labor of her own hands, and that woman may be making shirts for 35 cents a dozen. We have known, in our institution, a case where a woman sat up nearly all night to finish two dozen shirts, and she carried them in on Saturday afternoon and was refused her pay.

Q. Why?—A. She had not got the work in quite in time. It was a little too late—perhaps half an hour. That woman, the one I specially refer to, came to us with tears in her eyes, saying that she had not a mouthful of bread for her children and she could not get her money.

Q. Did she explain these facts to those who owed her the money?—

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A. Yes, sir; and we stated it to them in a letter. We collected the money.

Q. Why did they not pay her?—A. Because, as I have said, she had been perhaps a half hour late.

Q. And they knew her condition?—A. They knew her condition.

The CHAIRMAN. I can imagine how a devil might have done such a thing, but do you mean to say that human beings do such things?

The WITNESS. Yes, sir; quite often.

The CHAIRMAN. It is quite apparent that nobody but a devil would have done such a thing.

The WITNESS. It would certainly seem so.

Q. Your association took some action and got the money?—A. Yes, sir; I gave her the money that night for the work on the two dozen shirts which they owed her, and I told her that we would collect it. I thought the children ought to have something to eat on Sunday. We afterward collected the money for her.

Q. That is one of the many cases, do you say?—A. Yes, sir; that is one of many cases.

Q. Who was it that did that—who was the defendant in that action?—A. Well, I should have to refer to the books to tell you the name, sir.

Q. It was not so exceptional a case that you remember the name, even though knowing the fact?—A. I cannot remember the name, because we have hundreds and thousands of names in the course of the year, and while I could refer to the books and ascertain the name, I could not tell it without referring to the books.

Q. Do you mean that that is anything like a rule?—A. No; that is an exception to the rule. There are many honorable employers in New York. But there are men who do such things.

Q. Do you recollect anything of the number of employés working for the employer in that particular case?—A. No, sir. We did not inquire into that matter, but it was quite an establishment.

Q. What was the work?—A. Making shirts.

Q. In the making of what garments are these sewing women employed here in the city—they make shirts and what else?—A. They finish pants, and are engaged in tailoring, and dress-making, and in making underwear, and almost everything that is worn.

### HARSH TREATMENT OF WOMEN BY WOMEN.

By Mr. CALL:

Q. Is it your observation that these cases of refusal to pay occur more frequently with women than with men?—A. In cases of refusal to pay, I think, as a rule, we have quite as many refusals from women as from men.

Q. Not more?—A. Perhaps more; but we have plenty of them from men too.

By the CHAIRMAN:

Q. Do you collect for men who cannot get their wages?—A. No, sir.

The CHAIRMAN. Then you misunderstood the question.

By Mr. CALL:

Q. I mean is it more difficult for women to collect their wages when in employment than it is for men?

The CHAIRMAN. Do they oftener refuse to pay women?

The WITNESS. I presume they would, although I cannot speak de-

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cidedly on that subject. Of course women have not the power to protect themselves. In the first place these women have not the means to obtain legal redress, only as we can afford it to them. They may not be able, unless they come to us, to get any legal redress whatever.

By the CHAIRMAN:

Q. What classes do you say you aim specially to protect?—A. All classes of sewing and trades women, all women who earn their living excepting those in household service.

Q. You have spoken of those instances where sewing women fail to get their pay and have suffered great distress in consequence. Can you say anything of women that work in other departments? What do you mean by trades women?—A. I mean those who work, for example, at paper-boxes and cigarettes, and at press-work, and the different trades.

Q. Are cigar-makers included?—A. Yes, sir. Everything of that kind, everything at which women are employed.

### MALE EMPLOYÉS BETTER OFF THAN FEMALE.

Q. On the whole, which are the worse or the better off, the male employés or the female employés of the city?—A. I should say the female employés are not so well off as the male. They have not the same means of helping themselves.

Q. Do they get as good pay?—A. No, sir.

Q. And as a rule they suffer more distress, perhaps.—A. Yes, sir.

Q. Which, as a rule, devote their earnings to the greatest extent to the legitimate support of those who may be dependent upon them; that is, whose personal habits are the best?—A. I do not know that I can judge as to the men, but I know the women, as a rule, do devote all their earnings to those dependent on them.

Q. Do you know that they spend for cigarettes or amusements any large portion of their earnings?—A. I do not know of any that do. I know of some perhaps that take more liquor than they ought to. I have seen some of those, but I do not know of their smoking any cigarettes, or anything of that kind.

Q. Then work women do indulge in liquor?—A. Not the class to which I refer—not the sewing and trades women; but there are some women who do some kinds of work, not employed in household service, who do indulge in it—as those engaged in the laundries, for example, and different kinds of rough work.

### NO ORGANIZATION FOR HOUSEHOLD SERVANTS.

Q. Are there organizations that look after this other class that you speak of in their special way, or are they left pretty much to themselves?—A. They are left pretty much to themselves, I think. I do not know of any organizations that have that class in charge.

### THE YOUNG WOMEN'S CHRISTIAN ASSOCIATION.

This other association that you mention, the Young Women's Christian Association, does that perform the same service that your society does, only that it confines its efforts to Protestants exclusively?—A. Well, it does not collect their wages.

Q. What does it do?—A. It finds them employment as far as possible, and I think there are some trades taught there. Type-writing is taught there and several other trades.

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Q. How is it about the children of these women, or their schooling?—A. Well, they are compelled to take their children from school and put them to work, but if the woman is active and intelligent she will send her children to night school.

Q. Are there other organizations besides yours in the city whose business it is to assist to legal redress when it is wanted?—A. No, sir.

Q. Do you know of such a society anywhere else in the country—in any other city of the United States?—A. They have attempted to establish one in Chicago, and also in Boston, but I think they work differently, and I do not know whether successfully or otherwise. We have had requests for information as to how our society was conducted, saying that they desired to establish such a one in their cities.

Q. Undoubtedly the fact that your society exists and would enforce the law has led to the prompt payment of wages in many instances when without that there would have been wrong done?—A. Yes, sir; we feel that the fact that our association exists saves thousands of dollars that we know nothing about, and it is not so much the amount that we collect as the amount we make it unnecessary to collect that is to be taken into account.

Q. From your knowledge and experience, I suppose you would say that an organization of this kind would be very serviceable to the class who are under your protection in every large city probably in the country?—A. Yes, sir; I think it would be very beneficial in every large city.

Q. If there is anything further that occurs to you that you would like to say to the committee we should be glad to hear it?—A. I do not think of anything else.

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NEW YORK, *September* 19, 1883.

Col. EMMONS CLARK, examined.

By the CHAIRMAN:

Question. What position do you hold in the government of this city?—Answer. I am secretary of the board of health.

Q. For how long a time have you held that position?—A. Since its organization, in March, 1866; something over seventeen years.

Q. You have been in military life somewhat?—A. Yes; to a limited extent.

Q. I think you are now the commander of that famous regiment, the Seventh, are you not?—A. Yes, sir.

Q. I presume you have seen a copy of the resolution of the Senate authorizing the investigation upon which we are now engaged?—A. Yes.

Q. We are anxious to learn what you can tell us as to the sanitary condition of the people of this city, and to obtain from you such suggestions in respect to those conditions as you think may be of service in improving the condition of the workingman either in this city or in the country at large. We should be glad also to have any statistics that you may be able to furnish, derived from the operations of the board of health of this city, in order that the country as a whole may make them available. You may make the statement in your own way?—A. I think, perhaps, you would obtain the information you desire to better advantage by questions. I am not very much of a talker—"not in the habit of public speaking," and for that reason I think you would ac-

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quire more information by leading me to some particular point which you may have in mind.

Q. Well, then, you may, in the first place, state to the committee what you do in the discharge of the functions of your office.—A. The duties of secretary of the board of health of New York are much like those that belong, rather naturally, to the position, from the name it bears. The minutes are kept by him and the correspondence is conducted by him with different parts of the country and also the correspondence with citizens of New York; he receives complaints, and has in general a non-executive charge of the affairs of the department. This, of course, would naturally give the secretary a practical knowledge of everything that is being done by the Department through its executive and otherwise.

### THE NEW YORK HEALTH DEPARTMENT.

A department of health has two objects in view, one entirely of a public character, and another of a humanitarian character. The lives of laboring men are supposed to have a public or a business value. It is estimated, I think, that every person that comes to this country as an immigrant, and every laboring man, has a productive value of $1,000 or more. That, I believe, is the minimum which has been fixed by the gentlemen who devote themselves to that line of thought. That being so, it is to the public interest that the lives of laboring men should be preserved, and also that their health should be preserved, in order that they may settle their families and keep them from being subjects of charity. A board of health, therefore, in a city like this, and, indeed anywhere, has for its primary object to preserve the health of the people, to prevent contagious diseases from spreading, to prevent malarial diseases, and also to preserve the lives of the people from the various other diseases which belong to a community like this. On its organization the New York board of health found that no particular attention had been paid to sanitary matters in this city.

Q. When was the board of health organized?—A. In 1866.

Q. Until then there had been none in this city?—A. No, sir.

### ITS GOOD EFFECTS.

At that time the streets had been very indifferently cleaned; the slaughter houses, and other houses connected with the consumption of slaughter house material, were located in all parts of the city—in fact, in some of the tenement districts there were large butchering establishments where animals were butchered in view of men, women, and children, as they passed through the streets, and the blood ran into the gutter in the sight of everybody. The city was suffering from many establishments whose business produced offensive odors. They found that in most of the houses, excepting very modern houses, the only accommodation for the necessary purposes of life were large privies, which were very foul in the summer season, and were not connected with sewers. They found at that time, also, that no provision existed to prevent the spread of contagious diseases. When contagion occurred, measures were inaugurated to put a stop to it, but no preventative measures had been exercised. I mention these things to show what progress the board has been able to make in this city in the way of securing improvements. The public mind (and by the public mind I mean the property owners) was not much disposed to make improvements in the

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interest of health. There was a prejudice, also, among the laboring people against what seemed to be an interference—a prejudice against people coming about their habitations for information, or anything in the nature of inquisitorial intrusion. For several years that was a difficulty. That, however, has been removed, and the inspectors of the board of health are now welcomed to all parts of the city, not only by the rich who suffer in any way from defective drainage equally with everybody else, but also by the very poor. That is a very gratifying progress in public opinion.

### THE NEW YORK TENEMENT-HOUSE LAW.

Soon after the establishment of the board of health there was a tenement-house law passed, giving the board of health special powers to look after the habitations of the very poor. The tenement-house population of this city is very large—larger than that of any other city in the world. By a tenement house, under the law of the State, we mean a house that contains more than three families. Under the law of New York any house is a tenement house that has four or more families.

### TENEMENT HOUSES IN NEW YORK CITY.

Q. Can you give anything like the approximate number of persons who live in these tenement houses?—A. Yes; I had that in mind when I came here. The only figures that I have brought with me are in respect to that. From its peculiar location, New York City has an enormous tenement-house population; that is to say, we are obliged to build houses high here. There are some parts of the city where we have more families to an acre of ground than any part of Paris, London, or Berlin.

Q. Do you know how we compare in that respect with Asiatic cities?—A. I do not know, but we all know that Asiatic houses are not high houses, and it is believed that there are not there anything like so many persons per acre as there are in parts of Europe. This city being situated as it is—surrounded by water—the tenement-house system seems to be a necessity. It was hoped that by the building of the elevated railroads and other means of communication with the surrounding country, as in Philadelphia, for example, the evil of over population might be removed. But that does not seem probable. There is no result in that direction at present. In fact, it seems to be well established that workingmen like to live near their work.

Q. Do you think that that is by reason of any other fact than that it is on the whole cheaper to be near where they work? Suppose the means of transportation out of the city were reduced to the penny rate, how would it be then?

### WHY WORKINGMEN CROWD INTO CITY TENEMENTS.

A. It is not only the expense that seems to be an objection to these workingmen, but the working houses being from 7 in the morning to 5 or 6 in the evening, the time necessary to go to and from their homes, if at a distance, is also an objection. And there seems to be a fascination about a city like this for the laboring people. They are particularly anxious, it seems to me, to be near their work. I have observed that during the last fifteen years, and I am fully satisfied that we are never going to relieve New York of its crowded population by carrying them to homes 5, 10, or 20 miles away. That is, perhaps, an opin-

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ion different from those that have been entertained generally; but I have grown to be of that opinion from observation. That being the case it is the duty of the board of health to look after the habitations of those who are obliged to work with their hands; men whose incomes from their labors are limited. The design of the board is to make the houses which these people occupy as good in every respect as possible; to give people air, light, and plenty of water for the purposes of cleanliness; to make the drainage and plumbing conditions as perfect as possible, and free from any possibility of disease to the people occupying these crowded tenement houses. That has been for several years the effort of the board of health of this city. Their efforts have been confined almost entirely to the improvement of the habitations of the laboring classes and the poor classes generally. Incidentally, the habitations of the well-to-do and of the wealthy people receive the attention of the board, but never except, upon a complaint or upon a call from that class of people. The inspection of tenement houses, however, is a constant routine work of the inspectors.

SANITARY CONDITION OF TENEMENT HOUSES.

Q. Will you give us an idea of the work itself and of the condition in which you found the tenement houses, and what gradual improvements have been accomplished; what the present deficiencies are, and what you would deem advisable to supply these deficiencies? State, in the first place, the condition in which the board of health found the tenement houses of the city in respect to drainage, ventilation, light, general convenience, and whatsoever affects the health and comfort of those living in the tenements.—A. When this board came into existence there were two kinds of tenement houses; one built on purpose for the occupation of many families—four, eight, or twenty families, as the case may be. Another class of tenement houses were those which had been originally private dwellings built for one family, and as the city changed in the business locations and in the location of people able to have a house in a large town like this, the private house became the boarding-house, and finally became the tenement house. Now, houses built for tenement houses at that time were mostly built on lots 25 feet by 100. The object of the builders was, apparently to cover space so as to crowd as many families into it as possible, and the question of light and air had received very little attention.

Q. Had these houses been built without any legal supervision?—A. Without any legal supervision whatever.

Q. According to the will of the owner?—A. Yes; the way lots are laid out in this city; they are in the form of 25 feet front by 100 feet deep. The result was, in regard to the tenement houses, that all the sleeping-rooms—all excepting the rooms fronting on the street and the rooms in the rear of the house—would have no light and no ventilation.

The new tenement houses built at that time, and, in fact, for some time after that, were all of a character in which light came only from the front and rear, and sometimes the rear was obstructed and gave little or no light. But in any case the sleeping apartments were altogether destitute of light and air.

At that time, also, there were tenement houses built two on a lot 25 by 100, leaving a space of 10 or 15 feet between the two houses; and in this space would be a privy, the smells from which in the hot weather would be very offensive to people living in the neighborhood. In many cases these privies were not connected with the sewers, and of course

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the system of scavengering at that time was of the crudest nature; open carts or buckets were used once in a month, or, perhaps, only once in a season, and the whole neighborhood would be made uncomfortable on the emptying or cleaning of these privies. Previous to the existence of this board of health there was no provision by which the owner of the house could be compelled to take care of his property, if it were out of repair or in a filthy condition.

Q. You are speaking now of what sort of houses?—A. Of the new houses that were built on purpose for several families, before there was any legal provision or restriction upon the methods.

The CHAIRMAN. You will not lose sight of the other class?

The WITNESS. No; I am speaking now of houses worse than those—the private houses which had been the habitations of rich people in former years, but had degenerated into being the habitations of the laboring classes; perhaps of a lower and dissipated class. Those were worse even than the houses first described, because, having been built for a single family, all arrangements for drainage, &c., were calculated for a single family, and were of course not adequate to the condition of four, six, or eight families. Domestic privacy in these houses was impossible. There being but one common entrance, the moral effect of habitations converted in that way was anything but good.

Q. How extensive, relatively, were those classes of accommodations or tenement houses?—A. As to the number of tenement houses, we have had two different surveys of them. The most complete survey was made in 1879. Fifty inspectors were employed, men of education and intelligence, to visit every tenement house in the city, to find out the number of families in each house, what the condition of the drainage was, what the condition of sewerage and of the ventilation was, and whether any particular room in any house was overcrowded so that there was danger to life. A complete survey was made and a record made of every house.

STATISTICS OF POPULATION IN NEW YORK CITY TENEMENT HOUSES.

The number of tenement houses in this city at that time—four years ago—(in 1879) was 21,163. In those 21,163 tenement houses there were 160,362 families, making an average, as you see, of about 7½ families to each of the tenement houses of this city. Statistics collected at that time show that the average number in each family is about 4½. 160,000 families in tenement houses, with 4½ to each family, make 720,000 people living in the tenement houses of this city in 1879. That was when the tenement house act was amended, by which every man building such a house is required to submit a complete plan of what he proposed to build, and that plan must be approved by the board of health before he can proceed with the erection. Since the law was passed, and since the improvements referred to have been required, there have been built about 4,500 tenement houses, which, also include what we call here "apartment" houses or "French flats," some of which are very large and elegant, but still, under the definition of the law, come under the operation of the tenement-house act. They are, however, but a small factor in the whole number.

Q. Before this act of 1879 had such buildings been erected without any public supervision?—A. Yes; except as to the strength of materials. We have a department of buildings, and they look after the question of the strength of the walls, &c.

Q. But without reference to sanitary conditions?—A. No.

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Q. That department, I suppose, existed before the board of health was organized?—A. Well, I think about the same time. Formerly there was no supervision at all, even of the strength of the walls; but owing to the falling of buildings occasionally, from weakness of walls, a department of buildings was provided.

### NEW TENEMENT BUILDINGS PER ANNUM.

Since 1879, when this law was passed, there have been erected 4,500 buildings, being at the rate of about 1.500 buildings of that character each year. And this includes, as I said, the fine apartment houses in the upper part of the city, though they are a very small proportion of the 1,500. These 1,500 houses, built during each of the last three or four years, are designed to accommodate 30,000 people.

So that now, besides some houses that four years ago were tenement houses, but have been converted into warehouses and stores, it is safe to estimate that the tenement-house population of the city of New York to-day is something over 800,000 persons.

### OVER ONE-HALF THE POPULATION OF NEW YORK CITY LIVING IN TENEMENT HOUSES.

Mr. PUGH. Over half the population of the city live in houses having more than three families?

The WITNESS. Yes.

Q. What is the population now of the city?—A. I cannot say exactly.

Q. Something like 1,200,000, I suppose?—A. Yes. It is to be supposed that some tenement houses are torn down to build factories and stores, and people have moved into others that have been constructed.

Q. And then the population grows largely, of course—thirty to forty thousand a year?—A. Yes, the population is of course growing rapidly. That we know from statistics.

### NEW TENEMENT-HOUSE ACT.

In 1879 a very stringent tenement-house act was passed by the legislature, instigated by the board of health and a great many gentlemen of this city interested in sanitary reform, who believe that the interests of the city require that inasmuch as we are obliged to have these tenement houses here to a greater extent than in any other city, they should be made as comfortable and healthful as possible. This law requires that before the foundation of a house is laid the party proposing to build it must submit to the board of health an exact diagram showing the elevations and ground plan, and showing exactly how each room is to be ventilated.

### LEGAL RESTRICTIONS IN BUILDING TENEMENT HOUSES.

This law requires that there shall be no room in a house erected after the passage of that act without an opening directly into the open air. That is a very important point, as you must observe. This law requires that a house shall cover only a certain percentage of a lot. Formerly a house might cover a whole lot. Now they can only cover 65 per cent. of it, but if the plan secures ventilation and light in a proper manner the board of health can increase the extent which the house may cover to 78 per cent. of the lot, and no tenement house can be built within ten feet of the rear line of the lot.

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By Mr. CALL:

Q. They are allowed to cover seventy or eighty feet, you say?—A. 65 per cent., but the board of health may consent to their covering more, provided proper provision is made for ventilation and light.

Q. How much more may they then cover?—A. The board of health have adopted 78 per cent. as the maximum.

By the CHAIRMAN:

Q. What spaces are there on the exterior of the lot?—A. The general tendency is to build on each side, midway, a large shaft, into which all the interior rooms, such as bed-rooms, can open, and that shaft either opens directly into the open air or has at the top of the shaft a covering with louvres, giving an air space equal to the entire space of the shaft.

Q. There would be no party-walls, as they are called, but a space between the tenements?—A. Well, no. There would be a party-wall for a part of the distance; for instance, a party-wall running back twenty or thirty feet, then a large shaft, then again the party-wall would continue.

PROVISION FOR LIGHT AND AIR.

By Mr. CALL:

Q. You mean by a "shaft" an open space?—A. An open space running from top to bottom.

By the CHAIRMAN:

Q. Like a chimney?—A. Yes.

By Mr. CALL:

Q. When you have not that you have it open at the top?—A. The shaft may be open at the top and with a drainage at the bottom, so that the air and rain may come in, or they generally have it covered and with louvres or openings at the side like a window shutter. The law requires that that amount of opening in the louvres shall be the same size as the shaft itself. That is the way with the cheap houses, but in the large apartment houses instead of having a shaft they have a slot running in; what I mean by a slot is something from the rear running right in. In the large houses they run large slots, as I would call them, into a house to give light, but in these smaller houses shafts are built.

By Mr. PUGH:

Q. That law does not affect tenement houses built before its passage?—A. No, sir.

The original tenement-house act gave the board power to improve tenement houses and they have been doing that constantly by compelling the owners, where there are no openings into the the external air, to cut windows into the archways and the external rooms, but that is not entirely effective, because when the winter comes and these people need the air they are apt to nail these windows up in order to keep the warmth in. A great many improvements were made under the old law in this respect, and the tenement houses, as I have said before, are at present a constant subject of supervision. Our inspectors calculate to visit every tenement house, whether there is any complaint in respect to it or not, about four times a year.

SANITARY REGULATIONS.

We require all the poor habitations to be whitewashed twice a year, though that is not always done. Where good care is taken of the

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property it is considered rather too much to ask, but that is the law and wherever a house is filthy the board of health order it whitewashed.

Q. Did you hear Miss Helen Potter's statement before the committee as to the condition of the tenement houses and the people living in them?—A. No, sir; I did not.

By Mr. CALL:

Q. Does your board regard the covering of 78 per cent. of a lot, and leaving only the remainder open as sufficient for pure air, ventilation, and health?—A. Well, it is regarded as reasonable in this city, where the land is so valuable and the people are so crowded.

Q. Suppose the land was not valuable, would it be sufficient then?—A. Well, we should like every man to have about ten acres about his house if we could.

Q. But ten acres are not necessary for air, are they?—A. No, of course not. Perhaps I ought not to have answered your question in that way. But in this city, situated as we are, if everything else is properly done, covering 78 out of a 100 feet gives proper ventilation.

### NEW YORK CITY—ITS SANITARY LOCATION.

Q. How is it regarded elsewhere, in the sanitary laws of the other large cities of the world, London, for instance?—A. There is no other city so situated in a sanitary aspect as to compare with New York. There is none so well surrounded by water, none having a sewerage system and facilities for sewerage equal to New York, where the sewers flow directly into rivers in which the tide rises and falls five or six feet a day.

### THE DEATH RATE OF NEW YORK CITY.

Mr. CALL. We have had the sworn statement here that the death rate of New York as compared with London and Paris was nearly twice as great.

The WITNESS. Well, that is not so; it is only a trifle greater. Whoever made that statement was not well informed.

The CHAIRMAN. I think it was stated that our death rate is thirty-two in one thousand, while that of Paris is only twenty-two and London only nineteen.

The WITNESS. Of course, we have the figures in our department. But there is not a great difference. All that I would account for, if you will allow me. They say New York is so healthfully located that it should be the healthiest city in the world.

Mr. CALL. There is no doubt about its natural advantages.

The WITNESS. In the first place nearly all the immigration that we have to this country comes to this city, and nearly all the shipping. The immigration is very large. The most desirable part of it leaves New York immediately for the Western, Southwestern, or Southern States. They go out to be farmers. The aged, the infirm, the dissipated, and the sickly—everything that is undesirable—remains here in New York. Consequently our almshouses here are filled with the very worst part of the whole immigration. That is one reason why the death rate is greater. In other cities, for instance, Brooklyn, and perhaps some of the foreign cities, all their penitentiaries and almshouses are outside of the city and do not count in their death rate. Then there is another thing: New York is so located, being an island, that no person can be buried without having a permit. No dead man can be passed

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out of the city of New York without a permit from the board of health, There is no city in the world where they have so complete a record of the deaths. Neither London nor Paris have so complete a record. Again, people come from all over the country to the city of New York for treatment. There is no place perhaps in the world where there are so many sick people who come for treatment and die as New York. Our physicians are celebrated and New York is the great center of the country. There is no place where there is so much of a death rate from that source as there is here.

Mr. CALL. That is not very complimentary to the doctors.

The WITNESS. Well, these people come here after they are really past cure.

INFANT MORTALITY IN NEW YORK.

The CHAIRMAN. There has been a statement made by somebody that ten thousand infants die here every year.

The WITNESS. That depends on what you call an infant. We generally call children infants until they become five years of age.

The CHAIRMAN. And the statement was made that more people die here than are born here and that the growth of the city is coming in from outside.

The WITNESS. Well, that only shows how recklessly people make statements. They say that more people die here than are born here. It is not so, however, because in the city of New York we have a perfect record of the people that die, but of the people that are born we do not have a record probably of two-thirds, nor perhaps of much more than one-half. A man as I say cannot be buried without there being a record of the fact, but hundreds and thousands of children may be born and we know nothing of it. They do not report births as they ought to do to the board of health. There is no law by which they are required to report it. There is a penalty of $10 if the doctor or midwife does not report the birth, but they do not report them all. People make statements of that kind because they do not understand these facts.

By the CHAIRMAN:

Q. You think there are a great many births that are not recorded, even where there is no special motive for concealment?—A. It is due principally to the carelessness of the doctors. I will guarantee that if you pick out ten doctors here, and ask them the point blank question if they have reported all the births, in the past year, of which they have had knowledge, there is not one of them who will not say that he has not done so. Unless we had men to send to every house every week, and ascertain about the births, we could not get correct information. Abroad they have laws providing that the children that are not recorded are illegitimate.

Mr. CALL. That would not make them illegitimate.

The CHAIRMAN. It would be so presumptively.

Mr. CALL. That would not do. You cannot make children illegitimate that way.

The CHAIRMAN. You can raise a legal presumption of illegitimacy.

Mr. CALL. Of what value is that?

The CHAIRMAN. It is only of value as regards the burden of proof.

Mr. CALL. No such law would work anywhere in the world.

The WITNESS. In such cases they would have to prove the legitimacy of the child

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The CHAIRMAN. There is always, of course, a presumption of legitimacy, that is a natural and reasonable presumption.

The WITNESS. Nothing of that kind can be done here; nor can we have a police inspection to go about and inquire into people's business. Our people will not submit to anything of that kind, so that it is impossible in this city to get a proper record of births.

By Mr. CALL:

Q. Why do you not impose a fine on people for not reporting?—A. We do not know when the doctors officiate, nor the midwives either.

Q. How do you find out about a man's death?—A. A man cannot be buried without having a doctor's or a coroner's certificate. If there is anything suspicious about a death the coroner has to give a certificate, and there is not a ferry company or a railroad company that will take a body until some certificate is given either from a doctor or from the coroner.

SEWER-GAS—HOW AVOIDED.

By Mr. PUGH:

Q. Is there any communication from the bed-rooms of these houses to the sewers so that the sewer-gas could find its way into the bed-rooms of tenement houses, say from stationary wash stands?—A. Well, they have in all good houses these wash-stands.

Q. Stationary?—A. Yes.

Q. They let in sewer gas, do they not?—A. No; because we require that they shall be trapped.

Q. But the traps are utterly insufficient to keep out the sewer gas, they say.

The WITNESS. Who says that?

Mr. PUGH. That is the received opinion of physicians—that you cannot exclude sewer gas by a trap.

The WITNESS. That is not the opinion of the sanitary authorities here, nor of all good sanitary authorities. The opinion of the sanitary authorities here, and of the plumbers, is that a trap is a perfect preventive of sewer gas, and the simplest trap—the trap that we use here, and the one that the board of health recommends—is simply one that bends like the letter S, and that simply holds the water.

By Mr. PUGH:

Q. But sewer gas goes through water, does it not?—A. Our best chemists and sanitary men here say differently.

By the CHAIRMAN:

Q. How is the trap arranged; horizontally?—A. It is arranged so that part of it is always filled with water. Then, besides that, there is a waste-pipe leading out through the roof so that no pressure can come on these traps. It was said that the pressure from the tide brought a pressure to bear on these traps, so now we have a main waste-pipe that extends through the roof. We have, therefore, done away with any possibility of a trap being forced.

Mr. CALL. It is certainly a great improvement on the old system.

The WITNESS. Oh, yes.

CROWDED APARTMENTS OF THE POOR.

Mr. CALL. A witness testified here this morning in regard to the condition of the laboring classes, and said that there was a case that had

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come under her observation, where eight families, taking in some forty people, were living in one room in a subcellar in this city.

The WITNESS. I appreciate entirely the good intentions of people that make such statements, but they have not facts to justify them. There are no facts to justify such a statement.

The CHAIRMAN. I think, probably, this must be very well authenticated, because there were two very intelligent ladies that went through the place and saw it.

The WITNESS. We have our inspectors going through the city.

The CHAIRMAN. This was a basement.

By Mr. CALL:

Q. What I was going to ask was this: Under your present system is it possible that such a thing could be allowed? Would it not come to the notice of the authorities; and are there not some means, by law, by which something could be done to remedy that by removing these people?—A. Yes, sir. In the first place, the board of health prohibits the occupation—it has the authority to prohibit the occupation—of cellars in this city that have not one-third of their height above the sidewalk, and even then, if the cellar is damp or not thoroughly ventilated, they can prohibit its occupation. During the last fifteen years we have emptied every cellar where there was any danger from people living and sleeping in them. And there is not any truth in the stories that there are such cellars occupied as human habitations; that is simply humbug. It is not so.

Q. You have legislation, then, directed to remedy that?—A. Yes, we have been often obliged to call on the police force to force those people out. A cellar cannot be used at all as a means of habitation without a permit from the board of health. In the next place the board of health have from year to year compelled the vacation of those places.

Q. I suppose you could vacate any apartment as well?—A. No; we could not do that unless it is in such a condition from want of repair that it is dangerous or unless it is affected by contagious diseases.

Q. Then, if you were to find forty people in one room there is no power under the law to remedy that?—A. Oh, yes; we can remedy a case of overcrowding. If a place has too many people in it it is our duty to see that part of them are removed, but we cannot say that everything must get out of the house.

Q. It is within your power, then, under the law to have things so arranged as to give enough air and space?—A. Yes. The trouble here is that people are obliged to build high and occupy small apartments. But you do not find any forty people crowded into one room.

## TRAMPS LODGING HOUSES.

To keep a lodging house a permit has to be obtained from the board of health; where tramps go or where people pay 5 cents or so for a night's lodging, in places generally called tramp-houses, they have to have a permit to keep such a house.

Q. Can you describe such a house, where they pay 5 cents or so a night?—A. At this season of the year they do not exist. In the summer season what are called the "tramps" are in the country parts. It is only when the winter comes that they crowd into New York.

The CHAIRMAN. I wish you would state to the committee in a systematic way the sanitary laws that you would prescribe in the building up of a large city. The country is only partially built now, and I would

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like to get your suggestion so that people may avail themselves of them in other parts of the country.

The WITNESS. I could write them out for you to much more advantage, because I am not much of a talker.

The CHAIRMAN. I think you have entirely disproved that statement this morning.

The WITNESS. I could satisfy myself and you much better if I had an opportunity to write it down. But I desire to be as useful to you as I can, and give you all the information in my power.

The CHAIRMAN. We will take a short recess now, and after recess you may proceed.

After recess the examination of Colonel Clark was continued, as follows:

The CHAIRMAN. You had stated the condition in which the board of health had found the city, and were going on to state the changes that had been accomplished by the board, when a diversion in another direction took place. I should like you now to please go on and state first what improvements you made, and afterwards I will ask you to state what further may be done.

## PLUMBING IN NEW YORK CITY.

The WITNESS. I think I stated that about three years ago there was an act passed by the legislature which placed the plumbing of new buildings in the hands of the board of health; that is, so far as the preliminary approval of the plans was necessary. In a general way the board of health has looked after the plumbing in tenement houses, and also, when complaints have been made, in private houses, during the whole period of its existence.

The interest in that particular subject has been growing for a few years past, until this law was enacted by which, whenever a building is to be erected of any kind, a tenement house, a private building, or a factory, the builder must submit to the board of health a plan or drawing showing the proposed plumbing in every particular, where the pipes are to be laid, where the traps are to be, of what they are to be constructed; the size of drains, pipes, &c., all are to be laid down on the plan and then specifications as to the materials to be used; all those have to be submitted to the board of health. When approved a duplicate is submitted to the builder; and we have inspectors to see that that plan is carried out.

In that way the new houses are being plumbed on correct principles as far as the best engineering and sanitary knowledge has informed us—as far as they have arrived at conclusions and rules on the subject.

I would state, too, that our rules regarding plumbing are being adopted in all the cities of the Union. The reason why they are so adopted is, I suppose, because they are carefully made, and because scientific experts and practical experts in plumbing and draining were consulted before they were adopted.

By the CHAIRMAN:

Q. What changes, if any, have the board been able to accomplish in the tenement houses which existed at the organization of the board?—A. The changes in tenement houses as they existed are not entirely satisfactory. It is impossible to make changes without removing parts of the buildings and building shafts, and doing a great many other things;



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but by cutting windows to some of the rooms that had no light or ventilation, and by cutting fan lights over doors a great improvement has been made, also by requiring the halls of the buildings to be ventilated and improved.

PRIVIES.

A great improvement has also been accomplished in the matter of these large open privies. When such a privy is now within 15 feet of any window they require it to be removed, and what are called "school sinks" to be substituted in place of them. In many of those large tenement houses there are many objections to the kind of plumbing which you would have in a private house; that is, the habits of the people are such that the water closets would be obstructed and injured. The people are not found careful enough for some of these improvements, therefore the privies in the yards are continued, but they are made upon a different principle.

THE APPROVED PRINCIPLE FOR AN OUT-DOOR PRIVY.

I will explain to you, if you please, what is the approved principle for an out-door privy. It is called a school sink, because that class of sinks were first introduced in the schools of this city. It is a large iron trough with the seats above it. These troughs are kept filled with water. The janitor of the building who has charge of it overnight removes the plug from this trough and lets the water in to fill it, and then the next morning adjusts it. Of course, the fœces dropping into this water, there is no smell from it, and, being removed every day, there is no fermentation and no odor arising from fermentation. So that a school sink between two tenement houses on the same lot, if properly cared for, gives no smell any more than if it did not exist; whereas, with the old privies they were a constant source of trouble, and gave forth odors that are known to be detrimental to health. That has been a great improvement effected in tenement houses.

Connections have also been required to be made with the sewers, so that the waste water—what some people call dish-water or slops—can be carried off into the sewers instead of being thrown into the streets or yards. That is another great improvement that has been made.

Q What improvements have been made with reference to the supply of water, or light, or ventilation, although I believe you have mentioned the matter of ventilation?—A. Yes; ventilation, so far as old houses are concerned, and I think, new houses also, is secured by having air-shafts, &c.

THE WATER SUPPLY OF NEW YORK CITY.

As far as the water supply is concerned, that is an element at the present time of great danger in the city of New York. As the city has increased in population, and on account of the elevated railroads, a deal of water is used, and large manufacturing establishments are constantly growing up so that the water supply which a few years ago was abundant is now short. That is, in many of the houses where it used to reach the third or fourth floor it will now rise only to the second and perhaps only to the first floor, and in some parts of the city, at certain times in the day, you will only be able to turn the water on in the basement.

We attribute much of the disease of the past two or three years to

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the want of an efficient water supply. You are probably aware, however, that arrangements are being made to add largely to the water supply of the city.

The device of water meters has been introduced with a view to prevent wastage of water, but it has not entirely accomplished the result; there is still a great waste of water. For people have had so large a supply for many years that it is very difficult to teach them not to waste the water; and in the winter season nearly every householder is guilty of an offense against the public interest in letting the water run all night from the faucet in order to prevent the freezing of the pipes, and sometimes the whole storage of water has been nearly exhausted by people allowing the stream to run all night.

The board of health has had this subject under consideration, but see no way of relieving the difficulties under which the city is laboring now, except what is proposed, that is, to have another aqueduct or dam at the Croton, by which the supply can be largely increased.

### TENEMENT HOUSES.

Q. Do you think that the tenements as they existed in 1866 have been so modified that they are as healthy as they ought to be for occupation by human beings?—A. Well, I could hardly say that they are as healthy as they ought to be.

Q. Is there anything further that the board of health could, under the law, accomplish in that direction without the tenements themselves being replaced by new and better structures?—A. Well, in some cases—indeed in many cases—the tenements might be improved by removing the tenants and making very great and expensive changes in the building, but the board of health has not ventured upon that.

Q. You have not the power to direct the tearing down of premises, I suppose?—A. Not except in an extraordinary emergency. In such an emergency they might do it. In many cases we have vacated buildings—had the tenants all removed—but that was only where the building was infected by contagious diseases, or where the building was in such repair as to make it dangerous for people to live in it.

The spirit and tendency of the law under which we act, however, is that we are not to do anything of that kind, but that simply, if a place is dirty or wants repair, to see that that is remedied—not subject the owner to great loss by closing up his building, by tearing it down, or anything of that kind. In fact the law limits us, as I have said, to these two contingencies—where the house is infected by contagious diseases, or where the repair is such that the house is dangerous.

Q. Can you limit the number of persons who shall be permitted to occupy these houses?

### LIMITATION UPON NUMBER OF PERSONS IN LODGING HOUSES.

A. We do limit that. There must be so many cubic feet of air to each person. When an application is made by anybody for a permit to keep lodgers that question comes up for consideration. That is the sort of case in which overcrowding has been very noticeable. In giving the permit we say that in this house there shall be only so many lodgers, perhaps fifty, or twenty, or whatever the number may be. The house is measured by the inspector, when he reports on the application for a permit, and the limitation is made.

Q. Now, practically, how are you able to carry out these regulations?

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You can make them, but is it possible for you to see that they are enforced?—A. When there is any epidemic or contagious disease prevailing, like small-pox, or typhus fever, we send inspectors at night to go to these houses and to see how many people there are living in them, and if we find that there are more people than are allowed, we take away the permit, and if they take lodgers in spite of that, then we prosecute them.

Q. What becomes of the people who occupied the place—the surplus lodgers?—A. They go elsewhere. If they cannot find accommodation at the cheap rate (at ten cents or so a night) they go to the station-house.

Q. They can go to some other house and overcrowd that, can they not?—A. They can go to another house or to the police station.

Q. And until the other house was complained of you would not be aware of any overcrowding in the other house?—A. Possibly that might be done.

The CHAIRMAN. It seems to me you might be very much embarrassed with such a floating population in the full execution of the duty, however wise the efforts might be.

The WITNESS. That is true with the sanitary laws as well as with all our other laws. We have many good laws but they are not always executed.

### THE CORPS OF SANITARY INSPECTORS.

Q. What number of inspectors do you have at your disposal?—A. We have in the first place fifteen inspectors, all of whom are physicians of good standing and intelligence, and the city is divided into fifteen districts.

Q. Are these inspectors employed exclusively in that capacity?—A. Yes, they are simply sanitary inspectors.

Q. And all their time is at the disposal of the city?—A. Practically. They are doctors and have office hours in the morning, and may do some practice, but they are supposed to give most of their time to the duties of the board.

Q. What salaries do they receive?—A. I think it is $1,600 a year.

Q. And there are fifteen such officers for the whole city?

### VACCINATING CORPS.

A. Yes. Then we have what we call the vaccinating corps or contagious-disease corps, consisting of about ten or twelve doctors, who give their entire time to the work of looking after cases of contagious diseases; that is, they give gratuitous vaccination. They go from house to house and see whether all the children have been vaccinated. They go to the schools and if there are any cases of small-pox or any other contagious disease reported, they visit the houses and see, if they can, where the disease came from, or what was the cause of it.

Take, for example, cases of small-pox. We have in this city a great exemption from small-pox, undoubtedly attributable to the great care exercised in preventing its existence here. If a case of small-pox occurs the doctor reports it to the board of health. We immediately send two physicians—our inspectors—to go to this house and see, in the first place, if it is small-pox. If it is found to be small-pox, and if the person is in a private house or where he can be isolated, the patient is allowed to remain at the house; if in a tenement house, a lodging house, a hotel, or any place where the patient cannot be isolated, then

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he is sent to the small-pox hospital on Blackwell's Island. We have an ambulance to take him to that hospital, where they have very superior hospital accommodations for a person sick with that disease. As soon as that is done, these doctors, having ascertained where this case came from, follow it up and try to reach everybody who has been exposed. They also vaccinate all the people on that block who have not been vaccinated and on the street opposite. They send two or three or four inspectors to vaccinate the people in that vicinity. We often have cases of small-pox coming here from other parts of the country, and by this means we find them out. For the last ten years there has been less small-pox in New York than, perhaps, any other city in the world—all owing to the system introduced here, and which system is being introduced, more or less, into other cities.

Q. Do the police officers co-operate with you?—A. Yes.

Q. In what way?

SANITARY POLICEMEN.

A. We have thirty policemen who are detailed to do sanitary work in connection with and under the board of health. Besides that the police department co-operates with us in everything. For instance, we use their telegraph to report cases of small-pox or other contagious diseases. There has never been any lack of reasonable co-operation on the part of the police with the board of health in that matter.

Q. I suppose, of course, you are confronted with a natural opposition on the part of property owners to any radical changes that you think ought to be made?—A. Yes; that was quite a common thing in the beginning, but there is less of it now and less every year—less opposition from property owners.

In the first place the powers of the board have been well established by litigation so that property owners know that the board are empowered to do what they propose to do. That, of course, removes a strong objection. Then these large estates here in New York are generally controlled by men of liberal views, and withes tates like the Astors' and the Rhinelanders' and similar large estates, we have never any trouble whatever. In the first place, they find it to their interest to keep their houses in perfect order, and a notice from the board of health is promptly complied with.

The difficulty we have in procuring changes and executing orders is with property that is in litigation—property owned by an estate, and which perhaps may be embarrassed by mortgages, or the owners of which may be abroad living in foreign countries, and having an agent here simply, whose business is merely to collect the rents without much regard to the property. We have a difficulty in enforcing orders sometimes with such property, and in some cases it is almost impossible to find who the owner is. The property may be in litigation and may have been so for years.

Q. In such case as that you must have some peremptory power, of course?—A. Yes; we can go on and do any work that is necessary there and make it a lien on the property. But we have not availed ourselves of that because the law has been somewhat defective, or, at any rate, the rulings of courts have been so that they seem to be very tender here about having personal service on a man, and a good many of these liens that have been made—and in that case of course the city furnishes the money to do the work—the liens have been set aside. We applied on several occasions for a law by which the posting of a notice upon the

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building would be a service, but we have never been able to secure a law of that character. That is really the weak spot in our health laws.

Q. To what extent are these tenement houses in litigation; or to what extent is there an uncertainty as to their ownership?—A. Well, it is a very small percentage. I would not undertake to say whether it was the one one-hundredth or the one three-hundredth or the one five-hundredth part, but it is a very small part.

The CHAIRMAN. I remember that we went into one tenement house that seemed to have, I should think, four or five hundred people in it, and they all, so far as I saw, seemed to be living in such rooms as you describe. The house must have been built before 1866. It had a front room and back room and a connecting room, a dark apartment, which was a sleeping room, and from this same sleeping room was a room with a stove in it on which stood a kerosene lamp, and a woman was doing the day's cooking on this stove in the center of the room.

The WITNESS. That is a difficulty in New York. No other city is like it because no other has such a large tenement population.

The CHAIRMAN. It requires considerable power to be able to take down such a building. On the exterior, this building that I speak of, looked rather like a comfortable building.

### NO REMEDY FOR CROWDING IN CITIES.

The WITNESS. To gentlemen like you of the committee, who have seen the rooms and the air that people have in the ordinary cities and villages of the country, and then go through our city tenement houses here, it looks, of course, as if they must be very crowded, and so they are. One would hardly think they could exist in such crowds, and yet there seems to be no remedy, no way of giving them more room.

The CHAIRMAN. I suppose you hardly expect to see the time when these tenement buildings will be replaced by new ones.

The WITNESS. All the worst tenement buildings that we have had are being gradually removed. There is a great change every year. These buildings are torn down either for a factory or a storehouse. The manufacturing interests of New York are increasing with great rapidity, and they are taking up many of these poor buildings.

Q. When these buildings are converted into factories do the operatives find any better accommodations so far as ventilation, light, &c., are concerned?—A. Well, the new buildings put up within the past five years are superior, and are sought very much by the better class of the laboring population. These new tenement houses are very much sought by them. I think the tenement-house people are being very much instructed, they receive our inspectors differently. They receive them now with great pleasure, and seem to regard the board of health as a friend who is determined to see that they are taken care of. I noticed in the New York Times this morning something to show what is done each summer by the board of health during the hot weather to bring relief to the sick children of these tenement houses. Besides this regular force I speak of, we put on fifty inspectors or physicians during the hot weather to look after the health of these people. The item in the Times says:

#### WORK OF THE VISITING PHYSICIANS.

Sanitary Superintendent Day presented to the board of health yesterday a summary of the work performed by the summer corps of visiting physicians.

That is these fifty extra men who give their whole time to going from

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house to house, and who also report anything to the board of health that should be corrected.

During their term of five weeks, service—

That should be two months, because they were on two months—

they visited 43,915 houses, containing 198,932 families; prescribed for 6,601 patients, and distributed 24,631 circulars—

These are circulars that are distributed every summer, as to the care of sick infants, written in plain words, and in different languages, in order to instruct the mothers how to take care of their children when threatened with sickness, or when sick with ordinary summer complaint—

and 5,195 tickets for the excursions of the floating hospital of St. John's Guild. Of the patients treated 3,264 suffered from diarrheal diseases, 986 from diseases of the respiratory organs, 285 from contagious, and 2,086 from miscellaneous diseases. Twenty-eight of the patients died, 10 of them from cholera infantum, 5 from diarrhea and dysentery, 2 from gastro-entritis, 2 from diphtheria, 1 from scarlet fever, 5 from measles, 2 from pulmonary consumption, and 1 from marasmus. The special disinfecting corps in charge of Sanitary Inspector Livermore during the period of their employment from July 9 to September 15, disinfected 41,008 closets, 9,915 yards, 7,212 cellars, 9,932 garbage receptacles, and 801¼ miles of street gutters.

That disinfecting corps is a regular corps. Then during the hot season we put on a special corps that goes about the city and disinfects the street gutters where they are filthy from any cause. They also disinfect the privies where they exist. I happened to see that item in this morning's paper, and cut it out so that you might see what we were doing in the summer time in that special direction.

Q. Is there any attendant who has a special supervision of these tenement houses throughout the day—a general oversight to see that the regulations of the board of health are enforced, and that order in a general way is preserved among the various occupants?

## SANITARY CODE.

A. We have in our sanitary code rules and regulations made by the board of health, which have had the approval of the State legislature. In our sanitary code we require that every tenement house must have a janitor. In some cases where a man owns several tenement houses he will have a competent man to take charge of one or more—generally of three or four in a row, perhaps. It is his business to see that these houses are kept clean, and to see that tenants do not injure them or defile them in any way. But there are other cases where in a single house the owner will get a family or a man as janitor to look after them, and allow this family or man something on account of rent for services; but the law requires that there shall be a janitor.

Q. And as a rule is there one?—A. Yes, either giving his entire time to different houses or one employed and designated in the way I have mentioned and compensated by making an allowance on his rent.

## QUARANTINE REGULATIONS.

Q. What connection has your board with the quarantine regulations of the State or of the port of New York?—A. We have no connection with them. That system is organized under the State law; quarantine is a State institution. The health officer of the port is a member of the board of health and meets with the board regularly every week.

Q. So that you administer the two laws entirely disconnected from one another?—A. Yes; the board of health has power to prevent any

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vessel from landing here even when it has passed quarantine. In fact, when coming from ports which have had yellow fever, ships must have a permit from our board even after they pass quarantine, but that permit is given upon their presenting the permit of the health officer, ordinarily.

Q. What connection is there between the United States health officers, their quarantine regulations or the board that administers them, and the State quarantine board?—A. I don't think there is any. That is one of the vested rights of the States that has never been yielded, although I understand that it has been discussed that the United States Government should assume general quarantine authority.

Q. Are there no quarantine powers exercised here by the United States authorities at all?—A. I don't think there are any.

Q. All that is in the hands of the State authorities?—A. Yes.

Q. And all regulation regarding the introduction of diseases from foreign ports, is all that with the State?—A. Yes, so far as I understand it. The National Board of Health and other national authority may advise, but practically the power is with the State authorities, and is so exercised.

### SANITARY REGULATIONS FOR A NEW CITY.

Q. If you were going to build a city, what sanitary regulations would you make and enforce if you had it all your own way?—A. In the first place, whatever sanitary authority there is in any city must grow up as the city grows, and be adapted to the peculiar circumstances of the case. I should say it would be a great improvement to the health and prosperity of this country if in every village and city there was a properly authorized health authority. If the village were small it would be a physician who would act as health officer of the place—perhaps without compensation. He would look after the drainage of the town and after contagious diseases that might spring up; and he might do many things. Of course, it is only a large city like New York that could have a large establishment like ours, and it is an establishment that must grow up according to the size of the town, its location, and its needs. But if every town in the country had some recognized health authority, it would undoubtedly be a great improvement, and as the town increased the powers of such health authority might be increased.

### SEWERAGE.

Of course, as to building a city, the drainage would depend upon the location. If we knew that a city was going to be built in a particular place, the first thing to be done would be to secure good sewerage before the houses were even built. But if we did not know—and we do not always know where cities are going to be—we might not be successful in foreseeing the requirements of thorough sewerage. Those things in other systems follow the growth of the cities. Young towns, for example, cannot afford to have such a supply of water as we have here in a great city. Some of the towns around New York that have tried to imitate New York in their streets and sanitary arrangements have been made bankrupt in the attempt.

Q. You would first commence with the drainage or sewerage?—A. Yes; and that is not only important in the towns but equally important in the rural districts. There are certain diseases that are caused by the opening of wells and the malarial influences caused by stagnant

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water, that prevail far more in the rural districts than here, and probably the country suffers more than New York City does from the want of sanitary knowledge and sanitary care. Many of the cases of typhoid fever that exist here in New York City at the present time have been traced directly to the country where the people of this city have gone for country air, the wells and water that have been used during the summer having been poisoned by slops, &c., leading into the wells.

WELLS—DANGER OF THEIR CORRUPTION.

Q. Have you had any reason to ascertain what contiguity between sinks, barn-yards, and like arrangements in rural situations and the water supply of the wells there is likely to be attended with danger; how far apart ought they to be?—A. Yes; that depends entirely on the soil. Men build houses in the country and do not know what is beneath them. Perhaps the formation of the rock or soil may be such that their dish or dirty water thrown out may leak into the well.

Q. Sometimes the soil is such that the water will leak a great distance?—A. Yes.

Q. What has to be done as to the water supply and these other arrangements before these things can be determined upon?—A. Unless people have abundant means they cannot employ the necessary engineer to determine just what can best be done; the only safety is getting the well as far away from the barn-yard, &c., as they possibly can—at least as far away as may be perfectly safe.

Q. And in a higher location, if possible?—A. Yes; we find here, in the opinion of Professor Chandler, the highest authority on the subject, that there is no water at the present time fit for use, even if you go ever so low.

Q. In this city you mean?—A. Yes; in this city; the formation is such that the liquid filth of the city is passed down so far through these open places in the rocks that really there is no water safe to be used. In some cases where water has been brought to the board of health as extraordinarily clear, having been found at a great distance in the earth, when analyzed it has been found to produce the very poisons which have brought typhoid fever to the rural districts.

Q. You think that in any case, then, the water in connection with farm buildings should be analyzed and its qualities ascertained before utilizing it for domestic use?—A. Yes; if that can be done; but of course all these things are impracticable, because people are not educated.

The CHAIRMAN. I am assuming that the thing is done that ought to be done.

The WITNESS. Oh, yes; that would be right.

Q. Suppose you had the sewerage and the water supply all secure, what would be the next point that you would want to guard against, having in view all the time the health of the people who are to inhabit this place as it grows up?—A. Proper drainage and a proper sewer system would accomplish everything necessary until you commenced your buildings; then you would have to have your connections with the sewer and the plumbing arrangements perfect. It is very desirable, too, that the houses should not be crowded together as they are. In some of our New England villages you will see the houses all separate,

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### NEW YORK SYSTEM OF APPROVED PLUMBING.

Q. You have spoken of the system of plumbing approved in this city, and of its being adopted in other places in the country. Won't you describe that system?—A. Well, in the first place, it is to be supposed that there is a sewer in the street such as we have here, and such as is also to be found in every other city, of course. To that sewer there should lead from the house a heavy iron pipe 6 to 8 inches in diameter, probably coated with tar, and the joints of the pipe where the lengths come together should be thoroughly secured, either by the screw system that we now have, by which they can be screwed together, or by being caulked with molten lead. When you arrive at the wall of the house there should be a trap. That should prevent the passage of any odors or gases from the sewer into the house.

Next, this pipe I speak of should pass up through the house and out at the roof. After going into the house and after being trapped at the wall it should pass up through the house and out at the top. Into this waste-pipe all the waste water of the house should pass. The wash-basins should connect with this pipe, and under these wash-basins and under every fixture in the house there should be a trap.

### PLUMBING TRAPS.

Q. What is that trap?

A. It is one that we recommend more than any other. It is entirely reliable and has no patent on it, and is perfectly sufficient. It is an S trap, which, in the opinion of experts, entirely secures a house from the gas, particularly if you have this waste-pipe connecting with the roof so that there can be no pressure on the trap. Then all the fixtures for water, water-closets, wash-basins, or bath-tubs should connect with this waste-pipe, and all of them should be trapped near the openings where they come into a room.

Following this there is one great danger, the possibility of the great flow of water from the bath-tub "siphoning" some of these traps. Siphoning was found to be a danger, and that is now relieved by having every trap ventilated by a separate pipe. Every trap is connected with a separate pipe, which runs through the roof also, so that you have, in the first place, no danger of pressure on the water in the trap, and, in the second place, no danger of its being siphoned out by any bath-tub. Again, the water from the roof should not be carried into these waste-pipes at all, but to the sewer by a separate pipe.

Further than that, in order to keep up a circulation through the waste-pipe, and to keep it clear, so that if there are any odors generated they will pass out, we have a fresh-air inlet—a pipe extending from this sewer-trap out to the curbstone, between openings there, by which fresh air can enter, passing down into the sewer-pipe, and as it passes down keeping all the time a current of fresh air, so that there can be no odor generated in this trap. By experiments we have found that, except at the very moment when there is a discharge from these fixtures into the pipe, the circulation is very rapid. It comes in from the street and passes up through the roof. The only exception is when there is actually a mass of water, or when something is emptied into the waste-pipe. Then, for a moment, there will be a puff out into the street.

That is the system we have here, and is the one approved by experts of Boston, Philadelphia, and abroad. This whole system was studied up from what knowledge was derived abroad, but it is fair to say for

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New York that in respect to the care of contagious diseases, and in respect to our ambulance system, our plumbing system, and every other, New York is far ahead of any foreign city.

Q. Is this system of plumbing susceptible of adaptation in the country as well as in the city?—A. There is nothing about it that is complicated or peculiar. But there is this about it: you must have good plumbing. Suppose you put your pipes into the house and the joints are not thoroughly caulked; or suppose the pipes are thin, worthless things, or suppose they are a fraud—you have all the time got that danger to meet. In every city and town, therefore, where there is any plumbing, there should be a supervision in respect to the plumbing and drainage. That supervision in small towns should be trusted generally, I should say, to the medical men.

When you come to a city like New York you want medical talent and you want practical business talent also; but in smaller towns, where such large sums of money cannot be paid, you have to trust a great deal to the medical profession to secure proper attention to sanitary matters.

Q. But really what difficulty is there, so far as the expense is concerned, of exercising that supervision over the erection, even, of farm-houses or houses in villages? If a man is going to build a house, why should he not get the necessary permit and follow the necessary instructions in the country or village as well as in the city?—A. There is no reason why they should not do so if they have the means.

Q. But what special expense is there in getting, say, the best physician in a town of two thousand people to act as sanitary inspector or superintendent? If he is appointed to do work he will probably be asked to give advice in regard to the erection of whatever number of houses are erected in a year—say twenty-five, for instance. That would not cost much.—A. Well, the twenty-five people who build those houses would not, perhaps, care to pay the doctor for such service, and people of the whole town would not care to pay the doctor for supervising your house or mine.

Q. When it comes to a point of life and death, would it not be desirable to have it so?—A. Oh, yes, if you could educate the people up to it. In many towns the board of health is composed of a committee of aldermen, who may be very talented men in other ways, but never had any experience and never had occasion to give any attention to this subject.

## VENTILATION.

Q. Well, having arranged the sewerage and the plumbing, what about the ventilation of a house?

The WITNESS. In a city?

The CHAIRMAN. In a city or in the country or anywhere—how about the ventilation of bed-rooms, &c.?—A. The ventilation that you must depend upon in human habitations is that derived from windows opening into the external air. Of course there are various devices for securing external air, but until we advance further in civilization, the window is our dependence for fresh air. When you have your window there is, of course, an opportunity for the housewife or any other person to ventilate the room thoroughly.

Q. In other words, you would open the window?—A. That is all; yet they do not do that very often.

Q. In many parts of the country, and in all parts, perhaps, during a portion of the year, that is not a thing that could be done, as in the

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cold season, for instance?—A. Well, I don't know why it should not be done for five minutes or half an hour.

Q. But I do not have reference to ventilation after the occupants have left the room, but to that sort of ventilation which should be going on during the sleeping-hours; for instance in a bed-room?—A. There is enough air coming in generally through the windows. The windows of a room are not positively tight; at least they are not in city houses, and I suppose they are not in the country. Then, again, the room should be large enough, so that the oxygen could not be exhausted during the night. There should be some supply under the doors or over the doors or under or over the windows; there must be some circulation. I think the people of New York suffer more than the people in the country in that respect.

Q. What regulations do you enforce here in the city?—A. We can hardly say that we enforce any regulation. We provide or try to provide a window so that persons may have fresh air, but we cannot send an inspector there and compel them to open the window. We can give them Croton water here, as we do, but we cannot compel them to use it and to wash themselves.

Q. You think it is like the case of leading a horse up to the water but not being able to get him to drink?—A. Yes. The only thing that the authorities of a city or country place can do is to give the people facilities for fresh air and water, and give them good sewers and insist that the house shall be properly erected, but beyond that, as to making people wash themselves or keep themselves clean or compelling them to open their windows in order to get fresh air—all these things are matters of education rather than of police or public supervision.

Q. Do you not think that the people, when they really understand the importance of these things, will be very likely to use the facilities when they have them?—A. Yes, I do; I think the most humble of our people appreciate that; they are not long in appreciating anything of that kind.

Q. What they need is the knowledge, then?—A. Yes, sir.

### BURIALS IN NEW YORK.

Q. Please state to the committee what the facts are in regard to the burial of deceased persons within the city limits. Is that allowed?—A. No, sir, it is not allowed to bury people within the city limits in this city.

Q. And it does not actually occur?—A. Well, there are exceptional cases where families are allowed to put a body in a vault in our cemeteries. I am speaking now of the built-up portion of the city. I suppose that is what you allude to. Of course the city of New York extends to Yonkers, and there are cemeteries in the upper part of the city where bodies are now buried. But I refer to the built-up portion of the city. Bodies are not allowed to be buried there unless there are reasons why they should be put in a vault of a church, or a vault of one of the old cemeteries, and these are very rare exceptions.

Q. There is nothing affecting the public health in that direction?—A. No, and there has not been for a great many years.

### USE OF DWELLINGS AS WORKSHOPS.

Q. How is it as to the occupation of many of the buildings in the city, both as dwellings and as workshops?—A. In a population like this,

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and I suppose in all large cities, there will always be some mechanical pursuits carried on in the dwellings of the people. That is characteristic of the whole country. Shoemakers, tailors, and others carry on their pursuits in their dwellings.

Q. To such an extent as to seriously interfere with health?—A. There has never been any evidence brought before the board of health that there has been anything like that done in New York to interfere with the public health.

### CIGAR MANUFACTURE IN TENEMENT HOUSES.

Q. The cigar manufacture in tenement houses is now prohibited by law?—A. Yes. That subject was brought before the board of health several years before it was brought before the legislature. Our most intelligent inspectors—men beyond any question as to their acting from the most proper motives—visited these houses and examined the condition of the people that worked at cigar making and examined the health of the children, and gave the subject a thorough investigation on several occasions, and were compelled to report to the board of health that there was nothing detrimental in it to health, and the board from that time forward, on all occasions, refused to interfere.

In fact the parties that brought the matter to the attention of the board of health were not acting from any desire to improve the health of these people, but it was some trade or labor consideration that I would not attempt to explain. It was considered to be one of the movements not affecting the health of the people, but in the interest of some trade or combination or something of that kind.

Q. Upon what ground was it that the legislature subsequently enacted the law, then?—A. Well, I presume that the statement was brought to the legislature that it was detrimental to health. I presume that was one of the grounds on which the legislature acted.

The board of health did not deem it of sufficient importance to go to the legislature on the subject, although I believe the president of the board did send copies of the reports of the inspectors to the governor of the State before the governor signed the bill, and it is possible that the board may have sent to the committee of the legislature some papers on the subject. I rather think they did, but at any rate it was not material to the public health; it was not looked upon by the board of health as a serious thing; it was not looked upon as at all detrimental to health, and if the legislature chose to pass a law on the subject that was their affair.

Q. You have not been called upon to make these personal inspections yourself very much?—A. No, sir. In all that I have said and say I do not speak from personal observation, because I do not act in the capacity of an inspector, but the inspectors themselves and their reports come under my observation constantly, and from those reports I speak.

Q. If the reports are reliable then your testimony is reliable, because you know the reports?—A. Yes; they are cumulative, coming in from year to year, for on most of these points they come in from year to year.

Q. I supposed it was the easiest way of getting that experience—to get your testimony. Are there any other matters that occur to you to state?—A. Well, I hardly know what would interest you. There are different ramifications of this matter which extend in almost every direction; they extend to the cleaning of the streets and the sewer system of the city, and the removal of offal and dead animals. There are a great variety of ways in which the subject broadens out.

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Q. Describe your ambulance system—give us the facts with regard to it and also with regard to your system of keeping the city clean and caring for the streets and looking for those who may be suddenly disabled; perhaps, also, you might say something of your hospital system which might be very useful as a suggestion to the country at large.

### STREET CLEANING IN NEW YORK.

A. The cleaning of the streets has always been regarded by the board of health as a matter of very great importance to the public health. In New York, where people are so crowded, you can see that to keep the streets clean is a very difficult matter. It was formerly done by contract, and the board of health had the supervision of the contract—seeing that the streets are kept clean. But, like all public matters that are done by contract, the contractors do as little a possible for the money they receive.

The question of cleanliness is one of comparison, perhaps, or of individual opinion. What one man might call a clean street another might call a filthy one. What one housewife might call a clean apartment another might call a dirty one. So that the attempt to clean the streets in that way was found to be impracticable. Then it was placed in the hands of the police department, and a great improvement was made in the cleaning of the streets.

During the past two years there has been a separate department made here for the cleaning of the streets, and nearly double the sum formerly expended is now expended upon the work. The result is, I think, a very gratifying one. It must be very evident to an old New Yorker that for the past two years the streets have been much cleaner than ever before.

### GARBAGE IN CITIES.

If garbage is thrown into the streets, as has been done in several portions of the city, it is a very serious element of disease. So, while the board of health is not charged with the duty of cleaning the streets, it has the subject constantly under observation. In fact that board is now engaged in a movement to instruct people by circulars against throwing things into the streets—impressing upon the people that if they want to have clean streets they must not throw things into them.

Q. What shall they do with them?—A. They have receptacles for them, and the carts of the street-cleaning department come around every day and take them up.

Q. All those tenement houses have receptacles for these things?—A. They are required by law to have them.

### THE NEW YORK AMBULANCE SYSTEM.

With respect to the ambulance system it is one which has grown up out of the intelligence and ingenuity of our people. It has become a very important and perfect system. If a person is overcome by heat, any one may run to the nearest police-station and telegraph the matter to the nearest hospital. Of course it is the duty of a police officer to do so where he knows of an accident.

Q. How frequent are these stations?—A. Well, they are so frequent that in a very short time a person may reach them. Of course, down town they are more numerous than up town. Where the population is most dense they are more numerous.

In some of our hospitals they now keep two or three ambulances all

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ready harnessed, as fire-engines are harnessed in the engine-houses, so that in an instant a doctor can be in his ambulance and on the way to the desired place, and when people are injured or overcome by the heat, they are brought, by this system, to the proper hospital in very quick time.

This system that we have introduced here is being introduced in Paris. It is a very strange thing that a city like Paris, so peculiarly given to ingenious devices about hospitals, &c., should not have discovered these beneficent means for the aid of the injured.

PERSONAL EXPENDITURES OF WORKING PEOPLE.

Q. I suppose from your long residence in the city you have become familiar with the working people, their habits, the way in which they live, their expenditures, &c. Without going into the subject of the sufficiency of their wages, I would like to call your attention to the matter of their personal expenditures. Do you think that they are as saving as they ought to be, or could they be more so as a rule—could they make their wages go farther than they do?—A. Well, I really think that whether we have very large or very small incomes, we are all very extravagant in New York, from the highest to the lowest; unnecessarily so.

Q. In what particulars?—A. Take the laboring men of the city, for example. Of course the sum is small, but they all do what I would like to do now, and what I do a good deal of myself—they smoke a great deal; they drink considerable, more or less, and I think their families are extravagant. I speak of these extravagancies from having been brought up in the country—in the rural districts of this State—and knowing what economy was in the families of laboring men and of small farmers. When I look back to the time that I spent in the rural districts, and think of the habits of the people there and their economy, why, I cannot help coming to the conclusion that economy is not known here in New York.

Q You mean even among the wage-working people?—A. Well, I would include mechanics particularly—people that earn three, four, and five dollars per day. But the people that work at a very moderate sum—twelve shillings or two dollars—I suppose you allude particularly to them?

The CHAIRMAN. Yes.

The WITNESS. Well, of that class I cannot speak particularly. But when I speak of economy I speak more especially of those who receive good mechanics' wages and clerks' wages, and so on up to higher positions. When it comes to the laboring men of the lower or the uninstructed class—I do not know exactly what you would call them——

The CHAIRMAN. That is a very good term—the class of unskilled labor you mean?

The WITNESS. Yes; I would say about that class, because the compensation they receive is so small, that if they have families it must be very close work to give them bread and proper clothing, and pay rent for a very humble apartment.

FIVE-CENT AND TEN-CENT LODGING-HOUSES.

By Mr. CALL:

Q. I would like you to tell me something more about those three-cent lodging-houses.—A. There are lodging-houses here during the winter season where the price is anywhere from three cents—I have

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heard of three-cent places—but there are certainly five-cent and ten-cent lodging-houses. Those are about the prices. The five-cent lodging-houses are of a character that were designed to be charitable, where a man that was down in life or hungry or wanted a place to sleep in would come there and would have a chance to wash himself, and would get a bed for five cents, perhaps for three cents, and they would give him something to do, such as chopping wood or something of that kind; I think that the ordinary lodging-houses of the poorer class are ten cents. Then some of them will have a long room in a house and have bunks ranged along the room, something as they would have them arranged on a ship, or as we used to have them on our canal-boats, where two or three sleep above. These people come along at night and pay five or ten cents and get into this bunk, and in the morning they leave, and perhaps next night may be somewhere else or may sleep in a station-house.

Q. Are these places comfortably well heated and have they good air?—A. Well, I don't think they suffer much from cold in these places. It is more the closeness of the place that is troublesome and the filthiness of the occupants of some of the bunks. That is a very bad thing.

Q. Are these under the supervision of the board of health?—A. Yes; within the past three years, I think, by enactment of the legislature—an amendment to the tenement-house act—the supervision of the lodging-houses was placed in the board of health. Now no one is allowed to keep lodgers until they have the permit of the board of health. If a man wants to keep lodgers, or if we discover a man keeping lodgers, we require him to make an application for a permit, and that is given to a sanitary inspector, who goes and examines the rooms and sees how many people can properly sleep in the apartments, and if the place seems to be a decent place he reports, recommending a permit, and recommending that so many lodgers be allowed. A permit is then granted allowing this party to keep this lodging-house and to keep so many people in it. Those places are visited frequently; nightly, when they have any typhus fever or anything of that kind in the city; they are the places where it would run to. At such periods the inspectors go there in the night-time and have an opportunity of counting the people; and occasionally a permit is revoked when a man is found to crowd his place more than he ought to do, or more than was agreed to when he got the permit.

Q. The inspection is not regular, then?—A. No; not as to that. But the police officers on their beats are informed about these matters, and they assist us a great deal. They often report that such and such a place is too much crowded with lodgers. We get information very often in that way.

Q. The only penalty is revocation of the license?—A. That is the principal penalty, although it is a misdemeanor to do it, punishable by a moderate fine and perhaps a moderate imprisonment besides. I am not a lawyer, but I think there is a distinction here between a crime and a misdemeanor.

Mr. CALL. A misdemeanor is a crime, but a low grade of crime.

The WITNESS. It is a misdemeanor here to throw anything into the street or to commit the most trivial violation of a city ordinance.

Q. Are these houses divided into male and female portions, or is any distinction made in that way?—A. I have never heard of any union of the two sexes in these houses; I have never heard of any abuse in that direction.

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NEW YORK, *September* 19, 1883.

Dr. ABRAHAM W. LOZIER examined.

By the CHAIRMAN:

Question. You are a physician?—Answer. Yes, sir.

Q. How long have you been practicing as such?—A. Twenty-two years.

Q. Do you reside in this city?—A. Yes; and have resided here ever since I entered on the practice of medicine.

Q. You take an interest, I believe, in educational institutions?—A. Yes; and especially the public-school system, of which I am a graduate. I am a graduate of the College of the City of New York, formerly known as the "Free Academy."

The CHAIRMAN. You may make such suggestions as occur to you, bearing on the subject of education of the masses, especially with reference to the system of ethical training or instruction to which your mother, Mrs. Dr. Lozier, referred in her testimony.

INDUSTRIAL AND ETHICAL INSTRUCTION IN SCHOOLS.

THE WITNESS. I have had quite an opportunity for observation in regard to that subject, and have also been an advocate of political and other reforms in this city. I think I can fully agree with my mother's views in regard to the necessity of industrial education and ethical education in our public-school system as probably adapted to ameliorating the condition of labor. I think that all intelligent persons will agree with me that the question of education in our public schools very intimately and deeply affects the question of labor. And from my observation I have come to the conclusion that the system of instruction carried on both in the common schools and in the College of the City of New York, as well as indeed in the common schools of other States, can be greatly modified so as to favor the interests of labor and of working people. I think, with Rev. Dr. R. Heber Newton, that it is of supreme importance that the educational interests of this country should have grafted upon them, even in the primary schools, and more especially in those schools, some form of ethical instruction more than is now methodically done.

Q. Please explain, in that connection, just what you include under the term "ethical instruction."—A. I mean by "ethical instruction" regular, fixed, and steady attention paid to the development of morals, to the enlightenment of conscience by education, rather than to make education look to a literary result, or to a solely intellectual result. I think education should also reach the manners and morals of children through direct systematic instruction. I think that the educational idea as now carried out is to a certain extent a false one, as I have had an opportunity to observe it. I think it is pernicious to our political institutions and to the interests of labor.

Q. As I understand you, you do not mean that remark to apply solely to this city, but mean it to extend to the country at large.

EDUCATIONAL METHODS NEGLECT MORAL RESPONSIBILITY.

A. I have not had an opportunity, except in Minnesota, where I was for a year or so, of observing outside educational arrangements. With that exception I only know the educational system of the country at



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large from what I have read, and from general information; but I know the system in New York thoroughly. The great trouble with the whole educational system in the public schools here, through all the grades, even up to the City College, is that the idea of education is too much that of enabling a person to make money and gain wealth, irrespective of moral responsibility. I think it is entirely practicable, without very seriously altering the education of the city or country, to lessen the amount of work required in the schools in many respects, and to engraft upon the system a course of daily instruction in morals and matters of human rights and sociology—political economy, physiology, and kindred topics.

Q. Will you give us your idea as to how it could be done?

COMPETITIVE EXAMINATIONS.

A. I think that in the present school system physicians generally, who are familiar with the system, will agree with me that the pressure upon the young brain, resulting from the large number of studies which children are obliged to follow daily, the long hours of study, and the great amount of memorizing of mere details which are utterly useless, is very pernicious to the health of children, and unfits them for the labors of life through the breaking down of the nervous system, and producing an artificial stimulus of the brain by the system of competitive examinations and, to a certain extent, of "marks."

All this is very injurious to the health of children. I have observed it in my own children. I myself have been a tax-payer to a large extent in this city, before financial reverses came on me. My mother has also been a considerable tax-payer. We feel that we have a right to the use of the public schools for the education of our children.

TOO MUCH MEMORIZING.

I am speaking now of three of my own children, especially. My only girl, a young miss of thirteen, considered quite precocious, was so affected by her studies in the public schools and at the normal college—although the system pursued there is considered admirable, and, in many respects, is admirable—the amount of memorizing and detail work was such that I was obliged to withdraw her from the school and mark out for her a course of study quite different from that usually pursued by such children of her age.

My oldest boy, a promising lad of seventeen, passed his examination in the city college with credit—passed from the sub freshman into the freshman class, and stood very high in his classes; but I found that, in order to carry him to that degree of scholarship, I had myself to "coach" him in Latin and mathematics, and I found that his nervous system was becoming so wrecked that he would have an attack of hysteria if something were not done. He was very desirous of pursuing his studies, and I was very desirous that he should, but I had to put him into business. I know myself a number of lads studying in the city college who have been injured in health from over-study. I think the pressure is very hard. My boy had to get six or seven pages committed to memory, almost word for word, at one recitation, in order to stand well in his class, besides his exercises in quadratics, and equations of high degree, and I had myself to assist him in a good many of his examples, which were taken from books that were not text books. He had to study day after day in these two departments, and had to continue these studies to late

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into the night; then he was up early in the morning, and I found that he had no opportunity for physical exercise. I protested against this. I went to the college myself; I am, as I have said, a graduate of it, and protested against it, both to the tutors and to the principal professors. They all seemed to regret it; they all seemed to think that there was too much to be done. But they thought they could not help it.

### HARMFUL EFFECTS OF COMPETITION BETWEEN COLLEGES.

This competition between the schools and colleges of this and other cities is ruinous to the health of lads and young misses who go through their courses of instruction. It seems to me perfectly practicable that some simple system of ethics should be introduced into the primary school departments; and, not only in those, but into the grammar school departments of our public schools—something practical and simple, without requiring a great amount of memorizing. As it is now the memory is overtaxed. There are many things in geography, arithmetic, and history, for example, that it would be no disadvantage to omit, and a great deal of good would be done by the introduction of other things in their places that would be practical and should train boys and girls in the direction of the development of character.

My second boy, I forgot to say, was required in his last year's course at the public school—one of the very best schools in the city—under this vicious system of overcrowding the memory, to get by heart the names of from sixty to seventy cities and towns, most of which I had never heard but once or twice, and many of which I was not familiar with; and this thing was repeated day after day. He had to memorize the names of all these cities and the names of the rivers on which they were located, the origin of these rivers, the direction of their courses, and so on. I again protested to the teachers against these severe tasks put upon lads of his age in that school. The principal himself regretted it, but the under-teachers, the assistants, told me that the boys were fitting for college, and they would have to work like all the rest. I think the general feeling among intelligent parents of children attending the public schools here is that the course of study is too severe for young brains, and that many of the children break down in the competitive studies.

This idea that the young brain must be crowded with so many facts in history and geography, which are easily ascertained and retained in after-life, is ruining the health of children and breaking them down with disease. There ought to be time left to them for physical exercise.

### A MANUAL OF ETHICS.

In my opinion a system of ethics should be introduced into the public schools in this city such as is adopted by law in the public schools of Minnesota. Such a system of ethics I hold in my hand. I do not recommend this especially above others, and I only speak of it because I am familiar with it and have somewhat carried it out in my own family, and have recommended it in the family of others. It is a system arranged by Mrs. Matilda Fletcher, of Iowa, who has lectured on the subject in various States and before State legislatures—a lady whose acquaintance I enjoy and with whom I correspond occasionally. It has been somewhat carried out in other States. This little book is a manual upon moral and social science. It contains pictorial teaching. I have here a chart which is to be hung up in a parlor or school-room for study.

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It is an enlargement of the frontispiece plate of the book. It may be said to be object teaching.

There are represented on this chart fifty different traits of character represented as stars of a group. These groups are central around a main group. The time of one lesson is usually taken up by some one subject as to which familiar illustrations are given—instances in every-day life, it may be, or instances drawn from history, or from the lives of celebrated persons. Discussions are held upon these topics, and the instruction is made interesting and practical.

Q. Mention some of the qualities that are depicted on this chart, and state what the central figure of the chart is. It is a figure of the heart, is it not?—A. The principal figure is the heart. The heart is supposed to represent the human character. The impulses, the motives of character. Around it is a galaxy of stars, each star representing some attribute of the mind or heart.

Q. What is the central figure?—A. Love; and around it are grouped the several traits of character, such as Charity, Sympathy, Mercy, Pity, &c. The eye which you see on the chart represents Conscience. Purity you will observe is surrounded by a number of other stars, such as Magnanimity, Peace, Justice, Chastity, Honesty, Temperance, Truth, Cleanliness, &c. Below this comes Industry, and around that are grouped Ambition, Honesty, Prudence, Self-Denial, &c. Below all is Will. On the left, and grouped about a central star, Hope, you observe Fortitude, Self-reliance, Cheerfulness, Moral Courage, Manly Courage, Physical Courage, Self-possession, Perseverance, and finally, Fidelity. Surrounding Love are Patriotism, Friendship, Parental Love, Filial Love, Conjugal Love, Self-respect, Duty, and Philanthropy. You will observe that the presiding trait or function is Conscience, which is represented as an eye. This is simply given as an arbitrary arrangement, but is perhaps the best possible theoretical arrangement, and will aid children in getting an idea of the moral constitution of man.

I do not mean to say that the public school system of this State has ignored ethical training. In 1867, I think it was, such instruction was ordered in the primary departments of several grades. In the morning exercises some remarks were made upon certain traits, and some references in the way of ethics were made a subject of study in these grades; but it was left to teachers to do about as they pleased, and there has been no regular text book such as this. Moral precepts have been enforced more or less by the teachers, but there has been no definite idea of the development of character.

The idea that labor is disgraceful has been too much of a prevailing idea, not in the educational system of itself, but the idea has grown up from the fact that so little account is taken of the development of character. It is true that some portions of the Bible are read without comment; but this ethical study can be pursued without anything specially sectarian or dogmatic being connected with it. It involves simply morality and right-dealing among men.

Q. Please describe what it is that accompanies this chart; what is the general character of this text-book; it is a catechism, I believe, is it not?—A. It is something of a manual, a catechism. It has, I think, some fifty different chapters. It is written in a very simple way. The intention is to give with each chapter illustrations drawn from history or daily observation from home life, or from any source—anecdotes of the lives of prominent men, or others. The child who is supposed to recite these anecdotes has, for the time being, the floor, so to speak. Every indulgence is shown to it, and

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when it has recited its anecdotes, some critic, perhaps the head of the family, if it be a family, will explain how the anecdote or illustration is related to the subject under consideration, whether it be relevant or irrelevant, or whether the story has been well told, whether the child's remarks have been entirely logical, and whether the observations and moral to be drawn are in harmony with the anecdote. Take, for example, the question of Justice. If Justice is up, the whole field is a broad one. There will be opportunity for remarking upon the injustice arising, for example, from taxation without representation. That is a point upon which American children may very properly be encouraged to reflect. Also that governments derive their just powers from the consent of the governed, and how far those who are governed have a voice in the Government. If the subject be Courage, opportunity is afforded for remarks upon true as distinguished from false courage; upon false pride; upon politeness, &c. Only one subject is taken up or discussed at a time. But the subjects are taken up in regular order. I could illustrate by an actual example the necessity for such instruction in our public schools. Upon passing on one occasion through one of the streets of this city I saw a cart drawn up in front of one of the public schools, one of the best in the city, at an hour when a great many young lads were pouring out. The driver of the cart threw out into the street a great many rulers such as are used by school-boys, which were advertisements of some business house in the city. Upon one side was printed the advertisement of the house, and upon the other side were marked off divisions, by inches, &c. The article is rather a useful one among school-boys, in drawing and other studies. Immediately, a great competition arose among the boys to get these rulers. The elder boys threw down the smaller boys and in the *mêlée* the clothes of the weaker boys were torn, they were themselves trampled upon and hurt, and the stronger boys got a great number of rulers, but in getting them they acted more like wild beasts in the pursuit of prey than like human beings. The disturbance was so great, and the injuries inflicted upon the little boys were so serious that it seemed like a riot. I felt very much annoyed and grieved that these school-boys were not taught how mean a thing selfishness was, nor how good a thing it was to respect the rights of others. They may have had some talks in a general way on the subject; the teachers may have spoken of it in some instances; but it had not been made a regular topic of study, and I had to tell this driver to drive on or that I would have him arrested for disturbing the peace. It appealed strongly to my sense of sympathy to see these poor little boys hurt in this way, and to see their clothes torn for such a trifling cause. Many of our political problems would be more easily solved if in our early education boys were taught simple principles of honesty and fair dealing.

Q. Do they not get such instruction at home?—A. They do in many homes, and in many homes they do not. They do in Sunday schools, but many of these children do not go to Sunday schools, and when they do the subject is taken up in an amateurish way. At any rate, that would be but once a week, and the subject is not handled in a systematic manner.

### WOMEN IN PUBLIC SCHOOLS.

I think, too, that women are more in sympathy with the life of children, and they ought to have some position in school boards, to determine how far instruction must be pushed in the curriculum of studies. I think women would naturally defend children from the very rigid course

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of instruction that prevails. Children should from the first have practical objective teaching, as in the kindergarten, and if the public school system cannot adopt some such method as that when the children are young, it certainly ought to be the ambition of churches to take these little ones, as is done in some of the churches in this city, and provide a place for them and see that they are protected in their younger years from the influences of the street.

### THE SUFFRAGE FOR WOMEN.

I think the political questions of this country depend very much on how we bring up our children. The present system is one that degrades women. I entirely agree with my mother and the other ladies who have testified before the committee, that the present condition of women is a degrading one, and that by the proper education of children, in their sense of justice, they should be made to see that universal suffrage does not mean the rule of a minority of the citizens of a country, and that it is only a misnomer when it excludes women. The rule of this Government at present is certainly the rule of a minority, for in many of the States women are in the majority, and many of their rights are denied. I think that true ideas of justice and of the rights of mankind should be taught thoroughly and systematically in our public schools.

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NEW YORK, *September* 19, 1883.

JEREMIAH MURPHY examined.

By the CHAIRMAN:

Question. I believe you were the leader of the strike of the freight-handlers in New York City about a year ago?—Answer. Yes, sir.

By Mr. CALL:

Q. You may proceed to state to the committee any suggestions which you may have regarding the objects which the resolution of the Senate authorizes us to consider.—A. I was employed on railroads for ten years, handling freight—receiving and delivering it—and in after-years as a clerk.

### WEEKLY PAYMENTS ADVOCATED.

I desire to say to the committee that one of the greatest evils that workingmen have to contend with is monthly payment on railroads. In the first place, men who receive their pay monthly have, as a rule, to deal in groceries on credit from month to month, and if they or their families are afflicted by sickness or death, why, then, between the landlord and the grocer there is nothing left for them at the end of the month. In that way they get into debt, and they can hardly ever get out of it. To my knowledge, a few of them who had saved something from their earnings put the money into savings banks, the banks burst and left them without a cent.

### TENEMENT HOUSES.

The tenement houses that the working classes of this city are obliged to live in are not fit for any human being to occupy. Sewer gas and all the other unhealthy elements that surround these houses destroy the

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health and lives of the people, as has been proven by statistics in this city, in which 75 per cent. of the deaths that occur in summer time are of children under five years of age, because they have not strength or vitality enough to withstand disease when it comes.

### WANT OF ORGANIZATION AMONG RAILROAD EMPLOYÉS.

Men employed on the Erie Railroad, where I was employed for some time, are obliged to work day and night and Sundays, as they may be required. A system was introduced on that road a short time previous to the freight handlers' strike whereby men were compelled to work on Sunday and remain idle on Monday so as to facilitate the transportation of freight brought in for the railroad on Saturday evening. Then there was no freight on Monday morning, because the stores were all closed on Sunday. When these men see the way they are driven by bulldozing bosses and foremen on the docks, and have nothing for their time, they naturally get a spirit of despair into them which it is very hard to get out. I believe that if the railroad companies had allowed these men to organize, that great strike would never have occurred, simply because the men would have had recourse to arbitration or some other means besides striking. The railroad companies will not allow the men to organize.

Last winter I endeavored to reorganize the freight handlers, and the Erie Railroad Company sent special messengers to those who were sick in their houses to come out to work on Sunday or they need not come the next day to work. The sheriff of Hudson County, New Jersey, and the governor of the State of New Jersey (Governor Ludlow) used their best efforts to defeat us who were working for barely living wages. The governor posted on the dead walls of Jersey City proclamations stating what would be done to us in the event of any trouble arising. There was no trouble. They concentrated all the police force of the city on the docks to protect those who had taken the places of the men who were working for 20 cents an hour, and left the people's houses and property and lives at the mercy of the thieves and vagabonds of the city. The same thing was done to a large extent here in the city of New York around Vanderbilt's property and the property of the other railroads. The Erie Railroad Company were not satisfied even with that, but now I understand, and am swearing positively, that a carpenter in their employ told me that there were weapons made in the carpenter shop of the hardest kind of wood, and then lead put into them, and they were given to these men who were occupying the places of the strikers around the docks. On one occasion when the men who were on strike went for their money—the last pay that they drew during the strike—the men who took their places fired on them, and stabbed them with knives, and those who gave testimony at the trial on that affair could not get employment from that railroad company. I was told myself by a director of one of the city railroads here that I need expect no more work on any of the railroads of the United States -although I did not advise the men to strike; they themselves struck before I did. But I would not remain behind them to teach the "scabs," as they are called, who took their places.

### EVICTIONS IN NEW YORK CITY.

The tenement-house system in this city, and in the surrounding cities, is one of the worst evils that the workingmen have to complain of. It has been proven here during 1882 that 16,000 evictions took place in the city of New York alone. If a workingman earns $10 or $12 a week

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and meets with any sickness or other disaster, which prevents him from meeting the landlord's demands promptly, out he goes on the street. No doubt there are many cases that may not be attributed to that where evictions took place. I spent part of my life as a workingman in England, and I saw more independence, and I saw workingmen just as well off in England, as I do in the United States. I believe that if this committee were to summon workingmen to-day from the railroads they would not dare to testify according to their conscience through fear of dismissal.

### RAILROAD MEN IN LEGISLATION.

Speaking of the legislation of the country, a prominent railroad official told me at one time that I need not expect much from the Government of the country when sixty United States Senators were railroad men.

By the CHAIRMAN:

Q. Did he give you the names?—A. No, sir.

The CHAIRMAN. Ask him for the names.

Mr. CALL. I will give him my railroad interest for very little.

Mr. PUGH. I will sell him mine for a very small sum—even for a cigar.

The CHAIRMAN. I will give him mine for nothing.

Mr. PUGH. I have no idea that a third of the Senators of the United States have one dollar's interest in any railroad; but there are many there who are large stockholders, and some of them presidents of roads.

The WITNESS. The United State Senator from the State in which I lived for nine or ten years—Senator Sewell, of New Jersey—is a director of a railroad.

Mr. CALL. A man may be a director of a railroad and be a very good man.

The WITNESS. Oh, no doubt of that, sir; I have no fault to find. I believe that high rents and rents generally are another great evil to the working people. I have heard one of the witnesses, who testified before I did, speak about the luxuries that a workingman can have. A man who receives $10 a week and pays $15 a month rent, and keeps a family of five or six, cannot have many luxuries.

### COMPENSATION OF FREIGHT HANDLERS.

Q. What is the pay of the freight handlers? You have not stated that, I think.—A. They get 17½ cents an hour.

Q. How much does a man make on that?—A. He must be content with every hour that the railroad company thinks fit to employ him. He may get six hours a day, or he may get seven, or he may get fifteen, just as they require him.

Q. Well, about how much money do they realize as a rule per month?—A. They average about in the neighborhood of $40 a month; they are paid monthly.

Q. At the rate of 17½ cents an hour?—A. Yes, sir.

Q. For how long a time has that been the case?—A. After 1873 they were reduced to 15¾ cents an hour, and it is only recently that they have got 17½ cents.

Q. What is the nature of their work?—A. It is the most laborious kind of work; the loading and unloading freight, grain, bacon, and all kinds of merchandise.

Q. I suppose they are among the most athletic of our working people?—A. They must be so, because there is no room for old or feeble men upon the docks, nor upon railroads generally.

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NO PROVISION AGAINST ACCIDENTS TO RAILROAD MEN.

When a workingman meets with anything in the shape of an accident the railroad companies have no hospital, and have no arrangement made to help him, and do not even pay a rent for the time that he is hurt or sick. In Jersey City, where I resided last, there was a Sisters' hospital, and the railroad employés were sent in there and kept on charity, as you may say, because the hospital is kept up by voluntary contributions. They paid some expenses towards the maintenance of that hospital at one time, but withdrew it thinking it, was too much.

TAXES CHARGED UP TO RENT.

Whenever any taxation takes place, it is generally put on the rent. For instance, a new improvement in the shape of a boulevard is being built in Jersey City now, and no doubt when the taxes shall be assessed the rents will go up on that account. It has been proven so on many occasions here.

Q. What taxation do you refer to?—A. The city taxation.

NUMBERS OF FREIGHT HANDLERS.

Q. How numerous a body are the freight handlers?—A. The freight handlers on railroads, irrespective of those that work on steamboat lines, number about 3,000 men.

Q. In this city?—A. In this city and Jersey City.

Q. And Brooklyn, I suppose?—A. I am not speaking of Brooklyn, because that is not a railroad town.

Q. Are many of your men men of families?—A. Almost all of them have families.

Q. Have they any organization among them like the trades unions?—A. No, the railroad companies, as I have stated, would not allow them to organize.

Q. That is, you mean they would discharge them all if they did organize?—A. Those who would undertake to create an organization would certainly be discharged. That dread is over the men; at least I will say that of the Erie road, from my knowledge of it; that is the knowledge among the men; but I must say that the Pennsylvania Railroad acted the decentest of any corporation to those men that struck.

Q. How did they do?—A. They took every man back in a body; and others did not. They actually starved them out as long as they could for months after the strike was ended. The Hudson River and the Erie roads did that.

Q. How many of those employés were there of those two railroads?—A. About 2,000 in all that were on strike.

Q. That is, of the Erie and Hudson River?—A. The men from the Erie and the Hudson River who were on strike were perhaps 2,000 out of the 3,000.

Q. What became of those freight handlers that were not taken back?—A. Well, they scattered into other occupations. I myself did, for instance.

Q. What business are you in now?—A. I am in a clothing house on Broadway.

Q. You have probably got a better situation than you had before?—A. I got as good a situation at least. I am employed by the firm of Rogers, Peet & Co., on Broadway.

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Q. Have the others generally been fortunate in getting good situations, or as good as they had before?—A. Some of them have and others have not, though if they get anything much they will have as good a place as they had. If they get anything much of a place they will be apt to get $10 a week.

Q. They could not get a much poorer situation?—A. No.

Q Have you any further facts that you would like to state to the committee?—A. I would like to say a few words on the labor question generally, because I am interested in it.

The CHAIRMAN. I was going to ask you about that. You may go on.

### CONTRACT LABOR IN PRISONS.

The WITNESS. I think that the convict contract system should be abolished. In England, to my knowledge, they employ their convicts on Government farms and in picking oakum, and any other work that does not compete with honest labor. I believe such a system ought to be adopted in this country. When a lot of convicts are competing with honest labor they are endeavoring to drive the honest labor down to their level, in my opinion.

### CHILD LABOR.

Another great evil is child labor. As a gentleman, who has spoken on the stand previous to me has stated, what is going to become of the country if we bring up the future fathers and mothers of this Republic as they are being brought up now? Take, for instance, the working classes; I suppose they are in the neighborhood of seven-eighths of the people, and in the factories of Massachusetts and the Eastern States some children are obliged to go to work at ten years of age. What can you expect from such people when they grow up to be men and women? They are to-day dwarfed in mind and in body. To look at them you would think they are old people—many of those children.

### TECHNICAL EDUCATION.

As a gentleman stated here to-day, I believe that not alone education as it is given to-day should be taught to those children, but trades should be taught to them, such as carpenters and other trades of that kind, and they should be taught in the public schools. I think it would have a very beneficial effect.

Q. I suppose you do not mean to introduce the trades to any great extent in the schools, but merely the handling of the tools and some of the general principles that might be applied in mechanical work?—A. Yes. I think that when you tie a man or boy to one trade, as is the case now, and give him no knowledge of any other business but that one branch of industry, you tie him down to pretty narrow limits, whereas, if there was a general knowledge of trades taught it would be far better, in my opinion.

Q. How would you provide teachers competent to give the usual instruction and also instruction in the rudiments in the usual trades, or would you have several teachers?—A. I suppose they could be got, but I am hardly prepared to discuss the question in its details.

Q. You think that where there is a will there is a way?—A. Yes, sir; I believe that it could be very easily done.

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THE LAND QUESTION.

There is another important question bearing on labor, in my opinion, that calls for a solution in this country, and that is the question of the land. As it is to-day, you have a horde of English landlords coming over here and taking up the lands of the United States. Landlordism is getting too hot for them in Ireland and England, and they mean to establish it right here. I believe that Congressman Hendrick B. Wright, of Pennsylvania, introduced a bill at one time into the United States Congress, four or five years ago, to the effect that the industrial surplus population of these large cities should be settled on the lands, the Government of the United States to furnish $500 to buy farming implements and start each man of good moral character and industrious habits on the public lands. I think that was a very beneficial measure. If I am not mistaken, it was Mr. Wright that introduced it, and, as I understand it, there were only twenty-five members of Congress that voted for it.

By Mr. CALL:

Q. Do you favor such a bill as that?—A. Yes, sir.

Q. What would you do with a man who got the $500 if he did not keep on working the land?—A. I believe the bill provided that the land would pay back the money—whoever occupied it.

Q. The land would pay back the $500?—A. The land, yes.

Q. The land could not pay it back. You would have to make the man who got it pay it back; and if the man who had the land had used up the $500, what would you do?—A. Whoever occupies the land afterward would have to pay it.

Q. Whoever occupies the land afterward would have to pay the $500 that the first man spent. Is that it?—A. That was the provision of the bill; that the land should be a lien for the money, as I understand it.

Q. Do you think that would be right? If they gave me $500 on condition that I should work the land and I went out there and instead of working the land I got tired and quit would it be right for another man, who might take that land to have to pay the $500 that I had spent?—A. I am not talking of the right of it now, but I believe it would be a good thing to get the surplus population out of the cities.

By the CHAIRMAN:

Q. This was to be a judicious expenditure, and the land was to be security for the money?—A. Yes, sir.

By Mr. PUGH:

Q. Do you think anybody would go upon farms in the far West under such a provision as that?—A. I know one man that would go and that is myself, and I believe that many others would go.

By Mr. CALL:

Q. Would you stay? That is the question.—A. I am not prepared to answer that question. I am certainly of that disposition that I would rather work for myself than for any other man if it paid me as well.

Mr. CALL. I have no doubt that there are men owning land who would be glad to sell land on terms equivalent to that to men of your ability and judgment and strength. I know I would if I had land to sell.

The WITNESS. Don't you think that if a number of workingmen should

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form colonies and were to go out into the West the Government might as well furnish them with money in that way as to subsidize railroads and give them enormous land grants?

Mr. CALL. I think it would be a good idea, if other people could be got to consent to it—the people who pay the taxes. So far as I am concerned I would be willing.

The WITNESS. Then why don't the people grumble about the taxes we have to pay on these great railroads that receive such large land grants?

Mr. CALL. We are talking about the appropriation of money. The land grants of course are a different thing.

The WITNESS. But don't they give subsidies also to railroads?

Mr. CALL. None that I ever heard of, except in the times of the war; that is, in the case of the Pacific Railroad.

The WITNESS. Well, I don't know much of their inner workings of these things.

Mr. CALL. In the case of the Pacific Railroad they gave it aid in the shape of a bond, or money, to be returned by the railroad company on certain conditions. That is the only railroad subsidy in money that I know of. But your idea is a first-rate idea, if you could get the working people and all the other people to agree to it; that is, to form colonies and have the Government give them land.

By the CHAIRMAN:

Q. You say you would go yourself. Do you know many others who would go?—A. Well, I believe that every honest industrious man with a will would go rather than bring up his family in this large city.

## THE CONTAMINATION OF CITIES.

The greatest trouble and danger to a workingman here is raising his family in this city with their surroundings, the contamination that children must naturally meet in the streets of large cities; whereas if they get out into the country, and have pure air, and all the other things that have been spoken of here to day, it would be a grand thing.

Q. Do the immigrants that come here—those, for instance, arriving at the Battery—and go out West from here, bring any money with them?—A. Some of them do, and their passages are prepaid to the West. But then I have seen them in the city of Cleveland, and in Cincinnati, Chicago, and other cities of the West, where they were fully as badly off as in New York City. That is not the case in country parts, but is a trouble in the cities. It is a mistake to think that everybody who goes West as an immigrant lives in the country or turns out all right.

Q. Do you think it necessary to go so far west to find the necessary amount of land?—A. I do not think it is. I believe there is plenty of good land nearer home, but it is too dear. In my opinion the land ought to be free to everybody. There should be no charge on it. Land is, or should be, the common property of the people for the use of it, and not for sale, like commodities. As we understand it, Almighty God made land for the whole people; not for any one class.

By Mr. CALL:

Q. Suppose you were to apply that theory, would not everybody in Europe be coming out here to occupy the land?—A. Well, then there would be land vacant over there.

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Q. It does not follow that because we made land free they would make it free over there. You mean to say that you think all the governments in the world ought at the same time to make land free?—A. Yes, I would like to see it accomplished.

Q. It would hardly do for one of them to do it at a time.—A. I suppose not. If land was free you would not find capitalists and property owners squeezing out of labor everything that it makes, pretty near. William B. Astor owns nearly forty acres of land on this island, and has large buildings erected on these acres, and charges enormous rents; and the other people that own such property manage to get very high rents; and so the people who pay these rents have to press down upon labor in order to pay them; whereas if the land were taken away from those men and they were left with their brick and mortar only they would not be able to do so. As it is, I pay, for instance, $14 a month rent on the fifth floor of a house.

Mr. CALL. I have no doubt there is a good deal of harm done in the matter of these rents, and the question is how you can remedy it.

By the CHAIRMAN:

Q. How many rooms do you occupy?—A. Four rooms.

Q. How large is your family?—A. I have three children, my wife, and myself.

Q. Where is the house?—A. It is located on South Fifth avenue, near Spring street.

SANITARY CONDITIONS.

By Mr. CALL:

Q. Is it in a healthy, comfortable location, having good air?—A. Well, I cannot complain of the air, but living at that height in the city of New York people are obliged to pump all the water they use, as though it came up from the bowels of the earth.

Q. The water does not flow up there?—A. No, and people do not care to travel up and down stairs very often.

By the CHAIRMAN:

Q. There is no elevator in the building?—A. No, sir; no elevator, no water-closets, no nothing.

Q. Where are the water-closets?—A. In the yard.

Q. That building has no water-closets nearer than the ground?—A. No; that is the way with most of the tenements in this city. Take a workingman who does not receive more than $10 a week, and charge him such a rent as that for such accommodations, and how can it be expected that he will be comfortable or save anything?

By Mr. CALL:

Q. Would it not be better to remedy those difficulties by getting a city government that would look properly after the interests of the people, and by having a municipal law requiring a house to have those things in it? Would not that be better than making the land free? How would you be better off in those respects if you had the land all free?—A. Well, I am not discussing that point. It would be all right if the workingman could get those things done by politics; but they have an organized system in politics, so that it cannot be done.

Mr. CALL. That is what government is for. You working people should see to it.

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By the CHAIRMAN:

Q. Have you any time to do it?—A. No, sir.

Q. If you were to combine, could you do it?—A. A workingman has no time to look after much else but his work.

By Mr. CALL:

Q. You have time to vote?—A. Well, that is about all.

Mr. CALL. The workingmen form a vast majority of the people. I expect you will find that the present city government was elected by the workingmen.

The WITNESS. There is no doubt that if the workingmen were educated they could do a great deal more. Hence it is that I believe in educating the people.

Q. Would it not be better if you could secure the anactment of a State law, for it is a State law that has to deal with these tenement houses, just as you have had a State law prohibiting the making of cigars in tenement houses?—A. Yes, sir.

Q. A State law might regulate this, and it might be made an issue in politics on the same principle as other laws. One requiring tenement houses to have proper accommodations of a sanitary nature could also be enacted and enforced, could it not?—A. I suppose so.

FIRE-ESCAPES NECESSARY.

I don't know how a majority of the inhabitants of these tenement houses could escape in case of fire. They have something on these buildings that they call by the name of fire escape, but it would require a cat to climb it. Women and children could certainly not come down on such things.

Q. They are understood to be sufficient, are they not? Could a man bring his wife and children down by them?—A. Well, a man could bring himself down, perhaps, if he was a good sailor; otherwise he could not.

Q. Then you think the fire-escapes are mere shams, do you?—A. Some of them have steps and hand-rails, and those are good; but others are put up perpendicularly against the wall, and I don't call these fire-escapes at all, because they could be used by very few people in case of fire.

Q. Which are the classes most generally in use?—A. The ones I last spoke of.

Q. You mean the cheap ones?—A. Yes, the cheap ones. In the new buildings going up now they are putting on the best kind, with hand-rails and the like.

By the CHAIRMAN:

Q. There is some exterior protection which prevents people from falling from the fire-escape into the street?—A. No, not that; but there is a place to get out at from a window in each compartment, and then you have to take your chances until you get to the next one, by an upright iron ladder against the wall.

Q. Are those tenement houses easily inflammable, or are they pretty generally protected against fire?—A. They are inflammable enough. In fact the best protected buildings in this city take fire occasionally. There was a fire last night in a great store on Broadway near where I live.

Q. It was not in a tenement house?—A. No; it was a store.

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### A NATIONAL BUREAU OF LABOR STATISTICS.

Q. Is there anything further that you would like to state to the committee?—A. I would add that it has been proven by statistics that in the cities of New York and Brooklyn there are 250,000 people unemployed, most of whom are so through enforced idleness, as was the case with myself for five months after the termination of our strike. When an advertisement calling for one or two men appears in a morning paper fifty or a hundred applicants will be found looking for the one or two places. This applies to many of the trades as well as to unskilled labor. A national bureau of labor statistics should be established and managed by working men, and not politicians, as is the case in many of the States having such bureaus. Politicians do not understand the wants of labor nor do they care for them.

### LAW ON THE SIDE OF CORPORATIONS.

Workingmen are commencing to look upon legislators generally as having no object in view save that of spoils. When any labor trouble in the shape of a strike is anticipated the whole machinery of the law and all its forces are on the side of the corporations and of the money power; the police force, the State militia, and the Government troops, if necessary, are held in readiness to massacre the people under the slightest pretext.

### NATIONAL AND SAVINGS BANKS SHOULD BE ABOLISHED.

National and savings banks should be abolished, as they are among the many evils that oppress labor. In every city the Government should issue money without interest, and should also establish postal savings banks, where the savings of the poor would be protected. Wall street should be abolished, as it is perhaps the greatest gambling den on the face of the earth; "cornering" in provisions and gambling generally should be made criminal offenses, and any one found engaged in such practices should be severely punished.

### THE TARIFF.

As to the tariff, the workingmen regard the cries of "free trade" and "protection" as those of politicians—not for the welfare of labor, but to serve the political ends of the politicians. In my opinion the motto of the hour for all working people is "organization, education, and agitation."

The committee then adjourned to Thursday, September 20, 1883, at 10 a. m.

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NEW YORK, *September* 20, 1883.

The committee met at 10 a. m.

ERASTUS D. GOODWIN examined.

By Mr. CALL:

Question. Have you read the resolution of the Senate relating to the work of this committee?—Answer. No, sir; I have not.

Mr. CALL. I will read it to you. [The resolution is read.] We shall be glad to have from you any facts or information in your possession, or any opinions you may entertain, representing the class of industry to which you belong, bearing on the subjects covered by that resolution.

By the CHAIRMAN:

Q. You are a farmer, I believe?—A. Yes, sir.

Q. Where do you reside?—A. At Falls Village, Litchfield County, Connecticut.

## THE FUNCTION OF LEGISLATION.

In the remarks I am about to make I have no other excuse for the latitude I shall take in presenting and discussing the questions before you than to hint that you may as well attempt, governmentwise, to meddle with the mechanism of the universe and direct the course of the planets as to interfere directly with the labor of the country, either to better its condition or to educate it. We are all laborers, or should be, either by head or hand—the body politic *en masse*—and as you can reach us and touch us only through your tariff or internal-revenue levies, what we ask is that you leave us to our natural surroundings, with no extravagant, arbitrary, discriminating, and unjust levies upon our earnings; allot your burthens equitably and impartially, through your revenue functions, and according to the ability of the individual to pay, when that relief most conducive to our prosperity and culture will come; and we will take care of ourselves and our children, and educate them either individually or through our State organizations of government.

## LABOR AND CAPITAL MUTUALLY DEPENDENT.

The labor and capital of a country engaged in production are so intimately connected and interwoven with each other as to become mutually interested and dependent; if one member of the body politic suffers all feel it; hence that condition and relation of individuals and of interests mutually conducive to the prosperity of all is the only legitimate one to be tolerated; while any departure of the Government from its trust of impartial administration, by which one class of producers or of interests become favored, must react on the general prosperity by subordinating and impoverishing the others. So long as we were a new country, struggling for a subsistence with its development—as yet unable to supply ourselves, with consumption constantly in excess of production, in agriculture and manufactures both—this anomaly of condition was but little felt; it is only when your surplus products are dependent upon a market abroad, their value fixed by the condition and ability of consumers there to buy them, that the full force in this disparagement in condition is felt. Even this was light under the old *régime* of an economical administration of government before our civil war, while since, with the enormous demands for revenue and the increased duties to meet it, the exhausting process of levying taxes upon a

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people only as they consume dutiable products has fallen heavily alike on all labor and with special force upon industries not directly favored by these levies.

### THE FAMILY, THE CHURCH, AND THE STATE REST ON THE INSTITUTION OF PROPERTY.

The activities, the labors of the multitude, are first for living, then a competence, with accumulative wealth. The hope of success animates, inspires, and draws out a man's capacities; and as the family, the church, and the State alike rest upon the institution of property, its healthy acquisition should be open to all, without favoritism from the State. Her province is to protect property, and not divert it from its proper channels; to confine herself strictly to her administrative functions, leaving to individual effort the freest, broadest scope, each to reap the full fruition of his own toil, with no unjust levies to make him subordinate.

### TARIFF FAVORITISM.

The favorable reception by the press of the memoirs of President Buchanan indicates on their part a growing spirit of liberality, while the general commendation and universal sorrow at the loss of Judge Black, his eminent Attorney-General, is more decisive of the cutting loose of the popular mind from the illiberal and fanatical temper of the war era. Perhaps the public will soon bear the intimation that our civil war was a mistake, which a more enlightened and liberal statesmanship should have avoided, while the issue of the greenback and the extreme tariff favoritism of that era were measures as demoralizing to the republic as they were antagonistic to correct principles of political economy and to all sound notions of economical production. We are reaping the fruits of that policy to-day by being excessively taxed to keep up the monopolies of the times, with their watered stocks and enforced dividends, while the ups and downs, the throes and struggles of business are but the legitimate fruits of the body-politic shrinking from and shirking the burdens thus imposed upon it.

### SCALING THE GREENBACK.

It is a question to-day whether it had not been better all around at the close of the civil war to have scaled the greenback one-third and to have recognized the Confederate note in a similar amount. It would have toned down the superficialities of the North, stripped its values of their watered features at once; while to the South, formerly our best customer, it would have given instant recuperation and health, could we have avoided all attempts at that political transition our patent statesmen so long and vainly strove to accomplish. Time is eventful, with its retributive arm; its forces are silent, yet sure. If the base the foundation of our business prosperity is deficient the sooner we realize it the better all around, for health can come only through a proper diagnosis of our disease.

### NATIONAL DEVELOPMENT.

It is an hundred years since the close of our Revolutionary war, with the acknowledgment of the independence of our infant States by the mother country. With a population of only 3,000,000 at its close,



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sparsely scattered, and occupying only the more accessible areas of our Atlantic slope, exhausted in resources and held together only by the frail bond of the Federal compact, our condition and prospects were such as to excite the grave apprehension of the heroes and statesmen of that eventful era. The adoption of the Constitution in 1787, consolidating the States and making them a unit of power for all national purposes, leaving to the individual States all local jurisdiction not essential to the functions granted to the General Government—an achievment toward human betterment unsurpassed in the annals of mankind—inspired our young Republic with renewed hopes and increased vigor of life; while our vast strides since in population, in development, and wealth is a marvel to the astonished nations. The addition of 50,000,000 to our numbers; our system of internal communication, by which this vast population has been enabled to spread over and fill up this vast territory; our development in industrial resources, and in science and the arts, brings us to the front rank among the nations, and but for our deficiency in commercial resources our position would be one surpassingly commanding.

### COMPARISON OF UNITED STATES AND EUROPEAN NATIONS.

We exceed Great Britain, France, and Germany, each, more than one-fourth in population. They are our natural rivals in industrial resources among the nations; and, but for our want of a correct appreciation or realization of the conditions of economical production, we should surpass them in a contest for the trade and commerce of the world.

It is with nations as with individuals, success depends upon their ability to supply the wants and necessities of others, through capital, commodities, and commerce; and as dear markets drive the world's custom from you, you must produce and fabricate as low as other nations, or the merchant princes of the earth will shun you.

We are no longer an infant nation; in numbers we surpass all our legitimate competitors for the trade and commerce of the world, with a population largely concentrated in towns and cities. Hitherto our vast territories have opened up to labor a broad field of enterprise; while its high price in this country has stimulated mechanical invention, so that in labor-saving devices we surpass all other nations, largely compensating our employers for the competition of lower priced labor in Europe.

The prosperity of a nation depends upon its ability to keep its people fully and profitably employed; hence economical production becomes the corner-stone to that prosperity.

### DEVELOPMENT OF MANUFACTURES.

The close of the first century to our national existence is an era in our history in several aspects. Our manufacturing interests, shielded by the financial necessities of the Government for an hundred years, have reached that state in art, in development and resources, when, with the natural and inevitable influx of foreign commodities, they can produce more than we can consume, and the tendency is to look more and more for external markets. Especially is this so of our iron, our cotton, and our woolen products. Their surplus, like our corn and cotton and provisions, must find an outlet elsewhere, or they must curtail production and leave their operatives idle. Now, the idle man, as a

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rule, is not as conservative and safe as the industrious; and I think in the long run it will be found that constancy of employment is not secondary to rate of wages.

Concentrated as our population is in towns and cities, it is apparent that hereafter we are to have a surplus of manufacturing and mechanical labor, and the problem of their employment must be met.

## CHEAP CAPITAL.

Not only have we hitherto had high-priced labor but dear capital; the transition has come when we have a surfeit of either, and the problem is to find a full field for the employment of both. Capital has come down to European rates, and to-day scarcely commands two-thirds, if one-half, its former value. Labor has the advantage or benefit of this cheap capital in its tendencies to open up new enterprises; and with our vast territories so accessible to it, and with our superior mechanical labor-saving devices, she need not bemoan her fate or shrink from European competition.

## CHEAP RAW MATERIALS WANTED.

The great need of our labor in the next decade is to place the cheap raw materials of the earth at her command, that it may fabricate for the world at large and ourselves also, while capital, skill, and art stand ready to aid and abet her. The fruit of labor the world over is a living—nine-tenths of us are struggling for this—and it is of secondary importance, the nominal value of your wages, so long as living supplies are in keeping with it.

The national prosperity demands a lower valuation for your merchandise, that our surplus may flow outwardly from us more and more, helping to swell our export trade and revive and reinstate our lost commercial advantages.

The war, with its greenback superficialities and tariff favoritisms, upset all our conservative better ways, leading to extravagance and general demoralization, with expanded values to capital as represented by watered stocks; with all the devious ways of capitalists and politicians to keep up the delusions and insure high interest and extortionate dividends in the face of the fact that capital has come down one-half in interest rates, with a general tendency to lower values to both produce and merchandise the world over.

## MONOPOLIES.

Your banking and manufacturing, your railroad, telegraphic and telephonic interests partake largely of the character of monopolies; they are formidable interests, having had a dominating voice and influence in the Government, State and national, since the early years of our civil war. They are largely championed by the Republican party, but alas! find too many allies among our Democratic friends. Their great struggle is to stay that inevitable decimation to values and incomes resulting from the more skillful and general application of mechanical forces to the economies of human production, aided by cheap capital and a more intelligent class of laborers. In the future the exigencies of business and the necessities of consumers must largely determine their rates; they cannot exceed in the long run what the productive capacities of the country will bear; and as production comes down to a more con-

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servative and enduring basis values and incomes must yield to this law of equalization and adjustment.

The process of this inevitable scaling is already apparent. Shrewd men foresee this and attempt to realize ere it be too late.

### FOREIGN MARKETS.

England manufactures largely for herself, her colonies, and the outside world. We have one-fourth more laborers, as cheap capital, and surpass her vastly, not only in the infinite variety of our manufactured products, but in the means, the mechanical inventions to produce them cheaply; give us her cheap raw material and we will drive her from the world's markets in many things, without coming down to her scale of wages. This done, commerce will revive with your expanding trade; all may alike flourish, and the millions upon millions among us find full, healthy, and continuous employment. As production becomes cheapened your more undesirable, out-of-style fabrics will more and more find a foreign outlet, without so seriously scaling the more salable better products, thus in a measure removing the incubus of overproduction and giving a more healthy tone to trade.

### THE FARMERS THE BASIS OF NATIONAL PROSPERITY.

As a nation we are but as one family of toilers. There is an equity in the relation of values that should not be discarded. One producer should not be too subordinate to another, and so the great agricultural classes, who furnish 85 per cent. of your exportable products, largely in shape of your cotton and your corn, your provisions and your dairy products, should buy their return supplies at rates in keeping with the value of their own productions. While they furnish 85 per cent. of your exports, nearly 75 per cent. of their whole products is produced by your small land owners, who largely do their own work. They virtually furnish their own capital, perform their own labor, and have to take what its products bring, the exportable value determining the price. Their labor and their lands, their skill and economy, are the basis of their prosperity; they produce without regard to prices, year by year, and continuously, while the tendency of this system of isolated, self-sustained individual production is to materially cheapen the food supplies of the world, so that, whereas thirty years ago the surplus wheat crop of Ohio exceeded the surplus of the whole country, to-day her whole crop might be a total failure without very perceptibly diminishing the national supply or increasing its price.

### COST OF PRODUCTS.

The first cost of a manufactured product is made up by charging cost of raw material, use of capital, and care and labor; but as the latter is so largely supplanted by mechanical appliances, the cost of which goes to capital account, the cost of labor becomes a minor item in the estimate, while your duties are levied on the aggregate value of a similar imported article.

### THE FARMER TAXED 45 PER CENT.

Your agricultural products in their cost estimates are more largely made up of the item of labor—hard, manual, muscular effort, eliminating the sweat of toil, while the labor of this class is dependent for its re-

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ward largely upon the ability of the foreign operative to consume their surplus at their rate of wages; and you have not been content with this great discrepancy or disadvantage under which the cultivator of the soil labors, having taxed him heretofore an average of 45 per cent., indirectly, on pretense of advancing the very labor he has to draw upon to aid him, giving to that labor in return the merest pittance of this advantage, the lords of the loom and the anvil having hitherto grabbed the lion's share; while our farmers, laboring under all these adverse conditions, have kept up as how of prosperity only by a terrible sacrifice of the virtues of their soil. Their farms are left a barren legacy of exhausted resources, as desolate and unattractive as the desert, from which their sons flee as from the pestilence, lest poverty shall enwrap them in her paralyzing folds.

### THE FARMER AND MANUFACTURER COMPARED.

Your railroads are justified in levying such tribute upon traffic as to enable them to keep them up in safe and serviceable condition, and leave ample resources for all contingences and for dividends, so that their human freight may ride comfortably and safely; yet here is your soil, yielding a subsistence to and carrying all life, vegetable and animal, including the human race, left to contend against such odds in production that its cultivators can only succeed by a process of culture and with a system of products such as to utterly exhaust and ruin it. The acres of the farmer are limited and he can raise but one crop a year, subject to blight, drought, and frost; while the manufacturer not only turns his capital monthly but can multiply his wheels indefinitely, while his products are more certain and sure, a condition of things which, when contrasted with that of the farmer, is the last and least to need the fostering, favoring aid of Government by a levy of extreme duties on an imported product similar to that he makes, and beyond the legitimate financial wants of the Government itself.

I am not a free trader, but recognize the financial necessities of our Government, with her chief practical recourse to meet them at present by a levy of duties on imports.

### APPROACH TO FREE TRADE.

As our agricultural, mineral, and coal areas are continental, so there is no limit, save in climatic influences, to our natural resources in corn, cotton, and wool, or in iron, steel, and other metallic products; while, with our population, now large—soon to become overwhelming in numbers—as we mature in development we must near and gradually come nearer the lines of free trade, compelling the Government to adopt its final constitutional recourse of raising revenue by allotting among the States taxes according to population, when capital must, as it should now, contribute more and more to your treasury resources.

I am but a representative laboring farmer, insisting upon my equality of interest and of opportunity before the law. Justice is a broad shield, ample to protect all, and must intervene when the few attempt self-aggrandizement in antagonism to the rights and interests of the many.

### PLEA FOR THE RIGHTS OF LABOR.

In pleading for the rights and interests of labor I would not be extreme. The radical, agrarian, leveling, revolutionary spirit of the age must be met.

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He who clears the soil of its primeval forest, or opens it up by building a railroad to it is entitled to his measure of its possession and enjoy the fruit of his culture, while his own blood should inherit and dispose of it. Property is the fruit of labor, capital represents its savings, its accumulations; while the possession of it is a sacred right, to be protected by all the power and wisdom of the state as an encouragement to individual effort.

### THE THEORIES OF FANCY REFORMERS.

The fine spun theories of fancy reformers are at variance with the genius of our people and the spirit of our institutions. I plead for an open field and the broadest scope of human effort, while government must hold the reigns of administration firmly and impartially, with no divergence from justice; for if she yields to the selfish appeals of capital her favoritism why may not labor struggle for a majority and insist upon her turn, and divert the earnings of others to her emolument also. We have a constitutional government, with its powers laid down in the organic chart, and all laws must be within its plain scope and spirit, or they are a nullity. Our form or system of government is a sacred legacy from the fathers, baptized in their blood, and its sacred character should be most jealously shielded, alike from all efforts to divert it to individual or class favoritism and from the radical spirit of the age that would upset and destroy it by supplanting it with its theoretical, agrarian, impractical vagaries. Our sacred edifice must be guarded from the spirit of vandalism from whatever source it may emanate, while our people should be awake to the perils in their own midst, poisoning, festering, and deluding the dependent classes.

We do not want a strong, a military government in the European sense; its natural tendencies are toward a despotism. Our system is predicated upon the interests and affections of all, while our salvation lies in keeping the ship of state intact from all pollution, that our children may love and reverence it both.

### EXPANSION OF VALUES BY THE WAR.

The extreme profits of our manufacturing, railroad, and other corporate interests during and since our civil war era not only led to expanded values, as represented by their watered stock, but resulted in extravagance and a general disregard of all economical principles. Immediately preceding the war we were down to a close basis of production, and our mechanical and manufactured products almost equaled our agricultural in our export trade. During and since its close they have almost shrunken from the exhibit, while the closer production at present tends to their increased export again. High prices of home products not only compels you to consume them yourselves but attracts from abroad similar merchandise; while low prices not only shuts out the similar foreign products but tends to the free outflow of your own.

### THE LAWS OF TRADE IMMUTABLE.

The laws of trade are as immutable as the hills, and cannot be swerved to suit the interests of one or of a few; Government may attempt it, the law of retribution, of equalization, must have its force, and the day of reckoning must come.

The business outlook of to-day results from our departure from correct

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principles of economical production, while the ups and downs of the past are but the surging of interests and their contention with forces as overwhelming and irresistible as the tides or the laws of gravitation itself.

We must move with natural currents, and not against them; our sailing will be less impetuous, more safe, and more certain in the long run, with a healthy prosperity inuring to all.

### DIVIDENDS ON FICTITIOUS CAPITAL.

It is a question to what extent the legitimate business of the country and consumers can be taxed to sustain the nominal capital of the nation invested in manufacturing, in railroad, and other corporations. Not only is the effort made to keep up their fictitious amount of capital but to perpetuate the old rates of dividends, when capital commanded nearly double its present rates. Our laborers are an intelligent body of men, "worthy of their hire." They realize the tendency of these interests to make them a sacrifice to their grasping, heartless purposes, and tax the whole productive industry of the country to keep up their enforced profits.

### GRADUAL REDUCTION OF TARIFF.

Reduce these fictitious valuations to their proper plane and level by a gradual reduction of your tariff; content yourself with dividends in keeping with the value of capital; come down to the more efficient and economical application of forces, and the price of labor need not be scaled, but its purchasing power so enhanced as to infinitely better their condition, widen their consumption of products, increase their travel and recreation without diminishing their surplus earnings. Relief in this direction would react on the whole body-politic, by making the masses not only contented but liberal patrons and consumers all along the line of life, infusing increased activity to all interests, and swelling immensely the productive industry of the country by producing and fabricating at less rates, increasing the volume of our outward trade, as also that coming in; regaining your lost commercial ascendency, thereby making other and the more subordinate nations tributary to your prosperity and renown.

### AGRICULTURE UNCERTAIN.

Your agricultural products are uncertain; they are at the mercy of climatic extremes, to say nothing of the constant deterioration of your soils. Your mechanical and manufactured products are certain and reliable resources; hence, as our population increases, we must depend less upon the former and more and more upon the latter for our exportable resources, and it needs no great sagacity to see that hereafter the national prosperity is to be conserved by this line of policy.

### WEALTH DEPENDENT ON PRODUCTION.

The wealth of a nation depends largely upon the productive capacity of its workers—the more laborers the more wages; and it is important to a community that its individual members should be infused with the spirit of industry, economy, and thrift.

While the nominal wages of our people exceed that of most others, it is a question whether their average production of wealth surpasses those others, from the fact that we have more idlers. It is estimated that the annual production of wealth among us from all sources, from

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labor and capital combined, averages less than 50 cents to the individual per day for each working day; while the earnings of those actually in the harness of care and toil cannot exceed a dollar.

Our subsistence must come from the resultant forces of labor and capital applied to production. Hence economy in the application of these forces and in the distribution of their fruits is of cardinal importance to all. The individual may be extravagant, or the nation and the State, while the extreme draft upon these resources, either in extravagant living or in costly and complex administrations, is equally a drawback upon the general fund applicable to the living of all.

## TOO MANY NON-PRODUCERS.

And here is the rock upon which we may be cast.

We earn too little in proportion to what we spend. We have too many non-producers. The daze of sudden wealth is dangerous. We come to look upon it as a matter of inheritance rather than that of an annual reproduction, and suffer a constant diminution to the ranks of our toilers without curtailment of expenditures.

We need to look to the rising generation, and more and more supplant our nominal system of education for one more real and practical.

The great struggle of life is for a competence. Poverty is a great break upon a man's aspirations; while disease, perhaps, more completely fetters his activities.

## THE FUNCTION OF WEALTH.

The active, the laborious, producing masses must support all; and the great secret of success to the State lies in drawing out and making more efficient the productive energies of each individual. Hence our early training should be more practical—a preparatory step to the work of life at maturity. The acquirement of knowledge, the culture of the mind, should go hand in hand with the practice of the arts of life; its real work should never be crowded out, that we may keep sight of its practical realities. Wealth should be looked upon more as an instrumentality to assist and promote the activities of life rather than as a shield from them; while its more general distribution should be encouraged by an effort not only to draw out the energies and promote the efficiency of each individual member of a community, but by allotting every producer the equitable fruit of his own toil. This cannot be done as long as government, by her partial favoritisms, breaks in upon the relation of values and their equities. If your tariff levies were merely for compensating for the increased cost of our labor they would not cover twice or thrice that difference, as they now do.

## CHEAP FOOD.

Cheap food and reasonable merchandise are great national blessings and should go hand in hand, while that man or that nation only can command and monopolize the market who produces these most cheaply; hence he who so combines labor and mechanical forces as to effect this must be regarded as the world's benefactor to whom merchants bow and make their annual pilgrimage.

The active, impelling principles of our character are based upon our physical necessities; we labor for a subsistence; we acquire and accumulate to increase our privileges and enjoyment, and give us the means

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of self elevation; hence acquisitiveness, or the love of property, becomes the fundamental, pivotal, active force within us, around which all others cluster; and as individuals and nations excel in the development and manifestations of this propelling force, so they surpass and outstrip other individuals and nations around them. Hence, climatic conditions adverse to securing too readily a livelihood are best calculated to draw out this principle of character, and the more dominant nations are found in temperate or wintry latitudes.

### FREEDOM BEST ADAPTED TO DEVELOPMENT.

Freedom of effort is the condition best calculated to draw it out; while a race subject for ages, and one surrounded by climatic conditions such as to yield a spontaneous subsistence to it, both alike belittle and dwarf this more active principle of character from the want of favorable surroundings for drawing it out. Hence, the importance of its development in the individual by removing all obstructions to freedom of action and of effort.

Our people have sprung from all nationalities and all classes; and when adopted into the national family become American citizens, each alike on a footing of equality as to rights, interests, and opportunities. We do not recognize the class distinctions of trans-Atlantic countries; while all inquiries on the part of the General Government as to the condition of labor and its relation to capital becomes pertinent only as your revenue allotments affect it unjustly.

### OVER-PRODUCTION.

The American citizen is very properly jealous of his rights and opportunities. He is the sovereign; the Government his servant. He believes in self-government, and will recognize the exercise of no other authority but that plainly delegated in the organic law. Hence, an elaborate, complex, inquisitorial system, with its tendencies to enlist one-half of the people to govern the other half, is as impractical as it is repugnant to our American system. Man's divergence from rectitude brings with it evils and results self-curative in their nature. Action and reaction must be equal, while the forces of nature must in time largely react on all excesses and exactions to assuage and cure them. Extreme tariff favoritism so stimulates production and development as to hasten the period of over-supply, when relief to the consumer must come. We must adapt ourselves to our institutions as our fathers left them to us, and not remodel them to suit the caprices and interests of the day.

### DISCRIMINATIONS AGAINST AGRICULTURE.

I am here as an agriculturalist, to plead against your discriminations in favor of our manufacturing interests beyond your financial needs under a careful and economical administration of the Government; even your wants under such a *régime* are against us and our natural rights, and in their favor, while any and all assessments beyond these needs are but little short of robbery.

Human nature will out; she must have her defaults. Some succeed where others fail, while the law of awards, of retribution, must have its sway. We reap what we sow, and in accord with our capacities, our care, and our culture; and Government itself is above all reproach and responsibility only by preserving an impartial and just attitude in her administrations to all classes and all interests.

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### EDUCATION.

Our capacites and forces are based upon our physical organization; they are implanted by nature, and it is for us to develop and draw them out by use, as we do our physical powers. Observation is the foundation of all knowledge. We learn first by seeing, feeling, and hearing, while first principles are substantiated by a careful analysis of facts. The power of inference, of abstraction, is intuitive, the distinguishing, the commanding force of the soul, the divine essence within us; and while observation or intuition is not at all dependent upon education these powers are greatly facilitated by discipline and culture, while the accumulation of knowledge and the elimination of principles by the generations preceding us are opened up to us by our printed records. Education is but the key unlocking these treasures alike to all, yet it must spring innately from the soul itself. Man must nerve himself up to his acquisitions and culture; they cannot be pumped into him. Hence our systems of education should be made attractive; and as practical pursuits are to engage and absorb the energies of the masses all acquirements and discipline should lead to and be connected with these, never losing sight of the natural bias or taste of the individual himself.

### CHOICE OF A BUSINESS.

A pursuit or business should attract the individual as a rule, rather than that he should be coerced to it. The love of acquisition is healthy and inspiriting, while the want of it in the individual enwraps him in indolence, with its tendencies to poverty, vice, and crime. The attrations of a competence lightens the burdens and allures the hopes of the toiler, and you can do nothing for him more healthy and elevating than to encourage him to industry and thrift by allotting to him the legitimate fruits of his labor, and relieve him from the unjust levies of our tariff impositions.

### THE STATE AND NATIONAL GOVERNMENTS.

In our complex system of government it is important that the functions of the State and National Government each remain intact, and no usurpation of the one by the other be tolerated.

The sovereignty of the State is unimpared save to the extent she has parted with it in the bestowment of powers upon the General Government. The intellectual, moral, and physical welfare of the people is still a subject-matter for the State to care for through the promotion of education, the encouragement of agriculture, and the fostering care of industries. All efforts on the part of the General Government to usurp the functions of the State in these directions makes a double system as costly and unwieldy as it is uncalled for.

### AMERICANS ARE NATURAL REFORMERS.

Our countrymen are natural-born reformers. Their zeal, their intensity of character leads them to make a hobby of every matter, and they ride it, as a rule, to death and destruction. Freesoilism led to civil war, with a condition of things making possible our extreme protective system. We barely escaped disintegration and ruin in our intestine struggle; surviving its perils, we have persisted in the extreme protective system of that era until over production bids fair to neutralize its favoritisms and bring relief to our long subordinate interests. Providence is with us in the long run, in spite of both parties.

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## SMALL ANNUAL SURPLUS.

There is comparatively but little of the living, subsisting resource of one year carried over into the next, and were the living products of the earth blasted wholly for one season one-half of our population would starve out. Hence production and consumption must go hand in hand, while the annual accumulative resources of the more mature nations, called increased capital, must be largely represented by a balance of trade in their favor with other nations.

Your capital invested in a railroad should not return you a dividend while its transportation levies are spent in wasteful expenditures, extravagant salaries, and reckless smash-ups. And so of all other kind of business.

We must depend more upon actual net earnings and less upon borrowed bonded resources—but another name for drafts upon those who are to come after us. The greenback was delusive. It was issued largely for the expanded values of labor, produce, merchandise, and war material in the later stages of our civil war, when gold averaged 200. Government utilized or made permanent these superficial valuations by converting the greenback into Government bonds predicated upon the faith and resources of the North and South alike, while virtually annulling and confiscating the confederate note.

## THE SOUTH.

The law of conquest is harsh and unchristian, as in the days of Joshua. Our brethren of the South were not only swept of their substance, but of their capital also; left with bare hands, yet stout hearts, to make good our wild financiering, our expanded valuations; while in thus perpetuating this demoralization, adverse to all productive industry, the South may yet have the vantage-ground by planting her industrial resources upon a more economical and enduring basis.

Where capital is scarce it cannot be enticed into watered stocks; it is your greenback inheritance here at the North that has supplied capital to ours.

We already find the South, with her plain cotton goods, supplanting ours in our more remote home markets; while the reduced cost of her iron, from more favorable surroundings to its production, already tells upon the price of ours.

The pride and arrogance of the North may yet bow to and recognize the silent and unassuming forces of our Southern brethren. Providence is retributive in her forces and allotments, while the self-sacrificing virtues of her children may yet find their reward. The greenback added nothing to the wealth of the nation; it represented largely the wastes of war. Government merely charged its face value over to the people, to be paid for by the sweat and toil of future generations.

## PROTECTION.

The protecting, exempting forces of the tariff are felt only so long as home consumption exceeds production; as the latter overtakes and outstrips the former its compensating forces in increased price to products cease, while the manufacturer must gradually come down to a lower basis of cost, like the farmer.

This era is already upon us, long ago foretold and promised by Greeley —the centennial of our industrial hopes—and henceforth the transmis-

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sions, the inheritances of our civil war, with its burdens, must be more equitably borne by all, and that producer only who husbands his resources and judiciously applies them can expect to succeed. The world's competition is virtually opened up to us, while no decree of embargo or Chinese wall of protection can shut it out.

### THE OBJECT OF A TARIFF.

The objective purpose of the manufacturer in seeking an extreme duty on a foreign import similar to that he is making is to so increase its cost as to shut it out in a measure, and give him the home market. This worked well for him and his interest in the infancy of our production. It did not shut out the foreign product, however; it merely brought up the price of his fabric to the cost of that imported, with the duties added, compelling our consumers to pay the enhanced price for both until the increased flow of merchandise from both sources became extreme, and the reaction from over-supply set in, bringing depreciation and disaster in its train. Hence, under this system we have always had our periods of excitement and prosperity in trade and manufacturing, followed by the inevitable reaction of depression and disaster, like the rise and fall of the tides. The lucky voyager who ventured his fortune upon the rising tides of our periods of seeming prosperity, and retired in due time, succeeded in obtaining a competence; while he who persisted in a continuous voyage upon this sea of ever-varying fortunes, ran the risk of finally succumbing to its business squalls, and might go down.

These periods are always hastened through the tendencies of this system to exhaust and impoverish the masses, the consumers; yet so fertile were we in natural resources, so active and unyielding in our go-aheadativeness, with our natural stimulus to business resulting from the enormous influx of labor and capital, both, from European countries, that we scarcely heeded these reactions, or appreciated the real causes back of them.

### CHANGE OF CONDITIONS.

This condition of things is all changed now, as we reach the line of productive development in manufacturing, enabling us largely to supply ourselves; and we need to canvass our surroundings and sailing with increased caution and care.

The shock to business and to values incident to this transition stage in our activities is already upon us, while all watered values must gradually yield. The great struggle of stock manipulators is to keep them up to their old rates until they can unload them to an unsuspecting, over-confiding public.

### WHISTLING, TO KEEP UP COURAGE.

The increased number of failures, the diminished activity in most branches of manufacturing industry, and the more conservative ways of business men, are but the indices to this condition of things; while it cannot but be amusing to witness the efforts of the more partisan press of the country to whistle and keep up courage, and flatter the business outlook, as though they could command the tides and keep back the ocean's sweep; and the country must prosper, and the farmers of the great West get rich by exhausting their soil by raising wheat at 80 cents and corn at 40 cents for export to Europe, while the millenium of

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our prosperity only awaits the more elaborate reorganization of our agricultural with a labor and educational supervising bureau, having a voice in the executive councils, telling them how to do it.

Among the press there is a conspicuous and honorable exception to this rule, one whose voice ever indicated the true path to national greatness, though once hushed by the howling mob in the early years of our civil war, the true representative, the ever-faithful Journal of Commerce.

## FOREIGN TRADE.

As a people we are liberal consumers of the products of other climes, as also of their works of art, and of their infinite devices to captivate the taste and decorate our dwellings; hence we have a vast foreign trade to provide for in the varied productions of other lands from our own resources, and unless these can be increased and varied and made more certain we are constantly open to apprehension lest the balance shall become disastrously against us. The production of the precious metals has reached its maximum, while the drafts upon its volume for other purposes than that of a circulation medium is constantly on the increase; while if our population continues to multiply in the next decade as it has in the past we shall do well to be able on the average to subsist and feed ourselves.

The happy medium of sunshine and of shower, most favorable to the earth's production, is not at our command. Providence blesses us with his genial forces in one section, while in other regions he blasts our hopes through either extreme; and it is a question of time, perhaps, when a more general failure of our agricultural resources shall bring us to grief. It is wise to husband our resources and increase them both, that we may be fortified for the possible if not probable contingences of the future.

Wanted! The statesmenship to grasp our present condition, appreciate our legislative needs and realize them; to cut loose from all your superficialities, statewise and individually, both; inaugurate the new era of economy and of integrity in your legislative and business administrations, from the nation down to State, municipal, and individual interests; reducing taxation all around, whether levied through import duties or more directly by State and municipal organizations; multiplying the field of labor by the encouragement of cheap raw material, resulting in a more general healthy prosperity to all, with Government herself more paternal to her children from her impartial attitude to all interests and to all classes.

Reduce the army of officials at Washington and all over the land by simplifying your organizations and confining your functions within clear Constitutional limits; let your ambition be not to enlarge your administrative powers, but to execute better, and with honest, efficient officials, those clearly well defined, instead of constant efforts to enlarge your powers by organizing agricultural, educational, and other similar collateral departments to preside over interests better looked after by the States; confining yourselves to statistical information touching these subject-matters; and especially leave tea culture and seed distribution to private enterprise.

## WANTED TO TAX CAPITAL MORE; LABOR LESS.

In thus hauling in sail you will need less and spend less; and import duties can come down to the relief of all, resulting in cheaper living

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supplies. The nominal rate of wages may eventually fall, but its purchasable power will be increased, while, if you are in earnest in your sympathies for the laborer, you should try to make capital contribute more to your Treasury resources and labor less, that the poor man with a large family shall not pay more, possibly, than the man of wealth.

There is a more just allotment of your burdens than by taxing the individual only as he consumes dutiable products.

Wealth can be eliminated and made available only through the toil of man. Your large estates in this country have come largely through the appreciation of values incident to the growth and development of a new country—the fruition of the labor and travail of all; and justice and policy alike demand that capital so heaped up should contribute vastly more to the burdens of government, and the labor of the land less.

If we can but approximate to these reforms, and open the way to their ultimate realization, the ideal of our hopes is near at hand, for we have no standing army, as in Europe, to eat out our substance and constantly menace us with the horrors of war.

Government is paternal in her relations to the people, subject to the restraints of the organic law; and as she regains her ancient, impartial relations to them, ceasing to exact more than she needs, the old latent fires of patriotism will revive, renewing the old love—a bond of union needing no standing army to enforce her decrees nor a needless crew of Government officials to rob and eat out the substance of the toilers.

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NEW YORK, *September* 20, 1883.

Dr. A. DOUAI affirmed and examined

By the CHAIRMAN:

Question. Please state your residence.—Answer. My residence is in Williamsburg, or what is called "Brooklyn, E. D."

Q. In what capacity do you appear before the committee?—A. I appear in the capacity of representative of the Socialistic Labor Party of the United States.

Q. You are deputed by them to represent them here?—A. Yes; I am deputed by them to represent their interests and demands here.

The CHAIRMAN. You may proceed in your own way, and say to the committee what you think to be pertinent, as the representative of your body and as instructed, to the committee under this resolution of the Senate, which, I suppose, you have seen.

The WITNESS. I have seen the resolution.

### SPREAD OF SOCIALISM.

The Socialistic Labor Party is not spread over the United States solely, but also all over Europe. It consists in Germany, for instance, where it took its origin, of perhaps a million voters. In France the number cannot be much less. It is little spread in England, but it is well represented there. It is well represented in the south of Europe—in Spain, Italy, Switzerland, even in the Balkan Peninsula. It is largely spread in Russia and Poland. It has adherents in Denmark and Sweden.

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### THE SOCIALISTIC LABOR PARTY: WHAT IT IS.

The party is two things; that is, it is a scientific propaganda society and has existed as such for about twenty years. It was founded by two remarkable writers and agitators, whose merits are acknowledged by all scientific men who know anything about political economy and political science—Karl Marx, the author of the celebrated work "Das Kapital," or capital, and Ferdinand Lassalle, a pupil of Marx—and several more fellow-writers and agitators.

On the other hand, the party is an evolutionary and revolutionary society. It is evolutionary as long as it can be so, as it is left to itself, and as it has liberty of speech and action; revolutionary—like all natural laws—when it can no longer act freely, but is forced into action. Then it will respond to that call. The political economy which Karl Marx teaches is contrary to all present political economy, or what is called such. I shall, perhaps, need more than an hour to explain it.

The CHAIRMAN. You may have what time you please.

The WITNESS. I will try to make it as clear and concise as possible, and I hope it will interest every one of you gentlemen, since it is a party (and a science at the same time) so very largely represented in Europe and growing in the United States.

### POLITICAL ECONOMY NOT ALWAYS THE SAME.

Present political economy takes it for granted that its laws, or what it so calls, have existed at all times in the same way; have been the same laws under all forms of civilization and culture.

### KARL MARX'S VIEWS.

Karl Marx is the first man that says that this is a total error. There have been at varying periods of time different kinds or systems of production. But we may, for the sake of convenience, classify these different periods into three.

### THE THREE HISTORIC PERIODS OF PRODUCTION.

#### I. THE SLAVE PERIOD.

The earliest of these was the period of Slavery, when all production was carried on by slaves, in a way well known to every one of our contemporaries in the United States. At that time very few riches could exist in the world; production was small, and men were working only for the daily wants of life. There was but little commerce in the world.

#### II. THE FEUDAL PERIOD.

The second period was the Feudal period of production, in which the laborer was no longer enslaved, but was bound to the soil—bound to a certain vocation or calling—bound to a certain market, wherein to sell his merchandise and wherein to buy his merchandise, but otherwise provided for by law; nobody could be entirely helpless. There was provision made for any class of society. The means of labor did not belong at that time, as private property, to anybody, or only very exceptionally so. The land belonged to all the members of a community, or to all the communes within a state or nation. Just so the moneyed capital of the nation belonged more or less, or was, at least, applicable

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to all the wants of all the people. There was provision made, in short, for everybody within the community. But there was no freedom of movement or of action for the laborer, while, of course, it was always existing for the ruling classes. This period had an end about the time of the Reformation and of the discovery of America.

### III. THE CAPITALISTIC PERIOD.

The third is called the Capitalistic period, or kind of production. It began in different countries at different times, but is now spread all over the civilized world.

### THE TERM CAPITAL.

I must premise here that Karl Marx understands by the term "capital" quite a different thing from what other writers understand. In fact, common writers in political economy use the term in four or five different senses—now in the one and then in the other, and thereby create a confusion of ideas of which it may be said that it is startling that it has not sooner been criticised. The world had to wait for Karl Marx to direct its attention to this very strange proceeding. Capital is, in the sense of Karl Marx (as later on I shall prove), that portion of the proceeds of labor, which is robbed by the employer of labor under the forms of law, and by the aid of which new production is carried on. I break off here on this point because the evidence will come afterward.

### HISTORICAL NECESSITY FOR EACH PERIOD.

So Karl Marx, by teaching that there are or have been three different kinds of production in the world, and that they may co-exist in the world here and there in remnants of old periods—by teaching this, he exhibits first his whole system as a system of natural laws of evolution.

In the opinion of Karl Marx there is a natural, a historical necessity for each of these developments. They are created by the progress of science and of technical inventions and discoveries, and they are made possible by certain kinds of political forms which are consequences of the kind of production. In fact all ideal forms of society, religion, jurisprudence—technical institutions—education, every ideal interest in society depends upon the kind of production. Each will create its own forms of evolution. It will sometimes create them by revolution, just as forces of nature work usually, slowly and easily, but, at times, will work revolutionarily. And so there has never been a progress from one form of production in society to the other without a forcible revolution. As Karl Marx expresses it, "force has always been the midwife of new forms of society and institutions."

### REFORMS NOT THE WORK OF SINGLE MINDS.

It is a consequence of this view that a revolution cannot be made or that the world cannot be reformed by the whims and ideas of single discoverers or inventors, or "improvers of the world," as he calls them. You know now-a-days everybody has his own *recipe* for reforming the world—for improving society. We call those, after the precedents of Karl Marx, Utopias. The world cannot be reformed in that way. It must reform itself, it must bide its time, and then it will come forth by its very inborn, inherent necessities by the wants of the people, by the progress of the times in general.

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## THE CONSERVATIVES ARE THE REAL REVOLUTIONISTS.

When it comes in a revolutionary form then it is always conjured up not by the progressive part of society, but by their adversaries—by the conservative part of society. It is they who become the first revolutionists.

In order to make that clear by an example, I will refer to the United States war about slavery. All gentlemen of your ages must recollect how it came about. It came about by Mr. Stephen A. Douglas's Kansas and Nebraska bill. The Abolitionists would never have made a revolution—in fact they despaired of seeing slavery abolished during their lives—say within thirty or forty years. When I was part of the Abolitionist party in Texas—in the den of the lion—thirty years ago, I despaired of seeing the days of the abolition of slavery. But Stephen A. Douglas's Kansas and Nebraska bill, which was a revolutionary act on the part of the South or in its behalf (for it was taken to mean a revolution in favor of the South), brought about the reaction not only of the Abolitionist party, but of the whole North. You see, an evolution was going on for thirty years, but the revolution was introduced and set into action by the Conservative party; and it was a necessity which excited, which forced, the North to respond by a war, which, however, was brought upon the country by the South itself. By this example you will understand the position in which the socialistic labor party and Karl Marx stand with regard to evolution and revolution. I will now continue my elucidation:

Karl Marx calls it a very strange one-sidedness of the Anglo-Saxon character—that it cannot analyze well, cannot trace facts backward into their constituent elements, so as to derive the law underlying them, and draw correct conclusions inductively, although "induction" was invented in England. This is necessary before all things in a new science like political economy. You must first understand the facts before you can draw conclusions from them and evolve laws that hold good or are to hold good for future production.

## WHAT IS WEALTH.

Karl Marx begins then with asking: What is wealth? Well, now a days, he says, wealth consists of merchandise; all things are merchandise, even the labor of man. The laborer himself is a piece of merchandise under the present form of production. The elementary form of wealth then is a single form of merchandise.

## TWO KINDS OF VALUE.

You may now ask how comes value to exist—value of which, of course, political economy has to explain all the origin and all the consequences. He says, that looking at a merchandise, you cannot see how it gets a value. One merchandise appears at a first glance of as great a value as another. But we distinguish two kinds of value. We distinguish the value which every merchandise must have, the value of *use*—only useful things that administer to the wants of *every* man can be merchandise. But there is another kind of value—that is, the value of *exchange*.

How does it come about that there is such a value which can be measured, so that one merchandise may be exchanged for any other



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one? It is not in the merchandise itself that we find it. (You see the analysis of this; step by step is made very cautiously—he proves what he says.) Then he goes on to say it must be in the mind of man that the idea of value exists—in the minds of those men who carry on exchange. And the value is not in the things themselves that are exchanged, but it is in the ideas of man, of the general usefulness of those things and of the measure of usefulness for the individual wants. A and B begin to exchange. A will give a merchandise for which he has no use, but for which B may have use. And he desires instead from B a merchandise which A will find useful to himself. The exchange comes about if A is able, in a given time, to produce more of that kind of merchandise than B would produce, and if B is at the same time able to produce more of his kind of merchandise than A would produce. So the two can agree very well, and with profit to each other to exchange.

### TIME THE MEASURE OF VALUE.

The common measure, then, of value in exchange consists in time. Time is the measure of value. You see all political economists before Marx could not find that out—could not establish that. This was done by analysis of all the processes. I give the matter only in the shortest outline. I cannot give all the details of his conclusion.

Now, he goes on to ask himself, "Is, then, an equivalent always given if merchandise is exchanged?" Why, certainly there is, or the exchange would not come to pass, as a rule at least. Then, if there is always an equivalent given in exchange, or at least is meant to be given, how is it that we find cases in the world where there are no equivalents given? As, for instance, when labor is engaged, everybody knows, from his own experience, that labor produces more than it gets wages for. No political economist before Marx ever explained that. Marx goes on to analyze the several constituents which make merchandise.

### ANALYSIS OF MERCHANDISE.

You have, first, the raw material, together with auxiliary materials, that are transformed into new merchandise. That is one element. The second is labor, which transforms the material. The third is capital, pre-existing, which sets labor into motion and which buys the materials and which takes care of all the means of production. Now, he analyzes: "Is all the value refunded in the merchandise that was before in the raw material and in the auxiliary materials?" He finds that it is refunded. No new value is added to the raw materials themselves; that is, it is not added except it be added by labor.

### THE PORTION OF LABOR.

Labor, does it get its equivalent? Well, political economists tell us that it does, and every employer nowadays believes that he gives an equivalent for labor. It is the common impression of our age. *Labor gets just that which is necessary to produce new labor*, to sustain the laborer and his family according to the contemporary wants of a laborer of that nation and of that kind of laborer. So, political economy declares that because labor is always reproduced at its real cost, like any merchandise (for in the ultimate everything comes down in price to its lowest possible cost) that because labor comes down to its lowest possible cost, it *is* paid its equivalent.

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### THE PORTION OF CAPITAL.

On the other hand, capital always takes care to have its equivalent by means of interest. So, after analyzing these elements, Marx finds yet no explanation of how it comes that labor is not really paid an equivalent; that more is produced than was before in existence; that here the only exchange takes place which makes of less more, which creates from nothing *something*.

### THE APPEAL TO FACTS.

Well, he says we must look to experience; we must look to the facts; we must go to the shop and examine what is going on there. And, having done so, we find that after six hours of labor the laborer has produced just enough, by creating new merchandise, to refund all that which his labor costs to the employer. Well, does the employer then send him home? No, gentlemen, he keeps him in for twelve hours, if he can—it used to be fourteen or sixteen hours. Our bakers nowadays work seventeen hours as a rule. Our conductors work as many hours as that, as a rule. Capital keeps him just as long as it can.

Well, then, what does capital do with the balance of the merchandise which labor has produced in the length of the day? It appropriates it. So says Marx. And *there* is the discovery of the secret of what capital is.

### THE APPEAL TO HISTORY.

First, however, he looks back into history. Whenever he analyzes, mathematically and philosophically, any notion, any subject, he then looks back into history to see whether of old time it was the same way, or whether it was different. At the period when feudal labor, which was provided for, and which never could be helpless, was changed gradually into capitalistic labor, no new foundation of society was provided for. All the soil had been appropriated. All the moneyed capital had been appropriated. Education had become private property, and was, even so to say, a secret art. All the means of production then belonged to a class, or to several classes—of course the ruling classes—the learned, the powerful classes. What was left for the workingman? Well, nothing but his working force—the force existing in him, and the possibility of procreating children to continue the possibility of labor. He had to sell that from day to day to procure his wants, because he had not the means of labor. The means of labor consist in land, in moneyed capital, and all other such things, as machines, tools, houses, &c.; and that is what a laborer had not left to him.

### FREE LABOR.

This disinherited labor was declared to be free labor. You see the term "free" was here remarkable. That labor was free—yes, to starve! It was free to kill itself—free to overwork itself—free to sell even its freedom away—to enslave itself. But it was not free to do with its powers mentally and bodily as it pleased. It had to take such labor as came to hand. The laborer was entirely at the mercy of that part of his own labor which was before created by him but appropriated by capital—robbed under the form of law. "It that so, or not so?" Marx asks. Well, he has never been refuted. It stands out boldly as a fact

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that only one man dared to criticise him; but for the most part he had to acknowledge the truths which he found analyzed, and took exception only to two or three points in Marx's book, which, however, the critic misunderstood. After having been corrected about his mistake, he became still, and never said anything more against Karl Marx.

Political economy thus, like the ostrich, hides it head under its wings and feigns not to see its enemy, or to notice that there is danger ahead.

But our laborers study this book of Marx, let me tell you, thousands and thousands of them, and understand it, although it is very deep and sometimes contains foreign expressions; they study it by reading it over and over again, and they understand it, I assure you, even if they cannot explain it as I am able to do. Professor Schaeffle, of Vienna, was the only man that attacked it, the same man who had been state minister of Austria.

## SUPPLY AND DEMAND CONSIDERED.

Mr. Schaeffle says there is another element in the production of wealth besides labor, that one which Adam Smith had already taught us to understand. It is the relation between demand and supply that adjusts values, and creates prices, and rewards labor, always according to its merit, and rewards capital according to its merit. Remark well: Adam Smith, in the introduction of his work, had said that "labor creates all wealth," but afterwards breaks off from that topic and says it is the law of supply and demand. Marx does not even deign to refute Smith, except occasionally in some hints. From his standpoint, however, it is not true. Mankind has always falsified supply and demand by laws—artificial human laws. Who proves that there is not enough wheat in the country if the harvest should fail? Who proves that this is the fault of the weather alone? In every circumstance in which a failure of crops may harm society, human laws are coworking with nature, and increasingly so. And the laws create circumstances—create states of things through which the laws of nature become dangerous, which they are not in themselves. Nature is more productive of merchandise, of its own free gifts, under the hand of human labor than is wanted for the sustenance of human society.

## THE DIRECTING FUNCTION OF CAPITAL CONSIDERED.

Another objection is made, the objection that capital adds something to value by intelligently directing blind labor. Of course it does; but it does not employ its own intelligence, since no one ever knew that capital had an intelligence. It employs scientific men, technical men, skillful laborers of all kinds; and in many cases it has refrained from doing so, and has suppressed useful inventions and discoveries; the discoverers and inventors rarely got the chief portion of the proceeds of the new inventions and applications. Capital always got the lion's share, and the discoverer, as a rule, little or nothing. But, even if there were some very intelligent capitalists, and even if they paid the inventors and the leaders of their technical institutions very liberally, not even these inventors, not even these scientific men are the possessors, the only owners of their science and their advantages. The human mind has invented them all in a long, long course of development, and every new scientist and inventor adds only a very little on the top of all that which preceding mankind has invented for the benefit of all mankind.

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And it is robbing all mankind, not only the present labor, but all mankind for the present and the future time, to appropriate that not to the scientific man, but to capital, which has no merit of itself.

### REWARD OF CAPITAL FOR NON-CONSUMPTION.

Another objection was made, and that is that capital must have something as a reward for not using up—for not consuming—the wealth created by new merchandise; it must be rewarded for employing it for new production. Mr. Vanderbilt might at any time go and spend his hundred millions according to his own pleasure, and not produce any thing, simply waste it; and the world would be worse for that. To this Karl Marx and his school object, that it would be better if all the present capitalists and all their wealth in money and all their landed titles and all that may be called in any way capital, were taken away—were exiled from the country. Labor would procreate, within a few years, every vestige of it, and increase it; double it; make it tenfold larger, and would be free thenceforth.

I must break off here with the theory. The applications of it which are made in the agitations of our party are in some respects different from the views which common labor organizations are in the habit of taking. But there are so many points on which our party takes a slightly different view, that I should prefer to be asked questions how from our standpoint all the topics of labor may be justified.

### THE DEVELOPMENT OF HISTORY TENDING TO MAKE CAPITAL COMMON PROPERTY.

I will, in general, only say now, about the practical agitation of our party, what follows: Labor, we think, is always in the right, because it was originally defrauded of its human inheritance. Capital has expropriated it, and is every day expropriating other capital; accumulating the capital of others. Capital has expropriated so much that it takes a long time to do to labor what is right. Our party, furthermore, insists upon it that only in the future state of society, in which capital shall be no longer private property, but common property, can all wrongs be redressed; a state of society which will be brought about not by our individual efforts so much as by the development of history, but which seems not to be far off. In the mean time, however, millions of laborers would go down, utterly down, and would be unable to see the better times coming, or to do something toward emancipating labor itself, if there were none of present demands fulfilled which they make at the hands of the state and of society.

### THE DEMANDS OF THE SOCIALISTIC LABOR PARTY.

All these present demands you know quite well, I suppose.

One of these is that the right of suffrage shall be in nowise abridged. Political equality before the law for all citizens, without regard to creed, race, or sex, is insisted upon.

The establishment of a national ministry of labor is insisted upon.

All conspiracy laws operating against the rights of workingmen must be repealed. Of course, our party approves Senator Blair's bill for the incorporation of labor societies, of trades unions, heartily supports it.

Congress should provide for the immediate creation of a national bureau of labor statistics.

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The rigid enforcement of the eight-hour law of Congress in all national public works is demanded.

We also demand an amendment to the Constitution of the United States declaring eight hours to be a legal day's work in all industrial employments. What is not yet in the platform is the application of this same eight-hour law to all work which States and communities have now performed for them by means of contracts. They ought to be performed either under the eight-hour law or given to trade societies to perform under contract.

All uncultivated land should be taxed equally with cultivated land in the same locality.

The Government alone should issue all money, and such right should not be delegated to any bank or private corporation.

The socialistic labor party is struggling to secure the following measures in those States in which they are not now the law, namely:

State bureaus of labor statistics.

Eight hours as a legal working day, and strict punishment of all violators of the same.

The abolishment of the system of hiring out the labor of convicts in prisons and reformatory institutions.

Strict laws making employers liable for all accidents resulting from their negligence to the injury of their employés. And it ought to be added, and will be added, that the burden of proof as to who is in fault ought not to be imposed on the injured laborer, but on the employer.

Another legal restriction is demanded, that of the labor of children under fourteen years of age. You know that this has been secured in the State of New Jersey, chiefly through the action of our party.

They demand universal compulsory education, and all schooling material to be furnished at public expense.

They demand factory, mine, and workshop inspection and sanitary supervision of all these places, and of dwellings.

They demand that all wages be paid in the legal tender of the land, and that all violations of this law shall be punished.

All ballots to be printed by town and city governments, and ballots containing the names of all public officers to be sent to all voters two days before the election.

All election days to be declared legal holidays.

All property, whether used for religious or secular purposes, to bear its just proportion of taxation.

And last, but not least, entire revision of the United States Constitution, so as to institute entirely popular legislation and enable the people to propose or reject any law at their will, thus absolutely securing self-government.

### REPRESENTATIVE GOVERNMENT NOT SELF-GOVERNMENT.

Our party maintains that we have not popular self-government. We have only representative government, and the representatives do not represent the will of the people, but of the ruling classes, and this cannot be otherwise if representation is to prevail. At all times those possessing the power of the State possess and use it for their own benefit, and make laws to benefit them exclusively, or almost exclusively.

### THE LAW OF REFERENDUM.

In Switzerland direct popular legislation has been introduced to some extent during the last ten years. They have a law there called the "Law

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of *Referendum*," and they have another law called the "Law of Popular Initiative." By the *Referendum*, any important law that is before the national legislature (and the same holds good of cantonal legislatures) must, on the demand of a certain number of citizens, be brought before the people to be by them either ratified or rejected.

### THE LAW OF POPULAR INITIATIVE.

By the law of Initiative the voters themselves, to a certain number—50,000 in Switzerland—may demand the enactment of a certain law, not that it shall be passed entirely in the form in which the people may have put it—the legislature has the right to modify it so as to be in harmony with all the other laws, and not come in conflict with them—but the legislature is obliged to lay it, when finally formulated, again before the people for ratification or rejection. Several times already, I think four or five times, the whole people of Switzerland have given their ratification of or have rejected such general laws. In some of the cantons the institution exists from time immemorial. In others it has been, or is being, introduced. The most beneficial results have came from that.

### OBJECTIONS TO THE "REFERENDUM" AND "INITIATIVE" CONSIDERED.

It might be objected that the people of the United States are not prepared for such a very great change. I maintain that it would not need a revision of the whole Constitution to introduce this reform. Our Constitution is already broken. It is now in some respects a "dead letter." It is no longer a guidance in all our political actions. It has been overridden by the war of slavery, both by the North and the South, and it is a document which is not up to the times. In the one hundred years, or nearly so, since it came into existence, the world has marched a great way, and it is time that it should be revised; yet, an amendment might for the present satisfy all the more pressing demands.

Give the people the power to ratify by Referendum, or to call forth by the Initiative, the more important laws. Then you will know what is really the will of the people. Then the people may be educated to understand the laws and take care of their own interests, to discuss them in their town meetings and in their ward meetings, to form new opinions, and study the new political economy and the new political science which our party tenders them. Thus our agitation might have a peaceable effect. To discuss the way in which that may be introduced before Congress or before the single States is not material here.

By Mr. CALL:

Q. Let me ask you the question right here. Would you allow the right of free speech in those assemblies to discuss the laws?—A. Certainly.

Q. Would you allow everybody the right to advocate or oppose those laws and decide upon their validity?—A. Yes; certainly.

Q. Then you would have to limit the time by a constitutional amendment, or you would never find time to work the things all out.—A. Well, the president of every debating society takes care of the time of debate under well prescribed rules.

Mr. CALL. We can hardly get along in Congress now.

The WITNESS. I want to have that great mass of present legislation rescinded. Most of our laws are utterly useless. But I cannot go into that subject now. There is a good deal of it.

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Q. You would have to have a good deal of discussion before every popular assembly, would you not?—A. Yes, sir; that is so as things stand. But I think every conscientious lawyer will say that I am right in this respect. People will thenceforth endeavor to curtail their laws, because they must make them themselves. In fact there is no other means of reformation. Otherwise whatever you can do for the benefit of labor will be a "dead letter."

MANY LAWS IN THE INTEREST OF LABOR BECOME DEAD LETTERS.

We have carried a great many laws in several of these State legislatures, and, as you know, we have carried a law in Congress, the eight-hour law, which has been made ineffective. We have, by the legislature of New York, enacted seven or eight laws, and they are now nearly all "dead letters." We have done it in New Jersey, in Massachusetts, in Missouri, and in Ohio. I might quote quite a number of instances. For some time, if the workingmen are very watchful, these laws will be observed, but it takes a great deal of money to do it. It takes constant watchfulness, and it is simply for the reason that our law givers are capitalists or are in the interest of capitalists. As soon as the people ask a right to take part in legislation themselves they will be practical enough to curtail all useless discussion after having carried it on, say, for several weeks, before voting on the proposed law.

RELATION OF THOSE LAWS TO PUBLIC OPINION.

By the CHAIRMAN:

Q. I gather that you have carried these various measures somewhat in advance of public sentiment, by pressure upon the legislatures. If that is not so, why is it that the laws, being enacted as you wanted them, have failed of execution? Why are those laws dead letters?—A. Because it takes a great deal of money and of time for workingmen who are engaged all day long to be so watchful—to take means to have the laws executed in every case.

Q. But the community is made up, not of the workingmen alone, but of all the elements that make society; and in order to enforce a law it is necessary to have a majority of all those influences?—A. So it is now.

Q. It is the majority of public opinion that enforces the law.—A. Yes, sir.

Q. Now, is not the real difficulty this: that as yet the people are not convinced as a whole—the majority of the people are not convinced—that these measures which you have obtained from legislatures and from Congress are the best for the common good, and therefore public opinion fails to come up even to the legislation?—A. Then do you not see that just for that very reason it is the first necessity of successful reform to have a great common agitation through all the country? As soon as you can by agitation set a people thinking hard on the faults and short comings of their constitution and laws, and tell them some better things that you would put in their place, and make them willing to revise the constitution in the sense of the Referendum and Initiative, as they exist in Switzerland—as soon as you do that you have no more to care for the monopolists, for the capitalists. As long as these are in their good right labor will not harm them; but, if otherwise, the majority would have to rule.

The CHAIRMAN. Yes, we all agree that the majority or major opinion would have to rule.

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APPLICATION OF THE REFERENDUM AND INITIATIVE.

The question is whether the Referendum or the Initiative will be any better methods of convincing the public mind creating public opinion than the existing method. Now, as bearing upon that, let us say that you have, as you state, already, under our existing methods of enacting laws, secured the enactment of variou smeasures which are in advance of public sentiment, and yet all the time you have had this power of appealing to the people through the press—of disseminating information, of convincing the private judgment of people; you have had all this just as much, it seems to me, as you could have that power if you had this principle of the Initiative for a new law, or of the Referendum in the case of a law already adopted. You could then, it would seem, do nothing only appeal to the people in favor of a certain measure, and show that just so many people wanted it—just as you can now show it by voting for the same doctrine in the platform of a party. I do not see why your new system of reaching public opinion would be any better than the existing system through which you have already secured laws in advance of public opinion. If you have any such reasons I would like to hear them.

The WITNESS. You see, what is my representative's interest may not be my own interest. If he has the legal power to vote not as I want him to vote I may be cheated out of my rights. This is the view of the working people generally, and they are tired of this kind of legislation. They cease to interest themselves in the ward meetings and town meetings, or to think about the laws, or read them through or discuss them, because they see that it is all in vain. There is no opening where they can get through to carry out their own will. You must begin by interesting the people.

Q. Is not that because they are in a minority?—A. No, sir.

Q. Is it not because the doctrine set forth in the law is not really embraced in a majority of public opinion?—A. You can know whether they are in the minority by the plan which I suggest. You know people do not stir until they are compelled to stir, and then it is often found that what was apparently the idea of a minority is really the idea of a majority.

You cannot in our present *status* ascertain whether a certain thing is the will of the majority or not. The votes as given for representatives do not indicate all the wishes of the people. The two parties represent the interests of the people so little that nowadays the party platforms are nearly identical—in fact I should like to see any difference that exists between the party platforms. The politicians are all very "good" men of course—all very "learned" men—have all "studied political economy" and they "understand the interests of every branch of labor in the land." You must know that they are made Representatives because they are lawyers—not because they understand anything of political economy or political philosophy. There are exceptions of course; I grant that.

By Mr. CALL:

Q. What is your profession, doctor?—A. I am a teacher, sir, by profession. Now I am a writer since I am too old to be a teacher. It is time now to have a great agitation among the people as to how they can realize their own will; and if they see that in Switzerland the Referendum and the Initiative have done excellent service, then they will, perhaps, imitate them. They will not be too proud to learn from a republic that is a thousand years older than theirs.

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EFFECTS OF THE REFERENDUM AND INITIATIVE IN SWITZERLAND.

By the CHAIRMAN:

Q. What laws have been adopted by the people of Switzerland under these methods?—A. Laws in favor of labor. Children's labor has been almost entirely forbidden, and women's labor very much restricted before and at times of confinement; the hours of labor for all are regulated, and it is made the duty of the employers to pay damages for those who are hurt in their service.

By Mr. CALL:

Q. How do they enforce the law prohibiting women from working before and after confinement?—A. Oh, I can assure you that laws in Europe are enforced.

Q. Laws are generally enforced by being made punitive on the individual committing the offense. Now, take a woman who is working before or after confinement; it would not do to enforce the law by punishing her for so working.—A. Well, we can leave that to the circumstances of the case and of the time. We need not lose ourselves now in the consideration of single instances. The fact that the law is not yet perfect may be conceded; but the very good will of the Swiss people has been demonstrated by the majorities under which this law was adopted.

Q. How many people are there in Switzerland?—A. Two and a half millions.

Q. How large a territory do they occupy?—A. Well, sir, it is a small territory and a poor territory; but, after all, the surrounding despots fear very much to despoil the Swiss people and appropriate their soil because they fear to get into their confines two and a half millions of free-born men. It is a very important country, not only as an example for other peoples who want to be free, but also by keeping, so to say, the "watch of freedom" in Europe—offering a refuge for the fugitives from political persecution in all other parts of the continent.

Q. The point I wanted to suggest here is whether a law that might be practicable for a people of two and a half millions, occupying a very small territory, would be equally practicable for a population of fifty or one hundred millions of people, occupying a continent?—A. Well, this is an inducement for the fifty or one hundred millions of people to be very sparing about making new laws, and to be very liberal in cutting down the old laws to what is absolutely necessary. This would make, not lawyers, but the people themselves to legislate for themselves, and to legislate for their real wants. You have no other means that can be so effectual.

POPULAR AGITATION IN THE UNITED STATES CONTRASTED WITH THE REFERENDUM AND INITIATIVE OF SWITZERLAND.

The CHAIRMAN. But in some of our States these laws that you speak of as having been enacted in Switzerland, under this power of the Referendum and Initiative, have been enacted under the existing political forms. I refer to the laws limiting the hours of labor, and regulating the employment of women and children. Such laws have been enacted in several of our States, and so far as concerns the law regulating the hours of labor under the Government, that has been enacted also under our existing constitutional forms. The point I am aiming at is to get you to elucidate in full the reasons which you have for thinking that, in order to obtain the reforms and specific measures you men-

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tion as having been secured in Switzerland, it is necessary to amend all our constitutions; it would require such large majorities. The same laws which have been passed by virtue of these provisions of the federal and cantonal legislatures in Switzerland have been already obtained in this country by agitation, and it seems to me the rest might be also obtained without the difficult measure of first amending our State and national constitutions.

The WITNESS. Well, suppose that we do not wait for a revision of the Constitution here. If some of these demands are fulfilled we shall, of course, have to be very watchful; our party and all the other labor organizations will be watchful to prevent their becoming dead letters.

Q. But, you know, after the law has been enacted, whether under the forms you suggest or those now existing, the execution of the laws would still remain.—A. Yes.

Q. Have you any suggestion to offer as to securing a more efficient execution of the law, after it has been once established, by whatever method?—A. The next thing is to do what the Swiss do, namely, to elect all their officers themselves. No civil-service law will be as good as that. You know, at present, competition is very much furthered by our mode of representation and legislation. As the majority of voters cannot be so easily bought as individual legislators, just so through direct legislation the people may become interested in looking for good representatives—for those who shall represent really their views, and they ought to have the power to recall their representatives if a majority of the voters insist upon it.

### SOCIALISM DISCUSSED.

By Mr. CALL:

Q. Under your system of government, would the people have any time to work at all; would they not be engaged all the time in matters of State, and electing officers and recalling them, and discussing the laws?—A. I suppose that when this system is in course of action, once a week in a town meeting, or a ward meeting, would suffice to do those things which belong to the town, or to the ward, respectively, and to attend to their share of the State matters and matters of Congress.

Q. What do you want with a State under that system? Why not have it all in one? Let one answer for all purposes. Wherein is the use of preserving the State and municipal distinctions?—A. Well, you must make a beginning, and must trust that the people will come up to your expectations. It is useless, of course, to enter into the details of so great a subject here. There are a great many other matters which can be more profitably discussed.

Q. Does your theory ever contemplate a state of war, or is there to be constant peace?—A. Our theory is, that the world will be at peace whenever the capitalistic production is carried over and converted into communistic production; that is to say, production in which there will be individual property in what is earned by labor only, while that which is necessary to carry on production, or, as we call it, capital, is owned in common by the State, and is given out—hired out, as it were—for a certain consideration from time to time to trade societies, working societies, &c.

### HOW, UNDER SOCIALISM, EACH MAN'S SHARE WOULD BE REGULATED.

Q. How, under your communistic system, are you going to regulate the share which each man is to get for his production; how could you, as an

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intellectual laborer—for you would not be an industrial laborer—get your share?—A. Our teachers, those to whom I belong, know quite well what I am worth as a teacher, and they will not value me at less than my worth. I can trust to them. So you can trust to the virtue of laborers, that they will of themselves justly estimate the value of every man's work.

Q. That is precisely what I want to know, by what system of distribution; what authority is there. You say that the people who employ you as a teacher, will know.—A. No; not the people that employ me, but other teachers, I say.

Q. Well, of course, we are speaking of you only as an example. How are they to do that—by some common form of action, as a public meeting?—A. Certainly; in their monthly or yearly meetings.

Q. And so as to every other man?—A. And so as to every other man, and every other employment.

Q. Then you would not have any capitalists—you would have no difference between one man and another?—A. Oh, certainly. We acknowledge gradations in work—inferior work, simple work, average work, and superior work, or "qualified" work, as it is called in political economy. And I think laborers, as a rule, will be apt to think more highly of mental labor than what it is really worth.

### COMPENSATION OF "DIRECTORS OF LABOR," UNDER SOCIALISM.

Q. What do you call a man that is a director of labor and not a laborer himself; a man directing the exchanges of labor?—A. He will, of course, be made a director only because he is more than a common laborer, and he can perform more.

Q. Would you propose to give him a high salary?—A. Either a higher salary or higher "earnings," as we would call it then.

Q. Would you have that arranged by a vote of the people, also?—A. Certainly.

Mr. CALL. It appears to me that you would have a good deal to do.

The WITNESS. That is self-government, and nothing else is.

Q. If you were to regulate the salaries of everybody employed in the country, do you not think it would amount to a great mass of legislation?—A. Well, is not that kind of legislation already carried on in society? Not publicly, but it is carried on in the way of every day business.

Q. But it is done now by individual employers; it would be done, under your plan, by the community.—A. It may come up once a year, perhaps, when the prices of every kind of work and merchandise are regulated, not only of one branch, but of all branches, by common agreement and compromise. Of course nothing would be perfect at the outset.

Q. Once a year you would have a meeting of these different societies to regulate what each man could get?—A. Yes.

Q. And do you think every man would be satisfied with that?—A. Why, certainly; how otherwise would he be? He has no means of helping himself. Every one else is treated just the same way as himself.

Q. That may be your idea; but that is not exactly a free government, is it?—A. It is exactly a free government, and a self-governing government; and it is no longer a corrupt government. Corruption is only possible through representation. It is no longer possible when the people make their own laws and really elect their own officers.

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By the CHAIRMAN:

Q. You ignore the potent fact, or at least something that you hear a good deal about—the possibility of corruption of the ballot itself, do you?—A. Oh, I know there are now corrupt voters, depraved men.

Q. Do you think that under the new conditions there would be any less of them?—A. Why, my dear sir, there would be no motive to corruption. How is there to be corruption if capital is not any longer private property? How could it tempt to corrupt? It is impossible.

By Mr. CALL:

Q. What difference does it make about private property when one man wants more than another? Suppose the capital all belongs to the community, and I want more of it, and you less, how would you satisfy the difference?—A. Suppose the difference between the highest and lowest wages will be as one to ten—that will perhaps be the most that will occur—would not that be better than it is now? Now-a-days a poor sewing woman earns from 9 to 11 cents a day if she is very diligent and works all her hours, while Jay Gould, who does not work at all, properly speaking (for he produces nothing), gets paid for every hour of the day, say, $10,000.

Q. Why could you not give the sewing woman more than 10 cents a day—say, $2 a day—without interfering with Jay Gould?—A. I do not object, but I took that only as an example; that while now-a-days the most enormous differences in the reward are allowed and are legal, there will then be only a very narrow limit, but still limit enough to warrant the individual activity of each in his own way.

Q. Suppose all that to be so. Why not correct that without going into these tremendous changes that you speak of? Why not get to some practical way of rewarding labor?—A. Simply because it is impossible; you have not the power.

Mr. CALL. It strikes me that if those people who pay these sewing people only 10 cents a day would get together and agree to pay them more, that would be sufficient.

TRADE SOCIETIES SHOULD HAVE POWER TO INFLUENCE THE LABOR MARKET.

The WITNESS. Well, now, I must add something more to the proposals—though this is an idea of my own. I am entirely alone in it, so far as I know. During the times when feudal labor existed and everybody was provided for, to some extent at least, the trade societies which then existed had certain rights through which they were secured against poverty. If trade societies now are to be really effective it is not sufficient that they be incorporated by the Government. When they are made to interest themselves in their own welfare generally, to spread bills before the legislatures and so on, to carry out their own ideas, that will be an improvement, but is that sufficient, if they have not the power to ordain, or if the law which incorporates them does not at the same time ordain that no laborer or workingman who is not a member of a trades union should be employed by anybody? That is the complement to the first law which allows the incorporation of the workingmen. Must workingmen have no rights to influence the market of labor? They will not fully realize all the benefits of incorporation otherwise.

Q. What would you do with those people that have no connection with any labor organization?—A. They will hurry up and connect themselves with trade societies.

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Q. Do you call that a free country?—A. That is freedom. Nowadays we have none.

Q. Do you call it a free country where a man is obliged to starve if he does not join an association?—A. We have already the liberty to starve, but not the liberty to work ourselves up in wealth. Liberty nowadays is only for the few, not for the laboring men.

Q. You propose that no laboring man shall be allowed to live unless he joins an organization, and you call that freedom?—A. So I do, because it secures him from want; but that is my individual opinion; it is not the belief of my party.

Q. And you think that is a free government?—A. It is a freer government than we have now.

Mr. CALL. Well, that is not the question.

The WITNESS. You would not then have to pay more for labor than is just. It would not be a certain raising of wages, but it would at least preserve people from starvation. People would work perhaps four or six hours a day when work is scarce, but everybody would be employed; and leisure is of itself liberty.

Q. Might it not be that these theories of yours would starve everybody in the country without any delay?—A. It is impossible to do that under my theory. Everybody would be a member of a trades union.

### THE COMPETITIVE SYSTEM CONTRASTED WITH THE SOCIALISTIC.

By the CHAIRMAN:

Q. Do you think that the mass of people would produce as much under that system; would they have the inducement?—A. Why, we produce too much now.

Q. That is not answering my question. Do you think that under that system which you advocate people would produce as much as they do now under the competitive system?—A. If they are left to do it; but I think there is too much production. We have crises now every five or ten years.

Q. If you produced too much the evil might be as great then as now, so far as overproduction is concerned?—A. No, sir; provision would be made then, and will be made certainly in the future state, to equalize production and consumption; to have, by statistical information, an exact knowledge of the present demands, say for the current year, in every kind of consumption, and to produce just as much of that as is necessary, and no more, excepting a little store that may serve to fill up gaps in the coming years, if there should be a dearth.

### OVERPRODUCTION.

By Mr. CALL:

Q. What is there that is produced too much, now, that is consumed by men?—A. We produce now a great deal too much wheat in the United States, and export the richest products of our soil, and a great deal of our working force for much too little pay.

Q. Do we produce more than enough wheat to feed all the people of the world?—A. We have not to feed all the people of the world.

Q. By what standard do you say that there is a greater production than is required for the wants of mankind now?—A. As soon as you produce so much as to leave so much to export, you must see that this is a wrong kind of political economy, because the first object of production ought to be production for one's own country.

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Q. Why?—A. Because otherwise you export the fruitfulness of your soil, little by little; you export your working force, a great deal of it. Why can't you keep that in the country to make it richer?

By the CHAIRMAN:

Q. Would you abolish commerce?—A. Oh, no. This will abolish the unnecessary and wasteful commerce, merely, which exports riches that do not come back. In this matter of export we are treated somewhat like Ireland is treated by England. It exports in pounds sterling seventeen millions to England every year that does not come back.

Q. When you export why does it not come back?—A. Well, but in what shape does it come back?

The CHAIRMAN. No matter what shape, if it does come back.

The WITNESS. It comes back in the shape of luxuries that capitalists get in Europe; a hundred millions a year, for instance, in return for our wheat and cotton.

Q. But you want pleasures and luxuries for the working people, and ought they not to have them?—A. Let them have some more luxuries than they have. But the more they have the better they will spend, and that will be a happier time than now. But robbed property will not then be spent.

## WHO ARE LABORERS.

By Mr. CALL:

Q. Where do you limit the line of labor? Who is a laboring man and who is not a laboring man, according to your idea?—A. Useful labor, I have already explained, is the only labor. All the rest is wasteful labor.

Q. What is useful labor?—A. That which produces wealth, directly or indirectly.

Q. Take Mr. Vanderbilt, for instance. I do not know Mr. Vanderbilt, and I merely mention him as an example; nor have I any connection with men of such large wealth; but take him as a representative of his class, does not the man that directs the great influences that control industry become a working man?—A. *He* does not direct anything. He pays directors, who do the work.

Q. Is not his brain worth anything?—A. No, not at all, since it is not exercised for the advantage of the country.

Q. Does he not occupy something of the position that you do—your brain and his brain alike directing these movements in the direction of increasing progress? What is he doing but directing the influences at his command to increase production, and what is the difference between your work and his? You are a laborer in your way, and is not he a laborer in his?—A. It is very strange that that must be answered, since he can himself fix the price of what he calls his labor.

Q. I should like you tell me where is the line of distinction between useful labor and labor that is not useful. Is it in industrial employment—manual labor—or is it in all the exercises of the brain, just such as you have shown us to day?

## LABOR THAT IS NOT USEFUL IS NOT TRUE LABOR.

A. I have not for a moment denied that intellectual labor is labor; but this intellectual labor that is exercised to the damage of the whole society and country is not useful labor. Every labor must be useful in order to be true labor. That is the first distinction of political economy.

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Q. Then every man who has useful ideas is performing intellectual labor, is he not?—A. Conceding that, yet Mr. Vanderbilt's useful ideas I have never yet seen.

Mr. CALL. Well, he may be a very good man and have some very good ideas.

The WITNESS. Oh, I do not say that he may not be a very good man, after the opinion of the times.

Q. But let us take the question philosophically; you say intellectual labor that is useful is true intellectual labor?—A. Yes.

Q. And the man that you call a capitalist, the man that has got some means and happens to use them, his is not useful labor, but is injurious labor, as I understand you to say?—A. Yes; it is injurious for two reasons: First, because that capital by whose accumulation he spends his mental energy is robbed under legal forms, and he has no right to rob. What he afterwards does with this robbed property is again a detriment to society, because it is meant to accumulate more and more capital; that is to say, to extract from the people (who are, as it were, the soil on which the nation is sustained) more and more of the power to create wealth.

Q. You say that this is "robbed." A gentleman who sat recently in the place where you now sit has some very liberal ideas, and though they do not approach yours they are still very decided in the direction of liberal legislation for the benefit of the people at large, and he has some politico-economic theories like yours. He told us that he knew an instance, indeed several instances, but one special instance, a noted one in New Jersey, where one of those "robbers," as you call them, had acquired very large means by his improvement of the condition of labor in his factories. I suppose you would call that man a very bad man and his labor bad?—A. No.

Q. He testified that this employer had acquired large means by increasing the wages of the laborers, and by providing for them in old age, and administering to their comfort in sickness and showed us a model factory—a kind of paradise on earth. Now, what do you call that?—A. You take the question into an entirely novel department. I am not now talking of morality. I did not speak of morality. I spoke from a politico-economic stand-point.

### PRIVATE CAPITAL IMPOVERISHES.

Q. But that is not merely morality, but political economy also.—A. I ought to have spoken of the theory of Karl Marx, when he shows that private capital must impoverish every country, and the warning signs of this are now observed over the country in the crises, the great crashes that come now and then over all the trading and mercantile communities. They show that we have a very unsound state of society. Marx' theory is this: That capital must ruin and must abolish itself, just as slavery has abolished itself. We cannot do anything against this natural action of economical and historical causes. It is a historical necessity that the kind of production which now prevails will run itself, and that, too, before this century is over.

Q. May it not be that the fault of your theory is simply this: that you assume that capital is a thinking, sentient being, whereas there is no such thing, and capital is nothing but the means by which the workingman, who has developed his brain and capacity for organization, directs the labor of his fellows—nothing but the brain instrumentalities in connection with the opportunity of usefully directing their labor. Now, it

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that be capital why should it not exist?—A. As soon as you establish a state of society where people are equal and free to compete, as soon as you take away the private property in land, money, and education, as soon as you educate people equally and give them every opportunity in the same manner, according, of course, to the state of their respective gifts, but according to the best development possible for education, as soon as you establish such a society, then you may speak.

Q. Suppose the statistics of this country, and of all other countries, should, in opposition to what you say, show that the great manufacturing and producing interests of the world are in the hands of workingmen who have built up these great businesses themselves, and should show that their power is simply the superior intellectual knowledge of their business by which these workingmen are able to give direction to the combined efforts of their fellows—suppose statistics exhibit this to be a fact in every part of the world, then what becomes of your theory that you must take the land in order to do that which is already done by the workingmen themselves?—A. In former times it might truthfully be said that in the United States every person who was a real workingman and was industrious and diligent, and somewhat parsimonious, might ultimately come to a competency, and among thousands there might perhaps be one or two, or three at most, who might become rich; but the opportunities for this are past. You do not see any such thing now.

Q. Such a thing as what?—A. You must not always interrupt me, my dear sir.

Mr. CALL. I beg your pardon. I only wanted to know what you had said.

ALL BRANCHES OVERCROWDED.

The WITNESS. Nowadays everything is very different; wages have gone down, and the wants of life have gone up in prices. Compare only the thirty last years of which I can bear witness, and it is now less possible than ever before to make savings, and still less possible, if you have some few savings, to employ them so as to make them useful, to make capital out of them. The chances are all now gone. The best and most useful land in the United States has been taken up now, or is in the course of being taken up. You have to travel far out into the West if you wish to find a place for pre-emption. And so it is with all branches of manufacture and industry; they are so over-crowded that superfluous men are to be found in every walk of life. Nowadays it is an impossibility, except under very favorable circumstances, to become a Vanderbilt or a rich man. And we know the means by which these men have become so rich. I only know one man, and that was Peter Cooper, who really could say, "I have earned most of my fortune by honest work." All the rest have earned it by means which, if lawful or legal, have at least not been just.

OPPORTUNITIES FOR ACCUMULATION.

By the CHAIRMAN:

Q. You were speaking of there being no opportunities for accumulation by the middle and working classes of this country. Let me ask you if you do not think that your observation should be confined perhaps most closely to those with whom you have come in contact—as the people of this city and its vicinity. Take our State of New Hampshire, for



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example, a remote, rural State, where people are not supposed to have much of a chance. They have accumulated, in the last twenty years, about $40,000,000, the most of it being by common laboring people, who have made these savings-bank deposits almost entirely during that time, and that is something that they were not able to do during any previous part of the century. I state that as a fact, and it is not an uncommon one?—A. I must entirely deny, from facts of which I am in possession, that it is workingmen who are owners of this capital found in savings banks. It is not the workingmen, but it is the small traders, small business men, who wish to have some return on the capital which they do not need for the moment. I can prove that by statistics; and, on the whole, I recommend to your honorable committee the last census of the United States and the reports of the labor bureaus of New Jersey, Massachusetts, Ohio, and Missouri as to these facts.

Q. That is a very suggestive reference, because those are public records. My question to you now is whether it is not possible that your criticism should be limited to a smaller class of people than you imagine—to those of the wage workers, who are suffering?—A. No, sir.

Q. I thought perhaps you were confounding the evils to which a smaller class are subjected. Do you not confound their conditions, and the evils which they suffer, with the general condition of the country at large, which may be prosperous?—A. No, sir; I am speaking as well of the general class of agriculturalists and self-working farmers and professional men. I know a great many very worthy teachers—American born, as well as immigrants, in this country—because I am a member of their societies, and I know of no man, either among them or otherwise, who makes a fortune by his own labor. It is so in every walk of life. If formerly you had small savings you could do tenfold more with your savings than you can do now. You cannot now compete with these large capitalists that are working in your line of business. There is a large capital—tenfold larger—needed now to enable you to get a profit upon your capital than there was when I came to this country. Then everybody who was really a moral and thrifty person might be said to be the smith of his own fortune, at least to some extent. This is not so now. My long experience and observation of every walk of life, and in every State in which I have been, tells me that it is not so now. Who asserts the contrary should give his illustrations. They would be exceptions, and I should be glad to publish them in our newspaper. All such exceptions are very agreeable to us, because they confirm the rule. But I know of very few.

### CONDITIONS OF LABOR GROWING WORSE.

Q. Before you go on in the other direction, let me ask you whether you think that the condition of the people as a whole—of the 54,000,000 or 55,000,000 that we have here—is growing worse or better, in a material point of view?—A. It is certainly growing worse. The only contrary action is that of the labor organizations. Wherever you find a good labor organization it is proof against too great oppression. Wherever there is a well organized trades union, or labor society, there is a greater power of resistance against the lowering of wages; there is more possibility to raise wages, to curtail the hours of labor, the working day, and to take care of the laws, and to bring bills before the legislature so as to benefit the state of labor generally. The trades organizations are very beneficial. We know that, from the history of the English trades unions.

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CONDITIONS OF LABOR IN ENGLAND.

Q. By the way, I should like you to give us, what I suppose you readily can, a pretty full idea of the labor organizations of England, and of Europe generally, as they have been, and as they are, and their effect upon the development of better conditions for the masses of the people there.—A. As regards the English trades unions, I will do what I can. They have existed from the beginning of this century when there was still some recollection of the older kind of trades unions that prevailed all over Europe centuries ago. At that time the working day was from sixteen to eighteen hours a day in the cotton factories, which just then, next to the iron industry, had the greatest number of operatives. At that time their conventions and assemblages and their organizations were forbidden by law as conspiracies. Child labor and woman's labor were employed to a very great extent. Wages were exceedingly low, and you know the corn laws had not yet been abolished. All the necessaries of life were dear. Laborers first tried to help themselves by combinations to destroy factories. In the first twenty years of this century a great many factories were destroyed because they had introduced machinery. In part, the execution of the laws against the malefactors stopped that; but in greater part the intelligence of the working class itself stopped it. They saw that this was not the right sort of remedy, because these machines, if once made the property of the working people, might benefit the working people just as well as they now benefit the employers, and so they gave up of their own free accord burning the factories and destroying machinery, and began to petition Parliament from year to year, and they began especially to interest the landed aristocracy in their behalf, because the manufacturers would not listen to to any petitions. So that it came to pass in 1833, that the conspiracy law was abolished and trades unions were made legal. From that time they began to act as free men. They began to combine in such numbers as you now see them combining. They then began to found benevolent institutions in their own mills. A fund for resistance was created, to be used if strikes should occur, or if a single operative should be dismissed and could find no work elsewhere; a fund for widows and orphans was created, and a fund for the benefit of the families of deceased members, and for the burial of those members was created. Thenceforth they held yearly congresses of all the organized trades unions in England, Scotland, and Wales, and they obtained by degrees one law after another, chiefly through the co-operation of the landed aristocracy, because that interest opposed manufacturing interests just as much as possible. The agitation for the abolition of the corn laws was beginning at that time. So they had friends among the aristocratic class, and they fostered very much the enactment of laws that were favorable to workingmen.

ARBITRATION IN ENGLAND.

Laws in favor of arbitration were passed, and that system has existed for many years; but the workingmen needed not to make use of it since they had private contracts in most cases with their employers, and often employed arbitration when there arose any difference between laborer and employer. Arbitration in England is always going on voluntarily, not particularly according to law—that part of the law is not resorted to—because it is in some respects less easily resorted to than the private method.

Q. Do you think that the existence of the law is essential to the ex-

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istence of these private organizations?—A. Certainly not, but it is good to have it exist until such time as labor is strong enough to make contracts on equal terms. Other laws were passed, such as the laws against child's labor.

RESTRICTION ON CHILD LABOR AND WOMEN LABOR IN ENGLAND.

It was a great victory this law, against child's labor, and that victory was obtained in 1850. Children must not now be employed more than one-half a day, and the laboring day was limited to 54 hours a week. So that children can only be employed 27 hours a week. Since that time the children of working people can go to school, and the law was established that forced them into the school, which, however, was not the present public school. The public school as it now exists has existed only since 1870. A law was laso passed which exempted women from work in certain kinds of industries. For instance, in collieries, in potteries, and several others.

FACTORY INSPECTION.

The next great step was in 1850, when the Government established factory inspection—appointed a number of labor inspectors. That is something that we ought to have in the United States. We need it very urgently. The only trouble in England is that the number of these inspectors is too small. They cannot inspect the factories often enough. But the Government was so lucky as to find very apt men. To their eternal praise be it said the workingmen owe a great deal of gratitude to the first labor inspectors, factory inspectors, and sanitary inspectors, which about that time were chosen by the Government; and in general these English factory and sanitary inspectors have done a great deal of good to the working people and to the communities at large. These were some of the chief advantages of the organization of the trades unions.

EMPLOYERS' LIABILITY LAW IN ENGLAND.

The last or one of the last laws enacted was that which made the employers liable for damages that were suffered by working people during their service. The law is not quite perfect yet, but in the last workingmen's convention, held a few days ago, the provision was recommended that the proof must be brought by the employer that he is without fault. That amendment, I hope, will be adopted by the Government and by Parliament. Then the laboring class in general began to organize country workingmen, who were worse off than almost any other class. Mr. Arch, one of the founders of the party, was instrumental in doing that.

Q. You mean the agricultural laborers?—A. Yes; organizing the agricultural laborers; and this led to an improvement of their wages from eight or eight and a half shillings to ten shillings a week, and that very speedily. The advantage, however, has in part been lost during the recent hard times.

SUFFRAGE IN ENGLAND.

The workingmen were instrumental in obtaining the manhood-suffrage law, as far as it exists. It is called the household suffrage act. If you have your own door key—not to the house, but to your dwelling—

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then you are a household voter, and can vote. But it is the intention, I understand, of the Government to confer the suffrage upon every grown person above 21 years of age. All those steps, have by degrees, been obtained by workingmen, sometimes by connecting themselves with the aristocratic class, sometimes by holding with the manufacturing class, and sometimes with the mercantile class.

### CO-OPERATION.

The pioneer societies, which co-operate in production and consumption, have been spoken of a great deal here in the United States, and have been more recommended than they are worth. In fact, the best effects of these societies are obtained by trades unions which carry on at the same time a consumption store. Consumption stores are carried on for the most part by trades unions. There are about 900 consumption stores in Great Britain. In a very few cases they are productive unions. This is the benefit which has come from organization. I know of no case in which the employing class have voluntarily, without being pushed by the working class, made any grant of higher wages or shorter working time, or larger rights in any way within the factory, or of any other benefits for labor. If there is such a more general—not individual—effort to be spoken of, I do not know of it. I know very benevolent individual employers, both in this country and in others. I have often known large capitalists to say "We owe labor more than we pay it. We ought to make it good in some other way." Mr. Poppenhusen, of College Point, L. I., founded an institution, a sort of labor lyceum, with kindergarten, library, debating society, and so on. That was practical philanthrophy. I know other such individual efforts here, and in other countries. But it is not done by the employing class as a class. These cases are exceptional.

It can be proved historically that wherever labor is well organized, wages are high and working hours are short, and that in proportion as labor is badly or not at all organized wages are low and hours are longer. There is hardly a limit to the indignities to which labor may be put if it is not organized.

### WAGES PROPORTIONED TO ORGANIZATION OF LABOR.

You can make a scale of wages, and, on the other hand, a scale of hours of labor, and read off on that scale who has the highest wages. The highest wages in this country are those of the glass makers of New Jersey, Ohio, and Indiana. They have been so well organized that their wages are nearly $1,000, on an average, a year. The next highest in the country are the higher branches of the iron industry. There the wages average about $800 a year to each man; a lower grade about $600; a still lower grade $1 a day. But wherever labor is well organized there need not be a war between capital and labor constantly and always. Mr. Jarrett has told you that that need not be, though there is a general war between labor and capital, and harmony never can be fully realized, yet there is great help in these institutions because there are sure to be benefits from them.

It has been said here before you, if I recollect aright, that if wages are raised by strikes there must result an enhancing of the commodities or necessaries of life; that merchandise must become dear just in the same proportion as wages are raised.

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Q. It has been claimed that the increase of wages of one class was really paid by the laborers or consumers in another class.—A. That was the proposition. Well, it is one of the strangest mistakes that can be made.

PROPORTION OF JOINT PRODUCT—CAPITAL, 19.7%; LABOR, 17.5%.

In this country labor gets about 17½ per cent. of the proceeds of labor—that is, by the census of 1880. Every former census shows another and a better result. But by the census of 1880 labor gets only 17½ per cent. from the proceeds of labor, while capital gets 19.7 per cent. That is to say, after it has paid for materials, interest, rent, taxes, and all the incidental expenses, the net revenue or benefit to capital is 19.7 per cent., according to the census of 1880. Now, suppose shoemakers raise their wages, say 20 per cent. The shoemaker who now has $300 a year will then have $60 more a year. That is an item for him—a considerable item. How much will that raise the price of the merchandise which he makes? In a pair of shoes, for instance, that costs $3, it raises them at most only a few cents. He may now have to pay more for the shoes which he and his family consume in a year. It may cost him in a year perhaps $3 more. Instead of paying for a year's shoes, say $20, he pays now $23. Yet he has, as we see, got $60 more wages than he had, so that he is still considerably better off. Is not that a clear gain for him? And so with every other kind of merchandise.

Q. You might follow that illustration out a little more, perhaps. The 20 per cent. that you add on the basis of the census to the wages of the workingmen would be only 3 per cent. on the cost of the article. So that, assuming that before he got an average of 17 per cent., that would carry the proportion of production which he would receive up to 20 per cent.; and the same theory, carried on through, would increase the share of labor to 20 per cent. and reduce capital to 17 per cent.—A. No, sir. Now comes the objection to that——

Q. But is not that your illustration?—A. That seems to be. I will now explain. As soon as the workingman gets $60 or more a year he will spend it. This will make a larger profit for the capitalist, and, selling more merchandise, he can afford to have a smaller profit, for the oftener he turns his capital around in a year, if he makes even a small profit, it will amount to just as much profit at the end of the year as if he turned the capital round less frequently and made more profit at each turn.

Q. Your point is that increasing wages does not decrease the profit of capital?—A. It decreases in all cases the profit of capital, but capital can afford to lose it because the market is enlarged.

Q. And the larger aggregate makes up for it?—A. Yes.

Q. Then, assuming the same volume of business, profits would be decreased; but you claim that the volume of business would be increased?—A. Exactly.

Q. Then, if the aggregate of business is increased, an increased amount of labor must be performed, must it not?—A. Certainly; but the amount of the individual's labor need not be increased thereby.

Q. It must be if there is more produced, must it not?—A. The number of laborers is increased, but the single laborer is not more occupied.

Q. You assume that more laborers will be employed?—A. Yes; and that is a great benefit. The more laborers you employ, and at good wages, and the more purchasing power they have, the better will be the market.

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REDUCTION OF HOURS BRINGS ENHANCEMENT OF LABOR.

Q. It has been thought that the best method of securing the employment of additional laborers would be by reducing the working hours of those that are now engaged. What do you think of that?—A. It comes to the same thing in the end. If you reduce the time more laborers will be employed. In consequence of that the laborer will have more purchasing power; and in consequence of that again, the capitalist can afford to pay higher wages. It always was the fact, and without any exception in the history of labor, that when the working time was reduced wages were, after awhile, enhanced, and when the working time was increased wages were after a time reduced. This may be demonstrated in every single case. Our newspaper, the Volks Zeitung, gathers all these cases, and we have quite a library of reference upon them. Whatever labor gains capital must lose, and *vice versa.*

Q. I do not quite understand your propositions as consistent with each other, perhaps because I have not understood your statement fully. In the illustration you gave a moment ago about the increase of the wages of the laborer by 20 per cent, I assumed that there would be a corresponding reduction of the profits of capital to 16 per cent., so that what labor gained capital would lose, which is the proposition, as I understood, that you then laid down; but now you controvert that.—A. If I said that capital loses 3 per cent. from the 19 without a compensation in the long run I must have mistated or misunderstood the question.

Q. No; you said it in this way: that what labor gains capital must lose, assuming a given volume of business.—A. Yes.

Q. But then I understood that you supplemented that proposition with this, that inevitably as you increase pay to the laborer there would be an increased volume of business or production?—A. Yes.

Q. Then followed the question to you that, if the volume of business is increased, of course there must be more labor performed, and, consequently, there must be more wages paid, and you met that by saying that there would be more labor performed, but not by the individual laborer—other laborers would be called in and employed?—A. Yes, sir.

Q. And thus the volume of business would be increased, but by other laborers; and just how the individual laborer would be any better off I have not been able to see.—A. Because the wages are increased, and there is a larger number of workers who guarantee each other's existence.

The CHAIRMAN. Well, I think I understand your theory, and I will not interrupt you in your narration. You were saying when I interrupted you that whatever labor gained capital must lose.

VICTUALS AND RENT FORM BULK OF LABOR'S EXPENDITURE.

The WITNESS. Yes. Now, it so happens that the largest part of the reward of labor is spent for victuals and for rent—about 70 to 75 per cent. going to those. In many branches that proportion of the value of the product which is expended in raw material alone is very large—say 80 to 85; sometimes even 90 per cent. forms raw material. The butchers who furnish us our meat need a large capital, and spend on the raw material—for the cattle which they kill—perhaps 81 per cent. Labor, profit, and all other expenses share the last remnant. So you see that if wages are raised in all industrial pursuits at the same time by 20 per cent., that makes the purchasing power of the 20 per cent., and of all the wages, a great deal higher—because, there being so little labor comparatively entering into the production of victuals and rent, it

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is only a small percentage by which the cost of labor is raised, and therefore the purchasing power of the wages which are given has risen. I do not know whether I have expressed myself clearly enough. The matter is a little difficult to express. Since labor spends most of its income for victuals and rent, and the actual production of victuals and rent—houses, dwellings, fuel, &c.—requires but little labor comparatively to the whole amount of money spent in production, therefore when wages are raised in all branches—when butchers and bakers, and when also brewers and house-builders raise their wages, it is a comparatively trifling portion of the whole product which is thereby raised, and therefore the purchasing power of the industrial laborers is not consumed so much by the buying of these victuals and by the buying of that rent.

Q. But the force of your conclusion depends upon your assumption that the raw material in all those businesses amounts to 80 or 90 per cent.?—A. Not in all businesses, but in these chief ones that I have mentioned, in which workmen consume most.

Q. Very well, it depends upon the assumption that labor is a very small element in production. Now, if you go back to the raw material in the case of the butcher, that is the animal which he kills, is it not? He invests his capital by purchasing an animal which he kills. That animal, in its turn, is production to the herdsman, and, in a certain sense, to the middle man, and so on all the way back to the land and to the wild animal from which this animal proceeded originally in the process of domestication of the race. Capital has been invested over and over again in this process of domestication. To get down to the animal which you have killed, it starts as a calf, perhaps, on the plains; there is no capital in that, yet it now costs a good deal; just as with the iron ship which was at one time raw ore in the mine, worth little or nothing, while now it is a finished ship sailing on the ocean, and 90 or 95 per cent. of that ship is labor. So it would seem to follow that the assumption of men like John Roach, who say that nearly everything in production consists of labor, must be correct; and, if that is correct, your argument would be fallacious.

SIX-SEVENTHS OF ALL PRODUCTION GOES FOR BENEFIT OF CAPITAL.

A. I have in many different ways calculated that all the productions that exist, all the receipts that exist, go, six-sevenths of them, to the benefit of capital and only one-seventh to the benefit of labor.

Q. You consider the animal sold to the butcher as capital, do you not?—A. Yes, of course, when sold.

Q. Then production is capital, is it not?—A. Well that would be a misnomer.

Q. If production is capital production is labor?—A. Production cannot be capital.

Q. You sell it, and the moment it is consumed by sale it is capital in the hands of the man who has got the price, is it not?—A. The product, yes.

Q. Well, now, you start with the soil, and nine-tenths of what converts the simplest thing into a salable commodity is the work put upon it. Therefore nine-tenths of whatever profit is received goes to labor. As each stage of progress is reached the article becomes the raw material of the next process in industry, and the same proportion of labor is made use of in that occupation.

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CAPITAL REWARDED AT EACH STAGE OF MANUFACTURE.

A. Every new process presupposes the anterior process, in which capital has been rewarded already, and it must not be put in the account now.

Q. The capital which has been rewarded is labor.—A. And the labor has been rewarded—I do not deny that—as far as it was not "robbed."

Q. Then labor all the way through is 90 or 95 per cent. of that?—A. But its reward on each stage of proceedings is less than that of capital. The New York Volks Zeitung has proven this in the case of a number of industries. It may be proven from the figures of the census in the case of every industry, and I regret not being prepared to do it just now, at least in some instances. I am ready to prove it at any time.

The CHAIRMAN. I understand you.

The WITNESS. We are speaking of industrial associations and their effect on wages.

Q. But is it not possible that there may be there a grievous fallacy? Can you segregate one process in the great series of processes which ends with the printing press, or with the ship, or (in the case of food) with the stomach—can you segregate one thing from out of these processes and leave all the rest out of consideration?—A. No; I do not propose to do so. I had to consider, according to what you wanted me to tell you, how trades unions or societies have benefited workers, and I am speaking now from the standpoint of the experience of trades unions. I say that when their wages are raised the merchandise which they need most of all for their livelihood will not be essentially, will only be triflingly raised, if at all, by the raising of wages, which is a matter of experience with trades unions.

The CHAIRMAN. I agree with that perfectly, and I think your illustration proves that.

The WITNESS. If, now, I have to consider agricultural labor, and all that, I shall have to begin afresh.

WHAT CAPITAL GAINS LABOR LOSES.

All my topic is that whatever labor gains by raising wages or curtailing time will ultimately redound to the damage of profit; it will curtail profit; and whatever profit, or capital, gains, labor must lose.

Q. But, in order to make it equitable, must you not increase wages in a corresponding proportion among all classes of labor that contribute to the thing as finally produced at the point of consumption?—A. Oh, yes; but at the same time all the producing power of these laborers increases, and thereby the body of consumption increases, and thereby capital can afford to lose a little of its profits. It is now so, and in future societies there would be no profits; profits would be entirely abolished through the workings of the trades unions in all branches and dividing the net profits.

Q. You say profits are to be entirely abolished. Profits are the accumulations which are made the basis of future enterprises or production?—A. Not always; they may be consumed.

Q. Yes; they may be consumed or may be wasted; but we have been speaking of capital and labor and raw material—which, I suppose, you would say was one form of capital—being combined to produce the next commodity. They enter into combination to produce new commodities. Now, if you distribute the entire result or price of the commodity immediately, and there be no accumulation, what will be left to commence enterprise anew for future investment in future production?

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THE NEW STATE OF SOCIETY.

A. Do you mean when the new state of society shall come?

Q. Well, yes, you may put it in that way. I suppose that you would not entirely abolish profits until you introduce the new state of society.—A. I think it impossible to do it before that time. I do not know of any means by which it could be done.

Q. Then the introduction of the new state of society results in the gradual reduction of profit by increasing distribution to labor. Is that it?—A. Well, it may be so, and it may be different. It depends entirely on the way in which it is introduced—the transition state.

Q. In what other way is there a peaceable way out of that?—A. Profits may be done entirely away with, or entirely abolished in different ways. For instance, the present capitalists might be willing (I am supposing this to be the case, though it is improbable) to enter into combination with the trade society of each kind, and serve them as bookkeepers or directing persons, foremen, &c.; and the trade societies might be satisfied with the service of these men at a very high figure, perhaps, until a certain time. That might be a very gradual plan of introducing that new system.

Q. Is there any other way—you speak of an immediate introduction of it—how can that be accomplished otherwise than by revolution?

PREPARATION NECESSARY FOR IT.

A. If revolution does introduce it suddenly now it is not our fault. We are not prepared for it. We would prefer to have enough working time to agitate, so as to have a clear conception of what is to be done the day after the revolution, to "spread the light" among the working people, and even among our adversaries, that they may see that we are not going to bring things to ruin. And then if it does come, it will not come so forcibly as in other ways. But if it is forced upon us, as all revolutions are forced upon the working people, through the reactionary or conservative party, we are at a loss to know the immediate results. It has always been so. So much is this the case that a revolution once begun in one country comes to another country also, and then we may have a convention of all the different countries, and we may arrange the production and consumption of each among ourselves. We may then say that this country shall produce this kind of merchandise, and that country another kind, and each country so much of each commodity, we compensating the others for their merchandise with our kind of merchandise. The trades unions then may be able to so equalize production and consumption as to be entirely just, and yet every year afresh, so as to do away with all the faults or defects of distribution, for defects must of course from the beginning exist. There ought to be every year a fresh distribution.

REPRESENTATION SHOULD BE DUAL—POLITICAL AND ECONOMIC.

Furthermore, since that topic has been touched upon, let me say that my own idea is, and it is an idea shared in by many persons, though not in the party creed, that there should be two kinds of representation of the people—a political one and an economic one; the political representatives to have to do simply and solely with matters of law, morality, and education; the economic representatives to have to do with the economic representatives of all the nations that are combined, they to compromise and agree about a contract of production and consumption

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through which no profit is allowed to any single person or to any nation. Exploitation should be forbidden, even as regards colonies; every nation to do her share in producing such articles as are adapted to her capacity and the mutual wants of all, and all the others to produce what they can can most advantageously produce, and every nation to have a store left for future wants so as to supply gaps in production when they come.

That is a private idea of my own. I do not, however, suppose that we know all things, or that I individually should know everything that can be done. There is enough wisdom in the world to arrange all these matters if it is left free to act for the benefit of all the community. Nowadays that is impossible.

### BRAINS SUBJECT TO CAPITAL.

Nowadays all learned men, all scientific, all technical inventors and directors, are at the service of the ruling class. They are not left free to do what they can do, and therefore they work to the detriment of all the other classes. It is even doubtful whether they work for the ultimate benefit of capital, since they impoverish, through exploitation, the working people of all countries, so that ultimately there must be a revolution to make an end of it. But there is science and wisdom enough in the world, so that as soon as knowledge and wisdom are put to the work of reforming, they will find ways to accomplish their end. Therefore we need not now puzzle ourselves with special details of the new society. We need only now agree upon principles, and these principles are the fixing, as far as experts can determine, what everybody's work is worth to society, in the case of the workingman by experts from the workingmen's own ranks, and in the case of the learned man by experts from the learned man's own ranks, this principle to be carried through between all the nations; production to be equalized to consumption (with a little surplus); laws to be reduced to the smallest possible amount, because they will have nothing more to do with economic matters; absolute free trade, without any duties at all; and a curtailment of the working time of every individual to, say, four or five or six hours, according as the necessity may demand it, so that every man and woman may really be free.

### FREEDOM: WHAT IT IS.

My freedom consists in having as much of my time as possible at my own disposal. I must be at the service of society for some hours of the day. Society has a right to demand that at my hands in return for the benefits it confers upon me; but such freedom should be had for everybody as that he should be free for, say, five-sixths of the time of the day. And labor should only be expected of people for a certain number of years. There ought to be a kind of pension fund, or insurance association—the State itself to be such an association—which should allow labor to retire at a certain age, to enjoy life, and to add its wisdom, acquired by ripe experience, to the councils of the nation, to serving voluntarily and without pay in all kinds of offices. In olden times the old folks were considered the best folks to consider the welfare of the nation, and did not get any pay for that. Those were the so-called senates; why should not they be so henceforth? Profits, however, should be abolished entirely, and the value of services and merchandise should be rearranged from year to year through conventions of the economic representatives of all nations.

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### WARS TO BE ABOLISHED.

Wars, of course, with their standing armies, &c., should and would be entirely abolished.

Q. What method would you substitute for war, in the adjustment of such difficulties and disagreements as might arise?—A. All wars, nowadays, are undertaken for economic reasons, for the sake of exploitation of nations and similar reasons. If the motive is taken away, war will be taken away. And, by the way, our education in the future will be a far better thing than it is now; and I would like to direct your attention to some points under that head.

The CHAIRMAN. The committee will be glad to hear you after recess.

The committee then took a recess of half on hour, after which Dr. Douai's examination was continued, as follows:

### EDUCATION.

The WITNESS. Education is my real profession, and in that I have had alarge experience—perhaps more than any other living man—in many countries. Of course, I expect great things from an improvement of education for the future state of society, and for the present as well.

The CHAIRMAN. Before you go on, as bearing upon your experience as a teacher and your right to speak for education, let me say that I am told you have been identified with the Kindergärten system of schools, and have done as much as anybody living, and perhaps more, to introduce and foster them. What have been your connections in that regard?

The WITNESS. I shall touch upon that.

The CHAIRMAN. Then, without interrupting you again, I shall just ask you to give us your views upon education, and the connection between education and labor, speaking at such length and to such points as you choose.

### THE SCHOOL SUBSERVIENT TO OTHER VESTED INTERESTS.

The WITNESS. Educational reforms are very difficult, because the school was at all times considered the servant of other vested interests—of the church chiefly—of the State as a despotic State, and of society. There is no profession so unfortunate as the teaching profession, because it can almost never execute what it considers necessary by the behests of science and the teachings of experience. The teacher's efforts to improve schooling are always hampered by the fears entertained by the church, by the State, and by society that the children to be educated may not be educated according to their own wishes. I premise that simply to show why it is almost impossible to expect that in our present society much could be done for educational reform. I shall afterward mention what may be done.

### NEW STATE OF SOCIETY NECESSARY FOR EDUCATION.

It is clear to my mind that we need another state of society for the best interests of humanity and of education. All the improvement of mankind—the inauguration of a high degree of freedom and development—depend upon a new state of society in which capital shall no more exist in private possession—when alone it will be possible to ward off the sinister influences of these powers of which I speak and to give

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back to education, that is to say to the teaching fraternity in combination with the parents of the children, and the representatives of science and religion—to give back to these the rights they ought to have to reform education and the school. I think there are more reformers of society among teachers than among any other class of professional men, because they have the sore experience in their hearts of how much they might do if they had the privilege left to them, and how little they can do nowadays, even with their best efforts and their best knowledge. Therefore I think teachers will, in the reorganization of society, play one of the first parts.

When that shall be the case then the real business of the political part of the State will be to further all the interests of education, and to devote as much of the proceeds of labor—let us say as much money—as possible to the purposes of education. The lack of means which prevails nowadays to carry out educational reforms is so considerable that the best will can do but little. But then when it is possible to devote all the necessary means to this great reform—the giving all that can be imagined—then it would be possible to do a great many things that are now impossible.

### THE KINDERGARTEN—ITS EDUCATIONAL ADVANTAGES.

It is, however, very useful to have models, even now, established by such means as are now at our command, by which it may be shown what could be effected in the end if the means were larger. In this respect I have always tried to introduce kindergarten as a general education—not as it is now, an education of the earliest age for the wealthy classes. I have, of course, no objection to that, but as an exclusive means it is just the opposite of what I should wish. All the youths, all the children of the age of from three and a half or four years, when they can take care of their own cleanliness and do not involve too much trouble to the teachers outside of the real purposes of the schools, all these children ought to be seen in the same school, so as to form an early association of all classes; to render sympathetic their sentiments; to morally educate them and to make them take interest in each other's well-being; to teach them to behave in an orderly manner, and to associate themselves willingly with every kind of child; at the same time to learn a great many things which are necessary for citizens of the state to learn who are to live together; for instance, to govern themselves in a body. Children ought to learn that in the kindergarten, and not in later schools.

### SELF-GOVERNMENT BY CHILDREN IN SCHOOLS.

This self-government has been already carried on and practically tested, as all educational innovations have been practically tested, long, long ago. In Switzerland, at the end of the last century and the beginning of this century, first in the Reichenbach canton of Grisen, there was a school in which Louis Phillippe, afterward king of France, was a teacher, and one of our great German writers was also a teacher. They introduced into that school self-government among the children. The children had a right to elect their own officers and law-givers. The teachers had only to modify such measures as were too severe. The experience had with that kind of self-government among the children was glorious. That same kind of self-government was also tried by Pestalozzi and by Fellenberg, also in Switzerland, and they are unanimous in its praise. That might be instituted in the kindergarten, but the kindergarten has far higher purposes yet.

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YEARS OF GROWTH—THEIR RELATIVE EDUCATIONAL IMPORTANCE.

If you consider that the first year of life exhibits a larger growth of body and mind than the second—perhaps double as large—and the growth of the second year is more than that of the third, and so on through every subsequent year, the growth becoming slower and less intense, except perhaps during the years of development—from fourteen to sixteen—in the two sexes, when there is a very large increase of growth, mentally and bodily, you see that just in these important years it is most necessary that the early growth should not be stunted. It is nowadays stunted because there is not the attention paid to it which might be paid.

WHY MEN ARE CLASSIFIED AS STUPID AND AS INTELLIGENT.

Many talents simply fall asleep or die because they need, but do not receive, fitting nourishment, which is occupation—occupation with the objects that attract the mind, that are adapted to the special wants of every child and to the wants of all the children. This negligence of the educators of early childhood results in the fact that only a minority of children seem to have real gifts, real talents, or genius. That is the reason, and the only reason, why men are classified as stupid and as intelligent, why the prejudice prevails that there must be always a stupid class which must be ruled, and an intelligent class which may rule. Every common man seems to have an experience of that kind. "Some children," they say, "are intelligent and some are geniuses, and it is all the gift of nature!" Well, all the old teachers of large experience with whom I have conferred about that say it is wrong; it is not true; all real teachers' experience contradicts it. The more opportunities you give children at an early age to satisfy their hunger for that kind of instruction which is adapted to their special talents and to the common talent of mankind—in other words, the better the food you give them, and the more correctly it is proportioned to the natural craving of the mental appetite, the more their powers develop. And it is so in every child.

Why, sir, when I was a young man it was believed that among one hundred children in the schools there might be perhaps 5 per cent. who might be good drawers and designers, and it was said that all the rest would never learn it. It is not so. In our kindergartens we have the example that every child may become a drawer and designer, if you begin at an early age and work gradually.

It used to be said in my time that to become a good mathematician one must be a very stupid fellow. That was the prevailing prejudice among my comrades in the higher schools. In our kindergartens we develop the talents for mathematics and geometry at a very early age by gradual exercises, and we find that no child is entirely devoid of talents for this kind of science. And so you could go along the whole list of human achievements, and you may, in every child, develop a considerable aptitude for acquiring more and more, during lifetime, of this particular skill or science adapted to the particular talent, while in general, by this practice, all the talents are developed in every child.

GOETHE'S KEY TO MENTAL DEVELOPMENT.

Our greatest poet, Goethe, in his romance, *Wilhelm Meister*, develops the idea at great length that you need only become acquainted with the special talent of a man or a child, and develop that, in order to see all

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his other talents—the general talents that are common to all mankind—rising a step, or several steps, higher. If you give the individual child that particular food which it craves most, this will give it courage to attempt every improvement in its other mental powers. It was this dictum of Goethe which prompted me during all my life as a teacher to try to see if it was true, and I have made a great number of experiments to test it—so large a number as to show me that it is true.

### THE FUNCTION OF THE KINDERGARTEN.

The kindergarten is the school which has been invented by Friedrich Frœbel for the purpose of developing all the talents of childhood at a time when they have not yet fallen asleep through neglect. So that, you see, if afterwards your elementary or your higher school builds on this basis, you can rear citizens that are equal to all the tasks that you can impose upon them. Of course the whole school would then assume a very different aspect from what it now bears. Our elementary school would begin with well prepared children. They would not only understand every word the teacher says, but they would, from their course of kindergartening, have learned the meaning of language, and even of two languages. In all the kindergartens which I directed two languages were taught at the same time—spoken and practiced and well understood.

### NUMBER OF WORDS UNDERSTOOD BY CHILDREN.

The number of words which an average child here in New York and its surrounding neighborhood understands in the English language is not more than from 300 to 500.

By the CHAIRMAN:

Q. At what age?—A. At the age when they begin to go to school—even in the first year of school. German children know, perhaps, in addition, some three hundred to five hundred German words. Their vocabulary is so limited that a teacher cannot express himself intelligently to the children. Then one or more years of that time of life when talents are yet to some degree fresh and apt to grow rapidly, are wasted by the efforts of the teacher to first discipline a little his class of sixty or eighty pupils to make them sit still, not to move their bodies, but to rise when bidden, to sit down when bidden, not to turn their heads around, not to wink, and all the rest of it. And the children must be taught to understand what the teacher means.

### DEFECTS OF PRESENT SCHOOL SYSTEM.

Again, all the exercises in the public schools are too abstract for children; they have never in their lives known anything that was like those exercises. But children that come from the kindergarten, if you have them in a separate class, so that no other pupil can get between them and their studies, advance so rapidly that there is no comparison possible between them and the other children. I have in my practice found that if you begin the elementary school with children of seven—at the full seventh year of age—you begin timely enough, and, if they have come from the kindergarten well prepared you will find them, two years afterward (then in their ninth year) as far advanced as any other children are at ten. This is the effect of such preparation.

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But even then, according to my experience, the elementary school should not be a sedentary school for all the hours of attendance (which should be about five hours for all except the high school). Children should not be forced to sit down and study in that position for at the outside more than one-half of this proper time. The other half of the time should be spent in a continuation of the kindergarten exercises on a higher scale. Then you can teach all those branches which they had in the kindergarten in such a way as to develop the arts and the sciences, as far as they can be taught at that age, in a playful manner, and so as never to overwork the mind, much less the body.

A great deal of those exercises in the second half of the time ought to be gymnastics, so as to give a relief to the body, which has been tired out by sitting a long time, and at the same time to develop all the beauty of which the body is capable, and all the muscular strength and all the health that is possible. That is the very first object. If you have your children well prepared, from the kindergarten up, you may be sure that at eleven or twelve years of age they will be as far advanced as other children are at thirteen or fourteen. This is not saying too much. I might quote examples if it were proper for me to do so, seeing that it is my own experience of which I should have to speak. The fact, however, is that you can teach double as much in half the time if you have begun in time to do the right thing—to give the child the proper nourishment for all its faculties. That is as to the general idea.

### THE HIGH SCHOOL: WHAT IT SHOULD BE.

Now, when we come to the higher school—that school which should begin after the fourteenth or fifteenth year of age, just when the body and mind begin to have their "second-step" year, as we call it—the great development year—when manhood and womanhood are beginning to ripen—just then the high school should commence. The high school might be carried on a great deal like the present high school but always connected with practical exercises for one-half of the time. And here professional, mechanical, and technical education might be taken care of. So that every school ought to be connected with workshops in which every kind of work should be taught, not only theoretically, but at the same time practically, by means of actual work. And not one kind of labor only, but several. Every youth ought to be able to make an easy transition from one kind of calling to another. This is indispensable in our time when so many professions and callings are likely to become superseded and to be entirely dispensed with. It is but natural that at a period when inventions and division of labor and production on a large scale are carried on as they are nowadays many professions will by and by become superfluous. The reason why we have so many superfluous people nowadays is because they cannot afford, or have not the courage of mind or of body to go over from one profession or occupation to another which pays well enough.

### WHAT THE SCHOOLS SHOULD DO TOWARD MEN'S OCCUPATIONS.

Our schools ought to impart this facility. They ought to provide for contingencies in which whole populations may be deprived of their livelihood by the progress of the times. If society and the state do everything possible to advance the professions and industries of life, they should bear the consequences, on the other hand, of so arranging and adjusting things that the followers or practitioners of any particular

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profession may not, through the progress of the times, be made the sufferers, be made the victims of that very progress. There is no right in men, whether singly or in combination, whether in the state, in society, or whatever you choose to call it, to make the individual man atone for the general progress of society and suffer the consequences thereof. To prevent that, there ought to be diversity of callings taught and practiced by and for the pupils. This, of course, ought to be done by the masters in every science and art. It ought to be taught on theoretical grounds, and the teaching applied for practical purposes. When, for instance, the art of glass-blowing is taught, the scientific principles which underlie the whole production of glass ought to be explained. As much chemistry as possible ought to be taught to make the occupation intelligible to those who are employed in it. They ought to see and understand how glass comes to exist, and the different kinds of glass that may be produced by the different mixtures of elements, and so with each mechanical art and profession; it ought to be taught on scientific principles as well as with the greatest practical perfection, so that no person can ever be in life without the means to support himself. In a properly adjusted system, four or six hours a day would enable a man to produce as much as society wants him to produce. So that he could dispose of the rest of his time as freely as possible, and then be indeed a free man.

### VALUE OF CLASSICAL EDUCATION.

I ought here to state my opinion of education in the old or classical languages. Of course, those languages are indispensable for such men and women as want to be historians, investigators of antiquity, or naturalists in the line of prehistoric mankind, or prehistoric animal kind. Such persons need the old languages—not Latin and Greek only, but a great many more. When I was a youth, it was thought a great achievement to understand Latin and Greek, and, at most, Hebrew, for those who wanted to study theology. Nowadays, to be philologists, as we ought to be, means to understand and almost to be able to speak reasonably well from ten to twenty languages, so great are the demands made in the sciences, as they are nowadays advancing. Of course, it would not be possible to deny to philologists the knowledge of Latin and Greek, and of all other foreign languages; but to all those who do not intend to become philologists and pedagogues of the highest kind, of what earthly use are Latin and Greek? I cannot see that they are of any use to such people.

Of course, I have studied Latin and Greek, and I think I know something of them. But whatever I may have learned, and whatever I may have done of good in this world, has not been the result of my knowledge of Latin and Greek. I know many men as old as I am who say the same thing. If it were not for the thousands of philologists who are employed in our colleges, and who of course would bear ill having instruction in these languages abolished in colleges, we would have a great many more advocates of my idea.

If you want Latin and Greek terms for any science, you have your dictionaries; you can find the terms there by looking for them. If you want choice sayings from the great poets, or the great writers of Greek or Roman literature, you will find collections of those saying published in books and alphabetically arranged so that you can look them up whenever you need them. Do you want to read the old poets? Well, I advise you not to do it in Latin and Greek, if it can be helped. There were very few among my fellow students at the university who



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could really enjoy the Greek and Latin poets as they ought to enjoy them. Among the twenty with whom I was passed to the university there were but three who could do it, who could really get the benefit of the old poets and philosophers from the originals. The others had to study very hard, and yet they could not in after years use their study of Greek and Latin for their amusement or for their moral or ideal improvement, because they did not know the languages well enough.

The study of these classical languages is a waste of time, sir, which was invented in old Europe, at a time when there was no other means of general culture of the mind, and it has been continued to our day, because in Europe, government, and the church, and society are prone to hold up old-time distinctions of classes. A learned class may be most easily distinguished from an unlearned class, either by being able to use a few Latin and Greek terms for technical purposes, or by being able to quote a few of the famous sayings of the poets, and thereby be distinguished from the common people. This is not as it ought to be in a free republic, such as the United States. It is not being done in Switzerland, where they could have it if they wanted it. I wonder, therefore, that the idea of Latin and Greek, as necessary for all the higher professions, should be advocated to such an extent as it is in this country.

## SANITARY SCIENCE IN SCHOOLS.

But a great many other things ought to be introduced into the higher schools. It is, in these times, almost barbarous not to have a full course of sanitary science introduced into all our higher schools. I have in my schools begun to teach hygiene in a simple way to children of ten years of age; they understand quite well what preparation they must make to preserve them in good health, and what it is necessary to do for the development of their limbs and their bodies. They understand a good deal of it at ten years of age; but a good deal of hygiene and sanitary science ought to be gone over with every man, and especially with every woman.

Speaking of women here, I would insist that every young girl, when she has reached her maturity, should become an auxiliary kindergartner for a year at least, where she would be instructed how to educate very young children according to the ideas which Frœbal has given. It is an excellent thing. I have trained more than thirty kindergartners. I regret to say that very few of them are yet in the profession. Most of them are married; but they are happily married, I assure you; they are good wives and good mothers, and know how to educate their children in the way that they ought to be educated. I think I have done more good in that line than in many others that seem of greater magnitude. I can testify to the fact that such a course of instruction would be of great benefit, not only for the female sex, but for mankind at large. If mothers know how to deal with the tenderest child, how to appreciate the time when they must begin these exercises, which develop the health and mind of a child, it helps to develop, not only the child, but the mother.

## NATURAL AND APPLIED SCIENCE IN SCHOOLS.

I come now to another point: I would mention as something to be introduced into the high school, namely, natural science, in all its principles and bearings, in connection with a certain amount of applied or practical exercise. It is almost impossible nowadays for a man to be

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educated unless he understands the general laws of nature for a great many practical technical arts and sciences—a basis which cannot be replaced by anything else. If you learn all these things by the book, you do not know them. The only way to learn natural science is to practice it, to analyze, to experiment, to synthesize, to try every kind of inquisition with all bodies and all forms of matter, and to reduce everything down to mathematical certainty and calculation. I would devote a good deal of time, therefore, to natural science, practically taught, so that every child at sixteen or seventeen years of age would be a real scientist—not "crammed" or overcrowded with useless knowledge, as is now the practice of the schools, but with a practical understanding of the effects of each law, and with the practical possibility of evolving principles in their mathematical relation—in other words, to make *constructors* of men and women—to make them more than mere seers—to make them thinkers and builders. It can be done in a few years if the children have been brought up as I have described from the kindergarten by the use of all the faculties of the mind and of the body, by training the eye and the hand and all the senses through object lessons, through acquaintance with living things, through practices continued in the elementary school and in all kinds of work. This is a continuation of the kindergarten work on a higher scale, and later, in a scientific and practical manner in the higher schools. That is my idea as to a school in the later and better development of society when the means are at hand for its introduction and proper development.

### MODEL WORKING SCHOOL—DR. FELIX ADLER'S.

But the question is, "How far can we go now?" I will preface my consideration of that question with the remark that we have here in New York a model school to which I may refer without being obliged to speak of myself. Dr. Felix Adler has continued kindergarten work in a working school in which only poor children are received, and they gratuitously. The gratuitous feature of the institution has a double purpose. It wards off the objections of parents as to having their children educated in a form to suit their own ideas, which may be the worst form for the children, and which, in any case, is nonsensical, because a teacher in a school composed of more than ten or twenty students cannot individualize so much as to have special care of any one child all the time.

The other purpose of this feature is that children who come there to be taught gratuitously are willing to stay through the full course of teaching, which is eight years. They are taken in upon that condition. American children are generally so educated that they are independent before their time. They say to their parents, "I do not want to go to this or that school;" "I want to learn this or that thing"; and "I do not want to learn this or that other thing." The parents acquiesce in this fancy of the child, and they let them run their own course in education. In this way there is no real education possible. Felix Adler, therefore, properly insisted upon it that only the children of poor parents would be received, because those parents would be grateful for the benefit which the children would obtain, and they would be governed by this requirement, and would not be governed by the children, because, of course, they would be very glad to see their children well educated.

These are conditions necessary for success, otherwise success would be impossible. He has been carrying this idea beyond the kindergarten for four years past. All his children who have come to the working school have gone through the kindergarten for two years, and then the

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kindergarten exercises are continued in the working school. One-half of the time they learn by book, but more by object teaching than by book; the other half of the time they practice what they learn. They are taught, of course, to read, write, and cipher; but all this in a very different manner from the conventional manner. It is all objective. The children have to find their own rules for their practice. Arithmetic, for instance, is taught not in the common fashion, but in the earliest stages, in the kindergarten; is taught objectively by getting the children to count the corners and angles of all geometrical bodies which they have at hand. They must see what they count. They are enabled to reckon in fractions simply from seeing bodies divided into fractional parts.

All this is done in such a way as not to burden the memory but to be a natural result of sight and feeling.

### THE MEMORY OVER-BURDENED; THE THINKING FACULTY STARVED.

The want of success in our present method of education is that memory is burdened too much, and the thinking faculty is neglected almost entirely. This is ruining the minds of children. The food, not being palatable, is not digested. It is with the mind as with the body, that which is put into it will be digested, if taken in reasonable quantities, and if taken at the time when there is a natural appetite for it, provided no more is given until that has been digested and the appetite has returned. That which has been taken in must not be rendered useless by giving too much at a time. It must be worked out, as it were, by muscular exercise so as to create new cells. That which you acquire by heart is as much ballast as the ballast you have in a ship—you throw it out again when you can load in money or other valuable things. You have not learned it really by heart. You have learned it from necessity, because you wanted to meet the requirements of an examination with its marks and its record kept by the teacher, and these marks and this record are made more account of than the knowledge and science involved. This is a mere mechanical training, and since the education of the thinking faculty is neglected, it cannot conduce to the making of real scientists; it does not make real self-thinkers or self-governors.

### EFFECTS OF NEWSPAPER READING.

If it be true, and it certainly is true, that the American people consist to a very great extent of intelligent people, it comes rather from the steady and continued habit of newspaper reading and the reading of books outside of school, than anything that is gained in the schools. And it is one of the best and most instructive customs which the Americans have, to have intercourse with even small children, but especially with youths. Whatever children learn, of self-thinking, is a real acquisition, and in the practical business of life, when the children are obliged to leave the paternal home, as many of them are obliged to do in order to earn a livelihood for themselves, their minds are sharpened by conversation and contact with others, it is in such conversation and contact that they really learn to exercise the faculty of thinking.

### KINDERGARTENS ATTACHED TO PUBLIC SCHOOLS.

If you ask me what might be done now, I would say that there might be done here what has been done in the city of Saint Louis. Mr. William T. Harris, who was at one time superintendent of the public schools

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of Saint Louis, being a man much inclined to German ways of teaching, had a letter addressed to me requesting that I should give him my experience as to kindergartening for all classes of children—to make it a common education. I detailed my plan, and he has, in four years' reports, gratefully acknowledged what had been performed in pursuance of that plan in the public schools of Saint Louis. They had a very excellent lady at the head of the kindergarten institution of that city—Miss Blow, a daughter of one of the Senators of the State of Missouri. She was an educated kindergartener, having studied the system in Germany. There were enough kindergartens established in Saint Louis to enable every child to be educated in that system preparatory to going to the public school.

Q. The kindergarten system of Saint Louis, then, is the plan which you recommend?—A. Yes; but I have not seen much of it of late. Miss Blow is not any longer at the head of it. Mr. Harris is no longer there, and I can, therefore, only speak of what I know of its achievements in former years. Great changes take place in educational matters here in a short time.

### POLITICAL INTERFERENCE WITH TEACHERS.

During the period that I have been a member of the American Teachers' Association I have seen more than six of the best educators of the country ousted by political nobodies—by school boards who did not understand anything of that with which they were charged to deal, in a public capacity. There was Mr. Rickoff, of Cleveland, who first reformed all the schools of Cincinnati, where he was occupied for seventeen years, and later for seven years, or more, in Cleveland. He was obliged to leave, and is now superintendent of public schools in the city of Yonkers, in this State. There was Mr. Wickersham, the State school superintendent of Pennsylvania; he had to go; I do not know why. There was Mr. Northrup, superintendent of public schools of Connecticut. I do not know whether he is yet in office, but whatever the politicians could do to oust him, they have been doing. So it was with Mr. William T. Harris himself, who was superintendent of public schools of Saint Louis; he has preferred to go. I do not know whether Mr. Edmund Ruffner, of Virginia, the State superintendent of public schools, is yet in office. I have not heard of him for some time. But the politicians have fastened upon this public school system as a means of promoting their personal ends, and they very well understand how to get rid of real reforming educators. An illustration of this was given in Boston a short time ago. So you see how difficult it is in our days, before a new state of society is introduced, to reform schooling.

### NATIONAL AID TO EDUCATION.

I fully agree with the idea that the National Congress should give national aid to education. I approve of a law which would devote a number of million dollars every year to the education of the children of the South, and in all States where education is now neglected, and in proportion to the population of the State, for such length of time as shall be necessary—say, for ten years. I have always been in favor of such a law, and have always voted for it in the educational assemblies of this country. It has been before Congress now for, I think, twelve years. It has been so little favored, however, that it is still before Congress, and I think that it is not any farther advanced than it was years ago. Now, what else may be done?

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### TAXATION OF PAROCHIAL SCHOOLS.

It is a very serious question, I admit, to interfere directly with parochial schools. In fact, I consider it nearly impossible. But, sir, why should we let them go free of taxation? If they establish schools that are at enmity with the public schools, why should they not be taxed? They are trying to spoil the public schools by withdrawing the Catholic children from them, and sometimes, also, Protestant children. Why should we favor these religious institutions by remitting taxation in their case? They should be taxed, and that is something which could be done without being open in any way to the criticism of interfering with religion itself.

### A NATIONAL UNIVERSITY FOR THE UNITED STATES.

I now come to a point that I consider of the highest importance. It would be a very great, good thing to have a university of the United States, for reasons which are apparent to every educator, and have often been touched upon by the philological and educational conferences of this country.

We have more than 300 colleges in the United States, and we have not one single university in which everything that may be called science or art may be learned from the best of teachers, and with the best means that science and art can command—not one! Even the richest endowed universities—those of Harvard, Yale, Cornell, the University of Michigan, and the State University of California—are not up to the demands of the times. Why should your young men, when twenty-one years old, go to Europe and spend a great deal of money for what they might have here for nothing at first hands and from the very best of teachers? You could have here the most brilliant professors of Germany, England, or France, to teach in a university of the United States. They would answer such a call with delight, and you would, of course, give them a proper salary. It would be an honor to be a professor in such a university. You would have the very best men in their several specialties in the world, and could make it a condition that no pupil should be admitted who, upon examination, was found not to be up to the demands of the university. You could require that merit should be the test of admission. The great difficulty now is, that each one of the 300 colleges that we have in the United States demands students for the sake of keeping up their own lives and meeting the necessary expenses of the institutions. The consequence is that they admit a majority of unripe pupils. They take them because they must get the money. Their funds are not sufficient to enable them to pay proper salaries to the professors or to pay for the instruments and apparatus necessary in a proper or complete course of instruction. Concentrate these 300 colleges into one for each State, and a great one for the United States, and you will have the means at once to make of each of these institutions as much as any German university is worth; and with the additional privilege that there will be free teaching for the first time in the history of the world, except, indeed, in Switzerland; real freedom of speech for the professors, real independence of mind, so that they can teach what is really science, and not what is approved or permitted "by authority"—a compromise between science and religion, with a little politics thrown in.

A university of the United States is a great desideratum. The teachers know how useful it would be, and so do the philologists. But the

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idea is hooted down by the majority of the people. Yet what better thing could the United States do than to establish an institution which should be a representative of the highest development in every branch of science and art, and thus show what mankind can do in a really free state. It is a grand idea. It is a pity that it must be postponed for, perhaps, decades of years, in order to prepare the public mind for it. Political parties, as at present organized, are opposed to granting means for such an institution—at least one of the old parties is; the other sometimes talks of it; but whether it is in earnest about it I do not know.

I think I have said all that I had desired to say to the committee; but shall be glad to answer any questions which may be put to me, whether in connection with the political, economic, or educational views which I have presented.

The CHAIRMAN. I think we may be satisfied with the presentation of your views. Your comprehensive and valuable statement in reference to education is so plain as to hardly need further elucidation. If, however, there are any further observations which you would like to offer, the committee will be glad to hear them. Have you stated all that occurs to you?

The WITNESS. I have touched upon each of the propositions I had in mind. Of course, it would be impossible to exhaust the subjects.

Adjourned.

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NEW YORK, *September* 21, 1883.

The committee met at 10 a. m.

FRANCIS B. THURBER sworn and examined.

By Mr. PUGH:

Question. You reside in this city?—Answer. Yes, sir.

Q. What business do you follow, and what have been your pursuits to enable you to give us information upon the subject of the relations of labor and capital, and the general subjects embraced in the resolution authorizing us to make the examination upon which we are engaged?—A. I do not think that I have any special qualifications, but I am engaged in the wholesale grocery and provision business, and have been so engaged for the last twenty years in this city; also in the importing and manufacturing of food products to some considerable extent.

Q. What do you consider have been your opportunities to inform yourself upon these questions?—A. I have taken some little interest in the politico-economic questions which have come before the public, and have studied them somewhat.

Mr. PUGH. Please proceed to give us, as you think proper, any information or opinions which you may have upon these subjects.

The WITNESS. I have some diffidence in appearing before your committee in response to your request or subpœna, feeling my incompetency to treat in a thorough manner the important subjects under consideration. A man who is subject to pressing business cares necessarily observes only those phases of the subject which come under his notice, and this observation is naturally somewhat superficial and only of value when compared with that of other persons who have had opportunities to view this great question from other points of view.

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### INDUSTRIAL CHANGES WROUGHT BY STEAM AND ELECTRICITY.

Before touching upon the points specially mentioned in your subpœna, I will state in a general way that I believe the unsatisfactory state of the relations existing between labor and capital which prevails to a considerable extent in our country is due to the enormous changes consequent upon the discovery and utilization of the forces of steam and electricity, which, within comparatively few years, have revolutionized all departments of production and commerce and to a great extent the affairs of society in general. It is but natural that laws made for the government of society before these great forces became known should not now be adequate for the protection of all classes. The great problem with our forefathers, who established our Government, was a more equitable distribution of wealth than existed in the older countries which they had left in consequence of class tyranny. They sought, by abolishing the laws of primogeniture and entail, to secure the distribution of wealth, and through simple, honest, and economical government the welfare and happiness of the whole people. The measures taken to secure this were deemed very radical by the conservative people of that time, and accomplished for the time being the result intended; but within the last fifty years new forces have arisen, for the regulation of which the old laws are entirely inadequate, and these forces have been allowed to be monopolized and now inure in a great and unequal degree to the benefit of the few. With these forces have come a tremendous development of machinery and corporate organization, all of which have conferred great benefits upon humanity as a whole, but the development has taken place without proper control and regulation, and a crop of attendant evils has grown up which are now crying loudly for remedy.

### EFFECTS OF MONOPOLIES.

I do not attribute all the ills to which society is heir to the effects of monopoly, but I do claim that the great problem which the statesmen of our day have to solve is the equitable distribution of wealth, which, under existing conditions, is heaped up in the hands of the few, to the detriment alike of those who possess or control it and those who have nothing.

Many minor causes have a bearing upon this effect; land monopoly, currency monopoly, transportation monopoly, tariff monopoly, patent monopoly, combination in trade monopoly, taxation, intemperance, ignorance, and immorality all have a greater or less bearing I do not think him the wisest counselor who would attribute all our existing evils to any one cause, for they all have an influence upon the common result, but it is surprising what an influence transportation monopoly has upon the aggregation of wealth in the hands of the few.

### RAILROAD MONOPOLY.

With the advent of steam the whole world became travelers and shippers. The carrier, always an important factor in the world's commerce, advanced at once to a controlling position, and when uncontrolled by competition wields a taxing power such as the world has never seen. On the water, which was everybody's highway and could not be monopolized, the exactions of the carrier have been kept in check by competition; but on the land, with the advent of our iron highways, combination and consolidation has been permitted to take

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the place of competition, and under the form of popular government corporate power now rules the nation. A majority of our law-makers in both political parties are now interested directly or indirectly in corporate enterprises, and naturally our laws are to a great extent made in that interest. While many of the men interested in corporate enterprises are upright and conscientious men, the moment their individuality becomes merged into corporate organization there is an absence of that personal responsibility which attaches to the individual, no matter how extensive his operations may be, and corporations habitually indulge in practices which society would not for a moment tolerate in the individual. The use of money by corporations to control elections and legislation, although done covertly, is so common as to be frequently discovered, but so powerful has the influence of corporations become that the grossest bribery when discovered cannot be punished. The Anti-Monopoly League, of which I am a member, has grouped a few recent instances of this and other manifestations of corporate power in the little collection of undisputed facts which I append to this statement. The political view of this question seems to me even more important than the economic one, or, in other words, that the control exercised by corporate power over our elections, legislatures, and courts is more important than the taxing power which it holds over the productions of the people, although this latter is doubtless the cause to the other effect. Many people in considering this question reason that the benefits of railroads are far greater than the evils which are now commanding public attention, and, therefore, no attempt should be made to remedy the evils, and they are disposed to look upon anti-monopolists as unreasonable people who would not be satisfied with anything. It should be remembered, however, that the primary duty of the State is to provide public highways; that steam roads are simply improved highways; that the people are indebted to the men who *inrented* them, and not to the corporations who now control them, because they would have been constructed by the people if this function had not been delegated to corporations, and the benefits of the invention would have been distributed in a far more equitable manner than they have been under corporate management.

### RELATION OF RAILROADS TO THE STATE.

The following, from the joint letter of the president of the New York Central and the president of the Erie Railroad to the Hepburn committee, defines the relation of railroads to the public, as it appears from a railroad standpoint:

That it is the primary duty of the State to furnish "highways," whether they be the road, the canal, the turnpike, or the railroad, the State alone having the right of "eminent domain."

That this duty has been complied with by the State in most of these ways.

That, for prudential and other reasons, the State of New York preferred to engage the services and capital of her citizens to do what was her duty to do, granting them certain powers under certain limitations and restrictions, which are made part of the contract between these "citizens" and the State.

The State places such "citizens" in her place to perform her duties, and for th s purpose clothes them with the imperial right of "eminent domain," so far as may be required to perform the duty devolving upon them.

Such "citizens" so placed have a right to the fullest protection of the State, and to be protected against any laws that the State would not pass if such property of "citizens" had been built by the State itself, and further, such "citizens" should be protected against any legislation that would lessen the value of property so obtained by its "citizens" by reason of their contract with and their willingness to take the place of the State in the performance of one of its highest duties.

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The railway company thus holds, in its relation to the State:

1st. Its position as a substitute for the State under the powers and limitations of the law; and

2d. The right of pecuniary recompense, and of ample protection of property.

The writers of the address—

This "address" was an address to the legislature by a committee of the New York Chamber of Commerce and the Board of Trade and Transportation, of which committee I was a member—

look upon the railway company as for pecuniary profit only, and ignore their position as created to perform the duty of the State, taking the risks of investments, on management, &c., upon themselves. The railway companies thus have a higher claim than the ordinary corporation can have upon the State.

The ordinary corporation is organized for the special pecuniary profit of its shareholders, the profit of the public being secondary. The railway corporation is organized primarily for the benefit of the people of the State, and the pecuniary consideration is secondary, but necessary to induce the citizens of the State to assume the performance of the duty of the State. This assertion is true, and is in the essence of the grant by the State of its powers.

I embody that in my remarks as an interesting statement, from high railroad authority, of what they understood the duties of railroad corporations to be toward the people. I may say, *en passant*, that this exposition of their duties is very different from their practice.

### WATERED RAILROAD STOCKS.

Would the State, if if it had constructed these highways, have watered stocks, discriminated against persons and places, corrupted elections and legislatures, debauched courts, and created enormous wealth for the few at the expense of the many?

It is an old axiom that "it is a poor rule which does not work both ways;" and while it is true that corporations should be protected in their rights, they should be obliged to perform their duties. The trouble is that they have always claimed their rights, but have neglected their duties; and now, through chicanery, fraud, and corruption, seek to establish a continuous evasion.

If, indeed, corporations had been held to the original theory upon which they were chartered, namely, that the construction of a railroad was a partnership between the people and the corporations, in which after capital actually invested had received a fair return the rest of the benefits should accrue to the people in the shape of reduced charges for transportation, then the result might have been different. Many of the original charters stipulate that when capital has been compensated to the extent of 10 per cent. upon the amount actually invested, rates can be reduced, but this has been evaded through the medium of "construction companies" and other forms of stock-watering, and, under the assumption that railroads have the right to charge "what the traffic will bear," enormous sums are unjustly exacted from the people. In many cases railroads have been extended and improved out of surplus earnings, and these very earnings have been capitalized and made the pretext for further taxing the people. The committee of the legislature of New York which investigated the coal combination some three years ago describes this practice in the following words:

During the receipt of these enormous profits many of the coal corporations, as was the case with railroads not engaged in the coal-carrying trade, unable under their charters, or for other reasons, to declare dividends upon their stock that would absorb their unexpended surplus, issued additional stock to the stockholders, for which they paid nothing. Inaugurated what is commonly known as stock-watering, or a capitalization of surplus earnings, which is in substance exacting money from the people, creating an indebtedness representing the same, and making this the basis for forever asking the public to pay interest upon their own money so exacted.

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## NEW YORK CENTRAL RAILROAD STOCK-WATERING.

The New York Central Railroad is a prominent illustration of this practice. In 1867–'68 the stock of this road was watered to the extent of some $47,000,000. Rates for transportation have been imposed which have yielded regularly 8 per cent. dividends upon this watered stock, amounting each year to $3,760,000, and these dividends in fourteen years, with interest compounded annually, already amounts, as will be seen by the following tabular statement, to upwards of $83,000,000.

*Watered stock issued in* 1867 *and* 1868 *by the New York Central and Hudson River Railroad* ($47,000,000) *upon which* 8 *per cent. dividends have been regularly paid.*

| | | | | |
|---|---|---|---|---|
| Dividend, 1869, on this watered stock at 8 per cent | | | | $3,760,000 |
| Interest on $3,760,000 at 7 per cent., | $263,000; | with 1870 dividend, | $3,760,000 | 7,783,000 |
| Interest on 7,783,000 at 7 per cent., | 544,000; | with 1871 dividend, | 3,760,000 | 12,087,000 |
| Interest on 12,087,000 at 7 per cent., | 846,000; | with 1872 dividend, | 3,760,000 | 16,693,000 |
| Interest on 16,693,000 at 7 per cent., | 1,168,000; | with 1873 dividend, | 3,760,000 | 21,621,000 |
| Interest on 21,621,000 at 7 per cent., | 1,513,000; | with 1874 dividend, | 3,760,000 | 26,894,000 |
| Interest on 26,894,000 at 7 per cent., | 1,882,000; | with 1875 dividend, | 3,760,000 | 32,536,000 |
| Interest on 32,536,000 at 7 per cent., | 2,277,000; | with 1876 dividend, | 3,760,000 | 38,573,000 |
| Interest on 38,573,000 at 7 per cent, | 2,700,000; | with 1877 dividend, | 3,760,000 | 45,033,000 |
| Interest on 45,033,000 at 7 per cent., | 3,152,000; | with 1878 dividend, | 3,760,000 | 51,945,000 |
| Interest on 51,945,000 at 7 per cent., | 3,636,000; | with 1879 dividend, | 3,760,000 | 59,340,000 |
| Interest on 59,340,000 at 7 per cent., | 4,153,000; | with 1880 dividend, | 3,760,000 | 67,254,000 |
| Interest on 67,254,000 at 6 per cent., | 4,035,000; | with 1881 dividend, | 3,760,000 | 75,049,000 |
| Interest on 75,049,000 at 6 per cent., | 4,502,000; | with 1882 dividend, | 3,760,000 | 83,311,940 |

Making $83,311,940 in fourteen years.

Suppose that Mr. Vanderbilt, instead of watering his stock in 1868, had kept it at the volume then outstanding and had paid dividends on that amount, the people would have been $83,000,000 richer, and $47,000,000 of watered stock, which cost nothing but the paper on which it was printed, would not now be in existence and furnish a pretext for further taxing the people to pay dividends upon it.

## FICTITIOUS CAPITAL IN RAILROADS.

Poor's Manual for 1883 (p. iii) says:

> It is safe to estimate that the actual cash expenditure upon all the railroads of the United States within the past three years did not exceed $1,050,000,000, a sum $973,646,452 less than the increase in the period named of capital and indebtedness of the several companies Of course such an enormous increase of liabilities over actual cash outlay is greatly to be regretted, and is well calculated to create a distrust of all securities, good and bad.

The object, of course, is to spread out an enormous fictitious capital which may be made the pretext, as the country develops, to tax the public unnecessarily high rates for transportation service, just as they are now charged double or treble the rates for telegraphing which they would have to pay if the telegraphs were owned by the people and operated by the Postal Department.

The apologists for these practices attempt to meet these figures by statements showing the large decrease in transportation rates during the last few years. That this is true no one disputes, but no fair-minded man who examines into the question of corporate and public rights will, I think, come to the conclusion that rates have been reduced as much as they should have been in justice to the public. On the through traffic of the great trunk lines there is not so much cause for complaint, but local rates in many cases are excessive, and certain classes of traffic are taxed out of all proportion to others. The anthracite coal traffic is a case in point.

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### RAILROAD OVERCHARGES ON COAL TRAFFIC.

For considerable periods during 1878 and 1879 coal sold at an average of $2.25 per ton of 2,240 pounds at tide water, or say, $3.25 per ton of 2,000 pounds delivered to the consumer in New York. The coal roads formed a pool and prices were nearly doubled, or say, $6.00 to the average consumer. The legislature ordered an investigation. The evidence showed that $3.25 to $3.50 was a fair price for coal, and that the coal roads had watered their stocks so that it was not reasonable to expect that ordinary dividends could, with justice to the public, be paid upon the enormous mass of obligations outstanding.

It is safe to say that the public now pay an unjust tax to the railroad companies which constitute the coal monopoly of from $1.50 to $2.00 per ton on every ton of anthracite coal consumed.

### ON MILK TRAFFIC.

The milk traffic in this State is another case in point. The recent investigation by the railroad commissioners have shown that this article of farm production is charged upon the principle of "what the traffic will bear," sixteen times as high as other articles of similar weight and value and more than 200 per cent. higher than is charged by railroads leading to other principal cities of the country.

### OVERCHARGES ON DRY-GOODS TRAFFIC.

Another striking illustration of the arbitrary discrimination by carriers is found in the case presented by the dry-goods trade of this city to the pooled lines recently. Cotton goods are arbitrarily charged the first-class rate on west-bound freight, which is 75 cents per 100 pounds, from New York to Chicago, the same rate which is charged upon silks and other goods of from ten to twenty times the value of cottons. Railroad men gloss over such glaring injustices by selecting items favorable to their side of the question and placing them before the public as illustrations of the reasonableness of railroad charges.

### ON FOOD PRODUCTS.

The literary bureau of the railroads in this city is now circulating a statement and paying for its insertion in papers throughout the country, as follows:

A barrel of the best flour, worth in New York $7, will make 180 loaves of bread; cost of making is $3; whole cost, $10; retailer's price for the 180 loaves, at 10 cents a loaf, $18; profit, $8. The total freight-charge on a barrel of flour from Minneapolis to New York is $1, or about one-half cent for the flour of the loaf.

A hindquarter of beef weighing 200 pounds, cost in New York, at 9 cents per pound, $18; retails at 16 cents per pound, or $32 for the whole quarter; profit, $14. The railroads carry dressed beef from Chicago to New York for 40 cents per 100 pounds, or 4 mills per pound. Hams and bacon, on which the consumer pays a profit of 4 or 5 cents per pound, are carried by the railroads from Saint Louis, Cincinnati, and Chicago, to New York, for one-fourth of a cent per pound.

These figures are incorrect in essential particulars as well as sophistical in argument. What kind of an argument is the statement that a barrel of flour is worth $7 and will make 180 loaves of bread, which at 10 cents each, makes $18 for the barrel? That the railroad charges $1, and the middleman and the baker absorb all the rest. The real question

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is, *does the railroad perform its charter obligations to the public, and give the people the value to which they are entitled*, and the answer is found in the relative accumulations of the carrier, the middleman, and the baker.

## IMPROVEMENTS IN TRANSPORTATION.

The improvements which have been made in railroad transportation during the last few years have been enormous, and have naturally resulted in decreased charges for transportation. Steel rails which last three times as long as iron rails, locomotives which haul double their former load, freight cars which carry two tons of load for each ton of dead weight in rolling stock, as against the former rule of ton for ton; improved signals, cheaper methods of handling freight, and other causes, have operated to greatly reduce the cost of transportation, and it is safe to say that the public have not shared to the extent they should have shared in these great savings. Poor's Manual for 1882, in commenting upon the decreased charges for transportation, says, "It is certain that each year the railroads charged freight traffic over them all it would bear," and the great question would seem to be, is it fair that the decision of this important matter should be left entirely to corporations which seek only their own advantages? The report of the Hepburn committee, page 69, says:

Now, as to the necessity for some regulation to protect the public, see testimony of Mr. Rutter, pp. 453,454, where he testifies that he serves the stockholders only, and only regards the public interest to make it tributary to the interest of the stockholders.

Mr. Vilas (testimony, p. 415) testifies to the same controlling motives. Mr. Blanchard, after describing a railway officer as subject to three practical tribunals—first, the president of the road; second, the law as laid down affecting transportation; and third, the unwritten law of commerce—says:

"It has been our policy in this matter, while keeping within the statute law, as far as I knew it, or had occasion to know it, that wherever this public unwritten law came into contact with the interests of the shareholders, I believed it to be my conscientious duty to decide in favor of the shareholders; I knew of no claim that the non-shareholding interests had upon me as a railroad officer, so long as I was within the written law, to concede its views in the matter of rates, and in the management of our traffic."

In the joint letter (testimony, p. 47) Messrs. Vanderbilt and Jewett say:

"That the managers of a railway company desire to make all the money they can for their clients, and to do this they have before them the question what rate *within their chartered limits* will an article bear that will yield the largest profit and at the same time stimulate its production."

The marked importance which is here attached to keeping within the law emphasizes the necessity for governmental control.

## RELATIVE INTERESTS OF SHIPPERS AND CARRIERS.

It seems to me that as there are two parties in interest, the shipper and the carrier, the interest of the shipper far exceeds in magnitude that of the carrier, and it is manifestly unjust that the lesser should dictate to the greater so absolutely as it now does. Pooling, even, is not an unmixed evil, for it does insure a certain degree of uniformity and stability, but pooling, *when there is no power above the pool to decide what is a reasonable charge*, is apt to be arbitrary, tyrannical, and exacting. Once let it be conceded that the requirement of the old charters that rates should be "reasonable," based upon the cost of the service, be supplanted by the new theory enunciated by the railroads that charges should be adjusted upon the principle of "what the traffic will bear," and, with corporate managers sole judges of that question, we might as well concede the ownership of the country in fee to a few cor-

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porations. Indeed, they would exercise a more valuable privilege than ownership, for, with the liberty to decide what portion of the profits of production and commerce they will take, it is better than to have the trouble and expense of ownership.

### THE INFLUENCE OF MACHINERY.

At the beginning of this century the man who owned a thousand slaves, or the man who employed a thousand men, was a wonder. To-day those who own machines, driven by steam, producing equivalent to the labor of a thousand men, are so plentiful that they no longer occasion remark. Twenty-five years ago Cutter wrote "The Song of Steam," which said:

I blow the bellows, I forge the steel,
  And in all the ships of trade
I hammer the ore and turn the wheel
  Where my arms of strength are made.

I manage the furnace, the mill, the mint,
  I carry, I spin, I weave,
And all my doings are put in print
  On every Saturday eve.

I've no muscle to weary, no breast to decay,
  No bones to be laid on the shelf;
And soon I intend you may go and play,
  While I manage the world myself.

This was considered then a poet's dream, but only twenty-five years have substantially proved its reality. Necessity is still, perhaps, the mother of invention, but surely steam has proved itself the father.

In the Guide to the United States Patent Office there is the following commentary upon machinery for the manufacture of paper:

The old hand-press process produced about 100 pounds a day; a machine will turn out 2,000 pounds in the same time. A machine will convert a stream of fluid pulp into paper, dry and polish it, and cut it into sheets; the time consumed in converting the pulp is two minutes; the old process was eight days.

A recent advertisement of a cocoa manufacturer recommends his wares for cleanliness, by saying: "not touched by human hand."

A recent description of a manufactory of food products, says:

On this floor is located a marvelous box-making and packing machine, one of the most striking illustrations of the triumph of mind over matter ever embodied in machinery, and which will cut from the card-board, shape, fold, gum, dry, and fill paper boxes with any material, carefully weighed or measured, at the rate of 1,500 per hour, or about 25 each minute. Nothing in the way of machinery can be more wonderful; not even the Yankee pin machine, which will cut, from a roll of wire, pieces of the right length, head them, point them, polish them, sort them out with their points all one way, and stick them into papers, just twenty pins in a row, faster than one can count. With such deft, reliable, and rapid workers as these steel automatons, no hand work can compare in putting up packages. The trouble, delay, uncertainties, and waste of the grocer's business are largely done away with by this machine, for it is positively cheaper to have packages done up tastefully, uniformly, and reliably, than by hand labor, which is sometimes neither neat nor correct.

### THE RELATIVE SHARES OF CAPITAL AND LABOR.

What do these mean to the man who earns his bread by the sweat of his brow? What to the capitalist who controls these great forces? Answer these questions from these extreme different points of view, and you get widely divergent conclusions: the laborer will say that labor is

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being ground into the dust by the iron heel of capital; the capitalist will say that the chief benefits of these wonderful forces remain with labor; that no man gets more than a living, and that the laborer lives vastly better than he formerly lived, has more comforts, and should be satisfied. As with all extremes, justice must be sought somewhere between them. All humanity has unquestionably benefited from these inventions; but the real question is, What has been the *relative* benefit? Has labor shared to a proper degree in the comforts which steam and machinery have conferred upon the human race?

Human nature is such that we may start with the assumption that this is not probable. Capital alone had the means to utilize these great powers, and, as a rule, it gave to labor only what it was forced to give by the laws of competition. The laborer obtained but a living in any event; the driver of the locomotive may obtain a somewhat better living than the old coach driver did, but the locomotive earns enormous returns to the capital invested as compared with the horses and driver of the coach. Mill operatives earn a better living than the old hand weavers did, but the mill owner accumulates wealth beyond the dreams of avarice in the olden time. Unquestionably, however, the middle classes benefit to a greater degree than does the laborer; the middle classes are proportionately the largest consumers of manufactured goods and the lower cost of these enables the middle class to live more luxuriously than before. This, however, does not help the relations of the capitalist and the laborer; the tendency of machinery is to concentrate all manufacturing into few hands; large corporations are less amenable to personal influences—considerations of humanity; it is their interest, and they have the power to crowd down the laborer to the lowest possible limit; in many cases they are compelled by competition to pay barely starvation wages. This has in turn forced labor to organize, and trades unions do what they can to protect the laborer's interest. It is, however, an unequal fight at best; capital and machinery can be idle and not starve. The land owner, with accumulations, can let it lie fallow; but labor, even with the closest economy, can accumulate but slender stores, and these are soon exhausted.

## EDUCATION.

During the time steam and machinery have been making themselves felt, education has been looked upon, and justly, as a safety-valve for the passions of ignorance. Statesmen, political economists, everybody, in fact, has prescribed education as the universal panacea; but they have forgotten that education has its wants as well as its uses. The intelligent laborer has the same wants as the capitalist, and appreciates the same pleasures; it would be strange, indeed, if he did not endeavor to secure a fair division of the comforts and luxuries of the age. An instructive debate took place year before last in the Italian Parliament over the abolition of the grist tax, which has long pressed heavily upon the people. Signor Giovagnoli, a new deputy, remarked:

> The economists and financiers in the chamber paid too little attention to the actual world outside; they had forgotten the existence of eighteen millions of the working classes who contributed largely to the charges of the state, and upon whom, indeed, the grist tax pressed most heavily. In past times, said the speaker, religious belief helped to mitigate the sufferings of the poorer classes. But now that science had done away with the religious delusion, even the poor aspired in this world to their share of happiness, of bread, of meat, and of wine; and unless science could also do away with the delusion of these necessities, social violence would make short work of legislation and legislators.

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Dynamite can be refined to a point which renders it exceedingly liable to explosion, and it seems to me that higher education for the masses, while our laws permit the wealth of the country to be gathered into the hands of the few, is like refining dynamite to the explosive point. Where ignorance exists it should be dispelled by education, and especially I believe that technical education—education which gives the people knowledge how to earn a comfortable livelihood—should be encouraged, but the people are far more in need of laws which will insure a fair division of the products of their labor than they are of higher education.

### THE LAND QUESTION.

As regards the monopoly of land which has attracted so much attention during the last few years, while it is important, it seems to me that it is not so pressing a question in this country as in some others. It is well, however, to apply "the ounce of prevention" here rather than wait for a time when "the pound of cure" will become necessary—as it now seems to be in regard to transportation monopoly.

### THE CURRENCY QUESTION.

As regards the currency question, it seems to me that its importance is overrated by those who advocate an increase in the circulating medium. These men overlook the fact that the great bulk of exchanges are performed by checks and drafts, and that both the paper and metallic money issued by the Government do but a comparatively small amount of service in this way. All the paper and metallic currency in the country would not be sufficient to do the business which is transacted between the banks of this city by the aid of the checks and drafts which, through the clearing house, are exchanged between them. Commercial credits also, to a considerable extent, assist in moving and exchanging the great staples of commerce. While, of course, it is possible to make the currency so scarce that there will not be enough to effect the smaller exchanges which are done in a retail way, and the scarcity may be so great that it may occasion considerable inconvenience to the public, yet I do not think that this is the case at the present time to any great extent in this country.

All persons admit that our present national-bank currency is a great improvement upon the old system of State-bank currency, and the only question is, are we not paying too high a price for this currency, and should not the Government issue all currency, whether metallic or paper, thus gaining for the people the interest on the circulating mediums and leaving the banks to pursue their legitimate and useful business of deposit and account?

### THE TARIFF.

As regards the tariff there is doubtless an element of monopoly here which demands careful consideration at the hands of our statesmen. No one desires to see our manufacturing industries broken down by a precipitate return to free trade, but if it is left entirely to the manufacturers to say what degree of protection is necessary for their prosperity, they will doubtless decide this question as the railroads do the question of "what the traffic will bear." *It seems to me that there must be a power above all these special interests which will care for the public interest.* Constant and prolonged agitation of the tariff, however, is very detrimental to the public interest. Among the troubles

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which the commercial classes experience in this country, are the frequent proposals for change in the policy of administrations and of political parties. Especially is this true of Presidential elections, of which the excitement and turmoil of one is no sooner over than the agitation for another is begun. The Presidential term should be lengthened to at least six years, which I believe would be a step in the interest of both capital and labor.

INTEMPERANCE.

As regards the evils of intemperance, they are no doubt very great, and particularly so among the laboring classes. I believe that legislation may do something in the way of taxing heavily all spirituous liquors, but I think more may be done by substituting a lighter class of stimulants for those heretofore so largely used, and by creating a public sentiment in favor of temperance in its truest sense.

REMEDIES.

That remedies for existing evils must be found all thinking men admit; and these remedies must come through legislation or violence. The aggressions of corruptly-acquired corporate wealth are already endangering legitimate property rights, and intelligent self interest on the part of honest capitalists would seem to dictate that they should combine against "the wealthy criminal classes" to secure justice for all classes.

Just what legislation can do remains to be seen. It can do something, but not everything. How much it can do depends greatly upon the force of intelligent public opinion behind it. With such a public opinion practices which have been made illegal can be abolished, but without it laws are often a dead letter. When our fathers abolished the laws of primogeniture and entail there was a great outcry from the conservative classes, but public opinion sustained that measure, and its wisdom soon became apparent to all.

NEW SAFEGUARDS AGAINST UNDUE ACCUMULATION OF WEALTH.

It is evident that we have reached a time when new safeguards must be imposed to prevent the undue accumulation of wealth in the hands of the few. The *laissez faire* policy has had its day; the positive aggressive forces which are now encroaching upon public rights, must be actively resisted, or there will soon be no rights left worth preserving. The centrifugal or centralizing force of corporations must be met with the centripetal force of a people's government. What these safeguards shall be should be determined by your committee after a full hearing of all parties interested; but the law-making power should then act promptly and thoroughly.

I believe that the following measures are worthy of your careful consideration: Stringent laws against fictitious values in all works of a public nature; insist that charges shall be reasonable, based upon cost; prohibit unjust discriminations; provide railroad commissions (State and National) to see that these laws are enforced—and be careful to see that these commissions are not packed against the people; punish bribery with disfranchisement; prohibit free passes; make political contributions and expenditures public; prohibit lawyers who are legislators from accepting retainers to influence legislation; make gambling in the necessaries of life, or pools and corners, by which the legitimate laws of



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trade are annulled, a conspiracy by statute as it now is by common law, also prohibit officers of public companies from speculating in their own securities, and give minority stockholders some representation; carefully revise the patent laws with the view of preventing oppressive monopolies, while retaining the stimulus to the inventor; establish a postal telegraph and telephone, also postal savings banks and a parcel post, such as are giving such general satisfaction in England at the present time; reclaim the public lands from corporations which have not earned them; prohibit the acquirement or tax the ownership of large tracts of land, so as to make such investments unprofitable; adjust all tax laws so that the tendency will be, as far as possible, to make capital rather than labor bear the burdens of Government, and thus narrow the gap which has been so rapidly widening under the unrestrained development of the forces before mentioned; limit the life of corporate charters in future to thirty years, and, so far as can constitutionally be done, re-enact existing ones, so that the people of each generation can revise in a just and proper manner the powers of these organizations which have such an important bearing upon the public welfare. Develop our public service upon the basis of honest and capable service and not upon partisan favor.

I have made these suggestions hurriedly and at random, simply for your consideration. Some are probably fit subjects for State and others for National legislation. With careful study and full investigation I might myself modify some of the opinions I now entertain. Most of the testimony which you gather here is, I fancy, somewhat crude and ill-digested; but it serves, nevertheless, like straws, to indicate the current of public thought, and I shall be glad if you find some grains of wheat among my chaff.

I may also say that the statement of "undisputed facts," to which I have alluded, I have here with me, and it might be of interest to have those facts read.

Mr. PUGH. We shall be glad to hear them.

The WITNESS. I may state that this was presented at a banquet given to Hon. Darwin R. James, secretary of the New York Board of Trade and Transportation, and member of Congress elect from one of our New York districts. The "undisputed facts" were taken from a report compiled by the National Anti-Monopoly League.

### BENEFIT OF TRADE ASSOCIATIONS.

The spirit of association has in all ages induced men to join together for either pleasure or protection, and the merchant citizen has from the earliest period played an important part in regulating the affairs of society. The merchants' associations, or guilds of the middle ages, have been called the bulwarks of liberty, because they withstood alike the assults of barbarism and despotism.

The frith or peace guilds were a feature of English life from the seventh to the tenth century, and in the eleventh and twelfth centuries they extended over the continent. One of the most important was founded at Roeskild, under King Canute, for the suppression of the piracy of the vikings. Others, as in Schleswig, Artois, Fleisburg, &c., joined "for the protection of right and the preservation of liberty, the hindering of violence, and maintaining of peace by all means that law and custom allow, even against kings."

The guilds became of such importance that their laws grew to be that of the commune or city, and to them we are largely indebted for many of the principles of the common law which have withstood both the open assaults of power, the covert stabs of codifiers, and are still the bulwark of individual right as against corporate aggression.

Some may think that there is no longer any need for merchant citizens to associate for the protection of their own and others' rights. We have not to be sure the robber barons of the middle ages who took toll with the strong hand from the caravans which

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passed through their defiles, but the ingenuity of the nineteenth century has largely monopolized the forces of the age and devised a system by which the production and commerce of a continent has been directed into a few narrow channels, not to say defiles, and, through the device of rendering a public service and under the forms of law, is tolled at will by our brainy barons upon the same principle the barons of the strong hand in the middle ages took toll—what the traffic will bear.

When and where has the world ever seen such aggregations of wealth as have been suddenly accumulated by the carrier taxing the producer and merchant?

And this result is not the worst feature; the means to the end are, it seems to me, the most to be deprecated. The corruption of our elections, legislatures, and courts, the undermining of the very foundations upon which our forefathers based our free institutions, the spectacle exhibited to the young, of chicanery and fraud conferring the highest prizes of society upon its most unscrupulous and unworthy members. These are features of our modern life which suggest in the strongest manner a future, if not a present, for our country, "Where wealth accumulates and men decay."

That was my statement as a preliminary to those facts, and it was made at this banquet to which I have referred.

By the CHAIRMAN:

Q. Do some illustrations occur to you now, some specific facts illustrating what you say as to the highest "prizes of society" having been conferred as a result of fraud, chicanery, and the like?—A. I think that they will suggest themselves to any citizen who will look at the development of our great corporations. I do not wish to mention names, but they are really too common for mention. They can be indicated from the "facts" which I will now read:

UNDISPUTED FACTS PUBLISHED BY THE ANTI-MONOPOLY LEAGUE OF THE UNITED STATES.

It is not disputed—

That Gould, Vanderbilt, Huntington, Stanford, Sage, Field, &c., twenty years ago were comparatively poor men, and to-day these five men are worth probably $500,000,000, and through the corporations they control wield the power of $3,000,000,000.

That they control, absolutely, the legislatures of a majority of the States in the Union; make and unmake governors, United State Senators and Congressmen, and, under the forms of popular Government, are practical dictators of the governmental policy of the United States.

That within twenty years two hundred millions of acres of the public lands have been given to corporations, equal to about four acres for every man, woman, and child in the United States.

That this wealth and power has been acquired largely through bribery and corruption. Mr. Gould testified in 1873 that he contributed money to control legislation in four States, and it was proven that the Erie road, in a single year under his management, disbursed more than $1,000,000 for this purpose. His interference with the administration of our courts of justice is illustrated by his telegraphing United States Senator Plumb, asking him to support Stanley Matthews for the United States Supreme Court. And the striking spectacle was presented of Whitelaw Reid, editor of one of the leading Republican journals of the country, and Henry Watterson, editor of one of the leading Democratic journals of the country, lobbying on the floor of the United States Senate to secure Mr. Matthews' confirmation as judge of the Supreme Court of the United States.

That a judge of the supreme court of the State of New York recently held court in a stock gambler's office, and wrote his attorneys that he would "go to the very verge of judicial discretion" to oblige them, and yet the legislature refused to impeach him.

That other judges and many legislators in this State exhibit a strong bias in favor of corporations, accept their "courtesies," and openly "speculate" in corporate securities on "points" furnished by corporate magnates.

That our great boards of trade and commercial exchanges are fast passing from the domain of legitimate business to that of gambling speculation, and the spectacle is exhibited to the young of the highest prizes of commerce and society being conferred upon its most unscrupulous and unworthy members.

That men who defraud the public, and even their friends, by selling under false pretenses, stocks for which no money was expended, and accumulate enormous fortunes through professional misrepresentation, are called "financiers," and by doling out a little of their ill-gotten gains for religious or charitable objects, are able to

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purchase the commendation, or at least the toleration of good men, and an influential portion of the pulpit and the press.

That because Senator Thurman was active in compelling the Pacific railroads, in which Mr. Gould was interested, to fulfill their contracts with the Government, that honest man and able statesman could not return to the United States Senate.

That E. D. Worcester, treasurer of the New York Central Railroad, testified before the late constitutional convention of the State of New York that that road paid $205,000 one year and $60,000 another to obtain legislation, and that it was obtained.

That in the last United States senatorial contest in the State of New York, a member of the legislature stated that he had been given $2,000 to vote for a railroad candidate for the United States Senate; that he had given the money to the speaker, and asked for an investigation. An investigation was ordered, and a State senator and two lobbyists were indicted; but they have not been tried, and it is stated that corporation influence will prevent their trial, or, if tried, secure their acquittal.

Q. What became of that case?—A. It is still pending in the court, sir.

That, in 1877, the railroad rioters in Pittsburgh destroyed a large amount of property. The railroads refused to indemnify shippers, but endeavored to make the people of the State liable to the railroads. They tried to buy a bill through the legislature, saddling several millions of dollars upon the public. Their usual method of bribery was employed, but was detected, and E. J. Petroff, a member of the legislature, with several accomplices, were tried and found guilty; but here political influence was brought to bear, United States Senator Don Cameron leaving his seat in the Senate and going home to look after things, and they were pardoned.

That, in 1881, the railroads of New Jersey united in an effort to secure the entire water front of Jersey City under the specious guise of confirming the boundaries of a map. This infamous bill was such a flagrant disregard of public rights that the governor, although elected by railroad votes, vetoed it. The senate again passed it over the veto, but the assembly hesitated, and bribery, the usual monopoly weapon in such cases, was resorted to. An investigation was ordered, and the committee reported that the bribery was fully proven, and that John J. Cromer was the man who did it. He has not yet been tried, and it remains to be seen whether Jersey justice is equal to the task of punishing a corporation briber.

That in March, 1882, two members of the Ohio legislature were arrested for bribing others in the interest of a railroad company.

That the Congressional investigation of the Credit Mobilier bribery showed that $47,261,000 profit was made by a syndicate of Congressmen and other public men; and it is a well known fact that many of our public men have become very wealthy, without any visible means of doing so.

That both our national and State legislatures are packed with corporation lawyers and other representatives of monopoly interests; measures in the interest of the people are retarded, smothered, or throttled, while those in the interest of corporations are consummated without the slightest difficulty.

That a large portion of the election expenses of political parties are derived from corporate sources, and that even where party leaders are not personally interested in monopolies they are afraid to voice the public sentiment upon that subject.

That votes are habitually and largely purchased at the polls under the pretense of paying a day's wages to "work for the ticket," and sometimes without even this transparent pretext.

That public sentiment has for several years demanded the enactment of an adequate law for the regulation of interstate commerce, but it has been postponed and throttled without the slightest consideration.

That the last Congress not only refused to restore to the public domain the lands which had been foreited by the Northern Pacific Railroad, but on motion of Congressman Reed, of Maine, gag law was enforced, and Congressman Caswell, of Wisconsin, tried to prevent the vote going on record.

That vote was simply that this question should be considered. You are probably aware that either the Judiciary Committee of the House, or the Committee on Commerce, I am not certain which, voted on the question of whether they would permit the discussion of the question affecting the lands of the Northern Pacific Railroad. Eight members of the Committee reported that no action was necessary; seven of them reported in favor of a resolution restoring to the national domain these unearned lands at that time, and placing that thing upon the Calendar.

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Speaker Keifer ruled that a majority of the committee reporting that no action was necessary a minority report could not be considered. Mr. S. S. Cox appealed from the decision of the Chair, and Mr. Reed, of Maine, moved to lay it on the table. That motion was carried, and the largest number of "dodges" that, I think, has ever been seen upon any measure in the House of Representatives occurred on that occasion. It was carried, however, and, as stated here, Congressman Caswell, of Wisconsin, made a motion to prevent its going on record, and, but for the objection of Mr. Murch, of Maine, it would have succeeded.

That a large portion of the public travel on free passes, at the expense of the rest of the community, and a free pass issued by the New York Central Railroad is in the possession of the Anti-Monopoly League, which specifies that it was issued on account of the Supreme Court.

That a committee of the New York legislature, Hon. A. B. Hepburn chairman, after investigating the management of railroads in this State, used the following language: "Abuses in railroad management exist so glaring in their proportions as to savor of fiction rather than actual history."

If you have not read the report of the Hepburn committee you would find it most excellent reading.

That to perpetuate these abuses the perpetrators thereof are now seeking to control the thought of the nation. Leading journals are purchased with illgotten gains, and the ablest editors in the country are engaged to preach "peace on earth, and good will to men" in one column, while misleading innocent investors and villifying patriotic citizens in the others.

In view of these facts is it not time that merchant citizens were again associating in guilds to uphold right and put down wrong; to sustain the Constitution and the old laws which were adopted to secure freedom and equality for all men?

Never has there been a time during the past thousand years when there was more need of the services of the merchant citizen than at present. Financial freebooters, sailing under the flag of law, have pillaged the people until they are almost ready to take up arms, and when that kind of a fight is once begun who can tell where it will stop? The merchant citizen is the true conservator of property rights; he resists alike the assaults of the idle and vicious and the aggressions of the unscrupulous and powerful. It is from the latter that the worst is to be feared at the present time, and our guilds must arrest the financial freebooters who are preying upon our industries and threatening our free institutions. Let us, like our honored guest, be citizens in the truest sense, and while diligent in business not forget our duties to our country; show that we are—

"Men who their duties know,
But know their rights, and knowing dare maintain."

Q. When was this paper prepared?—A. About twelve months ago. These facts are now about eighteen months to two years old.

Q. What has become of all these cases that you mention—can you tell us whether they are still pending, or what has been done with them?—A. They are still pending. Nothing has been done with them since this paper was prepared.

Q. So that in that regard the paper has the same force to-day as it had at the time it was written?—A. Yes, sir.

## LEGISLATORS INTERESTED IN CORPORATIONS.

By Mr. CALL:

Q. In your observations you state that a majority of the legislators are directly or indirectly interested in corporations. What do you precisely mean by that?—A. I mean, sir, that they are interested either as stockholders, officers, or attorneys.

Q. Do you mean that a majority of the legislators of all the States, and of the two Houses of Congress, are so?—A. It was shown that, I think, some two hundred and twenty-four, or two hundred and eighty-

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four, I am not certain which, of the members of the last House of Representatives of Congress were lawyers, and a friend of mine who is a member of Congress, and has been in Washington a good deal, assured me that, as far as his knowledge extended, which he claimed was very extensive, a large majority of those gentlemen were in some capacity retained by these monopoly interests, corporate interests, bank interests, and others.

Q. Do you mean regularly retained; retained by the year?—A. As I understand it, retained by the year. They are counsel for the companies, and are constantly pushed forward in our political system, and naturally make their way to the law-making halls.

Q. So that your impression is, that about two hundred members of that Congress were in the regular pay of some outside corporation, to influence them in their Congressional action; is that the idea?—A. My impression is that they were in the pay of corporations. I do not say that because a lawyer is counsel for a client he would in all cases allow himself to be influenced in his official acts; but I do say that the tendency is strongly in that direction, and that when a lawyer goes to a legislative hall, he has been, to a certain extent, educated in those views—he has been educated to see things through corporate spectacles, and even where he is perfectly honest, as honest a man as exists, he will inevitably be biased, and in questions where public rights conflict with corporate rights, he is very apt to give the benefit of the doubt to corporations.

Mr. CALL. Well, now let me tell you: I do not know a single instance, personally, of a lawyer who is a member of Congress who is interested in any corporation, directly or indirectly. I do not believe that Senator Pugh is; I know that I am not.

Mr. PUGH. I am not the lawyer of any corporation. I have no interest whatever in any corporation. But, at the same time, I cannot undertake to dispute the correctness of the gentleman's statement; not, perhaps, that it would cover a majority, but a very large number of the members of Congress.

Mr. CALL. Well, I do not know any. Senator Pugh may be right; but I say that I do not believe that there is an honorable man on the face of the earth who would be a member of Congress and yet be the regularly retained representative of any corporation that had any possible interest in legislation to come up before him. I have not a doubt, Mr. Thurber, that that statement misrepresents the character, for honesty and integrity, of the public men of the country.

Mr. PUGH. I do not understand Mr. Thurber to say that a majority were attorneys, but that the number that he supposes to be interested covers the stockholders, the railroad officers, *and* attorneys.

The WITNESS. Yes, sir.

Mr. PUGH. And all persons identified in any way with these corporations. I do not pretend to say that these parties are influenced or corrupted at all by their relation to these roads.

Mr. CALL. The implication is of corruption. It is as well to meet it positively.

The WITNESS. I do not know that it is of corruption, sir.

The CHAIRMAN. As confession on the part of the committee seems to be in order, I want to confess, too, that I have never had any interest in corporations while in public life. I have invariably declined retainers, and passes, and all manner of connection with any corporation, since I have been in any sense a public servant; and, so far as this general connection of legislators with the corporations of the country is con-

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cerned, I have no personal knowledge of its existence. I do believe that there are men in Congress who are retained in the way that you speak of, but I do not think that there are men there who understand that they are so retained as to influence their official action; they have regular retainers, and I think they ought to dispense with them. I do not believe that any man in public life has a right to be retained for, or have an interest as counsel for, or in the reception of fees from, any private party who is liable or likely to have interests that may come in conflict with those of the general public in the enactment of legislation. I think your general position is quite correct. I do not think that the evil extends to the length that you apprehend, or to the length that a great many people, who read these general assertions, imagine that it does.

The WITNESS. I hope that I am mistaken, Senator; and I want to say here that the drift of my impressions in that respect is simply this: that owing to so large a number of influential men becoming interested in these dominant forces, legislation naturally takes the direction of being in the interest of the few rather than of the many. I disclaim any intention of imputing corrupt motives, and I think, Senator Call, you go too far when you say that.

Mr. CALL. Of course it is no personal statement of yours, but the question is whether your friend tells the truth. I again affirm that I have not the slightest idea that it is true in any part or parcel. I disagree with these two gentlemen, our chairman here and Mr. Pugh. I do not believe there are ten men in the United States Congress, including both Houses (and I challenge the truth of the statement you have read), who have any interest, direct or indirect, in corporations by a legal retainer. I question very much whether there are twenty in the whole number that own a dollar's worth of stock in any corporation, because the majority of the members of Congress, contrary to what is said and thought by some people, are poor men; they are men from the people. The idea that these men are elected by corporate influences is a mistake. Throughout the South corporate influences are unknown, and in many of the rural districts of the country corporations have no influence.

The WITNESS. I think that you are quite correct, sir, that in the South these influences have not made themselves felt as in other parts of the country. Take Georgia, for instance; in the new constitution of that State the people have imposed safeguards which have put the public interest above these special interests. They have created a railroad commission there which, without doing injustice to the railroads, has insured full justice to the people. In most of the States, however, which have railroad commissions they are of little use to the people.

Mr. PUGH. Both the Senators from Georgia are railroad presidents.

The WITNESS. Yes, sir; I am aware of that.

Mr. PUGH. But I have no idea that they are influenced, or that their acts as representatives of the people, are influenced at all by their individual interests. I do not make any such charge, or have any such suspicion; but I recognize the fact which you state that there is a large number—approaching, as *you* say, a majority—or, as *I* say, a large number (I would not undertake to estimate the number), who are identified in their personal relations and interests with corporations, and mostly with railroads.

Mr. CALL. Well, if I believed any such thing I would not serve in Congress with such a body of men as that.

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Mr. PUGH. Well, I am not so scrupulous as that; and I do not believe at all that the existence of that fact makes Congress a corrupt body.

Mr. CALL. If these men are interested in corporations and legislate against the public interests they are undoubtedly unworthy to be in those places.

Mr. PUGH. I do not say that they have done it themselves.

Mr. CALL. In the cases of the two Georgia Senators, their railroad connection can have no possible connection with any legislation whatever. It cannot touch the question.

Mr. PUGH. I do not say that it does. I have not intimated that those men are subject to suspicion or criticism, or that any member of Congress in the position stated by Mr. Thurber is not above suspicion in his personal and representative identity. I do not intimate that there is any ground whatever in their acts as members of Congress for a suspicion or a criticism of their representative acts.

Mr. CALL. What other members of Congress are there that you know of that are even stockholders?

Mr. PUGH. I do not think that it follows, because a man has personal interests in legislation, that he is influenced by it or corrupted by it.

Mr. CALL. Well, I do.

Mr. PUGH. I have a large personal interest in all the legislation of Congress, because I am a citizen, and as a citizen I have an interest in it.

Mr. CALL. I am not talking about that general interest in legislation, but about pecuniary interest.

Mr. PUGH. Well, every man's pecuniary interests are affected by general laws.

Mr. CALL. If a man has no other pecuniary interest in legislation than that which belongs to a citizen, of course, there is nothing in the point, and one might as well be a railroad man as not; but I wish to say that I disagree entirely with the impression that any considerable number of the members of Congress are interested either as stockholders, or as retained attorneys of any corporation whatever. I do not believe there are twenty such men; and I do not think, outside of the gentlemen you name and three or four others, that you can name any such man in either body.

Mr. PUGH. I do not undertake to state any number at all, because I do not know the number, but I know that the number exceeds your impression of what it is.

Mr. CALL. The two Kentucky Senators I know are not; the two Tennessee Senators are not; the Senators from Mississippi, I know, are not; the Arkansas Senators are not; the Missouri Senators are not; and I can go over the whole list of Southern Senators and say, here, that none of them are interested as the regular attorneys of any corporation, or as the stockholders or officers of any large corporation or railroad company.

The WITNESS. Do you not think, Senator, that a man may be interested in a certain direction and feel that he is perfectly right in adopting a certain line of policy, simply because he has learned to think that those things are right?

Mr. CALL. No, sir; I do not, any more than a man can think that he is right in stealing. The line between right and wrong is clearly marked. No man can exercise an official function, and at the same time be interested pecuniarily in the exercise of that function properly; it is his business to abstain from the exercise of that function when his personal interest comes in to influence his personal action. That is a

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principle of action so old as to have been recognized ever since there was anything like civilization—there can be no doubt upon that subject; even under the old Roman laws it was so.

The WITNESS. Judges sometimes have been elevated to the bench who have had a large corporate practice, and it has been noticed that they seemed in some cases to look at the thing differently from others.

Mr. PUGH. Why, I can mention, here, what is a public fact: there is Senator Edmunds, and there was Senator Conkling, and other Senators of great distinction—men of undoubted personal integrity—who, while Senators, have argued cases for large fees before the Supreme Court of the United States, and no one ever supposed that they were influenced in their legislative action by the fact that they were the paid attorneys of any corporation.

Mr. CALL. That has nothing in the world to do with the statement made by Mr. Thurber.

Mr. PUGH. That is your opinion.

Mr. CALL. That is not only my opinion, but that is the fact in regard to it. The difference is this, that the statement made here is that some two hundred members of one House of Congress were the retained attorneys of great corporations, and that being such, it influenced the legislation of the Federal Government. That was the statement.

The WITNESS. That was not exactly the statement, sir.

Mr. PUGH. I do not believe that that is correct. I do not think that anybody who has any knowledge on the subject believes it.

The WITNESS. The statement was this: "That Congress is packed with corporation lawyers and other representatives of monopoly interests; measures in the interest of the people are retarded, smothered, or throttled, while these in the interest of corporations are consummated without the slightest difficulty."

Mr. CALL. Precisely. You could not make it clearer than that. If that be true, they are a gang of outrageous thieves and ought to be turned out.

The WITNESS. We must judge somewhat by the results of railroads obtaining legislation.

Mr. CALL. State some one result of legislation which justifies that enunciation. Give us one.

The WITNESS. I think that the difficulty which Mr. Reagan has had year after year in getting his bill discussed and out of committee might be cited. If you will consult him as regards this matter, I think you will find that the committees have been generally hostile to any fair regulation of the transportation interests of the country, and that it has been with the utmost difficulty that those measures could be discussed or reported in any form.

Mr. CALL. Well, now let us see. Because Mr. Reagan's bill regarding transportation has not had fair and full opportunity for discussion, therefore it is reasonable to believe that more than two hundred members of that Congress are the packed servants of those corporations. I do not think that that is any kind of a proposition; there is no logic in it. I have been a member of Congress, in the Senate, during the time that Mr. Reagan's bill has been up for discussion; I know Mr. Reagan personally, very well—perhaps better than most persons do. I have some sympathy with his ideas, but yet, for my life, and upon my oath, I could not say that that bill is exactly what it ought to be and would answer the purpose.

The WITNESS. I do not say that.

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Mr. CALL. Then, truly, there should be no inference drawn from the action of those men.

The WITNESS. It is the retarding of all efforts in that direction that I refer to.

Mr. CALL. May it not be that men may not see as clearly as you do, and perhaps have different opinions as to the propriety of that legislation?

The WITNESS. It is not legislation that I am interested in any more than any other citizen, but I am informed that more petitions have been received by Congress upon that subject than upon any other that has come before it.

Mr. CALL. I am not advised of any such pressure as that. I know that Mr. Reagan is a very earnest, and, like yourself, a somewhat enthusiastic advocate of his own ideas on that subject, and I believe that there is a very considerable feeling in the country as to the regulation of interstate commerce, railroad commerce, and transportation.

By Mr. CALL:

Q. You are a merchant, I believe.—A. Yes, sir.

Q. Very largely engaged in trade.—A. Yes, sir; somewhat largely.

THE POWER OF COMBINATION.

Q. I understand you to say that one of the great public evils of the day is the combination of capital in trades which are in themselves a monopoly. I think you enumerated that as one of the classes of monoply.—A. Yes, sir; trade combinations.

Q. Will you please give me some illustration or instance of it?—A. Well, we see it in the grain corners which take place; we see it in the cornering of petroleum by the Standard Oil Company; we see it in the coal combination that I have mentioned; we see it occasionally in almost every one of the great staples; where a few men get together and control large capital and create corners, disarranging trade and commerce by doing so.

Q. What would you call the enterprises of the late Mr. A. T. Stewart; would not they amount to something in the shape of a monopoly themselves from their very gigantic nature?—A. I have no knowledge that such was the case.

Q. Well, this was the idea that I wished to express: What is the power that comes from combination? You spoke of trade combinations creating corners in wheat; what is that power precisely? In what way does it become exercised? Suppose you and I should agree to make a combination now and create a corner in wheat, whence would come our power to do it?—A. I suppose the large capital is what you would say it was.

DIFFERENCE BETWEEN CAPITAL OF ONE INDIVIDUAL AND OF COMBINATIONS.

Q. Well, now, what is the difference between Mr. Stewart or any other gentleman doing a large trade and controlling a vast capital, and two or three other men doing it, they doing it as a combination, while he would do a large amount of trade for himself?—A. There would be no difference in the effect, providing the action was the same. For instance, if I should buy up all that there was of an article and unduly increase the cost of it, I think that would create room for legislation the same as if it was done by two or three other persons.

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Q. You do a large business, do you not?—A. Yes.

Q. And you do buy as cheaply as you can?—A. Yes; but we are distributers, sir; we are not speculators.

Q. And if this should amount to a vast sum, perhaps you would not quarrel with the principle you speak of.—A. Perhaps not; perhaps my human nature is no better than anybody else's.

Mr. CALL. I am not speaking of you as an individual. I only refer to the type.

The WITNESS. I understand; you are speaking of the type; but if it all operates against the general welfare, it would not matter whether it was my interest or the interest of a combination; it should be regulated.

Mr. CALL. There is no question about that. The only question is what is the difference between a man and a combination acquiring immense capital and doing an immense trade. Of course the matter of "corners" in wheat and the necessaries of life, if all that is represented is true, all men agree should be prevented. But I am not speaking of the trade combinations that you refer to.

The WITNESS. You spoke of Mr. Stewart as a type.

Mr. CALL. I mentioned him because he is dead.

The WITNESS. Yes. I never heard of his acts reaching the effects that I have stated; nor the acts of any other single merchant. They could do so, I think, in the way you have indicated. But it seems to me we have to deal with evils as they press themselves upon us, and we have to endeavor to find remedies for them.

Mr. CALL. The effect I was speaking of was accumulation. I understood you in your testimony to refer to that.

The WITNESS. Yes, sir. You will find, for instance, a case which is before the public mind at the present time as to the manufacture of matches by the Diamond Match Company, which was simply such another as the Standard Oil Company. It combined all the match manufactories into one concern, and it was only thrown down when the gate was opened and the law of competition allowed to work with European matches.

Q. Now, following up that idea, what other instances of legislation, or of the want of legislation, occur to you as matters in which the Federal Government has been or is derelict? You mentioned the Northern Pacific Railroad grants as one.—A. I do not know that I have in my mind for the moment any specific cases. We have been so busy trying to regulate our New York legislature that we have not had the chance to pay much attention to the specific shortcomings of Congress.

## NATIONAL RAILROAD COMMISSION.

Q. You propose to have a State commission, I understand, to regulate these railroads. Do you think legislation in that direction would cure the evil?—A. I think we need positive, specific laws defining public and corporate rights, and then we need a public executive force in the shape of railroad commissions for State roads in each State; and we need another commission for those railroads that are interstate in their character, and that operate in and through the Territories—for those we need a national commission.

Q. Do you think you could properly vest a national commission with absolute authority to prescribe the rates of transportation and of freight on the different lines of transportation throughout the United States?—A. I do not think I would at first. It is an intricate subject, and one

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which requires a good deal of study, and it would seem to me to be necessary to have the case thoroughly diagnosed before prescribing specific remedies. But the principle ought to be set forth in the statutes that unjust discrimination should be punishable by certain penalties; and then there should be an executive in the shape of a commission to see that those laws are executed.

POWER OF CONGRESS OVER INTERSTATE COMMERCE.

Q. Do you think it would be in the power of the Congress of the United States—are you clear upon that point—without any amendment to the Constitution, to pass a law making it criminal on the part of railroad authorities in any one State to discriminate against the through freights?—A. Of course I am not a lawyer, and am not as well qualified as yourself and other lawyers are to judge upon such a point. I take, however, the judgment of men who have expressed themselves on that point. One of the ablest committees, perhaps, that was ever appointed by the United States Senate was that on the transportation routes to the seaboard—the committee under the chairmanship of Senator Windom, of Minnesota. That committee made an examination of the subject in 1874, I think. The summary of their conclusions as to constitutional power of Congress is a most interesting one, and they say that such power does exist. In conversation with the late Judge Black I discussed that matter very fully, also; and he was strongly of opinion that Congress had the constitutional power.

Q. That the power to regulate commerce extended to the prescription of the rates of travel and transportation—that must be the theory?—A. No, sir; I don't know that I would put it in that way; but that Congress possessed full power to regulate interstate commerce.

Q. Well, of course, what you mean by interstate commerce is regulating it in respect to the rates of fare and transportation—that is what we are talking about—the preventing of discrimination means, of course, that they shall not have a better rate in one place than in another, that the through rate should be uniform, or something of that kind.—A. Well, my interpretation of that point would be that the greatest possible freedom should be allowed to transportation companies, consistent with the public welfare, and that so far as fixing the rate is concerned I would certainly at first simply insist that the principle of equal rates for equal service should be preserved, and that there should be no unjust discrimination. There may be a discrimination which is a perfectly just discrimination

Q. That is, you would enact a law which would affirm in terms that there should be equal rates for equal service in the interstate commerce of the United States?—A. Yes, sir; and I would provide a commission to enforce that principle.

Q. Then you would have a court to decide, would you not?—A. Every railroad commission is a court to a certain extent; that is, it hears opposing interests.

Q. Yes; but it could not under our form of government authoritatively decide anything.—A. No, sir; but it reaches the object by reporting to the legislative branch of the Government, and the legislative branch affords the remedy.

Q. You are inclined to think that that would be an efficacious remedy, are you?—A. It has not been so in the past, but we hope that in the future there will be some improvement.

Mr. CALL. I do not see how you are going to remedy that if all the

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members of legislatures and of Congress are retained attorneys of the corporations.

The WITNESS. When public opinion is thoroughly agitated and brought to bear upon a subject it is apt to have some influence, and I think that in the future we may reasonably look forward to some improvement in that respect.

WHAT IS CAPITAL?

Q. You spoke a good deal about capital as contrasted with labor, and the resolution of the Senate authorizes and requires us to take evidence in regard to the relations of capital and labor. Will you please give me your idea of what capital is? We have had a great deal of economic definition here on this subject. Yesterday we had a very learned gentleman here telling us what capital was, and the idea of some great economic discoverer who had appeared as a new light in the world; and I would like to have your idea as a practical business man in connection with this statement which you have made to the committee.—A. Well, my general idea is that capital is simply accumulated and stored up labor. Everything is the result of labor.

Q. "Stored up labor." Well, that is rather a difficult thing to store up, it seems to me. Are you quite sure that that analysis or antithesis which you have made. in your remarks, of the contradistinction between the interests of capital and labor has any real tangible existence? In other words, can you contradistinguish capital from labor under any economic system?—A. I think that capital as a rule has certain antagonisms with labor. You may say that it also has certain things in common. They are independent to a very great extent.

Q. You say "certain antagonisms with labor." What antagonisms?—A. Well, the capitalist will get all out of the laborer that he can.

Q. But the capitalist and the capital are two distinct things, as I understand it. Is not that your understanding?—A. Then you may say that capitalists will get all out of labor that they can, and in that sense they have opposing interests. On the other hand, they have the common interest, that by association both of them profit, and if one receive an undue share of the benefits of production which is the result of their co-operation, of course the other is not justly treated, and the great problem is how to secure to each an equitable share of those profits. It is just so in the case of a railroad company. A railroad company will insist that their interests are identical with those of the shipper. That is, it has been time and time again asserted that the interests of the trunk lines leading into New York are the interests of New York. In one sense that is true; but on the other hand, the railroads are interested in charging New York commerce with all that it can bear, according to their view of the case. Of course New York cannot get along without railroads, nor could the New York railroads get along without New York; and in that sense their interests are identical. It is the same with labor and capital. But the question is, how shall the share be divided? It is neither right nor just that either should dictate to the other, because, if that is right, human nature, which is essentially the same in both cases, will commit injustice.

Q. Suppose I were a broker, and I were employed to sell you two or three hundred tubs of butter in your grocery business. I have got no butter, nor have I any capital, but I have a right to sell butter to somebody else. It is to your interest to make all out of me that you can, and mine to make all out of you that I can, in that transaction, is it not?—A. Yes, sir.

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Q. But yet in that case I am merely directing the means and production of others, and you are merely buying for the purpose of distribution, and we may neither of us have any "stored up labor," as you express it. We may be in so far acting entirely on the current necessities and economic distribution, the distributive means of the day, but there is the same competition that you say exists between capital and labor in that case as in the other.—A. Would not that depend upon whether you were working for the seller or for the buyer? I admit that there would be an antagonism between the buyer and the seller, one trying to purchase as cheaply as he could, and the other to sell as high as he could, but the broker should be an impartial man between the two.

Q. At all events, whether representatively or directly, he wants to make out of you all that he can, and he wants to get the highest price, and you perhaps want to get out of him all that you can. In that respect there is an antagonism between you. What I mean to say is that the antagonism which you speak of between capital and labor, labor "stored up" and labor not "stored up," exists in every other transaction in life?—A. Yes, I think so, to a great extent.

### IS CAPITAL ACCUMULATED WEALTH?

Q. It is no peculiar antagonism, and therefore cannot, as a definition, contradistinguish the two things. The point of my remark was a simple suggestion whether this that is so often termed the antagonistic interest of capital or "accumulated wealth," as some people term it, as contradistinguished from labor, does not simply mean the directing power which enables you and your associates to combine and conduct that vast business of which you are the head, and whether the antagonism is not simply between the brains, the superior economy, the better associations and opportunities of credit which come to the poor man as well as to the rich man, instead of to a separate, particular class that you call capitalists? I mean to say that you as a directing head, or any workingman who becomes the head of a factory, simply directs the combined efforts of his fellow workmen, and that, as between you and others, neither of you have any capital except the credit and energies that are in you, and the same antagonism exists in that case between you and the laborer you employ as does between what you call labor and "stored-up" labor.—A. I think that in all trades and in all commerce there are those antagonisms of interest, and they are regulated by competition, excepting where combinations come in to shut off competition, and the public interest is protected in the ordinary lines of commerce by that principle of competition. Wherever that principle of competition is abrogated then comes in the danger of monopoly and of injustice.

Q. Yes; the antagonism is between the directing power which you have and which enables you to amass the vast business that you have—whether because of your brain or of somebody else's brain—and all other people who have an antagonism that you should not succeed.—A. All competitors, as you choose to put it.

Q. Yes, of course; all competitors, and the men you employ are dependent entirely on your sagacity and what you shall give them; and their interest, if it be an opposing interest at all, is to get from you as much as they can for the least amount of work?—A. Yes; I think in my business that would hold true.

Q. And your interest, as an economic force, is to get from them the greatest amount, in reason, of consideration that you can for what

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you pay them?—A. Yes; you may say that in my business it is my interest to get the largest amount of service for a given amount of pay. And while, of course, those things are modified in various ways, there still remains that antagonism; and I think that whenever you find a divergence of interest the great question is how the joint product of labor and capital can be equitably divided; if capital has the best of labor, if capital gets the long end of it, so to speak, it is greatly to the detriment of society; if labor gets the long end of it, so as to do injustice to capital, that very soon reacts.

IS INJUSTICE DONE BY THE ACCUMULATION OF FORTUNES?

Q. Well, how is it to the detriment of society that you should make a million of dollars, or five or ten million dollars, if you please, out of your transactions as a merchant—transactions which are scattered all over this country? Of course, if you make $10,000,000 according to the propositions you lay down, somebody has had injustice done to him. You have got more from some of your employés than you ought to have got?—A. No, not necessarily; it depends on whether an injustice has been done.

Q. But is not the fact that you have got $10,000,000, and they have got only a subsistence, a proof that injustice has been done?—A. No sir, not necessarily. It comes up in a thousand different ways, and there may have been a full equivalent given in every case.

Q. Then that is what you would call an equitable distribution of the capital and labor—that one should get, say, $10,000,000 and the other nothing but a subsistence?—A. No sir; I do not say that, by any means.

Q. How much of that $10,000,000 then ought they to have?—A. I say that I may or may not accumulate unjustly. If I do it unjustly it ought to be taken away from me.

Q. But we concede that all your transactions are perfectly honest and fair and legitimate, and that you have got no intention originally of coming out with this $10,000,000. You want to have a little something more than these laborers have, but yet you do come out after all with $10,000,000, and they have nothing but a bare living, even if you do pay them more liberal wages than other people do. Now how is it that that is an equitable distribution of the profits of the general product of labor, that you should have $10,000,000, and they nothing but their support?—A. Well, in the first place, you are presuming what has not happened, and we are dealing with facts.

Q. It has happened with some people—it happened with A. T. Stewart, for instance.—A. Well, perhaps he did, and perhaps he did not proceed with due regard to the laborers that he employed, and I think that the thing to decide is where injustice exists in that distribution.

Q. That is just what I want to know. How much of that $10,000,000 (supposing there was any such case, whether with you or anybody else) would be the equitable part of what you would call labor? According to my idea everybody works and everybody is a laborer and therefore you would be entitled to your proportion of labor in the $10,000,000, but we will call it "stored-up" labor as distinguished from labor.

THE OFFICE OF LEGISLATION.

A. In the first place, that state of things does not exist; but if it did exist I would get at it this way—that any state of things which continually made men poor and did not give them their share of this accu-

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mulation, ought to be so regulated that they would have a fair show. I do not see that you can make all men alike; all men are not born with equal ability, health, physique, energy, and all those things that go to make up men; but they are all born with the same natural rights—the same right to earn a living and a competence, if they possess it, and where I draw a line is where legislation or a controlling interest in the affairs of a country so shape themselves as to oppress any one class for the benefit of others. There I say the duty of the statesman is to come in and remedy those laws where they discriminate in favor of any class; and I am of opinion that our legislation, for the last twenty-five years especially, has been more largely in the interest of capital than in the interest of labor, and that one of the main factors has been the compact force of corporate organization acting constantly upon our legislation. It has naturally resulted in such a state of things, and it seems to me that the time has come when just the inquiry which you gentlemen are making here should be made, and that, based upon the results of that inquiry, remedies ought to be proposed. I believe that unless you do something in that line there will come a time when there will be a social explosion.

Q. Well, now, we will take the instance that I was at, because the old logicians say that error always lurks in general propositions, and truth is always to be found in particulars. We are supposing a case that sometimes happens, when a man comes out as a merchant with one million or two or three million dollars, which we have always regarded as an evidence of his directing power and economic capacity of his opportunities of credit; all these we have been supposing to combine in a merchant who has come out of business with one, two, or ten million dollars. That sometimes happens. Now, how is it that corporate power would have enabled you or any other man to have had a million dollars of profit while your laborers have had nothing but a living?

### CORPORATE ORGANIZATIONS A LAW UNTO THEMSELVES.

A. The difference between corporate and private operations, as a rule, is this, as I observe them: that we have not experienced as many evils from private persons as from corporate organizations, because the law of private competition with individuals and factories is allowed to work. Corporate organizations, being on a larger scale, have practically become a law unto themselves. The law of competition does not work with them, or at least only works occasionally, or not to the same extent. It does not work with the same regularity and thoroughness as it does with ordinary business, and therefore we have experienced more evils from those corporate organizations than we have from private persons.

### NO PERSONAL RESPONSIBILITY IN CORPORATIONS.

Again, as I touched upon the subject in my first statement, in corporate organizations there is an absence of that degree of personal responsibility—conscience, if you may so term it—that you find to a great extent among private individuals.

Q. Yes; but I do not think you caught my point. All that, no doubt, is very correct and forcible, and I appreciate it entirely, the evils of corporate existence, and the necessity of a legal restraint upon it; but how is it in the instance I gave? Supposing you come out of your business with one, two, or ten million dollars; and the laborers whom you have

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been employing, either you or your partners, come out with nothing except, at the best, a good living during the time they have been engaged in it. They will be fortunate if they have got homes and clothes during the time they have been engaged, and if they have been able to send their children to school, and to pay for some life insurance. But we will say that they have had all that, and that is a very good condition for the man, whether a corporate lawyer or a briefless one, a tradesman, or a striker, or one who does not strike, that condition of things will describe a man who is very fortunate in the general average of the better part of mankind. Now, you come out with one or two or ten million dollars, while such a man as I have described comes out with nothing but what he eats and wears and what his family eats and wears. How would corporate power have aided in producing that result—to have given you $10,000,000, and have allowed your employés to have nothing but what they got all along and have now?—A. Well, I should say that corporate power would tend to enable the business to be done on a larger scale, and it would bring about this element of lack of personal responsibility which I have mentioned.

THE OFFICE OF PERSONAL RESPONSIBILITY.

Q. The lack of personal responsibility on your part?—A. Yes; and if the result did occur and could occur in private business—in my own business, for instance—as you have described it, I think that it would imply that there was something wrong in the conditions which would permit me to accumulate $10,000,000, while the men who worked for me only get a bare living.

Q. Could you, or the imaginary man, remedy that by giving your employés more—giving them an interest in the business?—A. Probably so.

Q. Is there any other way in which you could remedy that—either by your giving, or the law compelling you to give, these laborers a portion of your net profits?—A. I do not know whether there could be or not. As I said awhile ago, I think that every business man is regulated to a greater or less extent by competition. There is nothing to prevent me, if I am worth $10,000,000 from giving away any part of it to my men. But, in the first place, you do not see those accumulations in private hands, simply because competition regulates it, and in the other case you do see the accumulation, because competition does not regulate it.

WHO OWN RAILROAD STOCKS?

Q. Do not the merchants generally own these railroads, by owning the stock?—A. No, sir.

Q. Is not the stock pretty well distributed among them? The farmers do not own them, I fancy.—A. The stock of the railroad companies is not owned to any great extent by the merchants who are the shippers. You may occasionally find a merchant who has perhaps accumulated enough capital to enable him to afford to divert a portion of it into railroad investments, and you will find that sometimes a merchant will graduate from a merchant into a banker or a railroad man.

Q. Do you not call a banker a merchant?—A. Yes; to some extent he is; but his interest may change and he may become interested in taxing the very commerce that he was previously identified with.

Q. Then you merchants want a law to protect yourselves against each other?—A. Not necessarily. We want laws that will insure a fair



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chance for everybody. We think, for instance, as between merchants and railroads that there are two parties in interest, and it would not be just for the merchants to dictate entirely to the railroads any more than it would for the railroads to dictate entirely to the merchants. As I have already stated, there ought to be a power above these special interests, whether of railroads or any other, which would act as a sort of arbiter to prevent either side getting an undue advantage.

Q. Are you, as a grocery merchant, willing to trust me, as a farmer or lawyer, to prescribe the rates for your business and how you shall conduct it?—A. There you are changing the ground again.

Q. Am I?—A. Yes. I must keep to the fact that there is a great deal of difference between a private institution regulated by competition and a semi-public body like a corporation which these same laws do not affect to the same extent.

### "REASONABLE CHARGE" ON RAILROADS.

Q. Admitting that distinction, does it go so far as to relate to a difference as to what shall or what shall not be a profit? Does it go so far as to say that a man not familiar with the business shall say what constitutes a reasonable charge? That is the reason why I put my question to you, whether you should allow me, either as a farmer or as a lawyer, to prescribe the rates for your business. Is there any difference in respect to the necessity of accurate knowledge and experience to determine what price your goods should sell at or what price the railroads should charge for them?—A. I, as a merchant, would say that it is simply a question of how far the two functions are subject to abuse. If I possess the power to abrogate the laws of competition—to gain control, for instance, of all the wheat in the country and put up the rate to any price I choose—taxing the people for that commodity such price as I thought they would stand—"what the traffic would bear"; what I could squeeze out of them—I say the law should and could come in and prosecute me, even though I have no public charter.

Q. And the evil would be the same?—A. Yes, sir.

Q. Now, let me know what sort of law you would have by which to step in and regulate that. You said that, with regard to the railroads, we should have a law prescribing equal pay for equal service, and if the railroad commission prescribed what that proper rate was, if the railroads differed from it, then they should go back to the courts or to the State legislature and have them decide what was right. Would not that be a pretty cumbersome and tedious process?—A. Well, you and I are now wandering off into some hypothetical considerations.

Mr. CALL. I do not think so.

The WITNESS. Well, let us get down to the question of the wisdom of regulating rates.

Mr. CALL. I mean as to the mode of regulating them. I concede the wisdom of having proper rates; charging no man too much nor too little, and to charge exactly enough, though I do not just see how the public are much hurt by giving a poor man a free pass occasionally to ride on the railroad—but I concede that it is wise to have the right rate charged, neither too much nor too little.

### STATE RAILROAD COMMISSIONS.

The WITNESS. Well, I will give you a case in point. About three years ago the State of Georgia organized a railroad commission. It was given power to fix rates. They studied up the subject about a year

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and then they fixed rates for the railroads of Georgia, to the very great benefit of the people of that State, and yet they fixed them in a reasonable manner so that it has not injured the railroads greatly, because a more equitable adjustment of rates resulted in a large increase of traffic, which in turn yielded a profit, and I do not believe you would find the people of the State of Georgia voting to-day to have that power taken away from the railroad commission. Of course, it is possible that if that commission had gone ahead without studying their subject and without becoming fully informed, they might have done much damage and treated the railroads unjustly and injured the people indirectly in that way; but they were endowed with that power, and they had the discretion to go ahead, and they have done great good. What then is to hinder that same principle from being applied to public corporations like railroads in other States, or, so far as it constitutionally may, to interstate commerce?

Q. The law of Georgia, I understand, applies the three-cent fare in regard to passengers?—A. Not only that, but it prescribes the rate for every article carried. Now, take for instance our "pool" trunk lines. The shipper is not at all consulted as to rates. They fix an arbitrary rate, and say that the shipper shall pay such an amount. In Germany the Government authorities, before making a change, send out circulars to the leading shippers and persons interested in transportation asking their opinions as to the wisdom of the changes. They take the sum of these opinions and come to a decision which is equitable alike to the shippers and to the administration of the railways—the railways being now under the Government control. What I claim is, not that the interests of the railroads should be made subservient to those of the shippers, although perhaps they might equitably be made so, because the shipping interest may be as twenty to one—but what I do claim is that there should be somewhere lodged a power above these great organizations, which will have the right to say what is fair and just to all parties in interest.

Mr. PUGH. I will say just there, Mr. Thurber, that in Alabama there is a railroad commission charged with the power of supervising the discharge of the duties of railroad corporations to the public in the regulation of freight rates and all other duties and powers under their State charter. That board is composed of an able and efficient commission, and they have prescribed the rates, have taken jurisdiction of this whole subject and exercised it for two years, and it has given entire satisfaction to the railroads and to the public, so far as my knowledge goes.

Q. Have you not got such a commission already in this State?—A. We have a commission in this State, sir, but not such a commission.

Q. Are the rates of fare prescribed by the Georgia commission satisfactory, and are the rates of transportation less than here? If so, how much less than here?—A. The rates of freight, of course, depend largely upon the volume of business.

Q. But what is the fact in the State of Georgia in regard to their rates?—A. I think the rates both of fare and of freight are generally higher in the State of Georgia than in this State, because they cannot afford to carry as cheaply on the traffic which they have there as our roads can afford with the heavy traffic that they have.

Q. That is what I supposed, and I supposed you were referring to some law which would prescribe the proportion of profit which the railroads should have. That is your idea, is it, that as the bulk of transportation increases and the net profits of railroads over and above the

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cost, &c., decrease, there should be a decrease of cost to the public. That is your idea, is it not?—A. Yes, sir.

Q. I want to know what sort of law you would have in order to get at that. There is already a commission law in your State, and in Georgia and elsewhere?—A. I would give to our New York commissioners similar powers to those exercised by the railroad commissions in Georgia and Alabama, and if our commissioners were true to their duties they would see that when the charges for transportation resulted in more than a given per cent., say 10 per. cent. (which was the limit fixed in our original charters), then the rates should be reduced.

### A RAILROAD CHARTER A PARTNERSHIP.

I look upon a railroad charter somewhat in the nature of a partnership between the people and the men who build and operate the railroads.

Mr. CALL. It is a public franchise undoubtedly. There is no question about that.

### FREE PASSES: THEIR INFLUENCE ON LEGISLATION.

The WITNESS. And in regard to free passes, it seems to me that as railroads are chartered by the votes of all, all persons should have equal rights on them. It seems to me that a free pass to one man is a discrimination against the whole, and especially as we have seen very bad results from it. We see in our State legislatures men more or less influenced by the courtesy of free passes.

Q. Do you think your average legislator is for sale for the mere pittance of a free pass?—A. No, sir; I do not think the average legislator can be bought with a free pass; but I do say that it is a courtesy which is an entering wedge to railroad influence dominating in our legislatures. Why should the parties desire to give away so much money? We had the example here last winter in our legislature of representatives of railroads coming there and actually arguing that they should have the privilege of presenting to people these gratuities. One would think that if they were actuated by a desire to increase their revenues, they would not give free passes.

Mr. CALL. Well, I have always supposed that a pass was regarded as a mere compliment, in certain cases, and it certainly would be a very poor man that could be bought by a pass.

The WITNESS. The gradations of purchase and influence are varied.

Mr. CALL. Is hould be prepared to believe almost anything of your people here in New York if they can buy a man with a railroad pass.

The WITNESS. I do not say they can buy men with a railroad pass; but I say it is a step in the wrong direction, and it might just as well be stopped.

Q. Now, with regard to the railroad commission—which seems to be getting to be the law, generally, over this country, you want some amendments, I understand you to say, in your law appointing a commission; but, with those amendments all passed, how would you have that affect this great accumulation of money which you say results from the corporate franchises of railroads?

The WITNESS. The accumulations already made?

Mr. CALL. Accumulations in the future as well as those already made.

The WITNESS. I think that the tendency of these remedial measures would be to prevent the same ratio of increase in the future that has happened in the past.

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REGULATION OF RAILROAD CHARGES.

Q. How would you remedy that? I do not see anything in your statement that would seem to regulate the profits of railroads, excepting the termination of the charters in thirty years.—A. I would regulate the charges on the cost and risk of service. The railroads have been operating on the principle of "what the traffic will bear," they being the sole judges of that question. If, for instance, you get honest and independent railroad commissioners, men not under the influence of railroad companies, and they apply that principle—that they should be compensated on the basis of the cost and risk of service, and no more—why you would tend greatly to limit these great accumulations in the future. I do not know that you could do anything so far as the past is concerned.

Q. You would not distribute the whole net proceeds of the railroad's income in a reduction of freights, would you; you would leave something—you would leave 10 per cent.?—A. Yes, I would.

Q. And then you would leave something for building up and keeping the road in repair?—A. Of course, there are certain fixed expenses—operating expenses and keeping up the plant—and then come your charges. From those, dividends of 10 per cent.—if that be deemed a fair return—would be allowed. I myself would give to men who invest money in railroads a liberal return on the actual money invested.

Q. How much would you give them?—A. Well, that would depend somewhat on the time and circumstances. I do not know that I could specify at this time; but I think they are entitled to a liberal return. What I object to is the evasion of their duties.

Q. That is all right. But I am looking at your proposition, that here is an institution that acquires these accumulations and disturbs the natural course of affairs in such a way as to be injurious or destructive to the public interest. It is a means of accumulation so great that you consider it dangerous to the public welfare. That is the proposal you have stated; is it not?—A. Yes.

Q. Can you fix a rate of interest that would not accumulate almost incalculable sums of money in a progressive country? You say that it is a vast power in individuals—and no doubt it is—to tax the community, but can you prescribe any rate of interest by which accumulations would not finally come to be a vast amount?—A. Well, sir, I should say that you certainly could prescribe rates for a service to the public, which would limit the amount which they would accumulate. It would be larger or smaller, and in proportion to the business done, and the capital invested, &c.

Q. But, I say, if you allow them the cost of repairs and running expenses, and then fix 10 per cent., or 6 per cent., or 5 per cent., or any other per cent. that you please, for the shareholders to get, would not that in time amount to the same vast accumulation that it now does?—A. No, sir; I do not think it would upon actual values.

Q. You think the evil would be remedied, then, by prohibiting them from watering their stock?—A. That is one phase of the evil.

Q. And making exaggerated charges?—A. There is no one remedy that will do for half a dozen different phases of a disease, and I do not pretend to have a specific for all the ills that society is heir to. I feel my utter inadequacy to enlighten you on such a variety of important considerations as are involved in this whole controversy.

Mr. CALL. You are too modest entirely, sir. I think you are the most proper man to tell us a great deal that we do not know about this mat-

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ter, as you have a large and profitable business, and are therefore the very kind of man that does know about these things. You may be a little too enthusiastic about anti-monopoly matters. It has occurred to me that possibly some amendment of the law in regard to railroad transportation, in which the shipping and mercantile interests, as contra-distinguished from the transportation interest, should be represented, might be a practical form of State legislation.

STATE RAILROAD COMMISSIONERS CONTROLLED BY RAILROADS.

The WITNESS. I think that there could be a representation of the public; it is not alone the shipping interest that is involved; the entire public are interested, more or less. I think that railroad commissions not controlled by the railroads would be a very great advantage. But that is one of the troubles. Two-thirds of the railroad commissions in the United States to-day are controlled in the railroad interest.

Mr. CALL. Of course that is a trouble, and always will be a trouble.

The WITNESS. That is one great thing to guard against. Many of the commissioners are perfectly honorable men, but they have been educated to view things from a railroad stand-point, and they naturally look at things from that stand-point. But there are certainly two parties in interest—the shipping and carrying public—as well as the consuming and producing public; they are all interested, more or less. I think that when you get public opinion up to the point where railroad influence does not control in our legislation and politics, you have accomplished a great deal. When you create a commission and have a majority of commissioners not inclined to give it a fair trial, it then acts as a sort of buffer between the railroads and public opinion. Our railroad commission law in this State left it to the governor to nominate, and the senate to confirm, the commissioners in the usual manner of nominations and confirmations. The clashing between the political interests of the Republicans and the Democrats defeated the thing; that is, the railroads carefully fostered that rivalry and defeated us for two or three years; indeed, it has defeated us for several years—eight or nine, I may say; but when the Hepburn committee recommended a railroad commission, the railroads, by fostering political rivalries, succeeded in postponing action. Finally we got a place where the Republicans and Democrats alike said, in their respective platforms, "We shall have a railroad commission," and the law was introduced. The Democrats were afraid that the Republicans would get a majority of the commissioners, and the Republicans were afraid that the Democrats would get a majority; so, as a sort of compromise measure, it was decided that the anti-monopolists, acting with the commercial bodies of the city, should nominate one of the commissioners, and that the other two should be taken one from the Republicans and one from the Democrats. Finally the bill went through in that way. The present administration of the State is Democratic, but two years ago it was Republican, and largely the change has been effected because the Republicans had not been true to their duties in reference to this and other matters. The governor appointed two men, a majority of the commissioners, who are upright and honest men, but who are also recognized as men whose sympathies and affiliations are against it.

By the CHAIRMAN:

Q. The governor appointed two such men?—A. Yes, sir. It is too soon to judge how they will do—too soon to do anything but diagnose—

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but the public are interested to see whether their action will exhibit bias in favor of the railroads, or whether they will carry out the law in its proper spirit.

Q. They have power under that law to prescribe rates and fares?—A. No, sir; they have simply the power of representation to the legislature and to the attorney-general. If it should prove that they are men above any influence, and have not been educated so as to see the thing from only one side, the commission will undoubtedly be productive of great good. We have had several illustrations of its usefulness already, but it has not been in operation long enough—only since the 1st of January—to illustrate its full usefulness.

Q. The third man was suggested by the anti-monopoly party, was he?—A. Yes, sir.

Q. And nominated by the governor on their selection?—A. Yes.

Q. What are the names of those commissioners?—A. John D. Kernan is one.

Q. Is that a son of ex-United States Senator Kernan?—A. Yes. Another is W. C. Rogers (son-in-law of Hon. Hamilton Fish), and the third is ex-State Senator John O'Donnell, of this State.

## THE CURRENCY.

By Mr. CALL:

Q. You said something in your statement about banks, expressing approval of them in some respects in regard to the currency, but expressing doubt whether the people did not pay too much for the service, as I understood your remark.—A. Yes, sir.

Q. And that it would be better for the Government to issue the currency direct, without the intervention of banks. Was that the idea that I gathered from your statement?—A. Well, I raised that thought. My own view of the question has been that that has not been so pressing as many others that exist at the present time. At the same time, I can see no difference between the purchasing power and usefulness of a ten-dollar greenback and a ten-dollar national-bank note. In one, the people make the interest, and also save that large percentage which results from the loss of money and its never being presented for redemption; and in the other the banks make that. The banks have done good service, and are entitled to great credit for giving us a currency that was a great improvement upon the old style of currency; but my impression is that they have been pretty largely rewarded. They have made this interest, and their term is now extended for twenty years longer—their right to issue currency. It seems to me that when that term comes round, it would be for the public interest that the Government should issue all the currency, both metallic and paper, instead of delegating that function to the banks. The late John E. Williams, president of the Metropolitan National Bank in this city, took that view, and I have heard several men largely interested in banking circles say that they thought they could get along on the function of deposit and discount which the banks have. The probabilities are that banking would be more profitable even than it has been, with the taxes removed as by the last Congress.

Q. You do not regard that as an important factor for the present in your remedial measures?—A. Well, sir, I have not given as much attention to that subject as I have to some other fields of these politico-economic questions; and I think that that is a subject which will come up when the time comes round—when the present term for which that is authorized expires; and it is time enough to deal with it then.

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Q. You have no suggestions to make for the present, then, in relation to it?—A. No, sir; I cannot say that I have.

By the CHAIRMAN:

Q. In what way would the people make the interest if the Government issued the money?—A. The interest on the circulating medium—I am speaking of the nation at large—not of individuals.

Q. Well, in what way would the nation at large make it?—A. When the banks now loan money, of course, the use of money is worth its interest, and at the same time the banks are getting interest on the bonds upon which the currency is based. They receive interest on their bonds.

Q. How would the Government first part with the currency—of course, it would not give it away to people—how would it issue it?—A. It would pay it out for its liabilities—which are very large.

Q. But you would not pay it out every time you had a liability—you would not make more money to pay that liability?—A. No, sir; I think it should be limited.

Q. How would you regulate it?—A. I would regulate that by a *per capita* law governing the issse.

Q. Not by the wants of trade, but by a *per capita* provision governing the amount of business?—A. It seems to me that one is the same as the other. It seems to me that as population increases trade increases.

Q. In the same ratio?—A. I think so, substantially.

Q. Does property increase in this country in the same ratio as population?—A. I am not sufficiently conversant with the subject to answer that, nor have I thought much on it; but it has seemed that as population increases, naturally, somewhat more currency is required. I think a comparison of our own wants with those of other countries where different conditions exist, and making allowance for these differences, would enable, for instance, the Committee on Banking and Currency of both Houses of Congress to say how much currency is needed. I have always been willing to trust the people on these subjects, and I think the people and their representatives are as well able to judge as any other agency would be.

By Mr. CALL:

Q. How would you get it out from the Government?—A. I would, as I have said, pay it out for its liabilities and debts. The Government is always buying a good deal.

Q. Do you think that that would be a sufficient method—$300,000,000 a year might be either too much or too little?—A. It might; I do not know how that would be, but I think Congress is as capable of regulating that as wisely as it does the question of the tariff or any other.

Q. But the Government pays out $300,000,000 a year and takes back that much money, and that might be an equal factor in the varying amounts paid out and paid in, and in the times of paying it?—A. Yes, sir; we have seen the effects of that; we have seen that when the Government revenues were very large, absorbing large amounts of money for taxes, &c., it created stringencies in the money market.

Mr. CALL. Yes; I understand that that is why the governments of the world have had some advantage in financial agencies—in order to meet these necessities and to guard against the unequal recurrence of those stringencies that might happen at the very time when a great deal of money was wanted for business and could not be got.

The WITNESS. Do you not think it would be possible for our law-

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makers, or the Department which was charged with that duty, to regulate that quite as well as our bankers and others regulate it who have an actual pecuniary interest in it?

Mr. CALL. That may be; I am only presenting the question to you as it is presented philosophically by those who have considered it. I wanted to know what a practical business man like yourself would think of it. I have very great confidence in you merchants.

By the CHAIRMAN:

Q. Banking is free now, and regulated only by the broad laws of trade, is it not?—A. Yes, sir; that is one thing that has made me feel that there was not the same fear of monopoly there that there has been in other departments of commerce. [To Mr. Call:] I am afraid the average merchant would not be able to help you as much as you think in coming to your conclusion. You may be able to dig out a fact here and there that would be of some use to you, but the merchants are just as selfish as the rest of the community.

Mr. CALL. If you carry out that anti-monopoly movement I do not know but what we will have to get a law passed to wipe out the merchants, because you have a monopoly of the money here.

The WITNESS. If the principle of competition did not affect them, I think something would have to be done, because I do not think their human nature is any different from any other human nature.

### WHAT ARE REASONABLE DIVIDENDS ON RAILROADS?

Q. I want to ask you a question bearing on your remarks in regard to railroad-stock watering and the payment of an income taken from the people beyond what you think is just to the road. Upon what basis would you regulate the amount of interest or dividend that a railroad corporation may justly distribute to its stockholders?—A. Our primary railroad laws in this State started out with the idea that capital invested in railroad enterprises ought to be entitled to a return to the extent of 10 per cent. upon the capital invested. I do not know that I would limit it to 10 per cent. in all cases, because in some cases there are conditions and reasons for permitting a higher remuneration than in others. Where the people contribute considerable sums for the construction of these roads, as they do in many instances, not only giving the right of way, but subscribing either through individuals or by towns, municipalities, or counties, as they frequently have done, that would alter in some degree the conditions.

Q. I do not wish to take a case where a railroad has become bankrupt, or has been going on for a number of years without fair compensation; but take a case where a railroad has built its roads and made money, and had returns more or less satisfactory, and is now doing and will henceforth do a reasonably prosperous business. What do you think is the rule or principle upon which, as a basis, dividends should be limited?—A. You have got to fix some arbitrary amount, of course, and I would think 10 per cent. a sufficient limit, as originally fixed in the charters of the New York railroads.

### HOW SHALL THEY BE COMPUTED?

Q. Ten per cent. upon what?—A. Upon the actual cost of these roads.

Q. The actual cost in times past, do you mean; or the actual cost of

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replacing the road at the time the dividend was declared, or the money earned?—A. I think it would be fair to take the actual cost of the road from the beginning.

Q. But I am assuming a case where a road has paid a good dividend from the beginning. Now upon what basis would you say that the New York Central, or the Erie, or the Pennsylvania road would be entitled to a dividend; upon the actual value of the road to-day, or what?—A. No, sir; I should say upon its cost; that is to say, I do not think a railroad corporation for forming a public function is entitled to such increase of value as the owner of private property is; but that seems to be a great point at issue between the railroad men and the public. The railroad men claim that they are entitled to the legitimate increase of value, as they term it, the same as on any other investment; but I think there are reasons why they are not. In the first place, they are in partnership with the State—they get their return first. Another thing, the motive in building railroads is not to start out now and build a railroad for the purpose of getting 10 per cent. on the money invested, but there are always collateral motives.

Q. You assume that the railroad is taking fare enough up to this date to make only a just and reasonable return; that there is nothing beyond; that the rest has either been left with the people by means of low rates of fare, or, having been collected, it is paid over to the State in accordance with the law; and to-day we are commencing to establish some rule by which the dividends of a railroad should be paid. We will assume that it is all, even between the railroad and the State up to this date, because the past is past, and we cannot do much about it; but, upon what basis, if we are to commence to regulate the dividends of railroads to-day, are we to do it fairly?—A. My impression is that you should take as a basis the original cost, separating construction accounts from the operating accounts, making allowances for betterments, and so on.

Q. That will give you the actual value to-day, will it not?

SURPLUS EARNINGS: HOW SHALL THEY BE TREATED?

A. If they have put their own money in they are entitled to a return on all their own money; they are not entitled to a return on money that they have exacted from the public in the shape of surplus earnings.

Q. Why are they not entitled to it?—A. Because these surplus earnings really belong to the public. Here are two cases in point, the New York Central and the Baltimore and Ohio roads——

Q. [Interposing.] I understand the point, and, if you will excuse me now, you can illustrate a little later. Wherein does it make any difference to the public whether, on the one hand, these surplus earnings are taken and fairly invested by improvements in the road, and then the public pay a fair dividend upon that investment, or, on the other hand, the road hires the money, but will not have any money beyond its fair return, if everything is given to the people in the form of cheap fares, or some is returned if more is earned—if, I say, more being required, they hire the money, and take from the public enough to day for this money which they get from individuals—why does it make to the public any difference which of these two courses is pursued, the honest investment of the money or the hiring of the money with which to make the improvements?—A. My view would be this: that in one case it is arbitra-

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rily taken from the public at large, and in the other case the revenue is derived from persons who have legitimately acquired it, if you please, and who choose to lend that money to the railroad company on such securities as the railroad company give for it.

Q. How can that be, if everything has been all this while left in the hands of the people—never collected from them? It is left in the hands of those who have had occasion to get service from the railroad, either as passengers or shippers, is it not?—A. Yes.

Q. It is left in the hands of those two classes—passengers and shippers—and they are not the public at large.—A. Yes, precisely. There is a distinction there I admit; but why should the shippers and travelers be obliged to contribute this thing from their pockets?

Q. Why does it make any difference, I say, whether these men contribute it originally and it is invested and then an income paid upon it, or whether the money is hired from other parties and those parties are paid for the hire of the money?—A. It makes this difference: Suppose you are a shipper and I am a person whose money is let. It makes a great deal of difference to you whether the railroad compels you to contribute the amount for these betterments, or whether the railroad borrows it from me, who am a money lender.

Q. And then tax me to repay it to you? It will have the right to tax me as a shipper or passenger, to repay it to you; it is only a question whether it is the shipper of the present or the shipper of the future.—A. I know; but you are taxed for the regular interest on these amounts; you not only have to pay the interest, but to put in the principal.

Q. It is just so in either case, is it not?—A. No, not as between classes of citizens.

The CHAIRMAN. Very well, I will not dwell on that point; but where there is an undue watering of stock, and it is not representing an actual investment, I think your criticism is very correct.

### NEW YORK CENTRAL AND BALTIMORE AND OHIO RAILROADS.—APPLICATION OF SURPLUS.

The WITNESS. I was going to illustrate by a comparison of two great trunk lines of railroad, the New York Central and the Baltimore and Ohio. Both have had large business, and large surplus earnings have been invested in betterments extending and increasing roads. In the one case the New York Central capitalized that surplus in 1867 and 1868, as I have illustrated in my first statement, and has maintained its rates so that they have paid regularly 8 per cent. dividends on the forty-seven millions of water which they put in in 1867 and 1868, and this $3,760,000 per annum, with interest, already amounts to $83,000,000. On the other hand, the Baltimore and Ohio invested its surplus, but did not capitalize it. They made the people contribute in the shape of surplus earnings enough to extend its road, and they have now a surplus of some $38,000,000 or $40,000,000, but have not issued stock to represent it.

Q. They have a surplus, but not invested, you mean?—A. It is invested but not capitalized. There is no stock issued to represent it, and no dividends are declared on it.

Q. That only adds to the value of the stock?—A. That is all. It has paid 10 per cent. dividends instead of 8 per cent., as the New York Central has paid. At the same time the Baltimore and Ohio road could

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carry a great deal cheaper than it does if it did not keep up its constant adding to its surplus. It is adding all the time to its surplus.

Q. That is, to the value of its property?—A. Yes.

## SHOULD THE PATRONS OF A RAILROAD CONTRIBUTE TO SURPLUS EARNINGS?

Q. It does not accumulate this interest anywhere, but puts it into the form of a better railway?—A. Yes; and a longer railway, and all that sort of thing. It is increasing immensely. Charles Francis Adams, in one of his reports as railroad commissioner of the State of Massachusetts, takes the ground that it is unjust to the public to compel it to contribute in the shape of surplus earnings for the expansion and improvement of railroads; that railroads should borrow that capital, or that the men who own these railroads should put their own capital into them, rather than take from the class of people who use the railroad the necessary capital.

Q. Supposing the money is advanced, how is it to be repaid?—A. It is to be repaid by the interest on the bonds—or whatever it may be—and sinking funds are gradually accumulated for that purpose.

Q. And it all comes out of the people in the form of fares and freights, does it not? There is no other way in which a railroad can get money.—A. Well, yes; I think it would operate that way.

Q. It comes to the same thing in the end?—A. When it is honestly stocked.

Q. Yes. If it is watered your point is well taken; but if it is honest, I do not see that there is anything to the criticism.

The WITNESS. There is this in it, though, is there not (I have not thought that point out very clearly): The propetry which the money borrowed represents still remains at the time of the repayment of the loan by means of a sinking fund. To whom should that property belong, the State or the railroad company?

The CHAIRMAN. Well, you cannot contemplate the abolition or destruction of a great line of traffic. It must either exist in the State or somebody. When it dies the State or nation dies.

The WITNESS. Is there not an element of value there that belongs to some one? There is an increased earning power. The point I have in my mind is this: That after the capital actually invested by the corporation, or the individuals who constitute the corporation, has been fairly compensated, the rest of the enormous advantages resulting from steam roads, and from the discovery of steam, belongs to the people.

The CHAIRMAN. I think so, too; I believe that. The difficulty is to settle just where the line is that separates the amount which the corporation is entitled to take and beyond which the public shall receive its share in distribution and retention.

The WITNESS. Yes, sir. I will think out that point which you raised as to the difference between the borrowing of capital and the accumulation of it in the way of surplus earnings; and perhaps I may give in something in writing hereafter which may deal with that. I should like to see what Mr. Adams has to say on the subject. I have only a dim recollection of it.

The CHAIRMAN. Very well. Bear in mind that I am only speaking of a perfectly honest investment of money in a road—nothing in the way of "water."

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The WITNESS. Yes.

After reading your letter I thought perhaps you might desire a comparative statement of retail prices which consumers on the average have paid at different times for the principal articles of family consumption. When Mr. Hewitt was investigating this general subject some years ago I compiled such a statement for him; and, with same modifications in bringing it down to the present date, it would perhaps be a useful exhibit for your record.

The CHAIRMAN. Your suggestion of bringing it down to the present date is an important one. I had contemplated that the committee would avail itself of that same list, which I had observed in your former testimony. But if you will give it to us with the alterations you suggest we shall be glad to have it.

The WITNESS. I will do so. There is one period which to me was a very interesting one and which I have been trying to work up, but have not yet got all the data. That is the period from 1860 to 1866. With these six years filled in it covers periods six years apart. It is five years now since Mr. Hewitt's table was made up. It began at 1860, and leaped to 1872, probably.

## EFFECTS OF PRODUCE EXCHANGES.

The CHAIRMAN. I would like a statement of your views as to the manner in which the operations of the Produce Exchange affect the prices of the necessaries of life to the consumer; but there does not seem to be time to go into that matter to-day. We may do so later.

The WITNESS. I will state so far as a proper and legitimate use of exchanges is concerned I believe they are beneficial; but, so far as the "cornering" and "pooling" arrangements exist, they are of course a harm.

Q. Do they exist to the extent of doing very serious harm?—A. Yes, sir; very serious harm.

The CHAIRMAN. Then we may want to hear from you at another time on that subject.

The WITNESS. I think what would be better for you would be the result of the investigation that took place last winter by a committee of the New York legislature.

The CHAIRMAN. Well, that is in two large volumes of perhaps a thousand pages, and I did not notice that it came to any conclusion—at least it was a very much mixed conclusion.

The WITNESS. The probability is that the monopoly influences got control of a majority of the committee and operated upon its conclusions.

Here the committee took a recess for half an hour.

A few days after the completion of his oral examination Mr. Thurber submitted, in writing, the following remarks, to be added to his statement:

## CAPITALIZATION OF SURPLUS EARNINGS.

Referring to the chairman's question regarding the complaint of stock-watering on railroads by the capitalization of surplus earnings, &c., and the inquiry as to what is the difference to the public whether the additional capital required for railroad development is derived from surplus earnings or by borrowing it, as long as transportation charges must be

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high enough for maintenance and to pay interest on the investment, I desire now to say:

In the first case the public using the roads are required both to furnish the capital and pay interest upon it, while if the required amount was borrowed (say from either foreign or domestic capitalists) the public would only have to pay the interest alone and keep the property up to its original condition.

I cannot better illustrate what I think right than by quoting from the report of the Massachusetts railway commission for 1875, of which Mr. Charles Francis Adams, jr., was at that time chairman. The report (pages 12 and 13) says:

Under a more logical and intelligent system of public accounts, a course wholly different from that described would be pursued. A rigid and uniform method of keeping accounts would be adopted, and an adherence to it by all corporations strictly enforced. Out of the earnings all operating expenses would first be paid, and that on a system which would insure a regular, though not excessive, improvement in the condition of all the properties, or at least every reasonable safeguard should be maintained against depreciation. This done, the entire balance should be credited to net income, and from it as a fund, should it be sufficient for that purpose, dividends should be paid to the full amount authorized by the original contract between the corporation and the public. Any surplus remaining after these claims were satisfied should be applied neither to the new development nor to additional construction, but to the extinguishment of all indebtedness, and after that to a reduction of rates. It should go towards relieving the public of its burdens. The necessities of development should be provided for, as the original construction was provided for, by the investment of fresh capital. Upon the capital required for it that development should pay a fair profit; if it could not do so it should not be ventured upon; but the community ought not to be called upon, as it now is, to pay in that capital itself under the disguise of surplus earnings; these surplus earnings should be left in the pockets of the people. Instead of paying interest on an increased railroad system built by private capital, the community is itself furnishing the capital to develop roads which are the property of the private corporations. Under the system called "stock watering," a similar practice is pursued, but in that case the surplus earnings are represented in the increased value of the property, and are from time to time capitalized and divided in the form of new securities among the stockholders. Thus the community not only itself pays in the capital required for the development of its railroad system, but it afterwards is taxed, through necessarily heavy rates, to pay the dividends on the very capital thus paid in. In the other case it continually pays in new capital, which, however, only improves the original property of the corporations, as on it new dividends are not paid. Unless railroads are in no respect public corporations, both systems are false, though the last is a much less flagrant abuse than the first.

Mr. Thurber later submitted the following:

[H. K. & F. B. Thurber & Co., Food products. Manufacturers, importers, exporters. West Broadway, Reade and Hudson streets.)

NEW YORK, *December* 7, 1883.

DEAR SIR: Messrs. E. J. Denning & Co., the successors of A. T. Stewart & Co., delayed for a considerable time furnishing the prices on staple dry goods, and owing to absence and other engagements I only now am able to transmit same to you with a schedule of groceries. I trust these will reach you safely and prove satisfactory.

Very truly, yours,

F. B. THURBER.

Hon. W. H. BLAIR.

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TABLE OF PRICES OF FOOD PRODUCTS IN NEW YORK MARKET—1860-1883.

[Furnished by Messrs. H. K. & F. B. Thurber & Co., New York.]

| Groceries. | Average retail prices. | | | | |
|---|---|---|---|---|---|
| | 1860. | 1866. | 1872. | 1878. | 1883. |
| Flour, wheat, superfine.....per barrel.. | $7 61 | $12 50 | $10 75 | $8 63 | $6 25 |
| Flour, wheat, family.....do.... | 7 14 | 13 50 | 12 75 | 7 96 | 7 25 |
| Flour, rye.....per pound.. | 3 | 3 | 3½ | 3½ | 2⅞ |
| Corn-meal.....do.... | 2½ | 4 | 1¾ | 2 | 3 |
| Cod-fish, dry.....do.... | 5½ | 6 | 8½ | 6 | 8 |
| Rice.....do.... | 7½ | 13 | 11¼ | 9½ | 9 |
| Beans.....per quart.. | 8 | 15 | 9½ | 8¼ | 13 |
| Tea, Oolong.....per pound.. | 54½ | 1 10 | 69 | 60½ | 50 |
| Coffee, Rio, green.....do.... | 21½ | 34 | 34½ | 23¾ | 15 |
| Coffee, roasted.....do.... | 23 | 46 | 42½ | 26½ | 20 |
| Sugar, good brown.....do.... | 8¼ | 13 | 10½ | 8¾ | 8 |
| Sugar, coffee.....do.... | 9 | 13½ | 10½ | 9½ | 8½ |
| Sugar, granulated.....do.... | 10¼ | 14½ | 12 | 10 | 9 |
| Molasses, New Orleans.....per gallon.. | 50¾ | 1 00 | 70 | 57¼ | 75 |
| Molasses, Porto Rico.....do.... | 57½ | 80 | 76½ | 68 | 60 |
| Sirup.....do.... | 63¾ | 1 00 | 75 | 86½ | 60 |
| Soap, common.....per pound.. | 8¾ | 12 | 8 | 8 | 7 |
| Starch.....do.... | 11 | 10 | 12¼ | 9½ | 8 |
| PROVISIONS. | | | | | |
| Beef, roasting.....per pound.. | 11 | 17 | 19 | 14½ | 15 |
| Beef, soup.....do.... | 4¾ | 13 | 7½ | 5½ | 9 |
| Beef, rump steak.....do.... | 14¾ | 20 | 29⅓ | 20¾ | 16 |
| Beef, corned.....do.... | 6½ | 12 | 10½ | 8 | 11 |
| Veal, fore quarter.....do.... | 7¼ | 14 | 10⅓ | 10¼ | 12 |
| Veal, hind quarter.....do.... | 11 | 16 | 17 | 15¼ | 15 |
| Veal cutlets.....do.... | 14 | 18 | 28¾ | 20 | 17 |
| Mutton, fore quarter.....do.... | 7½ | 11 | 10¼ | 10¼ | 11 |
| Mutton, leg.....do.... | 12½ | 15 | 19 | 17¼ | 14 |
| Mutton chops.....do.... | 13¾ | 18 | 15½ | 18¾ | 16 |
| Pork fresh.....do.... | 11 | 13 | 12⅔ | 10 | 14 |
| Pork, salted.....do.... | 11 | 14 | 11 | 9¾ | 14 |
| Hams, smoked.....do.... | 13 | 16 | 13½ | 12½ | 16 |
| Shoulders, corned.....do.... | 8¾ | 12 | 10½ | 9¼ | 13 |
| Sausages.....do.... | 11½ | 14 | 12½ | 11¼ | 12 |
| Lard.....do.... | 13¼ | 17 | 12¾ | 10¾ | 15 |
| Mackerel, pickled.....do.... | 9½ | 10 | 13½ | 12½ | 12 |
| Butter.....do.... | 21¾ | 45 | 39½ | 25½ | 30 |
| Cheese.....do.... | 13¼ | 20 | 17½ | 12¼ | 14 |
| Potatoes.....per bushel.. | 59 | 1 60 | 1 02 | 97¾ | 85 |
| Milk.....per quart.. | 4¾ | 10 | 8 | 5¼ | 7 |
| Eggs.....per dozen.. | 20¼ | 40 | 30 | 25 | 25 |
| FUEL. | | | | | |
| Coal.....per ton.. | 6 40 | 8 50 | 9 25 | 6 45 | 6 00 |
| Wood, hard.....per cord.. | 6 49 | 12 00 | 10 12½ | 6 74 | 7 50 |
| Wood, pine.....do.... | 4 42 | 7 50 | 7 00 | 5 04 | 6 50 |

[E. J. Denning & Co., Broadway, Fourth avenue, Ninth and Tenth streets.]

NEW YORK, *November* 21, 1883.

DEAR SIR: In response to your favor of the 22d ultimo, we beg to inclose you a tabular statement showing the average retail prices for the various fabrics named therein, at the different periods you mention.

Yours, truly,

E. J. DENNING & CO.

F. B. THURBER, Esq., *City*.

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TABLE OF PRICES OF COTTON GOODS IN NEW YORK MARKET—1860-1883.

[Furnished by Messrs. E. J. Denning & Co., New York.]

| Retail selling price for— | 1860. | 1866. | 1872. | 1878. | 1883. |
|---|---|---|---|---|---|
| 9-4 brown sheeting.....per yard.. | $0 30 | $1 10 | $0 60 | $0 27½ | $0 25 |
| 10-4 brown sheeting.....do.... | 32½ | 1 25 | 65 | 30 | 27½ |
| 9-4 bleached sheeting.....do.... | 32½ | 1 25 | 65 | 30 | 27½ |
| 10-4 bleached sheeting.....do.... | 37½ | 1 50 | 70 | 32½ | 30 |
| 9-8 bleached sheeting.....do.... | 13½ | 60 | 25 | 13½ | 13 |
| Canton flannel.....do.... | 15½ | 65 | 30 | 15½ | 18 |
| 4-4 brown shirting.....do.... | 9½ | 45 | 20 | 10 | 8½ |
| 4-4 bleached.....do.... | 11 | 50 | 22½ | 10 | 9½ |
| 3-4 brown drilling.....do.... | 16 | 35 | 20 | 10 | 10 |
| Ticking.....do.... | 18 | 60 | 30 | 20 | 18 |
| Prints.....do.... | 11 | 30 | 15 | 8 | 8 |

NEW YORK, *September* 21, 1883.

JOHN M. GREGORY examined.

By the CHAIRMAN:

Question. I believe your residence is in Illinois.—Answer. My home is in Chicago.

Q. You are a member of the Civil Service Commission?—A. I am sir.

Q. Will you state to the committee, if you please, your occupations hitherto, your connection with the educational interests of the country, and your study of economic questions and questions pertaining to the public welfare?—A. I have been for the past thirty years actively engaged in the work of education; for six years as superintendent of public instruction of the State of Michigan, and for sixteen or seventeen years as president of a college, or for the last thirteen and a half years of that time, until my resignation two years ago as president of the Illinois State Industrial University. I have also been a writer for the educational press, editor of educational periodicals, &c. My economic studies have been carried on while lecturing on the subject to the senior class of the university for the thirteen years preceding my resignation. I have also written and published somewhat upon that subject, including a volume this last year.

Q. Have you seen the resolution under which the committee is acting?—A. I have read it, sir; but I do not now recall all the points in it.

The CHAIRMAN. [After reading the resolution.] We should be glad if you would make a statement of your views and present such facts as may seem to you pertinent to be offered to the committee within the scope of the resolution.

The WITNESS. I can easily state what views I have under two heads of Economics and Education. That is, I can speak as an economist and as an educator on those points from a somewhat wide observation, an observation on this continent and repeatedly in European countries.

### ANTAGONISM BETWEEN CAPITAL AND LABOR LARGELY A SOCIAL QUESTION.

I will speak first briefly of the controversy or antagonism that is supposed to exist, and does practically exist at times, between capital and labor. I believe that this antagonism and the controversies that grow out of it, are not purely economic, that it is not simply a question of distribution of products, nor a question really of the power of labor or capital, or the proportion that capital or labor should take; but that

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the question is largely a question belonging to what I should call social economics, a branch in which every problem really has two sets of factors, one set of which is economic and the other socialistic; that the trouble arises out of the social distinctions and classes that are produced by the unusual prevalence in modern times of large masses of wealth. It is the man behind the capital and the man behind the labor, if I may so speak, who are at variance. The variance between them is doubtless intensified by the economic conditions of each; but it does not depend entirely upon that, although they themselves would perhaps, in nine cases out of ten, ascribe it to economic differences. It grows rather out of social differences.

### INFLUENCE OF SOCIAL DIFFERENCES ON CAPITAL AND LABOR.

If the capitalists and laborers belonged to the same social class, if they stood upon the same social plane, we should hear but very little of the differences between them. Whenever in any period of the history of the country, or of the world, by reason of the prevalence of the religious sentiment, or any other conditions that unite them virtually on the same platform, outside of and independent of their business and their positions, there has been little difference between them. We are often cited to the fact that in the early days of New England the laborer on the farm and in the shop was the peer, socially—a member of the same church probably, possibly an officer in it—of the man that employed him, and that the relations between them were full of good will on both sides. It was simply the fact that the positions, socially, were not disturbed by their positions, economically, or rather that there were other conditions that controlled and overshadowed the economic conditions, so as to keep them on a plane of equality. I should judge, therefore, that everything that tends to lift the laborer towards the same social plane occupied by the capitalist or the employer, and tends, therefore, to lessen the social differences, the disparity between them will tend also to abate the controversies and antagonisms between them.

### LABOR AND CAPITAL NOT ENEMIES.

We all agree, I think, that labor and capital are not naturally antagonistic, that they are mutual helpers, that they are the result of the same causes, the labor of to-day employing itself on the products of the labor of yesterday, or of days gone by; and that capital is, as has been said here this morning, preserved, conserved, labor. Labor is largely indebted to capital for its means and facilities of work, and for its support in work, and for its being able to undertake larger enterprises; and capital is wholly dependent upon labor to carry out its enterprises. So that the antagonisms existing between capital and labor, if we would account them as such, are wholly unnatural, and we cannot look for them in labor and capital themselves as economic forces; but we shall find them in the laborers and capitalists themselves, and not with them in their economic, but in their social, relations. This is the more evident from the fact, that whenever labor reformers have attempted to formulate their doctrines, as they have done in the great national conventions held in Europe, more than half of their statements have related to the equality, and rights, and privileges, of the classes—very little, indeed, related to the economic distinctions between them. I think the distinction is important, however, when we deal with the question at all of the



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controversies between these two classes—the laborers and their employers— because to miss the point is to miss the remedy. We do not understand the differences.

### THE LABORER'S CONDITION IMPROVING AS CIVILIZATION ADVANCES.

I wish to state also what is an obvious fact to all readers of history, that the laborer's condition has steadily improved as civilization has advanced. He is better fed, better clothed, and better housed in general in the nineteenth century than he was in the eighteenth century, and much better than he was in either the sixteenth or the seventeenth centuries; that all the advancement in the productive power of labor by the improvements of machinery and the discoveries and applications of motor forces have steadily inured to the benefit of labor; that it is better off than it ever was before, notwithstanding that sometimes it has happened that the discovery of a new method, or a new machine, has for the time injured a particular class of laborers, as it did in the case of the Spitalfields weavers who, before the discovery of the power-loom and the spinning-jenny, furnished the British army its most able-bodied recruits; but subsequent to the discovery and introduction of these measures widely in England these weavers deteriorated through their privations physically to such an extent that it is stated by a high authority that only one in forty of their men could pass the surgical examination for service, showing here a case where a discovery produced widespread and continuous distress. But while a few cases like this exist, and perhaps always follow in the immediate wake of an invention or discovery, the facts of history show that in the long run the wages of labor have increased, and the condition of the laboring classes generally are largely improved in all material respects. I think that we may affirm that. But this increase of productive power has inured also to the benefit of capital. The capitalist is bettered in his condition in proportion to his capital, and the disparity between the laborer and the capitalist is all the while on the increase. For example, take a man who can make $500 a year and a man who can make $5,000 a year from his capital; if you double the income of both each is benefited proportionately we would say; that is, the laborer gets $1,000 a year and the capitalist now gets $10,000 a year. But the difference between $500 and $5,000 was really only half as great as the difference between $1,000 and $10,000. The evident disparity, therefore, has tended to produce discontent on the part of the laborer, notwithstanding his own improved condition. I account for the discontent, notwithstanding the improved condition, on the ground of the disparity; and this again confirms what I have said, that the real source of controversy and discontent is social differences, and not economic differences, between them. It is true that the laborer attributes frequently his lower relative condition to the fact that he does not get, as he thinks, his share of the increased production.

If my view is right it is evident that no remedy to the labor troubles can be successful that does not take the social element also into account. I do not mean to say that there are not economic difficulties in this such as have been frequently alluded to before us, such as the great increase of wealth and the large power that it gives; but that this is not the only remedy, and that a more economic remedy, therefore, would not cure the difficulty. I think that that has been the reason that the many attempted practical remedies in Europe for the laboring classes have never brought content and have never quieted the disturbances or the controversies.

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## INFLUENCE OF EDUCATION ON THE PROBLEM OF CAPITAL AND LABOR.

Without discussing further the principle of the relations of labor and capital, or rather of the laborers and the capitalists (or employers) as classes, I will ask to be permitted to speak simply of the influence of education on this problem and on its solution, and the part that education must be looked to to play, as one of the ingredients, at least, or factors, in the true remedy. It is an old and settled belief that education helps labor and the laborer. It is stated over and over again every day—it has been claimed indeed as one of the strong arguments for the support of the American common school and educational system that education, besides its political importance and significance as making an intelligent people for an intelligence-requiring Government, is a vast benefit to the laboring classes; that it helps labor and the laborer. Perhaps it would be truer to say, and the better way, as avoiding one of the objections to this view, that *intelligence* helps labor and the laborer, and that education helps both in proportion as it promotes intelligence.

## SCHOOLING NOT EQUIVALENT TO EDUCATION.

Education as a process does not, unfortunately, always produce intelligence as a result. Schooling is not equivalent to true education. Schools are often complained of. The American school system has frequently been berated on the ground that it does not always produce intelligence. And sometimes the argument for the advantages of education has been answered by a certainly illogical answer, because a very irrelevant one, that schools do not produce education always, or intelligence. That, of course, does not prove that intelligence itself is not advantageous and important. It is a general truth that cannot be denied, because it is proved by all human experience, that man has lifted himself from a savage state along the line of advancing civilization by virtue of intelligence, and by means of his intelligence; that he has advanced in proportion as he has become intelligent, and he has advanced by the fact of his intelligence, and by the means that his intelligence has revealed to him; that is, the pathway and the facilities for these. So that, if all human advancement has been, as we claim, by means of man's intelligence, certainly it follows that the increase of intelligence is always a necessary condition to the betterment of human relations, and the increase of human civilization. I think it follows naturally and necessarily from that. We will drop the word "education" then, since so many confound education with its processes—the result not always following the processes. I need not stop to say why it does not always follow.

Passing the general argument of intelligence and its power to elevate, I wish to call your attention to a few particulars not ordinarily perhaps discriminated—not analytically stated, at any rate—in which education, or intelligence, which I shall use as synonymous with true education, or an educated result——

Q. [Interposing.] You do not really consider that to be an education which does not amount to intelligence?—A. No.

## TECHNICAL EDUCATION.

First, then, technical or industrial education—the education in the principles and processes of the arts—increases the power of labor, because, to the laborer larger helps enable him to substitute for simple hard-hand labor, labor which is more elevating and, perhaps, in general, more easy

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to him; gives to him a wider range, also, of labor activity, enabling himself to employ his labor power, not within the narrow line of some acquired trade, but in the larger line of all the trades in which the same intelligence or processes would be involved. Technically, labor also aids the laborer in increasing the productiveness of his labor, increasing his share of the products, and, of course, the absolute, not the relative, amount of products that come to him. I will not say at present anything of the relative shares. That is a question outside, and belongs to economics, and I may, if I have a moment to spare, return to it; but at present I want to speak simply of the laborer's absolute increase of products, and of comfort from those products, which I say depends upon his improvement very largely by technical education, whether this technical education is gained in the schools (as is the cheapest way always to gain intelligence), or whether it is gained by study in the manufactories, by lectures, &c. (which is the longest way to gain technical knowledge and intelligence). The claim of the technical schools on the other hand, I will say, is that they do more rapidly, more directly, and more cheaply, this work of technical teaching and technical education than it can be done in shops.

### GENERAL EDUCATION HELPS THE LABORER'S PERSONAL CHARACTER.

General education, by which I mean the education that increases the general intelligence, and develops the general powers of intelligence, promotes the condition of the laboring classes also in various ways.

In the first place it gives to the laborer himself higher personal character, and hence, higher social standing. We have on record cases of those who have been employed in the lowest and most menial labor, but who by virtue of their studies and their acquisitions in science, have come to be recognized among their neighbors, and sometimes throughout the whole country, as persons of such intelligence as to make them the peers of the best men of the land. I know an instance in point, of a man who was but a porter in England, carried packages from trains on his shoulder, who attained such eminence as an entomologist in one of the branches of that science that he was visited by men from all over the world who were referred to him as the only authority in England from whom they could get the fullest statement of truth in his special department of entomology. And of course, although he continued his labor as a means of livelihood, his acquisitions made him the peer of the Fellows of the Royal Society and of the British Association for the Advancement of Science. This is an extraordinary case, but all education that increases the intelligence of a man tends in the same direction, and lifts him to be the peer of his fellow-men, and goes very far to remove the difficulties and discordonces between the laborer and the capitalist.

### IT INDUCES ECONOMY.

Second, it increases both his motive and ability to save money and to accumulate property. It was stated properly here this morning that education aroused new wants. It brings not only power, but it brings wants; but human wants are not to be treated as misfortunes, for it is by virtue of his wants that man rises really above lower conditions to higher conditions. The man who wants nothing is on a par perhaps with the clam on the sea-shore and would make no motion, would give no sign, would make no effort. Education, then, increases the wants and elevates the character and opens, not only new motives for industrial

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activity, but new and higher sources of enjoyment to man. But the point I make now is that, other things being equal, the most intelligent laborer will earn most and save most, or be most likely to accumulate property. It tends to remove him, as you know, from the labor class to the capital class, to the class of employers.

### IT ELEVATES THE TASTES.

Thirdly, education elevates and refines his tastes and enjoyments; increasing thus his motives to temperance, in the indulgence of the lower appetites in order that he may have the means for the gratification of the higher appetites; tending, of course, to his peace and contentment, because he finds in them a source of enjoyment. The discontented class of laborers are not generally the intelligent class of laborers, and the discontent of the ignorant class of laborers grows out of the fact that they have so few sources of enjoyment which they can gratify, and those are all gratification of lower appetites, that call for and waste a good deal of money and of time in their gratification. But I will not dwell upon this.

### IT AIDS IN THE DISCUSSION OF LABOR PROBLEMS.

It gives to the laborer, fourthly, great advantages in the occasional and unavoidable struggles which must arise between the employer and laborer. I do not hold that any remedy can ever be found, legal, moral, or economical, that will prevent the occasional differences that arise from the simple advancing wealth and advancing conditions of life and labor. These necessarily arise from time to time. I need not stop to define them, because they are sufficiently obvious. In all the occasional differences or controversies between the employer class and the laborer class, as to wages, as to rights, &c., the educated laborer has this advantage, that his demands are much more reasonable; they are rational; they are intelligently conceived; and, therefore, he is much more likely to state them well, and, as a consequence, to secure his rights in the premises.

The great difficulty that has come from the labor struggles has come from the difficulty of making clear to both classes their absolute rights and interests in the case, and it has grown, very frequently, out of the ignorance of the laborers. To cite a fact: During the great railroad strike of 1877, if I remember, I was asked to address a large body of striking railroad laborers at a railroad center in the West. I undertook to state before them, in the kindliest spirit, and with most careful statement and limitations of it, the real relations between labor and capital, their mutual dependence, and their common interest, and to show to them that when there arose, unfortunately, misunderstandings between them, the remedy—the possible remedy, the best remedy, at any rate—did not lie in the direction that they were employing. They listened to me with great attention. It was in a large crowded hall, and some thousands of the laborers were present. Some of these very same auditors within ten days from that date found themselves in the penitentiary for their share in the subsequent operations. A large committee of them came to me at the close of the lecture and extended to me very cordial and, I have no doubt, very sincere thanks for the statement which I had made to them, which they said they agreed with, but that, unfortunately, I had left off where they wanted me to begin.

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THE SOCIAL QUESTION AMONG LABORERS.

When I inquired as to where they wanted me to begin in the discussion, I found that they wanted me to begin with the statement of the social question; of their social rights, influences, privileges, and standing in the community, and that so long as they were in this condition they were not content with what they had.

Q. Did they comprehend what, in your judgment, was necessary in order that their social condition might be changed?—A. I think not.

Q. They did not comprehend this necessity of education or increased intelligence?—A. No, sir; and I do not think they comprehended really the economic facts on which they were acting and which I attempted to state to them. I think that the lack of intelligence is a very grave factor in this matter. I was about to say that in that section of the country almost the entire body of striking railroad operators were foreign citizens, of very limited education, generally ignorant, with scarcely an American citizen among them.

By Mr. CALL:

Q. What did they mean by their social condition?—A. The advantages for themselves, their wives and their children—that they were not occupying and holding the rank, position, and privileges that they were entitled to; they were "lorded" over by those railroad kings and others, and they were striking, as the fathers of the country struck, for their liberty and their rights.

Q. Because they were not invited to the houses of these people?—A. I do not know what they meant, sir. I did not go far with them. Having spoken an hour and a half I was weary enough to stop much further discussion. I found also that while they were not very intelligent, yet, as a child might ask a question that a wise man may not answer, they were ready to ask questions which they were not able to solve and which they were not even able to understand if solved for them.

Q. But did you understand that they were quitting the railroad positions because they had not sufficient social recognition?—A. Well, yes.

Q. Not because they were not getting enough pay?—A. Well, it narrowed itself down to the fact, in their comprehension, that they were not getting enough pay, and they thought that if they got enough pay they would get all right; but it would not come right.

INFLUENCE OF WAGES IN ELEVATING THE SOCIAL STATUS OF LABORERS.

By Mr. PUGH:

Q. I do not want to divert your thought from the line of your statement; but the question suggests itself to my mind, whether this social improvement—this social condition that you think is involved in this problem—can be reached without wages enough to enable them to do so. Do not wages, at least, lie at the foundation of the effort that they are to make to elevate their social condition and their social relations? Is not compensation sufficient to enable them to do so an indispensable element in that problem?—A. It would be indispensable if it were not that the country generally provides free education—indeed up to the highest grade. There is no grade of education in this country, nor in any of the public institutions of education that are not open and accessible to the poorest citizen and the child of the poorest citizen.

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### WHO PAYS THE TAXES?

Q. Have you ever had occasion to consider or to make an estimate of the proportion of the revenue collected from the people which is paid by these workingmen, and out of which the appropriations are made to support public schools?—A. As all wealth comes as the direct product of labor, all taxation must come from the products of labor.

Q. It must fall on the products of the laboring classes?—A. On the laboring classes—the labor of the past and the present—the laboring classes are taxed in proportion, however, only to their property, and in most States with considerable exemption of, sometimes, homesteads, sometimes their necessary tools and various things; and yet, after all, as all taxes come at last upon consumers, the laboring class, being the most numerous, will ultimately pay the largest proportion of the taxes.

### ADVANTAGES OF CAPITAL IN ALL DISCUSSIONS WITH LABOR.

Q. Have the laboring classes the same power to protect themselves as the owners of these overgrown fortunes, that you speak of against the burdens of taxation necessary to support public schools. The owners of real estate, for instance, charge the rental with the taxes upon their property. Have the laboring class the same power to protect themselves against this burden as the large property holders have?—A. Allow me, in answering that question, to say that in my line of thought I am not just now dealing with the conditions of the controversy, or as to which side has the greater advantage in it; but, diverging, in order to answer your question, I would say the employer class—which is usually the capitalist class—has doubtless a very large advantage over the laboring classes, both in relieving themselves from taxation and in any controversy as to rights between them; because labor cannot subsist more than a very little time without employment, while capital can live upon itself for some time and outlast the laborer in the struggle. That is evidently true.

I am speaking now, however, of the advantages that the laboring class would obtain from an improvement of their education. And I shall speak at the close, of the remedy therefor, the way in which this remedy of education may be applied by the public; which, indeed, will be quite obvious.

### BEARING OF EDUCATION ON CHANGE OF EMPLOYMENT.

I think my fifth statement (if I have kept my numbers aright) is as to the advantage to the laborer that comes from the fact that intelligence through education widens his capacity and enables him to turn more readily to other employments when there is an actual glut in the market of labor in his trade. In the course of the industrial history of any community there will come revolutions in industry, new demands for things that are newly discovered, and the diminution of old demands—the demands for new kinds of labor, or the diminished demands for old kinds of labor, which, as in the case of the Spitalfields weavers, I have referred to, may be very disastrous to the laboring class. But an educated laborer, I mean the man whose intelligence and powers of thought have been increased, will much more readily turn away from that labor in which there is a glut and accept new employments and devote himself to new means of livelihood.

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### IMMOBILITY OF LABORERS.

One of the old mistakes of the economists, and one perhaps that is held by a good many economists yet, is as to the mobility of labor; that it may be easily moved from one employment to another, from one locality to another, so that if it is left free it will flow naturally to the localities and to the employments where it can do best. As a matter of fact there is very little of that mobility. Men, ignorant men, especially ignorant laborers, find it exceedingly difficult after they have grown up to go from an employment in which they have acquired a certain amount of hand skill to another and better employment, and so they suffer great privations by adhering to employments that have ceased, perhaps forever. It has been found in England that a shilling a week difference in wages between one parish and the parish adjoining it could not tempt laborers who were in an almost suffering condition out of the old parish into the other.

### IGNORANT MEN NATURALLY TIMID.

The ignorant man is naturally timid and suspicious, and he does not move naturally from one place to another. He does not know what would happen to him. What he wants is employment; he does not want to take risks. The intelligent laborer, on the contrary, has that large capacity and intelligence that will enable him to pass from one employment to another kindred employment, or from one community to another community, and thus he gets an advantage. I am only enumerating some of the advantages that accrue to the laborer by education.

The CHAIRMAN. I think that your suggestion—one that we have not heard from any other witness—is one of very great force, and laborers in large cities are very apt to be unjustly blamed because they do not go outside upon the land. It is almost impossible for these men to do so. It is like asking them to go to the moon or to the stars. Unless help comes from outside they cannot do it.

The WITNESS. Yes; that is an instance of the immobility, as I would term it, of labor.

### LABOR UNIONS BENEFICIAL IF LABOR BE INTELLIGENT.

I would say that, in the sixth place, labor unions—which in some form or other are traceable in history from the time of the Pyramids to the present time—would be not only harmless but useful among a body of well-educated men. It is among the ignorant and vicious, the ignorant if not the vicious (vice perhaps follows ignorance very frequently)—it is among these, the laborers of no trade, that labor demagogues get their following. I do not mean to speak disparagingly of men who are seeking to promote their own advantage in the conditions of labor; but we all know that there are among the laborers those who trade upon their sympathies; that these demagogues get their following from those who are ignorant, and it is among them that they propogate their destructive doctrines. Doctrines that would not be entertained for a moment by intelligent workingmen are received and fed upon and become the means of excitement to the ignorant laborer. His ignorance makes him subject to this.

### OTHERWISE INJURIOUS.

The labor unions, therefore, become tyrannical over an ignorant class. In the nature of things brains will govern bodies, and the best brains

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will govern most; and in any circumstances a brainy man put into the leadership of very ignorant men, unless he has the benevolence and the justice of a saint, is strongly tempted to use his brain-power over their ignorance for selfish purposes, or, at any rate, for fanatical purposes. And it makes it, therefore, exceedingly dangerous to the laborers themselves to form unions, since their unions may have only the effect to cripple or fetter themselves and bind them convenient to the hand of the man that governs them. The unions also in their controversies with their employers, or the employing class, are constantly being thrown into a disadvantage by the fact of the ignorance of very large numbers of the laborers themselves. I do not think that labor unions have flourished much among native-born and native-educated American citizens; but they have flourished, and flourished most in the countries where the laboring classes are most ignorant.

### STRIKES.

And it is in those countries that the laboring classes have been thrown most frequently into strikes. I remember that only some two or three years ago a very eminent economist, writing in the columns of the Revue des Deux Mondes, the leading periodical of France (if not of the world), stated as a fact that *grèves*, as the French call them, or strikes, were epidemic in France, and showed that this epidemic character of the strikes, as he said, grew out of this depressed and debased intellectual condition of the French laborers who were made to believe the most preposterous statements as to their rights and privileges, and as to the motives and actions of the employer classes.

As I have said before, labor unions would not only be harmless, but they would be an actual benefit, because they would be organizations for mutual advancement in social and in industrial or economic conditions of intelligent men, and they would be powerful always in the settlements that might arise in the revolutions of industry between the employing class and the laboring class.

### CO-OPERATION.

Most modern economists have felt that one of the great reliefs to come to us in regard to this antagonism between labor and capital must come ultimately in the matter of co-operation. Co-operation has been tried in a good many ways—both productive co-operation and distributive co-operation—that is, co-operation as laborers, as partners in a common enterprise of production, and co-operation of the classes in the mutual sharing or distribution of products, as in the mercantile co-operation. Many of them, however, have failed—so many as to have largely discouraged co-operative enterprise. I have very largely studied the history of many of the co-operative enterprises of the country, and of the world, and I think that their failure, in almost all cases, can be traced directly to the lack of intelligence on the part of the great body of the co-operators. Co-operation cannot take place without common sympathy and common understanding. The ignorant man is too timid and too suspicious to make a good co-operator either in production or in distribution; co-operation, therefore, has never had a fair trial, because it has been practiced (when practiced at all) among many of those who were too ignorant to understand what the methods of the operation were, and what results were reasonably to be expected from it. Therefore, I hold that the progress, and the large progress, of

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the laboring classes, lies in co-operation. The principle of co-operation is opposed to competition—these two being the only known forms of the labor struggle, so to speak.

Those are the statements that I would make at large; they are not exhaustive by any means, of the good that would come to the laboring classes by the increase of intelligence. Can the remedy be applied? It is not enough to say that if you "bell the cat" you can always hear the bell. But you must first find somebody to bell the cat. It is not enough to find that a remedy would cure the disease, if you find that the remedy cannot be taken by the parties for whom it is intended—that the stomach of the patient will not hold the medicine.

### EDUCATION: OFFICE OF THE GOVERNMENT IN IT.

Shutting out the economic view for the present, without ignoring it, (without denying it, certainly), I wish to say that the educational remedy is not in the hands of the people themselves. If it were, it would be too costly, and too difficult to apply. It is at this point that the Government can do most, in my judgment, for the remedy of the great difficulties that the nineteenth century is bringing about between the labor classes and the employer classes.

### POPULATION OF THE GLOBE ENORMOUSLY INCREASING.

To understand this difficulty, and the extent of it, I may be allowed to make this further remark: There are two facts in regard to the condition of humanity at this hour, on this earth, that never before existed. The globe has a larger population by one-half than was probably ever living at one time on its surface, and a population that is increasing more rapidly than it was ever before known to be increasing. I think that in my boyhood it was stated by the statisticians of the day that, in round numbers, the population of this globe was between 800,000,000 and 1,000,000,000; accurately it could not be obtained. The German statisticians, who publish an annual statement of the population of the globe, count the present population of the globe at nearly 1,500,000,000, or nearly twice as much as it was within the memory of living man.

By the CHAIRMAN:

Q. Do you not think that a part of that may be accounted for by the fact that we have a more correct census in these later times, and that the number of people who lived fifty years ago may perhaps have been larger than was estimated?—A. Possibly, but taking Europe into consideration, and leaving out our own country, as abnormal, because of the increase by immigration—Europe had a population in the Roman Empire its palmiest days of not over 180,000,000. It was reduced by the wars at the time of the invasion of the barbarian hordes to less than 80,000,000. It increased slowly during the middle ages, and within the memory of living men has a good deal more than doubled—has increased indeed until to-day on the soil that was occupied by not more than 180,000,000, in Roman times in its best days, there is now a population of 350,000,000, in countries in which the census has been taken with a good deal of accuracy for half a century, at least. And more than that: The census of British India is taken with almost equal accuracy, and shows there a very large increase—40,000,000 at least within the last twenty years. An eminent English statistician, I think the president

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of the London Statistical Society—has so stated in a recent article. But in general I think we may affirm safely that to-day there are 500,000,000 of people on the globe more than there ever were at any one time before. We have supposed, in our land, that the growth of cities was wonderful. The growth of cities in Europe has been almost as wonderful. Anyone who has had occasion to visit Europe after ten years' absence, will find that any city with which he had become familiar in Western Europe, will have grown out of his knowledge by the increase of its suburbs. The increase at Brussels and Antwerp has been so large as to really be entitled to rank them with American cities in their growth.

### IMMENSE INCREASE OF WEALTH PER CAPITA.

The second fact that I had to notice was the immense increase of wealth *per capita* growing out of the vastly increased facilities and means of production of wealth. It is probable that to-day on the American continent, within these United States, there is machinery driven by steam power, requiring only easy supervision, that does every day between sun and sun more labor than the entire population of the globe could do if this population could be turned into skilled workers and work from sun to sun. The power, therefore, to produce wealth is vastly greater. There are those here that remember when in the country towns of this State a fortune of $25,000 was counted as very remarkable. You have more millionaires to-day than you had then people of a fortune of $100,000, or of $50,000, simply because there has been a vast accumulation of wealth. This accumulation of wealth has itself facilitated, and has at the same time been produced by (it is both a cause and an effect of) this gigantic growth of corporations which were impossible fifty years ago, and will grow, with the steady increasing productive power that science and invention are giving, to a point to which no man can look. Now, evidently, the difficulty that to-day exists is only to be intensified if the population of the world remains in the same condition as to intelligence and civilization, because the disparity between the laboring class and the employer class is going on to increase more rapidly in the next quarter of a century than in the last quarter of a century. It was a law announced by Turgot, the great French statesman and economist, that in the long run the wages of labor will be at the living point of the laborer. That in the competition of laborers the wages will always go to the living point. Of course that living point rises or falls with the intelligence of the laborer. There will come an advancement, therefore, in the laborer's condition, so that as he to-day wears better clothes, sleeps in a better house, eats a greater variety of and better food than was given to the nobles of the time of Henry VIII or Elizabeth, he will go on increasing in the material points. Yet the disparity of which I have been speaking between him and the employing class is becoming all the time larger, more conspicuous, and therefore more galling.

### DIFFERING RELATIONS OF INTELLIGENCE AND OF IGNORANCE TO WEALTH.

You may never destroy the employer nor the laborer class. You can never merge them absolutely into each other. The only thing that you can do is to lessen the disparity between them. But that disparity cannot be lessened as a simple economic fact. It will have to be lessened, if at all, as an intellectual fact—a fact of civilization and morals.

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And you can rely upon an intelligent population ultimately to come to an understanding of these interests; but you cannot rely upon an ignorant population. In the presence of an ignorant population wealth stands as a menace and as a bribe. Wealth threatens them with overthrow and oppression; it attracts them to spoliation. You cannot prevent that ultimately; they will revolt against it as an oppressive power, or that they will fling themselves upon it as upon a spike, if things go on—at least that is the tendency. I do not believe that they will come to that. I believe that mankind, as a whole, is competent to the care of mankind, as a whole; that the thoughts of the millions are always more wise and more intelligent than the thoughts of any one man of the millions—that the millions will ultimately solve a problem that no one man, however wise, can solve; and that, therefore, they will ultimately be solved in the direction I indicate.

EDUCATION SHOULD INCLUDE TRAINING OF THE MORAL POWERS.

I ought to add this much to my statement about education; that is, that education should include the moral nature, especially in the formation of proper moral sentiments—sentiments of patriotism, philanthropy, and justice among men. And I think that the education of the country needs to be advanced in that respect, perhaps more than in any other, that which shall bring to the knowledge of the children of the people these great facts of human relationship—the simple elements of political economy—of the true connection and mutual interdependence and mutual helpfulness of labor and capital; the fact that these two classes must exist, and that the balance of enjoyment between them is not as great as they themselves are disposed to think, and that they have no reason to feel any very great envy or jealousy.

I do not think of anything else at the moment. I have confined myself, as I supposed that was my proper sphere, to treating education as an economic force, and as involved in the economic remedies of the economic difficulties.

Q. And in that connection are there any practical recommendations that in your judgment this committee could make to Congress promotive of the interests of the people in the way of education; what can we do, or what would you suggest?

NATIONAL AID TO EDUCATION.

A. Well, it is a very obvious suggestion that in those sections of the country in which the census shows that illiteracy prevails Congress should give aid to overcome this illiteracy, which of itself is a very large political menace, but a very much larger economic, and social menace, as it seems to me. And it is the common opinion among practical educators, and those that have dealt most largely with the education of the country, that it is the duty of Congress to intervene with national aid to secure the education of the illiterates, whoever they are and wherever they are, especially in large sections of the country. And it is the more so that illiteracy has this one very baneful symptom—the illiterate man never appreciates the disadvantage of his position. He cannot appreciate the advantages of those things of which he knows nothing. It is, therefore, to the interest and safety of the country to raise him out of his illiteracy. I think that no good citizen would deny that whatever is necessary for that purpose should be appropriated without hesitation and without delay.

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THE VIEWS OF EDUCATORS WITH REGARD TO IT.

Q. What have been your opportunities of learning the sentiments of educator throughout the country upon this subject?—A. Thirty years' association with the guild, and frequent conferences with them in the educational conventions of the country, with which I have been associated many years, have given me opportunities to hear expressions of their opinions—expressions not made simply in debate or conversation, but in well formulated and almost universally adopted resolutions to this effect.

Q. Have you come in contact with this same class of men in all sections of the country?—A. To some extent. I believe I have been in every State of the Union, except Florida, which I hope some day to visit. And in every State of the Union, I may say, I have visited institutions of learning, higher or lower; and in almost every State of the Union I have made educational addresses and met educational audiences, so that I have had occasion to make more or less acquaintance throughout the Union in educational circles. I have found little or no difference of opinion in lines of latitude or longitude in the educational sentiment on this point. I think that the few exceptions I have met of those who dissent from it are of the class of men that have adopted the notions once promulgated by Henry Barnard, of Connecticut, as against free education, namely, that that which costs little or nothing will be valued at little or nothing—a principle that does not apply in education, simply because the education cannot be appreciated by him who knows little or nothing of it; and by the time he is educated to appreciate it, he has already partaken of the benefits of it, and it is past the time when the question could be raised. Then, I answer further, from the obvious fact that no educational system within reach of the wealthiest people can do the work of the education of the people. There is not an institution in this country, I venture to say, above the grade of the common school, or even of the little primary school, that could support its force and do its work from any income that it is likely to get from the pay of its pupils. There are institutions that make money out of boarding scholars, but I do not know of any one which could live and pay its bills on the fees for tuition as paid by the people, or such as the people could pay.

By Mr. CALL:

Q. I appreciate very highly your views on the subject of the education of labor. You said you thought the world would always be able to take care of mankind?—A. In the long run.

WISDOM INHERING IN THE MASS OF MANKIND.

Q. And that there was more wisdom in the millions than in any one man?—A. Yes.

Q. Upon what logical idea do you base the proposition that a multitude of ignorant men or of less intelligent men will have more wisdom than the minority of more intelligent men?—A. I regard it as a simple fact of history that all the leading discoveries have been but a single step in advance of the moving convictions and intelligence of the age. The man who first gets upon the top of the hill and so first sees the sun rise did not create the sunrise. If he had not discovered it just as he had, why, within an hour afterwards somebody else going in the same direction would have discovered it.

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Q. Somebody else would have seen it who should have come to the same place?—A. Yes; because of the simple fact of advancement. I may seem to be exceedingly metaphysical in this matter, though I do not think I am. I think that there is a steady progress in the main intelligence of the masses of humanity going on in certain directions produced by the circumstances that are overcoming their thoughts in some direction—one man adding a little and another a little to the store of thought. What one man adds becomes common to all men, and speedily the body of thought grows and the body of intelligence grows, and the last discovery of the man who formulates has simply expressed what the millions were thinking, but could not speak.

Q. Well, you manifestly do not think they have arrived at that claim of equality yet, or at any time in the past, do you?—A. No.

Q. Otherwise this educational scheme would not be necessary?—A. If the solution of the economic problem of the antagonism of labor and capital has to wait until you can produce economic equality, or property equality, then it is never to be solved.

Q. Or equality in intelligence, either?—A. Or equality in intelligence.

## SOCIAL ECONOMY DISTINGUISHED FROM POLITICAL ECONOMY.

Q. You must have some other factors, then, that are not based upon bringing everybody up to the same level exactly?—A. Yes; it is as I said at the outset. I, as an economist, discriminate between pure economics, in which there are questions simply of productive forces—production and distribution under natural laws—and social-economics, which really is a segment, or section, of social science—that segment in which wealth comes in as a social factor. The social problems will always be problems of "two unknown quantities," as a mathematician would say—two sets of unknown quantities. And the problem will never be solved by a single or simple equation that should state the conditions of one unknown quantity. There must be always a combination of equations, each one of which states the fact as to that unknown problem. Every social problem has two sets of factors—the social and the economic factor, and it can never be settled as a simple economic question any more than it can be settled as a simple social question. I hold, therefore, that your tariff question cannot be settled as a pure economic question—it is a question of social economy—and the question of labor and capital can never be settled as a mere economic question—it is a question of social economics.

## EFFECTS OF EQUAL AND UNIVERSAL INTELLIGENCE.

Q. Suppose you were to give to everybody the same degree of intelligence—the same conditions of the unknown quantities—the same degree of *belles lettres*, intelligence, and of philosophical intelligence, and even of wealth—how would it be?—A. They would be different before night.

Q. Would the social status be changed?—A. No, sir; they would not have time to become really equal in intelligence.

Q. But, assuming that that could be done, would they consort together and have the same tastes; would they dress alike, and like one another's looks equally well—as contradistinguished from what they do now?—A. No, sir.

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Q. Some other causes then would operate besides?—A. Society will have its cleavages by many lines of affiliation.

Q. People would still continue to like one man better than another, and one woman better than another?—A. Yes.

Q. Although they may be of exactly the same intelligence?—A. Yes.

SOCIETY NOT INJURED BY ITS GRADES OF DIFFERENCE.

And I do not think it either an advantage or a disadvantage to society to have either its horizontal or its vertical "cleavages," as I would say. That is, society advances by mutual resistances as well as by mutual co-operations by the contributions of opposites and differences, as well as by the agreement of those that are in accord. Therefore, I never expect to see human society, even in the better land, on a level.

Q. That is the unknown quantity, then, that you cannot realize?—A. I do not ever expect to see human society reduced to the dead level of any one class. Nor do I think that it is needful either to the happiness of men or the advantage of society.

SOURCES OF WISDOM IN GOVERNMENT.

By Mr. PUGH:

Q. If it be not true that a greater and a higher degree of wisdom exists in and must be evolved from the masses of our people than is to be found in one man, does it not follow that our system and experiment of Government ought to be displaced, and a one-man government substituted for it? In other words, if one man has more wisdom than is to be found in the masses, does it not follow that our people are not capable of self-government?—A. I think so, sir.

By Mr. CALL:

Q. Do you not give any place to the qualities of heart in the matter of wisdom of government? You must have wisdom and goodness together.—A. I am very much of the opinion of old Socrates, who counted wisdom and goodness as one; they are so nearly alike at any rate that they are not for any length of time separable; and, if I did not think that virtue was logical and vice illogical, I should have no faith in humanity.

Q. Do you not think that a very wise man may be a great rascal?—A. Certainly. The divorce may take place.

Q. And has taken place not unfrequently?—A. Yes; but I think that the moment he becomes a great rascal he becomes a great fool.

Q. Intellectually?—A. Well, wisdom is not simply intellectual power, but the application of it.

Q. You do not think the first Napoleon was a fool, do you?—A. He verged on towards a folly that ultimately ruined him.

Q. But still in intellectual capacity he was as sound a man as you would be apt to find?—A. Yes.

Mr. PUGH. Mr. Gladstone agrees with you, Doctor, although he is a monarchist, that a higher degree of wisdom is to be found in the mass of the people than in any one man that ever lived. He differs with my brother Call.

Mr. CALL. I am not expresssing my opinion on it, but only asking

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the witness how he arrives at the result that a man more intelligent than all the others has not more knowledge than all the others, whether that is not a contradiction in terms.

The WITNESS. The statement, of course, has to be taken with the strict limitation that I put upon it; that in the advancement of the human mind in intelligence and towards the solution of the problems that meet us in civilization, it is the experience, the thought, the intelligence of the masses, of the millions, that contribute the ultimate solution. Although some one man may interpret that solution finally, he does not create it.

Mr. CALL. Oh, no; the aggregate wisdom promotes intelligence, and the highest intelligence, in the minority; and the single man or discoverer is not a discoverer by virtue of any inherent power in himself, but has gathered it from the concensus of the past and present of mankind.

By the CHAIRMAN:

Q. Do you think that it is a supposable case that any one man should know as much as all other men?—A. No, I do not.

Q. Then the whole discussion proceeds upon an impossibility?—A. Yes; taking it in that view. I would, however, beg to have my statement restricted to the exact conditions.

The CHAIRMAN. I did not understand your statement to involve the assumption of an impossibility; but I thought you were being questioned upon that assumption.

Mr. CALL. Let us see. Your proposition is that no one man knows more than all the rest of mankind.

The CHAIRMAN. I offer no proposition; but I am not averse to doing so, if you wish to discuss the matter.

By Mr. CALL:

Q. With regard to your proposition, Doctor, I merely asked the ground on which you assumed that ninety-nine men would possess more intelligence than the most intelligent of these men, and whether that man might not for the occasion and the time being be the wisest man, not for the whole past of the human race but for the time being. Take Julius Cæsar, for example; we will suppose that he was superior, intellectually, to the mass of the men that he commanded—the men constituting the great armies that he controlled. I suppose there is no doubt about that. By what logic do you demonstrate that his men in the aggregate were wiser than he was? What force is there in that proposition? It leads up to the proposition that I was asking you about; whether a plane of perfect equality could be found by any measures, economical or otherwise, which you repudiate. You say that you do not contemplate a state of society where every man should be on the same place, or be as wise as every other man.—A. There are certain spheres of knowledge in which the mass of mankind do not intrude, and the man who, by virtue of his opportunities and knowledge, does enter these spheres knows what the masses probably never will know.

Mr. CALL. Undoubtedly that is the practical application.

The WITNESS. Sir Isaac Newton, in the discussion of his *Principia*, went into the realm of the higher mathematics, where the experience of mankind does not go at all. Such cases as that would lie outside of my proposition entirely.

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By Mr. CALL:

Q. So you might say of the abstract applications of the great principles of mechanics. Of course it is manifestly impossible for the mass of mankind to engage in the applications of electricity, to which Edison and other men are now addressing themselves.

IS CAPITAL "CONSERVED LABOR?"

I should like to ask you another question. You speak of "conserved" labor, and with a great deal of force. As an economist, I should be glad if you would give me an instance of conserved labor.—A. Suppose a woodman goes into the forest to-day and chops down a tree, trims it up and produces a saw-log. To-morrow he sells that saw-log to his neighbor, who wants it. What is it that he sells to him—suppose the forest to be free? That other man can go in and get what he pleases. And the man of to-day might go in if he chose and chop down a tree and produce his saw-log and do with it what he pleased. But there was so much of the labor of producing the lumber or boards which he wants that was done yesterday—which is conserved in this product—that he prefers to pay for it already done. That is the only sense in which I used that term "conserved labor." He buys that conserved labor, and that is what he really buys in buying that saw-log, because it lessens his labor by so much labor as was expended upon it by the other man. He must either buy to-day's labor or yesterday's labor. That saw-log represents capital.

Q. Then the duration of that capital is only for the time that the saw-log exists. When it is gone what becomes of the capital then?—A. The profitable consumption of one form of value gives rise to the existence of the value in another form.

Q. Well, we will take the saw-log. It is put in a house and continues to be capital. After awhile it decays and is taken out; where is the capital then, or where is the conserved labor, when the plank that was made out of the saw-log is destroyed, or has perished in the natural course of things?—A. The ultimate form of value is force.

Q. But tell me about that log. Does it still remain in the world as conserved labor, or has it gone?—A. The house, so long as it remains, is a representative of it.

Q. But suppose that plank decays and you have to take it off and put another one in its place?—A. Well, the log united with other capital has produced a house.

Q. But we must stick to the log.—A. I stick to the log so long as it is in the house.

Q. Well, I want to know what becomes of it, or of the "conserved labor," when this log has perished. Where is the capital or "conserved labor" then?—A. The house——

Q. [Interposing.] But I want you to hold onto that log.—A. I did not mean that the capital exists in its conserved form in the same way.

Q. Suppose the log is sawed up. In the course of time it will decay. It may be in one generation or it may be in two. It certainly will not last forever. Now, what has become of the conserved labor when the log has perished? Has it disappeared entirely from the world, or is it still a living factor in the shape of capital?—A. It may be there. It may have been consumed in the use of the house without producing anything of value. It may have been consumed in giving shelter to a



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laborer, conserving his vital heat and energy which he having thus conserved puts into new products, just as a manufacturer finds it profitable to buy a machine, and in the course of time steadily, year by year, the machine wears out. Has he lost the value of that machine? No.

Mr. CALL. I think so. According to my idea, he has.

The WITNESS. No. If he did, then buying a machine is a losing business; it is a losing business, unless the machine wearing out has produced new values not necessarily of the same material but of some new material on which it has worked.

Q. The point of my suggestion is whether or not this great question of labor and capital, and the measures by which labor is to be relieved and benefited, is not a question of the direction of the energies of society, of man, and of labor, and whether the definition is not a false one that capital is "stored up labor," that it is "accumulated wealth," as contradistinguished from the intelligent direction of the vital forces of life, the economies of business, and of the world?—A. Well, I should consent that, taken in its largest extent—taken not as a figure of speech or a statement of one aspect, but as a statement of the whole question, it is not true that capital is conserved labor, for labor is labor and cannot be anything but labor, and it cannot be conserved.

Mr. CALL. Precisely. That is right.

The WITNESS. So that it is in an accommodating sense that we use the words "conserved labor."

Q. It is a question, then, of the energy which shall profitably conserve the forces of life, mechanical and productive?—A. Yes; there is no doubt of that. At the top stands the man, and he interprets all.

Mr. CALL. Precisely; so that the laborer being an operative in the factory, who, by force of character, of will, and of intelligent adaptation to the purposes of life, becomes a director of the labor of his fellow-men in the manner most advantageous to them, is in fact a capitalist by employing and directing successfully the energies and labor of those around him.

The WITNESS. Yes; doubtless.

Q. And hence the regulations which you want are to adjust the relations of those employing or directing men to those who are employed?—A. Yes. In speaking, too, of classes as likely to be permanent classes, I do not wish to be understood as saying, or desiring it as a fact, that laborers should forever remain laborers and capitalists forever capitalists. I would leave to the laborer the largest liberty to rise from the class of laborers to the class of employers. I think that the natural evolution of industries, and indeed of all mechanical movement, lies in the constant evolution from the lowest to the highest, and that the movement is onward.

Q. Yes; I think that is within the scope of your idea, and that was the reason I put that point. You think that intelligence and education develop that capacity to merge from one into the other, and bring the laborer up from one into the other?—A. Yes.

By the CHAIRMAN:

Q. But without diminishing, I suppose, the number of laborers?—A. Yes.

Q. That is to say, that the same man combines both capacities more and more?—A. Yes.

Adjourned.

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NEW YORK, *September* 22, 1883.

The committee met at 10 a. m.

GEORGE STORM sworn and examined.

By Mr. CALL:

Question. Please state your residence and occupation.—Answer. My residence is 125 East Thirty-ninth street. I am a manufacturer of cigars, and one of the members of the firm of Straiton & Storm, of this city.

Q. You are engaged in the manufacture of cigars in New York City?—A. Yes, sir.

Q. Are you very large manufacturers?—A. Yes, sir; in all probability the largest in this country.

Q. Probably the largest in the world, are you not?—A. I should think so, excepting the Government factories of France, Italy, or some of the other European governments.

Q. Will you give us some idea of the extent of your business, if it is agreeable to you—if there is no reason why you do not wish to make it public?—A. We employ in the prosecution of our business about 2,200 operatives, of which I should say about 60 per cent. were males and 40 per cent. females. These people are engaged in the various branches appertaining to our trade, and produce about 250,000 cigars per day, the result of whose labor we dispose of throughout the United States, and have at various times exported some to England, the coast of Africa, and to Australia, and in one instance to Germany.

Q. We should be very glad to hear from you a statement, in your own way, in regard to the relations which you sustain to your laborers, the compensation you pay them, your manner of adjusting differences in regard to compensation, and your general economies in that respect—anything touching the question of the relations of labor and capital in your own business?—A. I have furnished myself with a few figures which I suppose it would not be remiss to refer to, would it?

Mr. CALL. Not at all. We should be very glad to hear anything you have to say on the subject.

### THE QUESTION OF CAPITAL AND LABOR WORTHY OF SERIOUS ATTENTION.

The WITNESS. In the first place, gentlemen, I believe that the question of capital and labor is worthy of our most serious consideration. I think that especially true in this country, where the Government rests so directly on the will of the people, and where those coming under the head of wage-workers have the same political rights that are accorded to people who are supposed to be capitalists. And, in speaking of this subject, I do not propose to inquire as to the origin of capital—why some people are capitalists and others laborers. So far as I am concerned, I am quite willing to leave that to those who can find profit in such matters; they tend to befog me in coming to any rational conclusion on the subject. But, it is quite sufficient to know, in treating the subject at all, that there is a large proportion of our population who depend upon their labor for the maintenance of themselves and families. They seek, in their own way, to ameliorate their condition—to solve the great problem that we are all trying to solve for ourselves in this world—to gain all that we can in the shortest possible space of time.

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### STRIKES: HARD FEELING ENGENDERED BY THEM.

Now, then, to accomplish this end, the only method that is apparent to them, or at all possible, is to organize. Once being organized and feeling their strength, either real or imaginary, a demand is made upon capital, and the organization is used to enforce this demand. In making this demand, there is either something in the manner of its making, or in the fact of the time being inopportune—at any rate, quite frequently, capital refuses to yield to these demands—a strike follows; and, before this war terminates, both sides suffer, serious losses are incurred by both sides—those on the side of the workman, generally speaking, being irreparable; while capital, if it triumphs absolutely, may recover its losses. The great misfortune in such a strike, however—far greater, in my estimation, than the pecuniary loss that is suffered at the time—is the hard feeling that is left at the time that the strike terminates. The strife has, doubtless, been embittered (at least that has been my experience) by the employment of falsehoods and calumnies on both sides. And when the strike ends, the vanquished will reserve to themselves the right to renew it at a more opportune time. It is, therefore, not a peace, but a truce.

### STRIKES NOT THE WAY TO SETTLE DIFFICULTIES.

I am of the opinion that that is not the proper manner in which the relations of capital and labor should be adjusted. A strike, as I understand it, is the employment of force, in which reason and justice play but a very small part. And when a strike is once inaugurated, those among the work-people who are the most unreasonable and loud-mouthed, are looked upon as the leaders. It is a marvel to me how people, who have so much at stake as the work-people have, sacrificing all that they have to depend upon for their livelihood, can so blindly follow the leadership of such men.

### LOCK-OUTS.

"Lock-outs" are another species of strikes, and an illustration of the employment of force, that becomes a question of endurance as to who shall be the victor and who the vanquished. And the only excuse, in my opinion, that employers have for resorting to a lock-out will be found in the fact that one wrong begets another. People claim sometimes that the interests of the workman and the employer are so closely interwoven as to become almost identical. Does it not occur to their minds that if this is so the differences that arise between them ought to be a subject for calm and dispassionate deliberation, and force should only be resorted to when all other methods have failed? The principle, as understood by trades unions, and, I am sorry to say, by employers, quite frequently is to knock one another down first and argue afterwards. Now, I do not believe that to be the correct manner of beginning. I think I would like to argue first, and take my chances of a knock-down afterwards. Of course the two elements believe that they are naturally at enmity—that there is nothing that can come from the one which can benefit the other. They believe that; in fact, that is their catechism.

### EMPLOYERS NOT BLAMELESS.

The employer is not blameless in this matter. We will assume, however, that he is willing to accord to those whom he employs the rights

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that justly belong to them. Now, in approaching the subject from that stand point, he must disabuse his mind of many old theories. The notion of master and servant has no place with him. He ought to remember that these people are members of the human family, with certain claims upon society, and certain rights under the Government, which neither he, as an individual, nor the people at large ought to ignore; and he must not accept as strictly correct the principle that a workman or laborer is an article of merchandise, or occupies precisely the same position as an article of merchandise, which, having been bargained for and secured at a price satisfactory to the buyer, he may then take such means as seem to him best to dispose of the article at its highest value and profit to himself without giving the article any further consideration. It would be well to bear in mind in the employment of human labor that that which we employ or bargain for is a living, thinking being, and though we may secure its labor and its skill for a certain consideration, we may have left its mind in rebellion and ready to break forth at any moment against the task that has been imposed upon it. My experience has been that such labor is neither profitable nor satisfactory in the long run.

### THE LABORER'S VIEW OF CAPITAL.

The laborer, on his part, looks upon capital with a great deal of suspicion. He does not believe that the employer will ever yield anything that he is able to retain; and, in fact, he does not think that anything good will ever come either out of his employer or out of Israel. He cannot understand it; and he takes the concessions that at times are made to him rather as an evidence of weakness than a desire on the part of his employer to be just. And I have often thought that these people value that which they obtain rather by the difficulty of its procurement than by any other standard. That which they secure from a strike seems to afford them more satisfaction than that same thing, or one like it, yielded without the employment of force, or the incurring of any loss on their part.

### ARBITRATION.

I believe that arbitration, as a means of adjusting the differences that occur from time to time between labor and capital, can be made serviceable and beneficial to all parties concerned. But, at the outset, each side must approach the subject in a spirit of fairness, prepared to yield when they find themselves in error. And, in fact, that very point, in my estimation, is one of the most unfortunate features in a strike. There may have been an error committed, ruination may stare them in the face, but, having taken their stand, they propose to fight it out to the bitter end. Now, in arbitration, where calm judgment is supposed to prevail, where the questions in issue are argued over and weighed as to their correctness, &c., such false and extreme positions are not likely to be assumed. The employer must necessarily play the more prominent part in an effort to adjust, by arbitration, the difficulties that may arise. His experience as a merchant, and his intercourse with men of a different stamp, probably—more intelligent than the work people usually are, or can well be—will enable him to bring to bear upon the subject more experience and more intelligence, and he must necessarily be forbearing with his work people. He cannot expect that a man that sits at his bench eight or nine or ten hours a day, with his thoughts engrossed with his occupation, should be as familiar with the effects and

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causes of various things in their relation to commerce as he who is in daily communication with the people who are engaged in commerce and sees its workings and effects. He will encounter, and must be prepared to overcome, considerable ignorance among his work people. There are some who will be unwilling to understand it; others again that probably could not if they tried. His reliance must be rather upon those men—and they will always be found, and found, I think, in majorities among the work people—who have an interest in their occupation, and in the stability and continuance of it; and though they want to get all that they possibly can, which is quite natural, for their labor, they are unwilling to enter into a strike for its procurement. They are quite content to receive it in a feasible manner if it can be so obtained. These I find, as I said before, in spite of all the difficulties that we have with the unruly spirits among our work people, to constitute the majority among them; that is, so far as my experience goes.

### DIFFICULTIES IN APPLYING ARBITRATION.

Now, in the effort to establish arbitration, as I said before, the employer will doubtless find many things that are disagreeable. He must expect to be abused roundly by those who are unwilling, for reasons of their own, that that should be the method by which difficulties should be adjusted. He will find not only that by manufacturers in the same line of business who either are unwilling to attempt the experiment, or, for reasons of their own, will sneer at it. But if he will but persevere, and convince his work people that he is determined to be just, and to give all questions arising his fair and just consideration, with a determination to yield all that belongs to them, he will succeed. There must in this be a certain amount of firmness, coupled with a desire to be just. If the work people, on their part, can be made to understand that, all things being equal, they will receive just as much compensation, and just as fair treatment by the tribunal that he and they have established for the adjustment of these difficulties as they could possibly obtain by the employment of force and resorting to strikes (which would cause them losses), they will hold fast to the plan of arbitration with a determination not to allow these loud-mouthed agitators that usually control work people to get the upper hand of them, or to upset that which they find beneficial. It would astonish you to see with what tenacity these men hold on to arbitration through all trouble, and there has been much of it, but the employer, as I said before, sometimes fails to give these matters impartial consideration. He is not always actuated by the purest motives.

### EMPLOYERS WHO CANNOT ARBITRATE.

I have had employers come to me to inquire about this method of arbitration, and how it worked, and, after taking all the trouble to explain it to them, they would say in a sly manner, "Well, I suppose you have it all your own way, don't you?" These people are unfit to have arbitration—they are tricksters. In speaking of arbitration, we must, therefore, leave all such people out of account.

### CIGAR-MAKERS' BOARD OF ARBITRATION: HOW CONSTITUTED.

Now, as to our experience with arbitration. I think it was in 1879 that this board of arbitration was organized. I will here remark, that

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its organization was undertaken at a time when labor was very much depressed; when there was no immedate prospects of an advance in wages. Without going into the details of its organization, or the obstacles which we encountered, which I have already outlined, excepting to show how we tried to get the better element into the board, I will state that the entire body of our work people, divided into departments, elected from their number, annually, fifteen delegates. These fifteen delegates organized and elected from among their number five. Four of these five constituted the workmen's portion of the board of arbitration. The firm named three foremen, and these, with one member of the firm, constituted the four that represented the interests of the firm. We had another department that had its separate board of arbitration, elected on about the same principle as this—and when I say another department, I mean a different branch of our work—a branch that is entirely distinct, although those engaged in it are quite familiar with either. Now, in order to get a working majority we took the ninth member in this board from the "packers," as we call them. You will observe I told you there were five elected delegates originally, of which four went to the board of arbitration. Now, then, the fifth one elected acted in the same capacity in the packers' board of arbitration. So that there was really in each of those boards so constituted one individual that was not directly interested in either the work people or the firm, only so far as they were fellow-workmen. But that was neutralized by this, again in our estimation that the stoppage of the one (because of a non-agreement, if you please) would have thrown the other out of employment. Hence, there was a motive on the part of those to bring an adjustment about if possible.

By the CHAIRMAN:

Q. At the time of the organization of these two boards, was there a strike or suspension of work?—A. No; nothing of the kind.

Q. Was it with reference to a future arrangement of prices?—A. Yes.

Q. And to prevent difficulties arising?—A. Yes; there was no trouble that we could then see in the future. Prices at that time were low. In fact, there has been almost a steady advance from that time forward until now.

Q. Was it at a time of any special dissatisfaction on the part of working people, or uneasiness because their wages were not raised?—A. No, sir; it was rather the result of what had happened shortly before that time, the great strike that had lasted, I believe, for three months in New York, in which all the cigar-makers, packers, &c., were engaged.

Q. This led you to provide some method of security against their future occurrence?—A. Yes, against the recurrence of such things in the future.

Q. I do not quite understand (though you may have stated) whether there were more than these two boards, or do you mean to have it understood that you organized a board for each department of the business?—A. No; there were two boards, one for the packers and one for the cigar-makers, but the organization—the principle of it was about the same.

Q. Are there any other departments in the business besides these two?—A. Well, all other things, excepting packing, will come under the head of cigar-making. Now, then, this cigar-makers' (or "bunch" makers') board of arbitration adjusts all other things excepting things connected with the packers.

Q So that these two boards cover the entire mass of your working people?—A. Yes.

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By Mr. PUGH:

Q. How is it as to the number engaged in packing and the number engaged in manufacturing cigars?—A. Well, the number engaged in packing would represent, in our establishment, probably 130 out of 2,200.

Q. One hundred and thirty packers out of 2,200 employés?—A. Yes. The packers are those who put the cigars in boxes; it is looked upon as the higher branch in our occupation, and the pay of those men is considerably more than that of the cigar-makers, and hence there has always been an unwillingness on the part of these people to have anything directly in common with the others. In order to satisfy this feeling it was necessary to create two boards.

By the CHAIRMAN:

Q. Fifteen were chosen, I understand, by the entire mass of working people acting together. Now, how were the fifteen divided between the two classes?—A. Between the two boards.

Q. Well, there were first fifteen chosen; were they selected principally from the cigar-makers, or were they divided in proportion to the relative number of the two classes?—A. It was in this way: the packers elected their delegates——

Q. They were how many—they were a portion of the fifteen, were they?—A. No. I will try to explain that. The cigar-makers, rollers, &c., and everything that did not constitute the packers—they, again, are divided, for convenience sake, in working them, into departments. They do the same work, only they are divided into departments, and under different supervision. These people, irrespective of their kind of work, or of their sex, elect fifteen delegates from among their number. The fifteen delegates so elected assemble a week after their election and elect five from among their number.

Q. Are any of these fifteen persons packers?—A. No; none of them. I wanted to cut my narrative short, and hence I omitted that point. The packers proceed in a like manner and elect from among their number seven delegates. These seven meet and they elect three. The three are to act with the board of arbitration.

Q. Three of their own number?—A. Three of their own number. Now, mark you, how they are put together. We have got five elected by the cigar-makers, to constitute the board of arbitration, and three by the packers. Now, then, we are going to form two boards of arbitration, one for the packers and one for the cigar-makers. Four of these cigar-makers constitute themselves the cigar-makers portion of the board of arbitration, to which we add three foremen and one of the members of the firm, that makes eight. These eight assemble and they elect one of the three packers that have been chosen to act with the cigar-makers' board—making nine. The packers' board, then, is reduced to two, to which we add a foreman and one of the firm; that makes four. You see it is a similar board and their interests are similar also. These four then elect one of the cigar-makers.

Q. One of the five?—A. One of the five. That takes that one away. He constitutes the odd member in the packers' board, and one of the packers constituted the odd member in the cigar-makers' board. That is the way that is put together.

The CHAIRMAN. I understand.

CHARACTER OF DELEGATES TO ARBITRATION BOARD.

By Mr. PUGH:

Q. What has been the character of the men selected for those positions by the cigar-makers and packers heretofore?—A. Well, they have,

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I think, tried to select their best men. Of course, there may have been exceptions to this. But I will say this, that in the selection of their men, and even after they have been elected, the work-people display considerable watchfulness as to them.

One circumstance comes to my mind now that will illustrate. We had, for example, some one who was on the board of arbitration, and I looked upon him as a very violent socialist. He was one of those men who, I think, are agitators by profession, and I think that he was rather thrust upon us as a fire-brand by this particular element which exists among our people. And after his election it came to the knowledge of our people that, while, I think, in Bremen, he had absconded with the funds of a benevolent association.

Well, the work-people who had elected him sent a committee to the foreman and asked that the man be discharged; and the foreman inquired into the matter and found that they were quite correct, and got rid of the individual at once. I cite this as an instance to show that they watch carefully, and take into consideration the character of the men that they elect. Now, of course, we have got this to contend with, that men sometimes court the good will of their fellow-men, and we have had individuals in the board of arbitration that have steadily voted one way. No matter how wrong or absurd the motion may have been, so long as it seemed to be in the interest of the workingman, they have voted steadily that way. They, however, are the exception.

By the CHAIRMAN:

Q. Let me ask if in this general action, when, in the one case the original fifteen, and, in the other case, the seven delegates are chosen, all the employés participate and have the opportunity of voting—the females, as well as the males?—A. The females as well as the males; yes.

Q. They actually do participate?—A. Yes. We recognize and admit female suffrage.

Q. Do they ever choose females to represent them on the board?—A. No, sir; they do not.

Q. They do not usurp the offices, but leave the men to their natural rights as leaders, do they?—A. Yes.

Q. And notwithstanding that, they generally select good men?—A. Yes.

By Mr. CALL:

Q. Men are in the majority, however, among the employés?—A. Oh, they decidedly are.

By the CHAIRMAN:

Q. I suppose, however, that sometimes these men are elected by the action of these female voters, are they not?—A. Quite frequently; yes, sir.

Q. Are the men all on one side in the elections, and the females on the other?—Well, they have their preferences, and show them quite plainly occasionally.

Q. Do you think their preferences are based on fitness for the position, or on their feelings, as a rule?—A. I think they are based on their particular preferences.

Q. It would really be better if the ladies could be excluded, would it?—A. Well, I do not think it would.

Q. Do you not think that that difficulty exists among men as well—that their feelings sometimes influence them in the selection of those

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whom they elect?—A. Well, I will say this, that in their preferences men are generally governed by the views entertained by those whom they elect, and which they have heard them express, whereas I find that the females do not take that into consideration so much as the particular affability of the individual, or something that pleases them.

Q. May not that be for the reason that the candidates are all selected from the male sex? If you made this an even thing all round, and took some of the candidates, as well as voters, from both sexes, may it not be that the males would show the same attention to the lady candidates that the lady candidates do to the men?—A. I should not be surprised.

By Mr. CALL:

Q. How do you think it would be if the majority of the voters were women; would not they elect some women delegates?—A. Possibly. I think they would have a preference for the male sex though.

Q. You think the men would hold their own among them?—A. I think they would.

INTEREST SHOWN BY WORKING PEOPLE IN ELECTION OF DELEGATES.

By Mr. PUGH:

Q. You were speaking of the character of the men who constituted the board of arbitration. When they are elected are the merits of the different persons you have spoken of fully discussed? Do the work-people show great interest in the selection of the board?—A. They do show a very great interest, and discuss the merits of their candidates with as much warmth as probably would be found in a political contest.

Q. And the result of the elections have always been in favor of their best men?—A. Well, I cannot say that it has always been so.

Q. But as a general rule?—A. As a general rule, yes. And the people so elected look upon their position as one of great responsibility, and act accordingly. For example—and things of that description can only be illustrated by examples—when the board is about to meet for the adjustment of any question that has arisen between ourselves and our employés it is customary that each twenty-five of our employés should have a representative to present their case before this board of arbitration when it meets. Between the time of the call of such meeting and the actual meeting of the board the people elected usually refuse to converse, or be conversed with, on the subject that is likely to come before the board, an evidence that they propose to leave their mind unbiased, and meet the question when it is presented, when the board meets, and to render judgment on the evidence there furnished.

The same species of argument that people on strike usually fill themselves with and build up their courage with we had to encounter, namely, they take as evidence something that they have heard from somebody else.

It is the practice of men sometimes in speaking to each other of their wages, to exaggerate the amount that they earn. It took us some time to impress our people with the idea that in order to adjust those things we must have the truth.

I took it on myself on several occasions to call on other manufacturers to furnish me with the information, and found in many cases that our workman, in getting the like information by hearsay from some other workman, had been misinformed. All those things, of course, one has to contend with.

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RESULTS OF FULL UNDERSTANDING BETWEEN EMPLOYERS AND WORKMEN.

It is gratifying to know that in the questions that have arisen between ourselves and our employés—and they have been both for an advance of wages and for the adjustment of different styles of work and the prices thereon, including reductions of wages—in no instance that I can remember now, has the line been sharply drawn, and the vote been five to four; but in the course of the examination of the subject—of the arguments made there—and by reason of the light brought to bear on the subject, the workmen on this committee have seen the question in a different form that they had imagined it at first, and one or more would usually vote with the firm. Again, on many occasions, those representing the firm—the foremen, and quite frequently myself—(I am on the board of arbitration as representing the firm)—have voted with the men.

By the CHAIRMAN:

Q. You have changed your opinion?—A. Yes. That is, I have had new light thrown on the subject and have had first impressions corrected, and it afforded me pleasure, and always does, to vote with them, because I want to remove the impression that the manufacturers will never yield anything to their men; that they can never see anything good coming from them. And the men, on their part, must necessarily feel towards the manufacturer as though he were willing to accord them that which of right belonged to them.

I think that when the two elements or interests have once learned to respect one another so far as these points go, that is, if they believe it, they will seek to come to a feasible conclusion, and to give to one another all that belongs to them under the circumstances, taking into consideration competition and the state of trade generally, which all enters into discussion; then when the result is officially reached they are satisfied. There is not a murmur.

During this last agitation, consequent upon the reduction of taxes of $3 a thousand on cigars, workmen—whether correctly or not—made up their mind that they must have a portion of that $3 a thousand, and they eagerly waited for the 1st of May to get the advance of a dollar which they claimed as their portion of the reduction. In many instances—and I watched it very carefully, because it was of some interest to me—the workmen of other manufacturers struck. Some as early as the first of April, some the second week in April, some the third week in April. And I purposely wanted to defer as long as possible the question which I knew would come.

In the first place I was anxious to see what other people would do; in the next place I wanted to see what confidence our work-people reposed in their board of arbitration, and whether they felt satisfied that they would obtain, without the loss of a moment, all that would be obtained by their fellow-workmen.

At the end of April, I think almost the last day of the month, a committee waited on me, and stated that in view of the reduction in taxes they thought they were entitled to a dollar advance on cigars, which was about the advance that had been yielded by all the other manufacturers throughout the United States. Well, I knew that something would have to be done in the matter, and I might as well have done it then; but I chose, in order to satisfy myself, to submit this to the board of arbitration. I so stated. I told them, what was a fact, that we were paying the highest wages that were paid, much higher than

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some of our competitors, and that in any advance that should take place I should take into consideration our ability to compete, and labor constituted, of course, a very important part in the production of cigars, &c.

I deferred the assembling of that board of arbitration until after the first of May. Yet it was a time when everybody was excited. Some of the workmen thought this thing had to be done "right away," and "as soon as possible," and all that sort of thing. I purposely deferred the consideration of the question until after the first of May. Our men calmly awaited the time; evening came; they assembled; I suppose there must have been two hundred or more assembled to hear the proceedings.

By the CHAIRMAN:

Q. Please describe the assembly and how you conducted things. Did you preside?—A. No.

PROCEEDINGS OF AN ARBITRATION MEETING.

Q. Describe the proceeding, please.—A. The evening came; the hour was 8 o'clock. A portion of the factory was cleared out and made as presentable as possible. A table and chairs were fixed for the convenience of the board, and after that other chairs and conveniences for the delegates. I would remark here that those delegates that had remained after selecting the board occupied the position of delegates until the end of the year. This arrangement is made for these delegates so that in case there should be a member of the board absent his place could be filled right then and there. On this occasion that I speak of there were seats for those who represented the work-people—one in every twenty-five; and every interest in our establishment was represented, excepting the packers. Well, they assembled about 8 o'clock, and, after the usual form of reading the minutes of the previous meeting, &c.——

Q. Let me ask, first, why were not the packers represented?—A. Because they had no demand to make; they chose not to make any. The minutes of the previous meeting were read——

Q. Were those minutes in reference to some other subject?—A. In reference to anything that came before it in the way of adjustment.

Q. Adjustment of some other matter?—A. Of some other matter. Then the petition presented originally to the employer was read, setting forth their demands——

Q. Who read it?—A. The secretary of the board.

Q. You organized regularly?—A. Yes; organized regularly, with a presiding officer and secretary. The secretary, of course, reads things that are to be read. Then the nine members, where there are various subjects—for example, different styles of work, or where the demand embraces hand-work, we will say, and mold work, and "bunch" making, and all those things that come in the regular order of our business—the board decides in what order they are to be taken up. Then they are taken up in their regular order. We will say, for example, that the question of one dollar on mold work is in order. The people representing this particular branch of business state their case. They state the reasons why, in their opinion, this advance should be granted, giving facts and figures.

Q. This has all been arranged outside among themselves?—A. It has all been arranged. They have all got their remarks ready. After the

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case has been stated, if there is anything to be said on the part of the firm why this advance should not be granted or why it should not be as much as they demand, the firm then states its case.

Q. Through some member of the firm—or otherwise?—A. Either way. After the matter has been thoroughly ventilated the board closes all discussion except its own members, and then they take up the merits of the case.

Q. How long did the hearing continue before the board closed the discussion?—A. There is a limit to the time.

Q. Well, I mean in this particular case—how long was it—an hour or so?—A. Yes; an hour and a half or two hours. They have the privilege of presenting their facts either in writing or verbally, confining themselves strictly to the subject. Then the board, among themselves, discuss the merits of the case, taking into consideration the general position of trade, bearing in mind that they do not propose to advance wages to a point where it would be impossible for us to employ them. We put forth our side of the question and make comparisons with the wages of other factories where they make like work. We usually take the earnings of our people and exhibit those when necessary.

Then when the question is fully and finally discussed a vote is taken, "Shall there be an advance recommended?" Well, in this last sitting the question "Shall there be an advance?" was decided unanimously "There shall be an advance." Then, as to what it shall be, there was a division.

I wished to try the temper of our men still further. There are other incidental advances in our business that cannot usually be put on the price of a cigar. We had been paying, as I said, the highest wages paid in the country, and a great deal more than some of our competitors. I explained this to our workmen, and explained that instead of a dollar, which, by the way, had been the general advance throughout the United States, our people should be content with ninety cents. The vote was taken on the question, and I think the result of it was 6 in the affirmative and 3 in the negative.

Then the question turned on hand work. I wanted our work-people to acquire the habit of being just to one another in their dealings, and I tried a rather dangerous experiment in this hand-work question; that is, where a man makes his bunches, wrappers, &c., the entire cigar (for in the mold work he only makes part of it), the pay of a hand-worker is anywhere from $11 to $20 per thousand; or we will say, for argument sake, from $10 to $20 per thousand. Now, they demand a dollar, and from time immemorial it has been the custom, no matter what was paid, that the price should be $1 or $2 advance. Now, the man that makes fifteen hundred of the lower class of cigars will, at the end of the week, find himself a dollar and a half better off by an advance of a dollar a thousand, while the man that makes eight hundred cigars (which is about all he could make) at $20 would find himself in the possession of eighty cents more, if I am not wrong in the figures.

Now, then, it is fair to presume that a man that is able to do the twenty dollar-work is the better workman of the two. And I could not understand why, in advancing a round dollar per thousand the man who made the poorest work, and is unable to make the finest work, should receive a great deal more, by reason of the advance, than the better class of workmen. Well, that was a staggerer to them. Their thought was, "It don't make any difference; we want a dollar." I calculated that by allowing them I think it was 7½ per cent., based on the work that had been made of various kinds, the advance would amount

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to a dollar and about seven or eight cents. But I preferred to pay this dollar and seven or eight cents, and have the principle, once for all, established that the advance should be in the ratio of their wages, or that in any advance of wages the employé would judge as to how much benefit he had obtained by the additional amount of money that he found in his pocket on Saturday night, and that there was no good reason why the finest workman should in such a matter be at a disadvantage. I made the proposition to them in that way. Well, I think it took two hours warm discussion, and finally I told them that if they would adopt this principle, instead of advancing a dollar a thousand, make the advance on hand work 7½ per cent., for example, and, after two weeks, if they felt dissatisfied with it, I was prepared to take the sense of the board on the question once more. They so accepted it, and they are quite satisfied with it. They have discovered the equity of it.

By the CHAIRMAN:

Q. I suppose that has been matter of very serious argument among them?—A. Very serious, indeed.

Q. They had to comprehend the thing thoroughly first.—A. Exactly.

Q. And I suppose they discussed it all through the 2,200 employés?—A. Oh, yes; it was a firebrand among them, because such a thing was never heard of.

Q. During these two weeks it went right through the entire number, I suppose?—A. Yes; and it is all now working very satisfactorily. They saw the justice of it.

Q. When they saw the justice of it they yielded?—A. They yielded.

Q. Did the women and all consent?—A. They all consented. I will say this, however, that in a strike I would rather remain out of the reach of the women. I think they are a little the worst to deal with.

The CHAIRMAN. That may be because they understand their wrongs the better. You have not had much trouble in the way of strikes, in your own experience, I take it—at least, not of late years?

The WITNESS. Not of late years. The most serious strike we had of late was one that originated with a female. However, I do not believe it would be of any value to go into that matter.

### BENEFIT FUND.

I have to call your attention furthermore to this point. Jointly with the board of arbitration I organized among our employés a fund from which they could derive a certain benefit in case of sickness.

### ARBITRATED DECISIONS ALWAYS ADHERED TO.

Q. Before you go to that, I would like to ask you if, in any instance of any importance, or, perhaps, in any instance whatever, the decision of your board of arbitration has been overruled?—A. No, sir.

Q. Do the firm and workmen alike conform to its decision?—A. It has invariably been conformed to, and not only that, but, seemingly, cheerfully.

Q. And, I believe, you have stated in refutation of the insinuation which employers have sometimes made to you, to the effect that "of course, you have it all your own way;" that as matter of fact you have yourself changed your own views, and you have conformed to the decision of the board?—A. Yes, sir; I have reason to believe that the workingmen have learned—I don't think that they felt so at first—but

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I think that experience has taught them that we propose to treat them fairly, and take all their wrongs, if any they have, into consideration, and right them if possible. It takes time to bring that about, but I think that they have confidence in our desire to be just to them. I was going to say that jointly, with that board of arbitration, we organized, or, I should rather say, the men organized a benefit fund——

By Mr. PUGH:

Q. Before you go from the board of arbitration, I would like to inquire if you know the extent to which these boards have been organized in the same industry by other persons or companies?—A. I have no means of knowing that, but I know that the inquiries in relation to the workings of the board have been very many by employers in other branches of business.

ARBITRATION A BENEFIT TO EMPLOYERS.

I will say that so far as its results are concerned, as a manufacturer who seeks to benefit (pecuniarily, if you please) by his occupation, I think that I can safely assert that the board of arbitration is a decided benefit to the employer, as well as employé, for this reason: the question of labor—of its continuance or its instability, as the case may be—has always been a serious one, and always will be a serious one, to people who employ large numbers of work-people.

NO FEAR OF STRIKES.

By the method here adopted, and the certainty that any difficulty that arises will be adjusted, and believing that any such difficulty will be settled upon a fair basis, it has enabled us to use all our energies in the natural pursuit of our business, without giving the question of labor half of our time, or being constantly troubled with the nightmare that perhaps there may be a strike to-morrow morning; hence, I believe we have been more prosperous and our business has been more satisfactory than it was prior to the existence of this board.

ARBITRATION INDUCES GOOD WORK.

Again, I think it has a tendency to draw about the employer who employs it a class of work-people that are better than those that are usually found, because the individual that has an interest in his labor, and proposes with it to maintain his family, and who takes it into consideration that if he works for this or that man he will constantly be employed, is usually the safest and most satisfactory workman; and that class of workmen would be quite likely to work towards a concern or establishment where he would be likely to realize benefits (in the continuance and stability of his work) such as he would have in an establishment like ours. Hence, I think we have a better class of workmen than we could get without it, or than could be found in any establishment in the United States. Our dollar, to be sure, is no larger than other people's dollar, but men do appreciate good treatment, and there is no good reason why they should not receive it.

The employer, of course, plumps himself upon a high pedestal. He mentally says to me: "Well, now, what do you do; do you associate with all those men?" I do not, and there are plenty of employers that I do not care to associate with, and there are plenty of men, probably

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among our employés, that I should have no objection or hesitation to associate with, if necessary; but it is not necessary. Our intercourse consists in our endeavoring to understand one another. And surely, especially in this country, I do not believe that any man has a right to believe that he occupies such an exalted position that even to make himself plainly understood by the people with whom he deals is a degradation. Now, then, if that is to prevail and we permit the workmen to drift wholly into the hands of demagogues—agitators—who live and thrive by the control that they have over those workmen, and we suffer the consequences, whom have we to blame? Certainly, ourselves largely.

TRADES UNIONS.

By the CHAIRMAN:

Q. In your arrangement for the adjustment of difficulties, or preventing them from arising, in what way have you come in contact with the trades unions? I notice that the cigar-makers' union is a powerful organization among the trades unions. Are any of your working people members of that organization?—A. I believe the majority of our working people belong to one trades union or another; I believe there are several in our trade.

Q. Do you have any difficulty with them?—A. Not at all.

Q. So far as you know, they probably favor your adjustment of the difficulties, or do they interfere with it?—A. Well, I do not know that they do. I do not know that the trades unions, or leaders thereof, favor the adjustment as it is made in our establishment. But all men are alike in one respect, they like power, and as we have the largest establishment of its kind, naturally trades unions would like to use it as a lever, and they would like to come and interfere in our business probably if they could.

When I speak of trades unions, I speak of those who have control of trades unions, and I draw a line between the people who belong to those organizations and those who pretend to speak for them. So far as we are concerned, it matters little to me if a man belongs to ten organizations; but those organizations, whatever they may be, can exercise no influence directly in the adjustment of anything that may occur between ourselves and our men. We reserve to ourselves, according to compact with them, and as long as it exists, the right to adjust our difficulties in our own way.

Q. You say you "reserve" it. What do you mean? When you employ a man do you say to him—— —A. We say nothing to him; it is a mental reservation—in other words, we should not permit people who are not in our establishment and who have no knowledge of our business or the interests that enter into it—to dictate to us what we should or should not do.

Q. But there have been numerous strikes among the people who manufacture cigars in this city, this season, and you have not been involved in those, have you? Those have taken place under the direction of the trades unions, have they not?—A. It was a lock-out on the part of the manufacturers who had associated for the purpose of protecting one another against the demands of the trades unions.

Q. You were not involved in it?—A. No.

Q. How does it come about that while your employés belong to a union, just as the employés of other establishments belong to a union, the other establishments have trouble with the union while you do not, they paying about the same wages that you do? You do not lock-out

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and they do; and the trade unions seem in some way the occasion of, or are connected with, it.—A. As I said before our working people belong to one or other of the unions that exist in our trade. They have, among themselves, independent of any board of arbitration, a committee who take into account at all times the interests of the entire trade, and how much and how far their sympathies and aids, as work people, can ameliorate the condition of others of their fellow-beings.

Now, then, we have not allied ourselves with the manufacturers for the purpose of locking out our work-people in case such or such a thing occurs in the trades union. We hold ourselves aloof from any such alliance. Our work-people occupy a like position. They belong to these trades unions and associate with their fellow-men; but, so far as our establishment is concerned, their trades union has no concern there. When they send money to strikers it is sent by the factory of Straiton & Storm. When they sent money, for example, to aid a strike in Pittsburgh, they always sent it as from the factory of Straiton & Storm; and hence it sometimes appears in the newspapers that Straiton & Storm's men have contributed, and it sometimes seems as though they contributed to all the strikes.

Q. Your people do not admit the control of the trades union over them?—A. No.

Q. They make that reservation?—A. They make that reservation.

Q. And the trades unions sometimes admit workingmen to that modified allegiance to the union—as in your case—they take these men although they do not agree to strike on the order of the managers as against you?—A. They do.

Q. The general obligation, I believe, is to strike when the managers say so, is it not?—A. I do not know how that is, but I can say that, so far as we are concerned, we have never suffered from that since we had this board of arbitration; prior to that, we did.

By Mr. CALL:

Q. Do you pay higher wages than others engaged in the business?—A. Well, I cannot say that we pay higher wages, no; but we demand the very best of work, of its kind; and, I believe, in consequence, pay comparatively the highest wages.

Q. Is there any difference in the hours of labor in your factory and others?—A. No, sir.

By the CHAIRMAN:

Q. With regard to the demand made upon you recently by your employé. They wanted the rise to take effect on the first of May; it generally did, all over the country, I understand you?—A. Yes.

Q. You postponed action till along in the month?—A. Yes.

Q. When the rise was decided upon, did it date back from the first of the month, or take effect subsequently?—A. I forget what day of the month or of the week it was, but I imagine that the meeting took place on Monday at any rate, a day or two after the expiration of the week.

Q. So short a time that it was immaterial?—A. Oh, it was longer. I am glad you mentioned that; I want to speak of it.

The CHAIRMAN. I wanted to see if they had such confidence in you that they were willing to work along at the old rate and take the risk?

CONFIDENCE PRODUCED BY ARBITRATION.

The WITNESS. Yes; the meeting occurred somewhere in the middle of a pay week, and the question, after all adjustments had been made,



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naturally turned into when this advance should take effect; and I allowed it to drift on until I could get an idea as to what they would prefer. Some wanted it to take place the very next day; others thought it ought to go into the next Saturday, and I think the tendencies were to allow it to go over to the next Saturday. I solved the problem by allowing the wages to date back to the previous Saturday, and that ended the matter; which, of course, was quite satisfactory.

Q. They were willing to allow the action of the board to be deferred until after the time when the increase had generally gone into effect?—A. Oh, yes; during the discussion there was a division as to whether it should take place the following day, this being in the evening, or whether it should take place the following Saturday. Then, after I had allowed it to go on as far as I wanted to, I solved it by dating the wages back to about three days before the meeting.

Q. Do you consider that your board of arbitration is so thoroughly an established part of your business that it enters really and substantially into the contract between you and your laborers, until you should give notice to your laborers that so far as you are concerned, you would not thereafter be bound by its decisions? Do they understand when they go to work for you that you will be bound by the decisions of this board, and that you will be bound by its decisions, so far as you are concerned, until you give notice to the contrary?

### ARBITRATION PREFERRED WHERE TRIED.

A. I think that is thoroughly understood. And I tested it some time ago, to show that this board of arbitration was not necessary to my existence as a manufacturer, and if it had no interest for the work-people the sooner it was got rid of the better. It was during an agitation in our establishment by a portion of the employés, and I put the question to them in this way. I desired that they should vote then whether they wished the continuance of this board of arbitration—this was some eighteen months since—and its continuance was voted by an overwhelming majority, probably two-thirds of the votes cast were in favor of its continuance. And it was at a time when there was an unfortunate occurrence in the place, caused by some of the packers, and the men were more or less excited. In fact, the sum and substance of the thing is this: that the trades unions in our business had looked upon this board of arbitration with great misgivings, and had tried, at various times, to make it odious, either to the work-people or to ourselves. But I think they have abandoned all that; it has taken such a firm hold on the minds of our people that I do not think, at present, anything could shake it.

Q. Of what nativity are those people that work for you?—A. They are principally Germans and Bohemians, with a sprinkling of English and some Americans.

Q. All work harmoniously together and in obedience to the decisions of this board, do they?—A. Yes; we have to conduct our proceedings usually in English, German, and Bohemian, which is sometimes quite difficult, I assure you.

### ARBITRATION APPLICABLE TO ALL TRADES.

By Mr. PUGH:

Q. Are there any special reasons, in your business, that makes arbitration a success that would not make it a success in other industries employing labor and capital? What is your judgment, founded

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on your experience, as to this kind of board being a remedy for the adjustment of all such antagonisms between labor and capital as cause strikes?—A. I am not prepared to say that the board of arbitration—or arbitration itself, if you please—is the only method; but until one can be found that will answer the purpose better, I believe that if properly applied and fairly understood there is no occupation in which the results would not be beneficial to all parties concerned. So far as I am concerned, I am willing to throw arbitration over to-morrow, if I can find something that will answer the purpose better; but until such a thing is found, this certainly answers the purpose very well. Of course, in the formation of any board of arbitration, in order to have it working at all, either one side or the other must have a majority. You gentlemen must understand that better than I do. Now, the workmen would look upon a board of arbitration in which the employer would have an absolute majority with distrust, and, in fact, he would have no faith in it.

On the other hand, I think that the employer, nine times out of ten, and probably ninety-nine out of a hundred, can trust to give the employés the majority in such a board; but, if possible (and I said there is no branch of industry in which it is not possible), they should take the odd individual from some different branch of the business, so that the continuance of one would be contingent upon the non-stoppage of the other. Then, again, the employer must take into consideration the natural interest which the employé has in the continuance of his work. It is his all. It is everything that he has in the world. Disturb that, and you may get him out on a strike, and then passion may govern him entirely, and he will care very little what will happen. But in calm deliberation, where he sees that he will probably get all that he is justly entitled to, without the employment of force, it is fair to assume that there will be intelligent men enough among the workmen constituting such a board who will see it in that light.

You must naturally assume that the employer will desire nothing but what is just, and that he is willing to show his employés that he is willing to be just; and I think he can rely on some of his workmen finding out his desire to be just; his interest and sense of justice all combine to produce that result. Of course, if he is indifferent to whether they see it that way or not, it is different. But we must assume that a man goes into this thing with his heart in the matter to some extent. I am not prepared to say that many of the strikes we have in this country are not brought about by capital. Labor is not always at fault. It is a Godsend sometimes to have a strike when there is an overproduction.

By the CHAIRMAN:

Q. You think capital may then stimulate the strike?—A. I think it has done so very frequently.

The CHAIRMAN. Some other witnesses have testified to that effect.

By Mr. PUGH:

Q. This board is so organized that there is a checking power against any injustice which may be produced by the majority power of one interest?—A. I think so.

### MUTUAL BENEFIT FUND—HOW ORGANIZED.

Q. I was going to call your attention to another little matter here, and the results that can be produced by a little careful management among a large number of employés; and before proceeding to its work-

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ing I will say that, generally speaking, I do not believe that it is either beneficial or desirable to bestow charity on the workmen. I think it is rather better to extend to them a helping hand occasionally, and enable them to get into a position where they will not need any charity than it is to bestow charity on them in the hour of their need, or flood them them with tracts. These things used to occur in our establishment; quite frequently, at the death of a member, petitions would go round to be signed by all, for 5, 10, or 25 cents, in order to satisfactorily put their fellow-workman at rest.

By the CHAIRMAN:

Q. You say your "establishment;" these people do not all work in the one building for you, do they?—A. No. But they are all considered one "establishment." It occurred to me that means could be devised to do away with this system of beggary, which is always a means of degradation, to my mind, to work-people.

I entered into consultation with some of the best minds among our work-people, and developed a plan by which, on a contribution of five cents per week of all our work-people, they would derive benefit, in case of sickness to an individual, of $5 per week, and in case of death $100, to be paid to their family. Now, then, this movement was looked upon by the workmen when first inaugurated as an idle dream; they thought it was impossible for it to work; that there was not money enough in it. The firm contributed, in their way, $25 a month for this fund. However, we had many obstacles to overcome at the outset. The question arose among the work-people, "Suppose we are discharged, what then? We have paid in our five cents a week." The five cents a week became, in their minds, a considerable sum when they had to pay it out. Hence, the question arose how their share would be disposed of in case they were discharged or were on a strike.

We made an arrangement by which, in case one of the employés was discharged, not having received any benefit from this fund during his employment, there would be returned to him 50 per cent. of all the money that he had paid in. Of course, he had been guaranteed the $5 per week in case of sickness, and his family $100 in case of death; and besides that, the firm had contributed $25 a month, and we therefore deemed that the return to him of one-half of what he had paid in was a fair and equitable arrangement. Well, then, as to what would happen with this fund in case of a strike; we got over that difficulty in this way: I arranged that in case of a strike, in which two-thirds of the employés should be engaged, if it continued more than three months then the fund should come to an end and be divided among the members that had contributed it. I had a firm belief in the fact that there would never be a strike.

As I stated, the working people had first looked upon this arrangement as a means by which the employer proposed to still further fasten the workmen to himself. I looked upon it, on the other hand, as the means of putting a workman, under certain unfortunate circumstances, positively beyond immediate want. I looked upon it as the means of enabling his or her family, in case of his or her death, to get enough money to get an opportunity of turning around and looking the world fairly in the face, and seeing what the future had for them.

### RESULTS OF THE MUTUAL BENEFIT ASSOCIATION.

Now, let us see what the results have been. This went into effect in 1879, and, without going into details of the moneys that were paid out

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during that year or subsequent years, I will say that the result of the entire transaction has been that there have been collected from our employés $14,831.49, and there have been paid out in the shape of benefits $9,074.77, leaving a fund to-day of $5,756.72. Now, then, this has been achieved on the small sum of 5 cents a week.

### SANITARY CONDITION OF WORKSHOPS.

Naturally, we give the sanitary condition of our establishment some consideration. I think it is necessary and proper that that should be done. We exercise such care as we can with regard to the healthfulness of our establishment. About a year ago we found it necessary to employ a doctor to make daily visits to our establishment at the time of the prevalence of small-pox in the city of New York. This we paid for.

The result of our efforts altogether show two things—they show what can be accomplished by a large number of people by the accumulation of small amounts, and, again, that the employés must necessarily be healthy, comparatively speaking. Because of their great number they have with the money so collected worked up a surplus fund of $5,756. The result of all this has been that there is a certain amount of pride among our people in their shop and in their work. I have called the attention of manufacturers generally to this fact. I think the majority of our people are proud of the fact that they work for Straiton & Storm. We have in the last few years found no difficulty in getting all the work-people thatwe want, whereas, prior to the organization of this board of arbitration and this benefit fund, we were quite frequently without the necessary number of employés required to do the work. I am stating now some of the secrets of our trade. But I believe it is an absolute benefit to Straiton & Storm to have this system of arbitration and of benefits, though they do cause us a little trouble and thought, of course. Having once established them, however, we have accomplished several things that a manuacturer always wants to accomplish, namely, the procurement of good mechanics, and to get them when he wants them, and the ability to retain them.

By the CHAIRMAN:

Q. Do you have any reason to discharge people in case of fluctuations in business?

A. We do not. We work still on the same principle. We try and do all that we can consistently with our own interests, for our work-people. In a case of that kind—such a period, for example, as that during which the tax agitation was up in Congress, and when manufactured articles had accumulated on our hands, and it would not be safe to increase the manufactured material, then we reduced the working time, but we did not discharge. I do not understand the justice of discharging men in such a case. On looking into the countenances of my men, I could not tell whom it would be wise to discharge. I could not tell that any could afford to be discharged, and, unwilling to inflict injury or hardship upon any one of them, and believing that it was fair and just that such work as we had should be divided among them, so long as the trouble continued, and so we worked for five days a week, and sometimes for four days a week.

Q. And you diminished production in that way?—A. Yes, sir.

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RESULT OF REDUCTION OF WAGES BY ARBITRATION.

Q. Have you had occasion, in the operation of this board, to reduce wages by its decisions?—A. Yes, sir; we have.

Q. And you have had no difficulty?—A. None whatever.

Q. They acquiesced in the reduction as well as in the advance?—A. Yes.

Q. Although, I suppose, it was hardly done with the same pleasant feeling?—A. Well, I suppose not. That is natural.

Q. Have there been reductions that have been serious for the employés, or have they been trifling?—A. About in the same ratio in which the advances have been made.

Q. When did you say that board went into operation?—A. In 1879.

Q. Then it has been in operation about four years?—A. Yes. I cannot call to mind now but one instance of reduction in that time, but there have been adjustments where the claims of men have been refused entirely, and not only refused entirely, but so refused with the sanction of the board as probably two to one at all times. Our work is piece-work, and if a man imagines that his neighbor gets an advance which he himself does not get and that he ought to have it, whether he is really entitled to it or not, of course we have to make it clear to him why he does not get it. These questions come before us, and I make it my business to show such a man why he ought not to be granted this thing, and, in many instances, such grants have been refused, and the refusal has been acquiesced in, and the work went on without the loss of a moment's time. There has not, at any time during these four years, been the loss of an hour in our establishment because of any question that has arisen between ourselves and our employés.

The CHAIRMAN. If there is anything that suggests itself to you in connection with labor matters we should be glad if you would let us have the benefit of your information on the subject. There must be a great number of points that occur to you which it would be to our advantage to know.

The WITNESS. Then, with your permission, I will take up this question of trades unions. I may get a blessing for it, but I will do it all the same.

Here the committee took a recess of half an hour; after which Mr. Storm continued his testimony as follows:

TOBACCO INDUSTRIES IN FRANCE, AUSTRIA, SPAIN, AND ITALY.

By the CHAIRMAN:

Q. You referred, in the early part of your testimony, to the factories of France, Italy, and other European Governments. Please explain the relations of those Governments to the tobacco industries of their respective countries.—A. The tobacco business, that is, the manufacture of tobacco and cigars, in all their various forms, is a Government institution in France, Italy, Austria, and Spain, excepting in the Spanish colonies. No one is permitted to engage in the tobacco business in those countries. The Governments have their resident buyers in all tobacco-growing countries who supply their factories with the necessary material, and in Havana they have cigars made especially for the Government.

Q. The governed industry is the manufacture, and not the growing,

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of the tobacco?—A. It is the manufacture and not the growing. Therefore, everything appertaining to the industry of tobacco is in the hands of the Government, from which they derive a large revenue.

STATISTICS OF CIGAR BUSINESS OF THE UNITED STATES.

I would like to offer a few statistics here, which I think are nearly correct. They may be of value. I calculate that the cigars manufactured in the United States number 3,500,000,000, the value of which, in the factory—or the selling price at the factory—would be about $96,000,000 or $97,000,000. The imported cigars number about 50,000,000, valued at about $5,000,000, making a total value of $101,000,000 or $102,000,000. Adding to this the estimated profit of the retailer of the goods, it would seem that the consumer pays $150,000,000 annually for cigars in this country.

DUTY ON CIGARS EXPORTED FROM HAVANA.

There is another fact that I would like to call our law-makers' attention, that probably has escaped their notice in the past, and that is to what extent we have to pay tribute to Spain, or the portion of it represented by the island of Cuba, for the privilege of smoking their cigars and using their tobacco. The export duty levied on cigars in Havana amounts to about $2 per thousand, thus showing that the imported cigars that we smoke in this country pay tribute to Spain to the tune of $100,000 per annum. The export duty on tobacco is about $4.25 per hundred-weight, which would amount, on the quantity annually imported here, to about $300,000. Thus, it will be seen that we pay on tobacco and cigars annually to Spanish authorities about $400,000.

AMERICAN TOBACCOES EXCLUDED FROM CUBA.

In the face of this, our own tobaccoes are excluded from the island of Cuba. I simply call your attention to this as one of the things under which we suffer.

Q. They are excluded under an absolute law, do you mean, or by a high tariff?—A. By law.

Q. Is it illegal to import them under any circumstances?—A. It is; excepting from their own colonies. They import from Porto Rico, for example; and that is the manner in which tobacco finds its way into Cuba. The same law does not apply to the island of Porto Rico. Tobacco is permitted to enter the port of Porto Rico, and Porto Rico, being a sister colony, its tobacco is permitted to go into Cuba. Therefore, much tobacco that is grown in Porto Rico finds its way by that roundabout method to the island of Cuba.

PRODUCTION OF AMERICAN TOBACCO FOR CIGAR MANUFACTURE.

Q. With reference to the profitable production of the quality of tobacco in Florida, you may state, generally, your views on that subject, and then come to the more specific one of the growing qualities, for the purposes of tobacco, of the soil of this country, and of its different localities compared with the capacity of the soil of the West India Islands and other countries, and particularly the southeast portion of the country, as Florida, Alabama, &c.—A. I shall have to confine myself strictly to the tobaccoes that are used for cigar purposes. With that which goes

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under the general head of tobacco such as is grown in Virginia, Maryland, and Kentucky, I am not familiar, as it is used for an entirely different purpose.

Q. Is it not used for cigars?—A. Not at all.

Q. Where are the tobaccoes grown that are used for cigars in this country?—A. In Pennsylvania (probably in Lancaster County); some in New Jersey, Connecticut, New York, and Massachusetts; some little in Vermont and New Hampshire, though very little. The better portions of Ohio tobacco are also used for cigar purposes. Wisconsin has of late years produced the finest tobacco for wrapper purposes that is grown in the United States.

Q. How about the Carolinas, and Alabama, and Florida, and that vicinity?—A. Florida has raised good tobacco in the past for cigar purposes. In fact, I have reason to believe that prior to the war some of the most valuable tobacco for cigar purposes was raised in the State of Florida, but for some reason or other they have not been successful in the cultivation of tobacco in Florida. I am of the opinion, though, that if a proper effort were made, as good a tobacco could be grown in the State for cigar purposes, or, rather, I should say, as valuable a tobacco could be grown in the State as in any State in the Union.

Q. How would it compare with Havana tobacco?

A. It would resemble it very much in appearance, but I am of the opinion that by the importation of seed from the island of Cuba, which has been largely done in the State of Wisconsin, and to which that State owes its prestige in this particular, we would produce a tobacco, especially for wrapper purposes, that would, in many instances, be superior to the Havana tobacco or that grown in the island of Cuba. The planters in the island of Cuba, in their eagerness to get the greatest results in the shortest possible space of time, have, for many years, used guano on their lands. They have, practically, exhausted them; and, therefore, for the past half dozen years, we have scarcely had a good crop of tobacco from there, and some of the tobaccoes grown in the United States from seeds which had been originally imported from Havana have arrived at such a state of perfection that seeds from this country, grown in the manner described, have been returned to the island of Cuba for the purpose of being planted into their lands, the planters there believing that their seeds had run out, and the fact of their having been planted in this country and receiving the necessary strength that the soil here imparts to them, and being replanted again in the island of Cuba, would bring about beneficial results, I do not know what the result has been.

By Mr. PUGH:

Q. Your partner was telling me of some surprising results as to the cultivation of tobacco in Wisconsin. Have you mentioned that matter?—A. Yes. I have referred to that in my testimony.

Q. Did you state about the results in planting the seed the first year and the second year, and how the best product was made for the second and third year?—A. The result of the planting of the seed for the first year is usually discouraging to the planter, for the reason that the plant is apt to grow very small, and as he sells his tobacco by the pound, and expecting to get, at all times, for that species of tobacco, probably a thousand pounds to the acre; then, owing to the diminution of weight, he feels disappointed; but the natural tendency of tobacco is to grow larger every year, and if the seed is not changed in the course of a few years it will run out and return to the natural species of tobacco that

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grows in this country, and all its resemblance to Havana tobacco will disappear, and therefore the seed needs to be renewed about every four or five years, I should say.

### TRADES UNIONS.

Mr. PUGH. We should like to hear you now on the subject of trades unions.

The WITNESS. Do you want me to give my views, or would you prefer to put questions to me?

Mr. PUGH. We should be glad to have your views first.

The WITNESS. As I regard the trades unions, they are simply combinations of those engaged in labor for the purpose of accomplishing something which they propose to accomplish by the union of their forces. I do not think that any one will claim that the formation of such societies is wrong, or that they overstep the line of propriety, because, in this country, at the present time, everything seems to be done by combination.

But, aside from that fact, they have a perfect right to associate themselves for the purpose of studying out how best to solve this great problem of wages, and of existence, and of the comforts which they propose to derive from their wages.

### RESULT FROM EUROPEAN CONDITIONS.

As to the mistakes that they make, and I have thought over them repeatedly, I cannot but come to the conclusion that they are largely due to the influence of operators from the other side—from Europe—who come here with notions and ideas based on institutions as they exist there. They fail to shake off that feeling when they come here; they do not recognize that the circumstances here are different, but, applying the same methods and the same rules to bring about the ends that they desire in this country, where, certainly, there is some little difference in the situation of people generally, and especially is this the case where they propose to govern or dictate as to the number of people that should be employed in a particular occupation, it occurs to me that when they undertake to say to an individual, "You shall not acquire the knowledge of this or that trade, because we have enough in that trade already," they ought to determine something to recommend to this individual that he might do in order to acquire a livelihood for himself

### INTERFERENCE WITH MEN'S RIGHTS.

I consider it a species of interference with an individual's rights—with individual labor. Let us say that they are actuated, as they say they are, by the very best motives, namely, that they themselves will want all the work. If they apply the same principles as they would have applied to them, namely, that they are members of the human family, what is to become of those who fail to acquire a knowledge of an occupation? So long as the population will continue to increase, if there is no provision made for their maintenance and they are left to their own resources, it is natural to assume that they must acquire an occupation of some kind, or else become criminals to prey upon society. I consider that to be one of the greatest mistakes that trades unions make. We depend, to-day, in many branches of our industry, solely upon the mechanics that come to us in the shape of immigrants.

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SELFISHNESS OF TRADES UNIONS.

Now, I recognize the fact that every immigrant who comes here with the determination to work is an acquisition to the country, but I am unwilling to believe that it is just that we should depend upon that supply constantly, and have this particular species of work reserved for them, and that our own youths here should be prohibited from acquiring the knowledge of it; because in that matter, the trades unions certainly exhibit an amount of selfishness that they would not like to have applied to themselves. They drive the surplus population who could acquire a knowledge of a trade into a mass of unskilled labor that floats about the country.

These unskilled laborers are certainly also human beings. And if the trades unions have such a great care over those who are not capitalists, they ought not to ignore this class of unskilled labor, although they do ignore it altogether. That, I think, is all wrong.

For example: If I want to apply to-day for five hundred skilled laborers, at wages ranging anywhere from fourteen to sixteen or twenty dollars per week, I probably would not get one hundred in the ordinary course of events; but if I should apply for one thousand able-bodied men, good accountants, men of good education, and those who could write a good hand, &c., at wages anywhere from six to ten dollars a week, I would probably get that thousand men in a very few days.

Again, I think it is detrimental for the reason that I think they keep the better elements out of the trades. Now, then, a man that acquires a knowledge of an occupation that does not apply to it altogether his brute force, but applies his brains, and has some degree of education, the chances for the elevation of such a man are certainly far greater than they would be for the one who ignorantly puddled along and did his work "good enough," and was satisfied with that.

Therefore, I think that, so far as the trades unions are concerned, when they undertake to regulate that portion of the mechanical arts, they over step the laws of propriety and of common sense, and show an entire disregard for the welfare of their fellow-beings, who are in a like position with themselves, and probably worse.

Then again, I think that when they propose to dictate to an individual of their own class who, in order to be permitted to work, and with the results of his labor to maintain his family, when they say that he must comply with certain requirements of their own, they trespass upon the dearest rights that a man has, and I would blush to know a man that would put up with a thing of that kind.

It is these things that makes trades unions so extremely odious to many minds. People do not even care to touch or come in contact with men that are so unreasonable, and I have reason to believe that the great majority of those who constitute trades unions are not in sympathy with this idea.

Men will naturally say, "If this is so, why should it be tolerated?" For the simple reason that a species of terrorism is exercised to get people into trades unions. Once there, the quiet, hard-headed man who wishes to get along quietly in the world, pays little attention to it. He simply pays his dues. The agitators, who desire to aggrandize themselves at the expense of their fellow-workmen, make themselves popular, they run the machine, they make the laws, and they enforce them.

If the trades unions were to get rid of these nonsensical provisions that grate upon the sensibilities of the community, they could be made to serve a most excellent purpose in the amelioration of the condition of

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working people of this country. And they do deserve a great deal of consideration.

But it is a great species of tyranny when a corporation or association, or even one man, will demand of working people, as a condition of employment, that they shall pledge themselves not to belong to any association. I consider that that is an unnecessary degradation for the working man or woman, and it is a great pity that there is anybody so poor that necessity compels him to sign such a document. But that is again an application of the same species of force, so to say, as we find in the "lock-out" which follows the strike, or the strike which follows the lock-out.

SUFFERING FROM OVERSUPPLY OF LABOR.

By Mr. PUGH:

Q. These people who come from the Old World have suffered there from an overstock of skilled labor in particular trades. When they come here, they try to limit the supply of skilled labor in the way you have stated. In other words, they want to destroy the power of competition that will necessary result from an overstock of skilled labor. Look at our railroads, how they combine. Mr. Fink stated to us the other day that he represented forty railroads; five main trunk lines, and that they combined for the main purpose of destroying competition and preventing interference with the freight rates. Then, here is the Western Union Telegraph Company, which has absorbed some seventy or eighty corporations of like kind for the purpose of destroying competition. Here are these coal miners, dealing in anthracite coal, in Pennsylvania, combining for the sole purpose of preventing overproduction and an overstock, so as to enable them to dictate the price and limit the supply. Now, these are examples that capital furnishes to laborers for doing what I have no doubt you are right in saying is a great wrong in itself; but, inasmuch as the same thing is done by those who employ labor—the power with which they are competing—it is hardly to be wondered at that labor combines in something like the same way, is it?—A. Well, sir; I am unwilling to admit that two wrongs make a right.

Mr. PUGH. Of course, and so am I; but that is what these people have to contend with.

RAILROAD COMBINATIONS.

The WITNESS. So far as railroads and telegraph companies are concerned, and corporations generally, I hold in the first place that railroads have superseded or taken the place of the ordinary highways of commerce which have been used in the past, and I have yet to learn that from the inception of a railroad or of railroads in this country up to the present time the investment, as a whole, has been so very satisfactory, but I do know, and we all know, that by means best known to themselves, certain of our capitalists have got control of the great railroad properties, and manipulated others, to bring about the greatest amount of revenue, and undoubtedly much injustice has been done to the people at large, in trying to make the railroads all pay a certain dividend, if you please, as their earnings—forcing commerce in a direction in which it would not naturally go.

But I do not know how we can remedy it. These things sometimes remedy themselves. They have in the past twenty years, in many instances brought disaster upon some of the promoters of this system.

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I do not believe that too much legislation or too much government is at all necessary for us as a nation. I do not think it will promote our well-being. We may from time to time suffer evils, but ultimately they will correct themselves. The same thing holds good with regard to telegraph companies, coal companies, and other companies of that kind.

### LABOR NEGLECTED IN LEGISLATION.

We come back to the original question of the relative position of labor as one of the factors in this nation. I hold—and I want you to pardon the remark, because I believe it to be just, and I shall state it—that labor, in legislation, has not received proper consideration. I hold, sir, that a public sentiment needs to be encouraged in which the rights, to a certain extent, of the laborer, as a factor in our being, as a nation, shall be taken into consideration; and, indeed, I hold it to be necessary as a piece of safety. Because, if you drive fifteen or twenty millions of people all on one side without giving them any consideration simply because you happen to have the power, you will ultimately unite those people; and imagine the legislation which, if united, those people might indulge in as a matter of revenge!

### THE VIOLENT, NOT DANGEROUS, CLASS.

Mark you, I am not an alarmist. I do not believe that those fellows who call for Springfield rifles amount to anything. They are not the dangerous class. They are only loud-mouthed. The man of the "dangerous class" is the quiet, hard-working man, who wants to solve the problem for himself and his children. He may be content with his own lot, but he will not be contented to hand that lot to his children. In a government of this kind, where you teach him to think, and where the representatives of the people are elected by the people, that man must naturally reflect, as elections come and go, on what is best to be done for him toward the improvement of his condition. If you legislate only in one direction, namely, how capital shall be directed so that it may still further shackle the community at large with its fetters, then you will drive this class of people all on one side, and ultimately they will unite themselves together.

Take, for example, the city of New York. We have in this city to-day a population of from seven to eight hundred thousand people living in tenement houses—houses that, in my estimation, are not fit for human habitation—certainly the great majority of them are not. It took two or three years to convince the legislators of this State that these crowded tenement houses, in which a family of anywhere from two to four people lived in two rooms, the principal room being perhaps ten by twelve, and the sleeping room perhaps eight by fourteen, and in these rooms they cooked and slept and washed and spent all their time—it took, I say, two or three years to convince the legislators of this State that those rooms were not a very good place in which to make cigars from early morning until late into the night. The making of cigars in these tenement houses was, however, finally abolished, and the cigar manufacturers, or some of them, are so satisfied that that is quite good enough for those people that they have engaged, I think, Mr. Evarts to prove that the law is unconstitutional.

### POWER OF THE WORKERS, IF UNITED.

Now, that is the way in which work-people are treated. Yet we have got between seven and eight hundred thousand of them living in these

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tenement houses. Our population here—we all probably know what it is. If, to-morrow, the largest portion of that seven or eight hundred thousand people, or their voters, were united, they would control the city of New York, and do with it just exactly what they pleased. But for the time being, because of the difference in nationality, and because of the jealousies that exist between them, they are not united, and I do not think they ought to be united. I think it will be an evil day for this country when labor unites as against capital. But capital ought to make such reasonable concessions, and have such a care for labor that the portion of the laboring men who are not demagogues and agitators will find their extreme safety in the nation, as it exists, and in harmony with capital. There was a parade here the other day, I believe, of the labor organizations, with banners flying, and among other mottoes was one calling for "Springfield rifles." But the very day that these men undertake to use their Springfield rifles—that day will set back the solution of the problem between labor and capital in this country one hundred years.

Coming back to my original position, I think, as I said in the outset, it is a subject that we should give, in this country, our very serious and careful consideration. We have lived upon the accumulated resources of years, and gone on and accumulated more wealth and have not given this subject of labor all the consideration that we ought to give it and which we will be forced to give it.

Mr. PUGH. That is the very reason why this committee was appointed, and why it is attempting to ascertain the feelings of the people on that subject, and to take note of such remedies as may be suggested.

## THE TARIFF.

The WITNESS. When I, as a workman—assuming me to be an ordinary workman—earn $2 a day and you legislators deem it wise, in the enactment, for example, of a tariff, to enhance the value of things that I consume, you destroy the value of my labor to the extent that you enhance the value of those articles. Now, then, we have started out to protect the mechanic, to protect American industry in our tariff. We have certainly done it in many instances. But we have gone so far in that direction that all the benefits that labor has derived have been far more than neutralized by the diminution in the value of that which the laborer earns. It can matter very little to the laboring man what you call the amount of money that he earns. The question is what can he procure for that much money. And I do think that so far as legislation is concerned the legislators ought at all times to take into consideration the entire country, and not forget the effect that measures may have upon the workingmen at large. Take, for example, a coal mine. I should like to know—can any man tell me why there should be a duty on coal? But it works very simple. I own a coal mine; I am getting 10 ten per cent. out of it; it enters my head that if I can only get Congress to put a tax of 50 cents a ton on coal I may double my income; I succeeded in doing that, and I do double the value of my coal mine, nominally speaking, and I probably sell it to one of you gentlemen for $200,000, or for some amount which shall be double its original value. You are now back in the same position in which I started. You are making the same on your invested capital that I made originally on mine, and so you might go on indefinitely increasing the duty on coal in order to bring you a larger return. But you have created a fictitious

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capital and the people at large are expected to be good enough to make it pay you a reasonable interest on this fictitious capital, or this "wind," as I call it.

Mr. PUGH. You are aware that in the last Congress both Houses voted to limit the duty on coal to 50 cents a ton; both Houses voted fairly in accordance with the recommendation of the tariff commission, and the conference committee, through the power and influence of the coal owners, raised it from 50 cents to 75 cents a ton, in defiance of the will of Congress, as expressed in both houses.

The WITNESS. Then I would ask you, what consideration did that Congress or committee give to the people to whom the coal is a necessity?

Mr. PUGH. Of course, none whatever, but their own interest, and they are exercising that power under that tariff now in Pennsylvania.

The WITNESS. That is a mistake that legislators frequently make, and that is the sort of thing that will eventually drive the people to one side, and make them present a solid mass. That day I should not like to see in this country.

COST OF COAL.

By the CHAIRMAN:

Q. But it has been testified here that the cost of coal, from other causes not connected with the tariff, is at least $2 per ton more than it ought to be in this city. Mr. Thurber made that statement. What are the other causes, do you suppose? You have been alluding to the tariff, from which the increase is 70 cents. How is the $2 accounted for?—A. I do not know that it is a fact any more than what I have heard here, because I have not given the matter a thought, but if it is so, it is probably owing to the mines being in the hands of a few individuals who control them.

Q. The fact that the ore and the means of transportation are both owned by the same parties, or by a combination existing between them, accounts for it, you think?—A. Yes, sir.

The CHAIRMAN. It was claimed, however, that the mines in West Virginia could not be worked at all, and that the people who were dependent upon them would be left without employment, if the duty remained as the tariff commission reported it.

Mr. PUGH. It was stated there, and not denied, that the operation of the increase would be for the sole benefit of mines within 30 miles from the sea-coast—that it did not extend over 30 miles to the interior, and was a purely local affair.

The CHAIRMAN. But the market for that coal was all along the sea-coast; and it came into competition with coal from Nova Scotia.

THE TARIFF.

By Mr. PUGH:

Q. Without intending to divert your attention, I would like to inquire whether one of the measures which you regard as most beneficial is a change in the existing duties. That, I believe, is the purport of your answers.—A. As to that, I will have to answer you in this way: assuming, in the first place, that you desire the well-being of the laboring classes of this country—and they are a part and parcel of the country—and you protect, if it be desirable, certain things that they produce—to enable them, if you please, to earn more wages—yet you wrong them when by your tariff, you enhance the value of the articles that they have to purchase for their necessities. You reduce the value of their earn-

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ings. Now I say that, so far as a tariff is concerned, that matter should be taken into consideration, to permit the laborer to get as much of that which is necessary to him for the money that he earns as he possibly can, regardless of any local or particular interest, and if the question arises as between enriching those who are already wealthy and benefiting the workingman, then I say you should give the workingman the benefit of the doubt.

By Mr. CALL:

Q. Your idea is that coal is one of the things that ought to be free of duty?—A. Yes.

Q. What other articles would you recommend to be free?—A. To go into that minutely, one would have to take the tariff and go through it.

Q. You believe that the things that ought to have a low duty are those that are used by the people?—A. Yes. There is a duty on wool, I believe.

Mr. CALL. Yes.

The WITNESS. Now, the thing that is necessary to raise wool is cheap land, and when they cannot get that they cannot raise wool. If they cannot get cheap land out in the West, so as to be able to raise wool in competition with that raised in Europe, where land is dear, it is a very strange thing.

Q. Do you not think there is one difficulty in the legislation of Congress on this subject that a very large portion of the workingmen—not the agricultural laborers, perhaps, but even some of these—a very large portion of the workingmen engaged in the trades and manufactures of the country are opposed to any reduction of duty, and are generally in favor of what they call a system of high duties for "the protection of American labor," as they term it?—A. I think you are correct; it is so to a very great extent.

Q. Do you think that the people engaged in manufacture in the Eastern and Middle States are any longer in favor of a system of protected duties?—A. Well, I should have to qualify that. The laborers, probably, in the Eastern and Middle States, and in fact anywhere where they have given the matter any intelligent thought, must have come to the conclusion that all the escape from their misery does not consist in a protective tariff. But if legislation were wise in that direction, I think much good could be done to benefit the working classes, or those who live upon wages in this country.

Q. By the protective system?—A. By an intelligent adjustment of it. If you are a manufacturer, one of the things that you want is to get your raw material as cheaply as possible. That stimulates your industry. Now, if you protect your industry, and at the same time you protect to an excessive extent this raw material, you more than neutralize the effect sought to be attained.

Mr. CALL. The practical difficulty is that in the discussions before Congress with regard to taking the duty off raw material, the men who grow the raw material would say that they wanted the same protection as the manufacturer.

The WITNESS. I know it; and so we go on indefinitely; but we must endeavor, I think, in legislation, to follow Horace Greeley's maxim, "the greatest good to the greatest number."

Mr. CALL. Maxims are all very good, but the difficulty is that the representative of the raw-material man is in Congress, and has a vote, and under the forms of law feels bound to protect the interest of his constituents.

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LEGISLATIVE REMEDIES.

Q. Is there any other legislative remedy that you have in your mind or any method of reaching a result in improving the condition of labor?—A. That is a very difficult question; legislative remedies will suggest themselves as we proceed. The cardinal object in all legislation should be, I imagine—at least, that would be a beginning in the right direction—to give those who work for wages some consideration in legislation, and to have a care that the laws are not so made that the rich will grow richer and the poor poorer. It is an unfortunate state of affairs when that is reached, and to say now what legislation is necessary in a general way is very difficult. I have read some theories that have been broached here by people who thought all occupations should be in the hands of the Government. That would be a nice state of affairs. On the contrary, we want government as little as possible. Let the National Government attend to what is its duty—the adjustment of tariffs and such things—with an eye to the general good. But if I had the power I should wipe from the statute books that absurd arrangement about ships; I would not put ships on the same footing with contagious diseases.

Q. You would have free ships and free trade?—A. I did not say that.

Q. You would not say "free trade" in cigars, I suppose, but do you not think that you ought to be able to compete?—A. Well, if you take all the duty off tobacco and cigars we are quite willing to have free trade, and if we had it, we would export goods all over the world.

By the CHAIRMAN:

Q. Do you mean that you could get the raw material for the cigars cheaper abroad than it could be raised in those portions of this country where it is produced?—A. No; we are large exporters of raw material.

Q. Well, if we raise the raw material as cheaply as we could get it with free trade, why could not we export now?—A. We do.

The CHAIRMAN. If we raise raw material cheaper than they raise it abroad I do not see how the tariff on tobacco has anything to do with the exportation of the manufactured article.

The WITNESS. Well, there are quite a number of cigars exported. And, of course, as to manufactured tobacco, nine-tenths of what is consumed in the world, in the shape of plug tobacco, is exported from the United States; that is all right. But there are difficulties in connection with the exportation of cigars growing out of the internal revenue.

Q. It is the internal-revenue tax that troubles you more than the other?—A. Yes. Havana tobacco, in addition to its original cost at the place of purchase, costs about forty cents for the export duty and other charges from Havana. We cannot use that in the manufacture of cigars for the purpose of export. Cigars have, however, been exported to England and some other places.

By Mr. CALL:

Q. But there is a general feeling among the cigar manufacturers in opposition to the removal of the duty on cigars; at least that was represented in the last Congress. I suppose that was on account of the duty on the raw material, was it?—A. Yes, sir.

Adjourned.

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NEW YORK, *September* 24, 1883.

The committee met at 10 a. m.

HOMESTEAD LEGISLATION.

THOMAS AINGE DEVYR examined.

By the CHAIRMAN:

Question. Were you connected with the homestead legislation of this country? If so, state in what way.—Answer. Yes; for forty years and more. I went through the hard side of the campaign.

Q. You have written and studied very largely on the subject, have you?—A. A great deal.

Q. You have stated that you had some views to present to the committee upon the land question. Will you now state them briefly in your own way?—A. Well, after a century of existence of this Republic, I find these conditions offered to the man who cannot find employment by which to support his family: the prison, if he commits a crime; if not, he becomes a loafer; the poor-house, if he takes his family to it; he becomes a tramp if he looks for work, and even that is made illegal, and he will be taken up by the State authorities and thrown into prison, or, finally, if he gets tired of these conditions of life, he has the privilege of committing suicide. But now even that has been forbidden by law.

These are the only alternatives offered by this grand Republic to the distressed, homeless man, who wants to care for his family. I do not like these conditions. I do not think they are natural. The remedy seems to me to be just as simple and as single as all the remedies presented by the socialists and the trades unions and labor organizations are complicated and mixed up, and, I will add, in their practice utterly impossible, unless we get a government of angels to come down from Heaven and administer them. I have a great respect for these men. They are honest men; but they have grown up, and their fathers before them have grown up, in a great error. In Europe, all over, not only in Ireland (my unhappy country, which I left forty-four years ago), but throughout all Europe, they have been brought up there, generation after generation, with the idea, and it has been ground into them, that they have no rights whatever in the benevolence of the Creator; that the Creator sent them to this earth without any means of supporting the heavy burden of life which He laid upon them—and it is a very heavy burden; it is a responsibility that a man must meet every day or that responsibility will kill him with hunger.

Now, these men from Europe, and those brought up in this country have had that error engraved into their natures by inheritance from their fathers. It has never been disputed that land could be monopolized by a few, and that that few had a right to turn all the rest from their doors, to say to them, "I have nothing to do with your wants; this land is mine; this factory is mine"—as indeed it ought to be when he has constructed it with his efforts. But they have been put in this condition, and there is nothing left for them but the fate involved in one or the other of the forms that I have already stated.

The remedy for all this is as simple and as plain as the nose on a man's face. Congress has ample public lands at its disposal. It has a great many engineers educated at West Point, Annapolis, and other places. They are looking forward for work in their line, and they cannot get it. After educating them the nation, thank God, has very little



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use for their war qualifications. If Congress would consider how crime abounds over the whole nation—that there is hardly a village free from burglars; that cities are likely to explode with crime that tramples down all law, and if Congress would take a little of the resources at their disposal and survey out of the public lands a sufficient number of townships—six-mile square townships—scientifically and rationally laid out—with, say, a mile square in the center for a village, with room for a park, for fountains, for a boulevard all around it, for walks all through it, for accommodations for machinery of every kind which these townships would want—to make its leather, if you please, from its own hill-side cutting the bark, from its own cattle getting hides. If we survey townships in that way, and then declare that the United States would offer a loan, to be strictly repaid, that loan could remain a lien upon every farm and every household around that boulevard and that square, which would be inhabited by handicraftsmen of all varieties, and those working at machinery; but whatever they have, whether a ten-acre plot or a forty-acre farm, let this loan be a lien upon the land until the money is paid back again. This could be done by the present machinery of Government at far less cost than that which collected General Jackson's surplus revenue which he loaned or caused to be loaned out to the farmers in the several States, or gave to the States for that purpose, much of which was floating when I arrived in this country. I know one lawyer living to this day who took part in collecting that, and he informed me that there was not a single dollar lost, and there was no difficulty in collecting it. Here, then, is an example by which the United States could keep itself entirely safe. I do not want to flatter this committee. I have never flattered men in my life; if I had done so perhaps I would have another story to tell; but I must confess that I have more hope that this committee will take this subject into consideration and embody it prominently in their report than I have from all the newspapers in the country, and all the trades unions and labor unions in the country.

## LABOR UNIONS.

These labor unions and trades unions have got wages on the brain. They have no thought beyond getting a little more wages and a little less work, and when Saturday night comes round, if it brings them that little extra wages, or half holiday, they will raise up their hands to Providence in thankfulness, accepting a condition totally unworthy of American citizens. It will not be in a day or a week that this error will be removed from these men, and that they will stand on their feet upright and know their own dignity. Whether in this country or among the aristocracy of Europe, no man is superior to him who toils honestly for his bread. Men must come up to that knowledge, though it may be some time before they come fully up to it, for I find one of the most prominent among them now going in with the anti-monopolists who are not anti-monopolists, but who are only half-way men—one rogue fighting another—the rogue merchant fighting the rogue railroader.

## RAILROAD LANDS.

Some time ago (at the convention before the last) the anti-monopolists came out flat-footed for the people's right to the soil, and for the paramount duty of Government to see that it was given them. At the last convention, however, they ignored the whole subject. But they

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went into the subject of the enormous monopolies that in these days cover whole maps, marking out great boundaries of lands which these railroad men have taken hold of on the appropriation of the United States Congress; appropriations of the people's lands—lands that never can cease to be the property of the people.

### CONVICT PRISON LABOR.

These anti-monopolists have ignored that subject now, and one of our first reformers goes into their service, co-operating with them to preach against convict prison labor. In every direction you will find these men crying out about prison labor coming in competition with outside labor, and a very just thing it is to cry out about, but they have never dreamed of a remedy. They have never dreamed of a state of society in which there would be no prison labor at all, and very few prisons.

I say, open this safety valve—for I call it a safety valve—that would let off the danger from all the cities and villages—and where is there not danger? Encourage the formation of colonies. Do everything that a wise Federal Government can do to encourage what I have outlined; and by and by you would have no prisons, no thieves, no burglars, no dangerous men in society any more than you would have weeds in a well-cultivated field. As it is now, every man is turned loose and gets no education but what he takes up out of a newspaper.

### NEWSPAPERS.

Talking of newspapers—but perhaps it is not necessary to go into that—I regard them as one of the greatest evils of the Republic; calling themselves a free press when they are only free to their proprietors: when they are shut out from every other man. Thirty years ago I was on a Staten Island ferry-boat and saw a great danger to life from the overcrowding of the steamer. A disturbance arose upon the lower deck—it was fortunate that it was upon the lower deck—and great confusion and alarm was created upon the boat. I took out my note-book—for even then I was in the habit of taking notes of what I observed, and communicating my thoughts to the public as well as I could—I took note of that circumstance. When I came home I set to writing out my notes, but, recollecting that the chances were five to one that there was not a paper in the city of New York that would publish it, I stopped. I knew that when it would reach the editor there would be a consultation, and the question would be asked, "Do the Staten Island ferry-boats advertise with us?" and the answer would be, "Yes; they advertise with us, and one of our masters has stock in the line." That would consign my manuscript to the waste-basket. When that thought struck me I put up my note-book, and within thirty days after that date a number of people were killed by the overcrowding of the same ferry-boat. It is a mistake to say that the press is free. I have no remedy to offer, only the remedy I have spoken of.

Q. What was your connection with the inception and enactment of the homestead law of this country?—A. Well, I do not wish to parade what I have done, or attempted to do; but in answer to that question I must say that three men, of whom I was one, started in March, 1844, the National Reform Association of the city of New York. Even then there was a good deal of distress among laborers; even then there was a great advance in machinery that interfered with book-binding, and with hat-making, and a great many other trades. There happened to

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be here before me a Welshman, named George Evans, who came out here when quite a young man. There was another man, named John Windt. My career up to that time had been combatting the landlords of Ireland and of England. I wrote "Our Natural Rights" when I was out of my teens—when I left the school in which the master could not teach me that a sentence should begin with a capital letter. And in the first manuscript of "Our Natural Rights" I wrote "Ireland" with a small "i." Luckily a medical student whom I knew, looked over the copy, and gave me the first idea that I had ever received of capital letters. I wrote "Our Natural Rights" disproving, as I believed then and now, the ownership by these men of the land. I saw and I said that the retirement of a Russell or the advent of a Peel, or any change of Government in England could not affect the Irish peasant in the slightest degree. Taxation cannot affect them, for they drink no tea except twice a year; and anything in the way of exercise does not affect them, for they smuggle and make their own whisky, so that the national Government was of no consequence to them. But if a peasant farmer made the least improvement on his farm, or was able to wear a decent coat, and above all, if he dared to mount a good horse, the agent of the landlord would growl and raise the rent. I had a brother-in-law, himself a descendant of a Cromwellian; his ancestors had come over with Cromwell. He was a good farmer and an honest, hard-working man, but he liked good clothes and a good horse. On coming to pay his rent on one occasion the agent measured him from head to foot with his eye, and then said to him, "Mr. Kilpatrick, you ride as good a horse as I do." "Well," said my brother-in-law, "I like a good horse, and when I have one he is as easily kept as a poor horse" The agent looked at his clothes and his top-boots, and, taking in his appearance, said to him, "Mr. Kilpatrick, your land is worth more money than you pay." Very soon he raised the rent to such a height that my brother-in-law had to leave his country and come out to America, when he was well advanced in years, with his family. Then age set upon him, misfortune followed him, and he died by his own hand.

As soon as I finished "Our Natural Rights" I found that I could get no printer in Ireland to print the work. After two years of effort I finally had a placard printed, stating the contents of the work, and posted that up here and there through the community. I was largely interested in business at that time—the linen-yarn trade. At the time I speak of there was no machinery that spun yarn or flax. It was all spun on a neat little hand-wheel by the women.

And, incidentally, I would vindicate them and the Irish people generally from a charge of laziness. I spent years in that trade—several of the most active years of my life—before I entered public life, and I noticed that a hank of yarn contained some 3,200 yards, and it constituted a very heavy day's work for a spinner. I found that if the price of yarn increased sufficiently to give two pence sterling of profit on spinning each hank, the market was overstocked with the article. Who knew these things? Who inquired into them? Who experienced anything about them? At the very same time I well remember two brothers in my village, in Donegal—sober, efficient, respectable workers, and these two never got more than ten pence sterling for a day's work, and they would at any time make, and be glad to get, a contract during their whole lives which would secure them eight pence a day, sure. That was one dollar, not for a day's work, but for a whole week's work!

To that the villainous land monopolists, shutting out every spot of escape, had reduced the people. To that they will reduce the people of

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this country, if they are suffered to go on. When I finished "Our Natural Rights" I dedicated it to Wilkins Charman Crawford, who was then beginning to move in the land question. He sent me an encouraging letter which caused me to dedicate it to him. I sent him the programme which I had printed in a "broadside," and it was amusing to see me in my place of business distributing these "broadsides." I would nail them up at the market-place before my business would open, in the city of Armagh, and I would stand carelessly by and hear the comments of the people upon them. A crowd would gather around one of these posters, and read it through. My knowledge of language was very limited at the time. I had little opportunity of knowing anything about language. Books were not to be had in those days by poor people. I was very much offended at the comment of a very intelligent looking young man who read the placard to the crowd. After reading it he said, "That is a damned nervous production." I had been accustomed to understand that nervousness was a disease among old people, and I supposed that he was cursing it because of the poverty of the language.

As soon as I got it printed in Ireland (my business was then established and my first child had been born), I said to my wife, "There is a mission given to me; it is set forth in this pamphlet. I must do the work which this mission calls upon me to do. If I can do it here, well and good; if not, I must go where I can fulfill my mission." "Nonsense," said my wife; "what wildness is that? We are now settled, and starting life fairly; let us remain where we are, and we can hope to prosper." "Settled or unsettled," said I, "I will pull up stakes and go to the city of London, and if there is a mission given me, as I think there is, I will be useful to the world; and if there is not, I will take my chance; and if I do not succeed there, I will go to America."

Luckily, a friend of mine had been appointed secretary to Joseph Hume, a great Scotchman, and a member of the British Parliament. I had helped this young man to get to London; he had finished his education; he had been intended for the Catholic ministry, but the bishop would not ordain him into it, and he left and went to London and secured this position that I refer to. I had helped him to get to London, and he opened a correspondence with me. By this time that I speak of he had become one of the editors of the London Sun—editor of the farm department of it. Well, I went to London and reconnoitered, and at that time the land portion of the trip was a matter of 28 or 29 hours on the top of a coach.

Q. The point we want to get at is the development of the homestead law of this country. I thought it would be well to have that noted in our record, and we would be glad if you would reach that point as quickly as you can. It is a point of some historical importance.—A. Well, I was doubtful whether I was not making a mistake in entering upon these details; but I did so because I thought it would impress the committee with the thought that I understood the subject, having studied and worked at it so long.

### EARLY EFFORTS AT HOMESTEAD AGITATION.

Well, to cut the story short, we started in New York the National Reform Association, the object of which was to reserve the public lands for the actual and exclusive use of settlers. We issued twenty thousand copies of our programme, and we held three or four meetings in the streets and squares of New York every week from the month of March, 1844, until the winter shut us in. We held also in-door meetings in Croton

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Hall, and had a room there for business, the meetings being held every week. We sent our documents to Congress and to the New York assembly and all over the land, and made a considerable impression. The result was that the question was taken up in the next legislature which assembled in 1845, and our views were indorsed by a majority of 103 to 5 dissenters. Daniel Webster was then Secretary of State to President Tyler; and whether it was from the significant vote of the New York assembly or from other information I do not know; but the following week, as soon as it could reach him, he declared in favor of it. Immediately it went up to Congress, and there the first dividing line between the North and South—after Calhoun's nullification affair—was brought about in Congress. Every man, whether Democrat or Whig, north of Mason and Dixon's line in the lower House voted for our views, that the land should be so disposed of. Every man south of that line voted against it, with the single exception in each case of one man. The Southern man's name was Wright, and he came from the high lands of Georgia. He was the only Southern man that voted for this measure. Everybody else from the South voted against it. This I consider was the first indication, if not the first cause, of the great civil war. The measure afterward matured into the homestead law.

Q. In what year was that?—A. The year of the vote in the New York assembly was 1845. We had commenced in the spring of 1844, and worked in the way I have mentioned during the whole summer.

Q. You followed that idea with your organization until finally the result was the homestead law?—A. Yes; eventually. The Senate defeated it after it had passed the lower House. The Senate discussed it for a whole week. A countryman of mine, General Shields, was then in the Senate, and a Democrat, and was well inclined to the law; but his party would not let him vote for it.

Q. The rest is matter of public record pretty largely; and as our time is limited this morning I would like to have you state, if you will, in a few words, your views upon the land theory of Mr. George. I think you have written upon it and reviewed it, have you?—A. Well, if I do not understand the land question I do not know who does. I know no one who has studied it so much as myself. But I do not apprehend exactly the meaning of your question.

## "HENRY GEORGE'S" LAND THEORY CRITICISED.

The CHAIRMAN. Perhaps you did not understand me. We have about fifteen minutes before hearing another witness who was called and who is now waiting, and if you are disposed to give us your views upon the land theory of Mr. Henry George (which I see you are reviewing in the public prints) we shall be glad to hear you give a condensed account of your views of that theory.

The WITNESS. Well, so far as the fifteen minutes are concerned, I was led into the mistake—if I have made any—by the committee listening to Jay Gould talking nonsense for I do not know how long. However, I do not want to spend much time upon Mr. George's views. I know that his plan of nationalizing the land is utterly impracticable, and if it could be made practicable it would be utterly unworkable. There is no plan but the individual homestead; no plan but that the lands of this nation ought to be limited to the farm that would be sufficient to keep a man and his family in comfort and to educate his children. Mr. George has helped to throw a great light upon this subject, but I hold that there were three men connected with the Irish World

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that taught him years before he wrote a line on that subject, and that those three men raised all the noise that you have recently heard which resulted in Gladstone's land law. If you had seen my criticism of George's theory in Frank Leslie's Illustrated Newspaper two or three weeks ago you would see how I have entirely disproved it.

Q. Can you state in a few words your objections to his plan?—A. I was going to say that in that criticism you would find all my objections, but I will briefly state them. His plan is to nationalize the land. Now, how is he to nationalize the land? He must alter the Constitution of the United States first. He must say, "hereafter no man shall own any private property in land." The nation now, by virtue of this change in the Constitution, would take possession of all the lands of the nation. After getting his movement started, he would have to get the legislatures of three-fourths of all the States to indorse it. Then it would have to pass the ordeal of the people, and the people would have to consent that all private property in land should be given up to the nation. The very statement of the thing is preposterous and absurd, and totally impracticable. I have been assisting Mr. Patrick Ford for the last seven years upon the Irish World, and he and I and his London correspondent, raised all this noise that resulted in the Gladstone land law. Mr. Ford said to me, "You object to George's plan. Write a criticism upon it and I will publish it over your own name." I wrote the criticism, and he read it over and sent word to his foreman, "Print that; give Mr. Devyr as many slips as he wants, but you must not publish it." It could not appear in the paper—in fact it would have extinguished Mr. George's plan. I have copies of that criticism in my hand. I sent it to a good many gentlemen, and every one of them condemned his plan. The thing is totally impracticable, and if it were practicable and it were ordained to be the law to-morrow, how many thousands of changes it would be necessary to make! You want so much land, but you are met by the statement that you can only have that much which the supreme authority will give you. For this land you must pay a quit rent. How much will it be? Under that plan no man can see an inch before him. Mr. George is a brilliant genius, and has done much good. He has called public attention to this matter, but there is not a single detail of all his remedies that is not impracticable. That is all I have to say about it now. I was led into the error of tracing the outlines of the movement by which I became connected with the homestead laws, by remembering that Jay Gould was allowed all the time that he pleased to talk his nonsense before this committee. I will repeat, however, that I have more hope that this committee will take this matter up by means of the simple remedy which I have marked out, and will do more good in that way than by the adoption of all the wild and impracticable schemes that can be proposed. There is not a city or village government in the country that would not be interested in co-operating in such a plan. It would rescue the country from all the dangers that now threaten it; dangers that are increasing every day, and that have increased very greatly within the last twenty or thirty years. If they have increased so much within that time, where will the country be at the end of the next thirty years?

## NEWSPAPERS.

One more suggestion with regard to the newspapers. They are not the expression of the free public opinion of this country. I should suggest that a national law be passed compelling every man who owns a

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newspaper to leave a blank column to be filled up with the real opinions of the people—my opinion or yours—and that every one writing a leading article should sign his initials to it. How much, for example, should we not respect an article in the New York Sun if signed with the name of Charles A. Dana? Some plan of that sort is coming to be more and more essential for the salvation of this Republic.

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NEW YORK CITY, *September* 24, 1883.

WALTER E. BARNETT sworn and examined.

By Mr. CALL:

Question. What is your address?—Answer. No. 85 Maiden Lane, New York City.

Q. Your occupation?—A. Manufacturer of cigars.

Q. How long have you been in the business?—A. About eighteen years.

Q. Have you been largely engaged in the business?—A. Well, no, I cannot say that I am; I am what would be called, perhaps, a moderate manufacturer.

Mr. CALL. I suppose you have seen the resolution of the Senate under which we are conducting this investigation?

The WITNESS. If you have a copy of the resolution I would like to look at it. I understand it generally to inquire into anything which depends upon the relation of capital and labor.

Mr. CALL. I will read it to you. [Resolution read.] We shall be glad to hear from you anything you wish to say on any of the subjects mentioned in that resolution; any facts within your own knowledge relating to the conditions of labor, and any recommendations you may desire to make for the improvement of those conditions, or the remedy of any evils affecting them. You may do this in your own way without special interrogatory.

The WITNESS. That is what I understood to be the scope of your duties here, and, inasmuch as I am about to take a ground that will be pretty severely handled by a certain element of the press of New York, what I wish to say briefly on the start I have committed to writing, as I do not wish to be misunderstood. Unfortunately I am very busy (there being sickness in my staff), and I have not had time to prepare it as I would like to have done for this committee, if I had had the time.

### NO ANTAGONISM BETWEEN CAPITAL AND LABOR.

I may say that, although a manufacturer, I have been for the last ten years politically allied with the workingmen—working in their ranks, and helping to make their ticket, and supporting them. I believe that, under a just system, there is no antagonism, and that there should be no antagonism, between capital and labor. Capital is the offspring of labor, and should be its helpmate. The workingman is assailed at both ends of the line. Labor, to compete with his, comes here in a continuous stream, and foreign-made goods are always being imported, thus lessening the demand for his labor and cheapening its price.

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## THE RIGHT OF AMERICANS TO CONTROL THEIR OWN MARKETS.

Citizenship consists of two things: the duties of the citizen to the state, and the obligation of the state to the citizen: The state usually exacts the full measure of the citizen's obligation to the state, but seldom performs its full duty to the citizen.

We hear a good deal of talk of vested rights, but there is one right which I hold to be the most sacred of all vested rights, which many public men seem desirous of ignoring, and that is the right of American citizens to the control of their own markets. This is the right which most nearly affects the workingman. If there be any self-evident right, I hold this to be the first of all, and to be the best founded. Nations prohibit the march of troops of another country across their territories, and assert their rights to sovereign prerogatives in many other ways, but strangely allow the invasion of the state by hordes of traders, and permits them to flood the markets with goods, manufactured in countries where the laborer is a mere serf of his more prosperous neighbor, and whose compensation is never higher than the bare cost of animal existence.

Such a system may not work any very great injury between countries in which the laboring classes are both reduced to the same level, but it can be seen at a glance that such international trade or exchange will work a grievous injury to any country where the man of labor is established upon a higher plane than that of the mere brute; and it is also as plain to be seen that it cannot long continue before the man of labor in both countries will be reduced to the same level. Twenty years ago the American mechanic was the most contented and prosperous of any workman in the world. After a few years he had accumulated sufficient money to establish a home and start in business. His children were well educated, and his family surroundings were refined. He was independent and manly. Look at him to-day. See what a change twenty years have worked in his condition. It is now a mere struggle with him for animal existence. He is crowded into that modern hell—the tenement house. His surroundings are no longer of the refined character they were. His children, when they should be in school, are forced into the factory to work, or into the streets to black shoes, or peddle newspapers, and in many cases even the wife is compelled to work, and after all this labor the combined earnings are only sufficient to supply them with the bare necessaries of life.

If you ask me to what I attribute this change, I answer: To the importation of manufactured goods which supply the wants of our people without employing our labor. In my judgment this is the factor.

## THE TARIFF.

I hold that a tariff should be levied primarily for protection, incidentally for revenue; and that when many goods are imported in spite of the tariff, it is an evidence that the tariff is too low, and that it would be the part of good statesmanship at this point to raise the tariff and check importations. Under a proper tariff system, this country would speedily become what I believe the Supreme Architect of the universe intended it should be—a prosperous and happy land, where peace and plenty would reign. Nature seemed to have designed this land as such. Isolated from the older lands by broad oceans, we have no need of large standing armies of non-producers to eat up the substance of the men of labor while standing guard at our frontiers. We have every climate,

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from the arctic to the tropic, a fruitful virgin soil which showers plenty upon the husbandman for his toil, all of which is watered by mighty rivers, and none (or scarcely any) of which is arid. Our mountains contain all the iron and other metals we need; we have coal and oil in abundance. What more do we need but wise statesmanship to complete the sum of our existence? We could build a Chinese wall around this country and be the happiest people on the face of the globe.

People ignorant of the figures in the case sometimes ask what we will do with our surplus products. If we buy nothing abroad we can sell nothing. I would remind those people that business is business, and is not carried on upon a sentimental basis; that whether we trade with others or not, they will buy nothing from us that they are not compelled to buy, and that our home market already consumes over 92 per cent. of all our productions.

Q. That is the only remedy that you care to suggest?—A. That is the first great cause, in my judgment, of the condition of the workingmen as we find it to-day.

### MAKE RAW MATERIAL FREE.

Q. You would exclude all foreign production, I understand you?—A. No, sir: I would admit free of duty everything in the shape of raw material, the like of which cannot be raised here; if it is an agricultural product, or (in case it be a mineral) if it is mined in this country, or, as in some classes of iron ores, if a superior article of iron manufacture can be produced by blending our own production with a foreign article, I would put that on the free list. But anything for use among our people, the labor for which, or the labor to manufacture which, is found in the United States, I hold it to be the first duty of the Government to protect our citizens in the right of their own market. I have seen a great deal of the working of the tariff, being engaged in business having two branches, one directly affected by the tariff, and being in the nature of things protected, and the other branch which does not come in connection so much with the tariff, and in which wages prevail.

### EFFECT OF THE TARIFF ON THE CIGAR TRADE.

Q. In which branch is that?—A. That is the manufacture of cheap goods. Take the case of cigars: Before the Morrill tariff was established cigars were made in Germany. Tobacco grown in the United States was shipped to Germany and blended with other tobaccoes and then sent back here in the manufactured form and sold for $8 a thousand. To-day I am paying in my factory $40 a thousand for rolling up cigars.

Q. How many people are engaged in the cigar business in the United States?—A. When I was in Washington last winter Senator Allison computed the number at 480,000. It is a little above the figures I have, but my figures are not complete. I presume his are correct.

### CONSUMERS OF CIGARS.

Q. You have no idea of the number of people who consume cigars, I suppose?—A. I hold that the first duty of the Government is not toward the consumer, but toward the producer.

Q. I was only asking if you had any idea of how many people there are in the United States who consume cigars?—A. Well, our popula-

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tion is computed to be 52,000,000. Of that probably almost every man over the age of fifteen——

Q. There is enough to beat those 400,000 cigar-makers on a square vote?—A. Undoubtedly.

Q. So that you would have to educate them into the theory or political view that you propound—that the producer ought to be protected and not the consumer?—A. Yes. I hold that every man, if he be not a lawyer, a "dominie," or an annuitant, is a producer of some kind—unless it is a man like Vanderbilt, who lives upon the earnings of others; and, although every man may not produce cigars, he produces something, which if protected in the same ratio as that which I produce, and as that which every other person would produce, there could be no objection upon that score.

Mr. CALL. A practical difficulty we found in the last Congress on both sides, without respect to politics) was that those consumers would always have somebody to represent them there, who voted according to that side of the question, and according to that view.

The WITNESS. Pardon me. There were a great many that voted that way, it is true, but I think a great deal of it was due to a lack of knowledge of political economy; and I think the first duty of the State, if it could be done, or of those who form public opinion, should be to induce our people to study political economy. Political economy is not taught in our schools—so much the greater misfortune.

Mr. CALL. I have no doubt there is a very great want of knowledge on that subject somewhere, probably generally.

### FREE-TRADE LITERATURE.

The WITNESS. There is another thing I blame that for. I think it is very unfortunate that we speak the language of that country which is uppermost in propagating the principles of free trade. Their writers on that subject are numerous. Reprints of English books, and English books themselves, are circulated very largely here, and people do not discriminate when they read them as to whether they apply properly to this country, or to any other, but accept them "*holus bolus*," on general principles. I think that is a very unfortunate thing. Outside of Henry C. Carey, and a few men of that stamp, we have no well-defined school of political economy. We are taking at second-hand the ideas of a country which protected its manufactures in the most rigid way for seven hundred years. The infant, therefore, was very old when it was weaned.

### CONDITION OF ENGLAND.

England is closely settled, and her people are divided into two classes, the rich and the poor. The rich are very rich and the poor are very poor. When political economists speak of England they generally speak of the England of the rich. They do not speak of the hewers of wood and drawers of water. It is said England is a "rich" country; political economists tell us that; but they do not tell us that the laboring classes there scarcely know meat once a month, and that they are worked down to a terrible condition. England saw—that is, the England of the political economists saw—that the few who would benefit by extension of trade throughout the world, had their labor at the mere cost of animal existence, that they could drive their people into the cities and produce goods cheaper than any country on the face of the globe.

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WAGES OF CIGAR-MAKERS.

Q. I understand you to say you are paying $40 a thousand to your workingmen now?—A. Yes, sir; for some grades of goods.

Q. And you understand the condition of labor abroad to be that they are earning a mere animal existence?—A. When I give you $40 I give you a figure for fancy work. There is not much of that done.

Q. What would you call the average?—A. In my branch of the business the average would be $25.

Q. Do you think that that compensates labor abundantly? Are the workingmen doing well, laying by something?—A. I should like to have the committee go to my factory at any time.

Mr. CALL. I do not speak of you individually, but as a type of manufacturers.

The WITNESS. There is scarcely a man that has not a few hundred dollars laid by.

Q. You think that they are getting fair pay, that it enables them to live comfortably and lay by something?—A. Undoubtedly.

Q. Is there anything else you wish to suggest?—A. I did not know but what you might have some questions to ask. I would say that the drift of legislation always seems to be to protect the interests of importers rather than to protect manufacturers.

Q. What legislation do you refer to now?—A. Legislation lowering tariffs—this great liking for lowering the tariff and letting goods in very cheap. We are told that this is a check upon high prices.

Q. What legislation is it that has made a great reduction in the tariff?—A. I was going to point to one thing over which Congress has control, and which we propose to ask them to abolish; that is, the tendency of the law, as I say, in favor of the foreign goods always.

TENDENCY OF LAW IN FAVOR OF FOREIGN GOODS.

Q. What law is that you speak of?—A. I am going to show you, if you will permit me. I hold in my hand a box of cigars that were made in Key West, Fla. Of course that is a domestic manufacture. Now, if you notice, the name of the factory and the district of the State has to be stamped indelibly into the box. A caution or notice is put on it in that form, and that is provided for in the Revised Statutes of the United States. Now, I show you another box of cigars, imported from Havana. The Government goes out of its way to put that mark on the box; and that was not done by act of Congress either, but under the provision of the tariff law by which the Secretary of the Treasury is instructed from time to time to prescribe rules and regulations for the government and control of the Deparment; we have protested against it several times to the Secretary of the Treasury, and it has been concluded in that Department that the Secretary has the right to prescribe rules, but not to repeal them.

Q. What is the rule?—A. The Government goes out of its way to assure a market for foreign goods by putting this guarantee on this box that these cigars came through the custom-house.

Q. Let me see if I understand you. It enables a person to tell that this is an imported cigar, and that the other is a domestic one?—A. Yes; and I hold that that is not the office of the Government.

Q. The Government ought not to allow that, you think?—A. The Government ought to allow us to sell our goods on their own merit.

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Q. To sell domestic goods as imported goods?—A. No, sir; that is not the object.

Q. What is the point, then?—A. The point is that there are a great many people in this country that believe nothing is good that is made in the United States; that something is better if made abroad.

Q. That is, that they prefer to smoke imported cigars?—A. Yes.

NOT THE OFFICE OF GOVERNMENT TO DISTINGUISH IMPORTED FROM DOMESTIC GOODS.

Q. And that enables them to tell that it is an imported cigar; that is the idea?—A. That is the idea; and I hold that that is not the office of Government. If you ever have any silk manufacturer before you he will tell you that Paterson could never have become the center for the manufacture of American silks, that the people would not have bought the result of the Paterson silk mills if they had thought they were of American manufacture, yet to-day these silks sell lower than the foreign goods. Our goods are frequently pushed aside. I hold that that practice grievously affects the American mechanic, and we propose to ask your honorable body at the next session to remove that.

Q. You want some legislation by which people would be compelled to smoke domestic cigars?—A. No, sir.

By Mr. PUGH:

Q. Or to enable the manufacturer to induce them to do so?—A. No, sir.

Q. What is the use of the rule, then?—A. Here is one cigar and there is another. Let a man judge of their merits and take whichever he prefers.

Q. Without knowing where they come from?—A. Undoubtedly.

Q. Supposing he was to ask you where they came from, what would you say?—A. I have a factory, and it is fair to assume that I manufacture them.

Q. Suppose the buyer should ask you?—A. Then I should tell him.

LEGISLATORS SHOULD REMEMBER THE MANUFACTURER.

By Mr. CALL:

Q. Well, the legislation should be prohibitory. Is that your idea—to prohibit the importation of foreign goods?—A. No, I do not say that it should prohibit them exactly, but the manufacturer should be regarded in the passing of the laws.

Q. Is it your object to cheapen prices?—A. To cheapen the prices of goods and raise the price of labor.

Q. Your object in that legislation is to cheapen the price of cigars?—A. Yes.

Q. How will that enable you do to it?—A. That is the tendency of all well-paid labor with a sufficient market.

Q. Suppose there are so many manufacturers that they overdo the thing and you cannot sell any abroad?—A. We should never be able to sell them abroad; but if we can make enough to supply the United States, we will be satisfied. We are seventy millions behind to-day of cigars that are imported from Cuba alone. If you agree to make us right on that 70,000,000 we won't talk about anything else for the present.

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By Mr. PUGH:

Q. Straiton & Storm say that they are exporting to several foreign countries.—A. Yes; but Straiton & Storm would take identically the same ground that I do. I know Mr. Straiton especially well, and we have had talks on this question.

By Mr. CALL:

Q. Do you want tobacco free or do you want to have a duty on that?—A. I am what I call a consistent protectionist. I would have the duty remain as it is on imported tobaccoes, though we pay a large sum every year.

Mr. CALL. Some farmers think it is not high enough, and they complain about the importation of Sumatra tobaccoes.

The WITNESS. But you put 75 cents on it last year.

Mr. CALL. Yes; but they still claim that they want a duty prohibiting it, and that it is wrong to have it all.

CONNECTICUT TOBACCOES.

The WITNESS. The great trouble about that comes from our Connecticut friends, who have impoverished their soil. Two years ago you could buy their tobacco by the car-load for 9 cents a pound. I know to-day where people are demanding and will get 40 cents a pound for Wisconsin tobacco.

Q. These Connecticut farmers, then, all ought to go to Wisconsin?—A. The trouble with our friends in Connecticut is this: for a long time they controlled the market for fine wrappers; that is, wrappers fine enough to make a good class of cigar with a Havana filler. There was no State to compete with it, no State raised any tobacco of quality sufficient to make a good cigar in combination with Havana tobacco. It is a very exhaustive plant, and, instead of alternating the crops, the avarice of the Connecticut farmer induced him to plant tobacco year after year, and each year the thing deteriorated in quality. The New England farmer is a good deal of a scientist, and dabbles much in the new ideas of the day, and he went into the use of chemical manures, putting so many pounds to the acre of such a manure for the purpose of getting a dark leaf; so many pounds to the acre of some other manure for the purpose of making a thin leaf; so many pounds to the acre of some other kind to give it a glossy appearance, and so on. But it appears that those combinations do not work as well as manures as when studied out chemically, and so it did not work very well with the New England farmer. The consequence is he spoiled his land, and two or three years ago many of them went back to the old principle of barn-yard manure, and to-day they are raising a better tobacco than ever. In the mean time the State of Pennsylvania went to work raising a superior grade of tobacco, and in a few years they raised a finer tobacco than Connecticut, and supplanted the Connecticut tobaccoes in the market. To-day the tobaccoes of Pennsylvania will sell, on the average, taking the entire crop, at about $1.25, while the Connecticut tobacco sells for $1 on an average.

Q. The proper remedy for the Connecticut man, instead of increasing the tariff, you think, is to increase the barn-yard manure?—A. Yes, sir; but take Wisconsin, for example, a few years ago they raised no tobacco fit for wrappers.

Mr. CALL. These Connecticut farmers may say to you that you would have to take some of that remedy yourself; that is the natural process of increasing the price of commodities.

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The WITNESS. It protects them. I am asking for protection to the farmer.

Mr. CALL. That is all right. I am not speaking of the merits of your theory at all, but only of your view of this matter.

The WITNESS. We must, of necessity, import Cuban tobacco to mix with those of our own production. But I hold that the farmer is entitled to the same ratio of protection that we are. We never ask anything else.

Q. You only want enough to give you control of the home market?—A. Yes, sir.

By Mr. PUGH:

Q. And not allowing the consumer to buy anywhere else except from you?—A. I think we are doing well enough if we can manufacture all the goods of this country.

By Mr. CALL:

Q. And you are willing to give the farmer the same measure of protection?—A. Yes, sir; and in the end, by a proper system of protection, it can be proven by figures that labor is benefited by the enhanced price, and the cost of living is lessened by protection.

THE CONSUMER BENEFITED BY PROTECTION.

Q. How about the consumer?—A. The consumer is benefited in the end. The consumer to-day of steel rails is largely benefited by the protection afforded to that industry by act of Congress.

Q. That is, he gets his rails cheaper?—A. Yes.

Mr. CALL. If you can demonstrate those things, I think that is the remedy we want.

The WITNESS. I thought I would be asked that, so I will demonstrate it.

Mr. PUGH. Oh, it has been demonstrated a thousand times, and I do not think we ought to go into it any further.

The WITNESS. I would like to give you a few figures.

Mr. PUGH. We have had lots of figures. They are all over the face of the earth.

Mr. CALL. Mr. Pugh means upon the general theory of the tariff. A witness whom we have to wait for is not here, and we can hear you a little while longer. I only meant to say this: that if you can demonstrate that the tariff or any other system can, in the first place, increase wages, and, in the second place, reduce the price of the article to the consumer at the same time, that is the very thing we want. We want to pay the workmen high prices, and at the same time get the goods cheaper for the consumer.

The WITNESS. Well, you will admit——

Mr. CALL. [Interposing.] I have no admission to make. But if you can demonstrate that any measure will give high wages to the people engaged in manufacturing, and at the same time sell their goods cheap to the people who want to buy them, that fills the bill.

The WITNESS. Well, free-traders do admit generally, I believe, that protection enhances wages, but they claim that it also increases the cost of living. Now, I will hold them to their admission on the one hand—we all know that it does increase the price of wages.

DOES PROTECTION PROTECT.

Mr. PUGH. The wage men who have been swearing here say that it does not; that they have not got any of the benefits of your protective

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policy; that the manufacturer, such as you, pockets all the increased price.

The WITNESS. I can send you a large number of workingmen, sir, that will testify the same as I do in regard to this question.

Mr. PUGH. Well, they have not been here yet.

The CHAIRMAN. Quite a number have testified to that effect. However, it may have been while Senator Pugh was away.

Mr. PUGH. Quite a number that I have heard say that it all inures to the benefit of the manufacturer.

The WITNESS. But a great deal of that idea comes from the socialism of New York, and much of that is not of native origin. The men that want to testify before this committee ought to understand the principles upon which the American Republic is founded. They come here, many of them, honest, but they bring ideas from other countries and attempt to apply them here. I can produce any number of intelligent workingmen (and I mean men of foreign birth, too, but who have lived here for a long time) to sustain what I say.

The CHAIRMAN. We understand the great majority of workingmen are of that opinion, though some men advocate the views of a minority.

### RESULT OF THE PROTECTIVE TARIFF ON OUR IRON INDUSTRY.

The WITNESS. In the year 1867 England had almost entire control of our iron trade. In that year we produced a little over 2,000 tons of railroad iron, and the price in our markets then was $166 a ton. The next year we produced over 6,400 tons, and the market price was down to $158 a ton. The year following we produced over 8,000 tons, and the market price got down to $132 a ton. We went along increasing our manufacturing facilities, producing every year more iron, and marking down the price until 1881, when we manufactured 1,187,770 tons, and had by this time marked the price down to $61 a ton, and last year it got down to $48 a ton. So much for railroad iron.

### ON THE MANUFACTURE OF CHEMICALS IN THE UNITED STATES.

Twenty years ago the manufacture of chemicals was of very little importance in this country. We had to depend upon Europe for our supplies, and pay high prices for them. Then came the Morrill tariff. This stimulated enterprise, and as a matter of course reduced prices. Chloroform sold here for $2.50 per pound. We put a duty of $1 per pound, and under this duty it is now selling for 65 cents per pound.

The number of chemical factories in the United States is 1,349, employing a capital of $85,000,000, with annual sales of $118,000,000, and burning annually 600,000 tons of coal. Now I say it is better that that money should be paid to American labor than to send it abroad.

Take bicarbonate of soda. Before the Morrill tariff went into effect this article sold for between 4 and 5 cents per pound. With a tariff almost prohibitory, it sells to-day at less than 2¾ cents per pound. Aniline dyes, so largely used in manufactures, now sell at $2.50 per pound. Before the tariff was established (which made its manufacture here possible) it sold for $6.50. Fusil oil, extensively used in the manufacture of quinine, now sells for 32 cents per gallon, although the duty upon it has been $2 per gallon, until the last tariff bill, which reduced the duty to $1 per gallon.

Take acetate of soda, the rate of duty on which is 222 per cent.; the price abroad is 28 cents; the price in the United States is 22 cents.

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Take caustic potash (used in all the arts, and especially in the manufacture of wood-pulp for paper); before a duty was placed upon it it cost in this country 7⅞ cents per pound. To-day it sells for 3¼ cents.

Alum used to be on the free list, and you could not then buy a pound of it for less than 3¾ cents. When the duty was put on it American industry developed its production, and to-day you can buy it for 1⅞ cents per pound.

Castor oil is protected by a duty of $1 per gallon; castor oil beans by a duty of 60 cents per bushel. If the duty was added to the cost of the article $1 would be added to the foreign cost of the oil. Is it added? Not at all. Castor oil is selling in our markets for 92 cents per gallon to-day.

ON THE WOOLEN MANUFACTURES.

Take woolen cassimere cloth. During the comparative free-trade era, from 1850 to 1860, when wool was free and the duty on cloth merely nominal, cassimerets averaged 51 cents a yard. Now, under the tariff, they sell for 45 cents. What makes this difference? It was not that labor was better paid before the war than now. The wildest free-trade lunatic would not claim this. What was it, then?

When wool was free the wool interest of this country was at a low ebb. The market for wool was in the hands of the importer. It was in the hands of the foreign grower. To-day, under our tariff system, the market for American wool is in the hands of the American grower. Every pound of wool that the American farmer can raise he sells to-day to an American manufacturer, and the money stays at home, and is not sent abroad. Do you say the price of wool has increased under this tariff of 12 cents a pound, as against the free wool of 1850 to 1860? To-day wool is cheaper, pound for pound, and has been for five years past, than it was from 1855 to 1860, when it was imported duty free.

ON AGRICULTURAL IMPLEMENTS, ETC.

Take some of our manufactures into which enter as raw material articles upon which a duty is levied, as you say, for example, iron and steel. No nation can compete with us in style or price of reapers, threshers, mowers, plows, shovels, hoes, axes, forks, scythes, wagons, harness, saddlery, hardware, &c. Our people buy better and cheaper goods than any nation in the world can sell us. Much of our hardware is found on the shelves of English dealers.

ON CUT NAILS.

Take the case of the common cut nail, a purely American industry, born of the old protective duty on wrought nails, not one was made in the United States when the duty went into effect; all were imported from England. Eight million kegs of these are now made annually in the United States. Now all the nails used in the United States are made here, and the price, instead of being 20 cents per pound, as it was when the "dear Englishmen" had possession of our markets, varies now from 3¼ to 3½ cents.

ON GLASS.

Do you want any figures on glass? Take the common tumbler that you drink from. All these were imported up to a few years ago. The price then, by the case of 25 dozen, was $1.40. Six years ago, under the much derided tariff, we commenced to make them, and to-day we sell them at 40 cents.



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### ON POTTERY.

Take pottery. Kaolin, or China clay (from which our pottery and China table ware is made), cost us in England $1.28 per cubic foot. The price under protected American competition is 40 cents per cubic foot. The common crockery ware used upon the poor man's table was 60 per cent. higher in price from 1850 to 1860, under free trade, than it is to-day, under a high protective tariff. Remember also that pottery is made to-day almost identically in the same way as it was made by the Egyptians more than three thousand years ago. It is all made by hand and on the potter's wheel. The change in price cannot be charged to the account of labor-saving machinery, nor can it be said that the journeyman potter is an ill-paid mechanic, for he is paid 60 per cent. more to-day in Trenton than in Staffordshire. The proof of this is the fact that the English potters are coming here in droves.

### ON COTTON CLOTH.

Take cotton cloth. Before the tariff of 1824, unbleached cotton sold in this market at 24 cents a yard. Congress put, in the tariff of that year, a protection of 8 cents a yard. Mills started up to make cotton cloth. Before that tariff was repealed that same cotton cloth, upon which there was a duty of 8 cents per yard, was selling here for 6¼ cents. Those are facts that any one can look up for himself, and I hold that they demonstrate my position.

### EFFECTS OF HIGH DUTIES.

By Mr. CALL:

Q. I understand your idea, then, is that the effect of a higher duty or a prohibitory duty is to make things cheaper?—A. To make labor better compensated and to cheapen the cost of living.

Q. So far as the consumer is benefited he is benefited by getting everything cheaper?—A. Yes; and he is benefited by the tariff.

Q. Do you think this high rate of duty makes your cigars cheaper?—A. Yes.

Q. Then you want legislation to make your cigars cheaper than they are?—A. If you will allow me, I will show you how.

Q. You want legislation to enable your cigars to sell cheaper than they do, ifthe effect of a high tariff is to make things cheaper than they are?—A. Our object is to make a market for our goods.

Q. We understand that this will both pay the laborer better and make them cheaper to the consumer; but I understand that by your theory this high duty will make your cigars sell cheaper?—A. By domestic competition; yes.

Q. Well, why can you not sell them cheaper without legislation?—A. Because we are not secure in our legislation. To-day you have a tariff, and to-morrow you may break it down. We do not know what you want to do.

Q. Then, if you knew there would not be a tariff at all, you would be just as well off as if you knew there was one?—A. No, sir; because without this protection, or tariff, we could not exist. Take a manufacturer engaged in this city in the manufacture of whiting for kalsomining. Such a man gave me figures while I was in Washington last winter. He said, "We need the tariff that is on this class of goods to-day; but we sell it in the markets for less than the tariff." Said I,

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"Why do you need this protection"? He said, "I will tell you. Our goods have to be made at a certain season of the year, to be ready when the markets open. We need this protection against foreign manufacturers, who would send in, as they have done, in order to destroy our manufacturing industries here, enormous quantities of this stuff. Its main cost here is transportation, for it sells for about a cent a pound. They would, as they have done before, dump cargo upon cargo of it upon our docks, put a red flag upon it, and sell it out by auction, and I have no doubt the Cobden Club would supply the losses. They would sell it there at a price at which it, could not be produced in this country. They would keep that up for two or three years, and that would close every American factory; then, when they have their market all to themselves, they would run the price up to 5 cents a pound."

Q. Could not you Americans be smart enough to have a "Cobden Club" of your own to counteract that sort of thing?—A. We would rather have a Carey Club. We know that the Cobden Club has raised millions of dollars to flood this market. This is the market they are longing for. We have one-fourth of the entire external trade of the world. They tell us we have no foreign trade; but we really have one-fourth of the entire world's trade, and we are only one twentieth of the world's population.

Q. In manufactures?—A. No; not in manufactures, exactly.

Q. What do you understand that we have got that in?—A. Well, the import trade of our country is the export trade of another. Here import and export trade altogether amounts to about one quarter. I have the figures here.

Q. You mean to say that our external commerce is one quarter; that we export abroad outside of agricultural products, manufactured goods to that extent?—A. No, sir; not outside. I do not care to see the day when our manufactures can be exported, because if we can export them in competition with countries like Germany, Switzerland, and England, we can only do it by pauperizing our labor down to the point to which theirs is, and I hold it to be an evil day when we can sell our textile fabrics in competition with those of England.

Q. How are you going to pauperize labor? Don't you consider the people that consume these things labor?—A. You jump off the track there, Senator. You ask me about exporting manufactures.

EXPORTS OF MANUFACTURES AN EVIDENCE OF NATIONAL DETERIORATION.

I say I do not regard that as an evidence of wealth, but as an evidence of deterioration, and I should be very sorry to hear any testimony before your committee that would point the way by which we could sell in Mexico, and Chili, and Peru, the fabrics of our looms in competition with the looms of Manchester.

Q. Suppose those things go on getting lower and lower, according to the schedule you mention there. Suppose your cigars get cheaper than the $8 a thousand of Germany. How will that pauperize your labor to have a market abroad for them—suppose your cigars get cheaper and cheaper until you have to sell them as cheap as these others?—A. But there is a limit to all things.

Q. Well, what is to prevent that coming about under your theory?—A. I do not want to sell American cigars in Germany.

Q. Admitting all that you say to be true—that if you prohibit the foreign importation of cigars into this country and encourage the

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domestic manufacture, so many people will engage in it after a while that cigars will be very cheap here. Then what good will it be to protect you?—A. That is a mere theory. Everybody won't go into the manufacture of cigars, no more than everybody will go into agriculture. If this country is put upon a high protective plane there will be work enough for carriage-makers at their trade, potters at their trade, and everybody else at their own trade.

Q. What warrant have you for saying that; that there will be work enough for carriage makers, &c.? Suppose we prohibit any carriages from being brought from abroad, as they practically are prohibited now, what ground have you for saying that there will be work enough in the United States for all the persons who might come into the business of manufacturing carriages? How do you know how many carriage manufacturers there will be?—A. If there is a demand for them, people will go to making them.

Q. Does not the demand upon a thing sometimes fall off and leave a large surplus on hand?—A. Yes; but right there I want to pin a free trade sophistry. That is finely put. The New York Herald puts that about every time that they write a leader on that subject. Will it benefit the American manufacturers when there is overproduction to lower the tariff and let goods come in in competition with them?

Q. I am not discussing your theory at all. I say it may all be very true, but I only want you to answer that question; how do you know how many carriage manufacturers will be in the country, and how do you know when they will stop, and when they will commence?—A. The natural increase of wealth, carriages being a luxury, would increase, as I hold, the demand for carriages.

Q. Just how much?—A. As the well-being of people increases.

Q. Now, what proportion of the workingmen of this country will it take to fill that demand?—A. Well, I submit that that is not fair, Senator.

Mr. CALL. That is the point involved, however.

The WITNESS. I simply said a carriage maker, for the sake of the illustration. I might have said a stove maker just as well.

Mr. CALL. I mean the general position you maintain?

NO OVERPRODUCTION.

The WITNESS. The general increase of wealth by the people of this country would be such as to increase their wants, and there is not, according to my judgment, what is called an overproduction. There is, however, such a thing as a forced non-consumption. I hold to the theory that man, as a producer, will produce, if it is not filched from him in some way and his ratio of production interfered with, and that he would never produce more than he can consume.

LARGE CONSUMPTION DEPENDS ON HIGH WAGES FOR LABOR.

Q. Why do you hold that opinion?—A. Because his associations will become more refined, his children will remain longer in school. The refinements of society, as he goes up in the social scale, will require more refinements in his home. It would increase the productive capacity of America if every American's condition was such that his daughter would demand a piano in the house, and his wife a carpet on the floor. That increases the manhood of the state; a man in such a condition is a better man. We were fast getting to this condition until this free trade call came upon us.

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Q. But you say that the production of anything will keep pace exactly with the wants of the people, and be no more and no less?—A. No, sir; the consumption will keep pace if it is not retarded.

Q. Consumption will keep pace with the production?—A. Yes, sir.

Q. Do you not know that there is a vast surplus of wheat produced in this country?—A. Yes; but the farmer always lives.

Q. That has nothing to do with the question of whether consumption always keeps pace with production. What would become of wheat in this country, according to your idea, if none of it was sent abroad—what would be the price of it?—A. I am not arguing that none of it should be sent abroad.

Q. I thought you were arguing that if we had a market here we would not need to send it abroad.—A. I once heard a man in Kentucky, from one of the Northwestern States, tell the story of what a great State his was—that it produced so much wheat, and that it made so many thousand gallons of whisky, "not taking into consideration the amount that was wasted in bread." So I might say of this—that we are already, to-day, producing a large quantity of wheat, and the object of the free traders would seem to be to throw people out of manufactures on to the land, and that would ruin our manufacturing industries. But we could also do something with the surplus wheat. That which we could not eat we could make into whisky, and send the whisky abroad. If you gentlemen had, in your consideration of the tariff bill last fall, allowed alcohol used in the arts to be free of duty, you would have opened up a very large market for our surplus wheat.

Mr. CALL. Alcohol to be free of duty?

The WITNESS. I mean free of internal-revenue tax. Take the internal-revenue tax off of that part of it which is destined for use in the arts and sciences (and that is a very large proportion of it), and it would rapidly increase its manufacture.

Q. You consider the compensation of laboring men now under the tariff a reasonable one?—A. No, sir.

Q. You do not think it is?—A. No, sir; I do not. In the branch of business that I am engaged in, I am happy to say, the workingman is well paid; but it is one of the best in the United States, because it is well protected by a tariff, and if the other industries were protected in a like manner the workingman would be a man and able to support his family in decency. I hope to see the day when every mechanic can make $25 or $30 a week; I want to see the day when every manufacturer will pay it. I am proud of my business because it can afford to pay it, and I want to see other men able to do the same thing.

Mr. CALL. That is a very proper desire.

The WITNESS. It is a selfish one. I hold that if every hod-carrier and street-sweeper, or person engaged in menial employment, could make $25 or $30 a week, then his consumption would rise to the level of what his manhood required, and that consumption would call for increased production. I would put the American mechanic on a plane far above the mechanics of the Old World, and then I would build a tariff wall around him sufficient to keep him above them.

By the CHAIRMAN:

Q. You hold that it could not be done without the tariff?—A. It could not. Labor and labor's productions, like water, will find their level. And I hold this to be the right of every American citizen—that is, his birthright—the control of his own markets.

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By Mr. CALL:

Q. What are you going to do with the farmer?—A. I think he is the best protected man in the whole lot. To-day there is not anything that a farmer produces scarcely that is not protected by a tariff. Take the State of Iowa. Probably a farm will be 50 miles away from a railroad. There is no need there for a factory, because forsooth the tariff permits the introduction of goods, the result of pauperized labor in other countries. The farmer raises wheat to transport it to the seaboard to sell it to men, whose compensation is but that of mere animal existence, 3,000 miles across the sea. Of a sudden you change all this; you raise a barrier; prevent the introduction of these goods, and our people must have similar goods. The manufacturer takes $10,000 or $20,000, and goes out near that farm and plants a factory there. The factory employs one hundred men. They are well compensated for their labor. The farmer immediately gets a home market for his goods, and, instead of raising dead-level cereals for export abroad, he raises garden-truck and hogs, and generally a better and more variant assortment of stuff, and he immediately betters his condition. The fact of that factory going there benefits the farmer first of all more than it does the manufacturer. It increases the value of the land.

Q. Under your system, do you propose to build a manufactory in every neighborhood where there is a farming community?—A. I say the laws of supply and demand will work that.

Mr. CALL. If you could work that out it is a bright prospect. First assure a factory to every community and then you will increase the value of the land.

The WITNESS. If I had thought of this matter coming up I would have brought you an advertisement which appeared in a New York newspaper two months ago to the effect that a certain town in New Jersey would donate a plot of land, and would give other facilities, including, I think, no taxation for a certain number of years, to any corporation or individual that would establish a factory in that town.

Mr. CALL. That was a very wise thing for them to do.

Q. You have been a laborer in your trade yourself?—A. Yes, sir.

Q. And have risen from the ranks?—A. Yes; and I may add that I am a Democrat in politics.

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NEW YORK, *September* 24, 1883.

TIMOTHY WRIGHT examined.

By Mr. CALL:

Question. Have you seen the resolution of the Senate under which we are working?—Answer. Yes.

Q. Within the scope of that resolution we should be glad to hear any facts or suggestions which you may have to make.—A. I have prepared a paper here containing a few of my ideas. It was intimated to me that I could not have much time. I had prepared a longer document; but under the intimation which I had from the chairman of the committee as to time I have since written what I am now going to present, and have laid aside the other and longer document.

By the CHAIRMAN:

Q. Where do you reside?—A. I am residing in New York City.

Q. What is your occupation?—A. I am now a student of political economy and social science.

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Q. For how long a time have you given attention to these subjects?—A. I have given special attention to these subjects for ten years.

Q. I suppose more or less for your whole life.—A. Well, I have been a business man all the rest of my life. I have been in Chicago and have seen it grow up from a village of 1,000 inhabitants. Since 1850 I have been only in the real estate business. I went through all the financial revulsions of 1837, 1839, 1847, 1857, and 1866; but the last one, that of 1873, was too much for me.

### COMPETITION OF CAPITALISTS.

The insurmountable difficulty that has heretofore met the reformer at every turn in all attempts to solve the problem of labor and capital, so as to more justly distribute the joint product, is the severe competition that the capitalists are subjected to in finding a market for what has been called overproduction, but which as has been well said is only underconsumption, so long as there are many willing workers who are perishing for lack of work and wages to buy these very things, with a great many more things that might be produced and sold, if only all willing workers could be employed at full, fair wages all the time they need to work.

It is self-evident that such permanent work and wages would itself bring or be the desired market, and the only or the most profitable one, viz, the home market.

### NEED OF STEADY-VALUE MONEY.

It is equally self-evident that some condition is now wanting in the social organism; and to my mind it is demonstrable that this condition now lacking is a sufficient volume of steady-value money with which to pay such fair wages and employ such ready labor; and money that will neither inflate nor collapse the market, as the existing so-called "specie basis" system now does; and as paper money by itself alone has always done even more and always must.

### FINANCIAL CRISES DUE TO FAULTY MONETARY SYSTEMS.

Again this first difficulty in helping labor is increased by the more hard and unscrupulous employers, who take all the advantage they can of the competition of laborers with one another for the chance to do the work that can be paid for, so as to be able to undersell their rival producers in the always overstocked market; thus preventing the better class of employers from paying as good wages as they would like to do if only the price that the product will bring would warrant it. And these two at present insurmountable obstacles to any improvement of labor's condition are periodically intensified by the frequent financial reactions and crises, with suspensions of industry, which are due entirely to the faulty monetary system.

The trouble is (1) competition of products in the market; (2) competition of labor itself in the market.

These difficulties first and last are caused, as is evident, by an insufficient volume of money, with an unsteadiness of value, and by the resultant lack of elasticity, and an alternate excess and deficiency of the total volume of medium of exchange in use.

Here I must premise that I am not a so-called "soft money" advocate as against "hard money"; I am for both, as equally good when rightly constituted.

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### THE PRECIOUS METALS THE NATURAL MEASURES OF VALUE.

I have looked into the money problem deeply enough to know that the precious metals in their right relation to each other are an absolutely necessary element here, for they are the natural and only value-measure in socio-economics, and that no sound and scientific and permanent monetary system, with steady value, can be instituted by any government anywhere without them; and that "a dollar with a hundred gold cents in it," to use a common shibboleth, is of even more importance to the poor wage-worker than to the rich capitalist. Divine providence gave silver and gold to humanity to be the value-measure of its labor, just as surely as it gave iron for power, corn for food, water for drink, milk for strength, wine for stimulus, wool, cotton, &c., for clothing, fire for art, light for knowledge, and air for life. These metals are exactly adapted to this value-measure function, and there is no possible substitute.

### THE FUNCTION OF PAPER MONEY.

Paper and other credit play their part, and a very important part, in the economy of exchange, but without a scientific connection with the precious metals which they have not now got there is no way of either knowing or regulating their value.

And it is equally true that the value of the precious metals themselves as money cannot be rightly regulated so as to maintain their natural steadiness of value, save as part of a rightly constituted monetary system, in which paper money of full legal tender must be a very large element. For these metals do not regulate their own value, and cannot be made to do it, and jointly with paper money only can their natural steadiness of value with a sufficient volume of money be maintained. And these two conditions—steady value and enough volume in the whole monetary medium—are an absolute necessity for the prosperity of labor, physical and mental. Wealth and capital can get on pretty well, and privileged power, monopoly, and avarice can get on better or faster with changing values and "scarce money."

### NO CONFLICT BETWEEN CAPITAL AND LABOR.

The two ruinous competitions which I first named as the insurmountable obstacle now in the way of both labor and capital will never cease until both enjoy sufficient money of steady value, and then they will cease; and then "the law of supply and demand" will work in favor of labor, and the capitalist will be even more strongly than now persuaded and more effectually convinced that there is, or ought to be, no "conflict between labor and capital," even when the laborers instead of starving in squalor are getting their fair share of the joint product; the capitalists will then be able to see so clearly that they are more than fellow-workers, more than friends, that they are father and son, parent and child, and that the progenitor's prerogative is justly to distribute the product.

### INVESTIGATING THE CAUSE OF HARD TIMES.

Having suffered through a long life-time of nearly half a century of business activity, as laborer and employer, as pioneer, merchant, lumberman, manufacturer, real-estate dealer, newspaper proprietor, &c., and finally as tri-millionaire and bankrupt—the last being made inevitable by

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the ignorant and iniquitous monetary legislation of 1873–'75—having thus suffered in common with all real workers and value-producers, because of the vicious, inadequate, and unsteady-value money in vogue from time to time, hard, soft, and mixed, I set to work some ten years ago in earnest to try to find out the cause of these evils, these chronic "hard times," and "scarce money" for the million, with periodical inflations and contractions, with crises, panic, and ruin for many of the best, the most enterprising and active men, with loss of employment and semistarvation for the great mass of wage-workers and value-producers.

I came to the work with two very clear and I may say original ideas of my own, the results of life-long reflection, observation, and experience, viz, that the money-law which required specie payment on demand, exacted an utter impossibility, and was therefore not only a great hardship, but was contrary to the natural law of a wise and just God; and that there must be some better way to keep paper equal in value to specie, if such way could only be found out. The other idea was, that all other products of human labor which men exchange with one another by means of monetary units, coin, paper, and credit, are in fact, actually and practically, a great deal more the basis and security for the paper money and the other credit in use than are silver and gold.

But these ideas did not with me at first suggest, nor afterwards lead to either John Lawism or to modern greenback fiatism. I always believed, and do still believe in a dollar with exactly a hundred gold cents in it—to use again this much-abused shibboleth, amended: that is, I believe in gold with silver, at a fixed and natural and necessary ratio in the coinages, as the only possible right money-measure of labor value.

I commenced a very thorough, extensive, and severe course of reading in order to know definitely what it was that the great thinkers on these subjects had said, from J. S. Mill, H. C. Carey, Bastiat, Say, List, Ricardo, Adam Smith, Sir Jas. Stewart, Sir Wm. Petty, and the rest, too numerous to mention, away back to Justinian, Paulus, Cicero, Xenophon, Aristotle, Plato, Demosthenes, Socrates, Anacharsis, Isaiah, David, Moses, and Job. And the more I read, the more confused my mind became on the main question, the *vis-nexus* of money-value, and the right way to "regulate the value thereof." Though there were a great many sporadic and empirical truths scattered through these writings, and many right principles, laws, and relations, yet there were great differences of opinion as to the nature and relations of economic entities and factors, and of the right method of dealing with the value-measure relation, and there was no such fundamental principle of agreement as is found in all other sciences, like gravitation in physics, molecular affinity in chemics, motion in radiant matter, &c. There was also great confusion in the use of the commonest economic terms, such as capital, money, value, &c., which confusion continues down to the present time, and is illustrated every day in this room. So that an accurate thinker on monetary, economic, and social questions, must first define strictly in his own mind all the common words of the so-called science, before he can advance a step.

But one thing I found in which all the greatest thinkers agreed, "that the business of money, as in all times, so in this our quick-sighted age, hath been thought a mystery." These were John Locke's words in 1692, and later writers have not solved this mystery. The sharp disagreements of all the schools, "hard," "soft," and "mixed," "bimetallic" and "monometallic," both as to theory and method, prove that they have not solved it.

It became a passion with me, Senator, to find the solution of this

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mystery that had thus stalled the greatest minds of all the ages: it became my faith in my mission. I saw humanity perishing all over the world for the lack of such a solution; and when the full light at last broke upon my mind, through the aid that the general advance of human thought gives to the truth-seeker in all realms of science, I found that it involved and illustrated the very question of human rights, "the kingdom of heaven upon earth" through "the law of judgemnt, mercy, and faith," that the Divine Son of God came down to teach us by precept and example how to solve. These terms "laws of judgment, mercy, faith," as used by the great Teacher, without any cant, are as strictly scientific as are the analogous terms, the laws of gravitation, renovation, environment; and they have to do with this monetary problem, and with the entire social science problem of human advancement, that is, of salvation in this life. And the Reverend R. Heber Newton, when he said to you the other day that we needed more practical economics and less sentimentality in our religion (I quote from memory), was "haply feeling after and finding the unknown God" of social science, despite all theological discipline. And the great cigar-maker of New York, the apostle of arbitration, that is, of peace between capital and labor, a few days later, fortified that testimony, the very Christian truth itself, from his own differing stand-point.

## NECESSITY FOR MORE AND BETTER MONEY.

My main topics here, then, shall be (1) the absolute necessity for more and better money in solving the first great difficulty that meets us in the so-called conflict between labor and capital; and (2) the way to institute such money.

But before entering upon those I desire to say a few words about taxation, confining my remarks to these two subjects, for the reason that the most certainly and quickly efficient remedial legislation can be more easily, safely, and promptly applied to money and taxation, than by dealing with the other crying evils and injustices, such as ignorance, monopoly, landlordism, adulteration, larger tenement houses, &c., relief from which the law should give as soon and as far as possible.

## UNEQUAL TAXATION.

At present the total income of the great mass of wage-workers and small business dealers and of many teachers and writers, that is, their all, for they have nothing else, is taxed for the support of the Government under which they live, fifteen fold more—not 15 per cent., but 1,500 per cent. more—than is the surplus income and wealth of their better-off neighbors and fellow-citizens. And these worse-off citizens are further taxed for the rent of their squalid homes or dens, full as much more, relative to income and assets. This statement is within the truth. In other words, one-half of all the earnings and possessions of the millions of poor goes for taxes and rent as against one-fiftieth of the income and wealth of the rich.

Now, the remedy for the taxation part of this iniquity, this robbery of the poor and needy by the rich and well to do, is very simple and easy, and ought to be applied without any delay. First. Remove all excises, duties, and taxes upon all those things that are necessaries of life to the poor, either for consumption or as raw material for their labor; Second. Lay on a graduated income tax. This is the most just and easily and cheaply and surely collectable tax that can be assessed.

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Then, as to the other iniquity, the exorbitant rents now exacted for the miserable holes in which there live or exist, until they rot and die, so many of the overworked and underpaid producers of the larger part of all the values of which anybody is possessed. If capitalists and philanthropists, so called, will not see that it is both their duty and interest to do away with such conditions for workers without any further delay, then the Government, either municipal, State, or National, ought to take vigorous action at once, such as was taken with that other rotten nuisance, the old State-bank system. In this matter, "Where there's a will there's a way," despite wrong Supreme Court decisions and constitutional crotchets.

### DEFICIENT VOLUME OF MONEY.

I pass now to the monetary question. Labor and capital both suffer together from deficient money. Only usurers, speculators, gamblers, and shylocks flourish by it. The always limited market for all the products of labor, and for labor itself, is due almost solely to the deficient volume of money. The periodical, financial, commercial, and industrial revulsions, in which laborers are thrown out of employment, or their wages greatly reduced, and in which employers, merchants, and manufacturers are ruined, or reduced to great straits, and in which the Hon. Dives Shylock only flourishes and grows richer, are due solely to the unsteady value and deficient volume of money. This is true not alone of our own country, but of every other commercial country on the face of the earth, for all other social and industrial inventions have far outrun the money invention. The theory of money value in modern times, on which all systems, "hard" and "soft," are alike based, is not as true and scientific as the theory of the times of Abraham, Moses, and David, before the invention of coinage and before authentic occidental profane history began.

### MODERN CREDIT AUXILIARIES.

The invention and use of the modern credit auxiliaries to coined money is a very great advance upon earlier monetary methods, whether before or after the invention of coinage, though the theory of these later issues as to value measure is less right than the ancient. These modern issues of auxiliary paper money and other credit in such vast volume are made necessary by the still greater divisions and subdivisions of labor, and increased exchanges so caused, and by the vastly increased production resulting from the general abolition of chattel slavery, although other slavery yet remains, and from the great use of machinery, steam-power, &c. Chattel slavery uses but little money, and it, with other slavery, is largely due to the lack of money. But every dollar of this modern auxiliary credit, both paper money and money of account, save only such as has full legal-tender coin, dollar for dollar, behind it in the bank (which is true of only one dollar in every one hundred), is wrongfully issued; that is to say, ninety-nine dollars in every one hundred are issued right in the teeth of the theory or principle on which the monetary system is professed to be based. In other words, there is no right principle of value measure in the system, save what comes accidentally and unrecognizably from outside of it—nature's effort in mercy to correct man's error. And the proposed greenback-fiat issue would work precisely the same way—no better, no worse—if the volume was as rigidly limited as is the present volume of specie and paper

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money together—rightly limited by the natural supply of the precious metals, and wrongly limited by the ignorant and iniquitous method of controlling the volume of the paper.

And so whatever of steadiness in value, or periodical approximations to right value in money, *per se*, there now is between the alternate decennial or other inflations and contractions of price values is due to the balance that is fortuitously reached under existing methods and theories by the reactions between the force of natural law and opposing human law.

Now, I assert that it is perfectly possible to apply a right, natural value law or principle, by statute, to the existing system as it is now in use, with all its coin, paper, and other credit, in place of the present wrong method and principle of value measure, which attempts to maintain specie value by enacting an impossible specie payment on demand. And this can be done without causing any sudden or perceivable change of values or inconvenience to any one. Whatever things in the market have now a speculative or inflated value will have to come down, as they ought to, and will, under any system, sooner or later; and whatever things are too low in price will rise.

But immediately upon the passage of a right money law, the volume of money can be gradually increased; and without increasing price values above their natural normal level; that is to say, without diminishing the value or purchasing power of the money-units by such increase of volume; which units in the right system will always be at par with the gold and the silver units of the same denominations. This increase of money in the hands of the people will come, both from gradually increased issues of paper money, and from the unnecessary volume of coin, now held in bank vaults and subtreasuries. All coin held as a basis, so called, or security, for paper money or other credit, is unnecessary, either to insure parity with coin, or, except one in one hundred, payment in coin; and is a pretense, a sham, an impossibility, save dollar for dollar. The sole object of the existing limited, exclusive coin legal-tender laws which require this ninety nine fold impossibility, is to secure parity of value between ninety-nine paper and other credit units and the one-coin unit of every one hundred units of medium of exchange in use. And so long as the parity exists no one wants the coins, except for small change, and occasionally for special purposes.

The constant steady parity between coin and credit can be a great deal better secured by the other principle, the natural law of value, if rightly embodied in human law. Indeed, whatever parity now exists, or ever has existed under the so-called coin-basis system, has not been by virtue of such specie deposit, but in spite of it. *A posteriori* facts prove this, as well as *a priori* principle. It is a great deal more difficult to maintain the parity under the existing "specie basis," and "gold basis," legal-tender laws, while a large volume of the world's money measure is locked up as it is now, and so is worse than useless, than it will be under a right legal-tender law with the coin and paper money circulating together in the hands of the people, or through the banks for safe keeping; but without any obligation to pay one kind of money in or with the other. In the existing system the paper and other credit has to be held to parity with the coin, while both are either rising or falling in value very greatly together, in the decennial or other inflations and contractions; which fluctuations are about 33 per centum each way alternately above and below the right normal level of price values. Yet the ignorant rote-learned doctrinaires of this system

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imagine, right in the face of these patent facts, that the coin money, especially if made of gold, is fixed in value.

It is perfectly obvious that these frequent and great changes in the value of money *per se*, and in the price-value of all commodities thus expressed—changes in money-value which are independent of and additional to the natural changes in the value of all commodities, one with another, and each with all, due to favorable and unfavorable seasons, new discoveries, and improved methods under the law of supply and demand—it is perfectly obvious, I say, that this state of things must greatly increase the difficulty of maintaining parity between the one of coin and the ninety-nine ones of credit that the law requires to be paid on demand, each one of the 99 credit ones to be paid in, by, and with the coin one, at one and the same time, if presented, by way of demonstrating their parity of value. That is, since each one of 99 credit units is or ought to be equal to one coin unit, therefore, the whole 99 together are just equal to the one. This is the logic, so far as there is any, and a greater absurdity could not be invented. Yet this blind material law and "basis," so called, is the legally enacted monetary science of enlightened Europe and America, and of the rest of the world for that matter, in this ninth decade of the nineteenth century, and has been so for all the centuries past, save only in the state and bank of Venice, which successfully kept her credit-money at par with or above coin for six hundred years—kept it just exactly 20 per centum above for four hundred years—on the opposite, the judgment and faith, principle. The greenbackers are very fond of quoting the Bank of Venice as sustaining their ideas; but the principle which made it a success is just as much opposed to the principle of greenback basis as to the principle of specie basis.

### CREDIT INCREASING FASTER THAN GOLD AND SILVER.

The Bank of Venice might have been in existence to-day, a light to the nations, but for that hard, selfish, specie-basis robber Napoleon I, who instinctively squelched this embodiment of the law of faith, because it taught more of the principles of truth and of human freedom than privileged power on a physical basis of stolid unthinking bayonets could safely tolerate. And avaricious greed to-day everywhere instinctively resists the light of truth on the money question. Yet the difficulties of this old specie basis, or standard, ignorantly so called, grow greater and greater, and worse and worse, year by year, for the reason that the volume of credit necessarily in use keeps on increasing faster than the volume of gold and silver money, because of the vastly increased production of commodities, division of labor, and business between both individuals and nations. This has been remarked upon frequently, even by the best English gold-basis economists, like the late Professor Jevons. And the London Economist lately published the fact that the Scotch banks, which are considered to be the best managed banks in the world, and as safe as any, "now hold only one-fourth of 1 per centum gold or full legal tender to their liabilities." Is it not time that a sound scientific system was substituted for such a sham, if it can be? In crises and panic times the banks of England often have less than one-fourth of 1 per centum gold, which is their sole ultimate legal tender for their liabilities.

The difference then between the sound and scientific, the right form of legal-tender law, that is, the right method of finance, and the wrong (the present) one—for there are but two theories of money-value measure conceivable—is just the difference between enacting an impos-

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sibility and a rational possibility. All that is required to insure a just and permanent parity with the naturally steady value of silver and gold, which is a very different thing from the present and past inflation and contraction value, is what I will now state in short:

### THE REMEDY FOR PRESENT MONETARY DEFECTS.

First. Make all the unmutilated coins full legal tender for all debts, public and private, at fixed coinage ratios.

Second. Make all the paper money that is permitted to circulate in the hands of the people, and is constantly measuring the value of their labor and contracts, both the exchequer note (the greenback) and the existing national-bank note, equally full legal tender, with coin for all debts, public and private; but—

Third. Make the paper money a legal tender only at the par of the coin legal tender, except to the issuers; they must always be required to receive the paper back at face value; the Government for taxes, duties, excises, land, &c.; the banks, and other creditors in equity, for all demands due them; but all other creditors will only be required to receive paper money at its current value in coin, more or less.

Fourth. In the event of the paper money falling 1 per centum below par, the Government must be required to redeem it in a bond bearing 3 per cent. interest, or less if interest rules at less (as it will under sound finances) until, say, thirty days after such money has returned to par, when interest is to cease and the bond be redeemable in coin at par, on presentation at any sub treasury of the Government. Such bonds to be in $1,000 multiples. This provision is only precautionary, for there would be no danger of such money, issued on the value principle that underlies it, ever falling below par. Yet if it did this method would soon bring it back.

### NO CONTRACTION OR INFLATION.

And under this method no one would have the right to contract the life's blood of industry and business, so long as the money was at par with coin, that is, when there was not too much, as would have been the result of the late proposed interconvertible-bond basis. In a sound and scientific monetary system the only limit to the volume of paper money is its parity; the principle acts automatically. It is obvious that there can be no inflation in this system beyond 1 per centum or less; and hence no contraction. For the purchasing power, the value, and the debt-paying power, save to the issuers who are responsible for any overissue, is and must be always at par with coin.

### PARITY OF PAPER MONEY TO COIN NOT DEPENDENT ON SPECIE DEPOSITS.

I said that it could be proved *a posteriori*, or by induction from facts, that whatever parity has ever existed between paper money and coin was not due at all to the pretense of coin payment, or to the actual deposit of specie behind the paper, save florin for florin, pound for pound, dollar for dollar, but was always due to the opposite principle—the law of faith, of judgment, that is, of labor valuation. Now for facts:

Fact 1. The Bank of Amsterdam, which was a specie deposit bank, specie-florin against florin-banco, one for one, no more, no less, save the bank's royalty, was such until after several centuries of supposedly

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honest adherence to this one-for-one principle, though there was never any means of verifying it, the depositors and receivers of the money on the market always having to rely on the faith principle of money in that regard—when, in an evil day, the directors loaned out the specie basis, which belonged to the holders of the bank's inscribed credit or faith, secretly to the Dutch merchants of the East Indian seas, as was, a generation later, explained. Still, the paper and credit remained at par or better for over a quarter of a century after most of the specie was gone, that is to say, without any basis to speak of in the vaults, and might have continued so to this day had not that same robber, Napoleon I, gone for the supposed cash when he took the city, thus revealing the fraud; and the Bank of Amsterdam was known no more on 'Change forever. This proves that faith with no specie is just as good as specie, less than dollar for dollar, to keep paper at par.

Fact 2. The run on the Bank of England, in the panic of December, 1825, had almost taken the last pound of gold, when the issue of a chest-full of £1 bank-notes, accidentally discovered in the vaults of the bank, saved it from a suspension of specie payments, and saved many bankers, merchants, and manufacturers from ruin. The bank directors thus learned that the only sure way to avoid a suspension of the pretense of specie payment is to issue bank-notes illegally, by permission of the privy council, with no specie behind them, though this is contrary both to the law and to the principle of the act rechartering the bank in 1844.

Fact 3. The bank thus avoided a suspension of the pretense of specie payment in the panic and crisis of 1847, by a free, though illegal and inconsistent issue of pure "faith-money."

Fact 4. This was repeated in 1857; but the directors, having learned the lesson, and being more prompt with their issue of faith, saved their specie, which did not run down so low as in 1825 and 1847. But faith alone saved them.

Fact 5. The same process was repeated in 1866. The privy council now always compliantly suspends the act, and permits this rich bank to pay its debts in promises, since under this bogus pretense system it is the only way to save the public from dire calamities. I show you a better way, however.

Fact 6. This is a still stronger case: that of France in the late war with Germany. The bank promptly suspended the pretense of specie payment, trebled her issues of paper money, held all to par with specie for eight years of suspension, save only a small premium on coin for a short time in the very crisis of her defeat and while raising five milliards in gold to pay Germany, in order to redeem Paris.

These instances are as good as a million, for no rational, logical mind can believe that it was the specie on hand in any of these cases that caused the parity any more than it is so in the Scotch banks now (which I may call fact 7), with their one-fourth of one per cent. gold; or than it was in the Bank of Venice (fact 8), with no specie at all or pretense of it for over 600 years. What was it, then, that kept this 100 to 1, 200 to 1, 500 to 1, 1,000 to 1 of paper and credit at par? Nothing but the principle I have indicated, the principle of maintaining parity of value through the fundamental law of labor-valuation, which acts in the social world just as the law of gravitation does in the physical. A full exposition of this would require me to go into the whole science of value-measure as applicable to all sciences, which would take a great deal more time than you have intimated is now at your disposal.

But there is, as I said, *a priori* or deductive proof of the truth of my

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principle. How is it that the degree of variation from parity is established, when the relative value of specie and paper have varied from one per cent. to twenty, thirty, and to several hundred per cent., as in England from 1797 to 1821, and in our own country from 1862 to 1879, with no corresponding change in the relative volume of specie. History abounds in such instances. Surely no specie basis anywhere has anything to do with this problem. Yet the public mind must decide that paper and coin are at par by precisely the same process that it decides there is a variation of 1, 2, 5, 10, 50, 100 per cent. and more from par.

There is no way in the specie-basis theory to show how the public mind solves this value-problem. Their system is astronomy without a law of gravitation and with no right idea of the relations and motions of its elements and factors. It is a world of production, resting on the back of a credit elephant, standing on a paper rock—*papier-maché* with a vengeance—resting upon a specie tortoise which has no basis or support whatever that any rational, common-sense thinker, any one but a doctrinaire, can conceive of. "Buddha does not wish us to go any farther down," said the innocent, trusting Hindu proselyte when asked, "But what does your tortoise stand on?"

These facts connect the money problem with the education feature of your committee's investigations, the education of the law-makers on the money question, for there is no possible, rational, logical solution to this money problem, and through it to the labor and capital problem, save by the social law of labor-valuation, working through the general mind of all the units of the social economy, just as the analogous physical law of motion-gravitation acts upon aggregates of matter through all their molecular units. And all of Herbert Spencer's social philosophy is but a feeling after this law, if haply he may find it.

Under the existing miserable conditions for labor, of severe competition, and no hope, the situation steadily growing worse, that curse of the old Hebrew prophet and lawgiver, Moses, seems to rest upon the wage-working laborers and upon many of the capitalists, their employers, "the heavens are brass over their heads and the earth is iron beneath their feet," so far as any giving way or yielding of their environment through efforts to permanently better their condition is seen or felt.

### CONDITION OF LABORERS GROWING WORSE.

For on the whole their condition goes on from bad to worse throughout Christendom and heathendom alike; this, despite the cry of "peace! peace!" when there is no peace, by a privileged, fortunate, worldly few who, from their own pleasant surroundings prefer to look through optimistic spectacles and ignore the great mass of squalor and suffering that "their brethren" endure; these poor, to whom the Christ—the master—whom these "scribes and Pharisees, hypocrites!" profess to serve—preached glad tidings, and who was crucified by the priests and privileged classes of his day because his Gospel was the elevation of the masses *in this life*, as any honest, intelligent reader of *the* Book can see. In the general social advance of modern times, the poor laborers, the great majority, have relatively gone backwards. And while they are a majority of humanity, these "poor and oppressed" are a vastly greater majority of the real value-producers to whom all property rightfully belongs. Those who now possess the property and enjoy it are not those who produced it. Even John Stewart Mill saw and said that ownership and enjoyment of property was in the reverse proportion to the useful productive work that has the best right to it.

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IMPORTANCE OF CORRECT MONETARY SYSTEM.

A right monetary medium is the vital environment of labor, without which it cannot live; can barely exist in misery. Unless there is a sufficient volume of it of steady value and purity labor becomes asphyxiated. Such an exchange medium is very like the atmosphere in its relation to physical and physiological processes, life, and growth; and the analogy with the Mosaic symbol that I quoted is very exact. But there is more than analogy here, for this great ancient, inspired social-scientist prophesied this curse, with others, as the natural and certain results of failure to adhere to the politico-economic laws and ordinances that he had taught and enacted under Divine instruction, inspiration, and revelation, among which was the law of judgment and value that I have insisted upon, as applied to labor, through the precious metals; also anti-land-grabbing, anti-debt, anti-usury, anti-slavery, anti-oppression, anti-monopoly, just as far as the public sentiment and exigencies of the then existing conditions of society would permit him under this law of social judgment to go, with his "stiff-necked and rebellious generation, children having no faith." And what is still more remarkable, this ancient lawgiver, who was instructed in all the learning of the Egyptians, a people who had a civilization, literature, and art that were then thousands of years old, and whose works are still the greatest marvel of our age, incorporated into his law the true principle of monetary value measure, just as far as it was then possible to go—600 years before coinage was invented—a principle that all the monetary systems of the world and all their theories of value now lack. The Jews lost this principle with the invention of coinage, if not before, and have ever since, in common with the rest of humanity, been trying to get on without it. Hence "the heaven of brass above and the earth of iron beneath."

But the monetary remedy is not a cure-all; these other evils that Moses fulminated against have got to be remedied also, but there were other curses to follow the other social lapses from right. The brass and iron figure seems to have an especial relation to the labor value-measure law.

Now, one word more as to this environment symbol and the analogy between the atmospheric medium and the credit circulating medium in productive processes, whether of physical, vital, and social growth on one hand, or of social, mental, moral growth on the other. The air medium must be very abundant, very elastic, very pure; so must be the entire medium of exchange; but the air must contain a certain proportion of vapor, of water inelastic in itself; so must the medium of exchange contain a certain proportion of paper money; and again, the air and vapor together must contain a comparatively minute portion of solid matter, such as carbon, lime, &c., so the socio-industrial medium must contain a small per cent., one in one hundred or less, of silver and gold, but as none of the elasticity of the air is originally in the water and mineral elements, so none of the elasticity of labor's vital environment is in the paper and metallic money. The analogy can be carried very much further on this physical-vital side, but I turn to the mental-moral side, where the significance of the words "no faith" and their connection in the original shines out.

The monetary medium is more than analagous to faith, to the faith of the New Testament as a social force, for it is itself faith, trust, confidence, credit. Demosthenes and Aristotle saw and taught this truth as to the nature of coin-money. The word "faith" only occurs twice in



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the Old Testament. The prophet Habakkuk (600 B. C.), a cotemporary of the Scythian philosopher Anachorsis, who was the first mere "sign-money" theorist or greenbacker on record, said "the just shall live by his faith," in connection with his very severe rebukes of the special social evils and wrongs for which this committee of the United States Senate, the paid servants of the sovereigns of this nation, some of whom honor its sessions with their presence, are trying to find a remedy.

If this faith-fiat of one of the latest of the old prophets and social scientists only could have all the sanctimonious emotionalism squeezed out that priestcraft has forced into this passage, and into the greater part of these old books, that it makes a fetich of; if, I say, we could once have the pure science of this old Divine-and-human wisdom without so much priestcraft cant, the poor would again rejoice in the glad tidings, the faith-gospel of the Great Captain of their salvation *in this life.*

For the Great Teacher's insistance upon faith has a much broader significance than is given it by the "Scribes and Pharisees, hypocrites!" who are always hand and glove with plutocratic privileged power; who "shut up the Kingdom of Heaven against men," the very heaven upon earth that the Son of God came to establish; "who enter not in themselves and hinder those who would enter;" who care for nothing but "the highest seats, and to be called rabbi," doctors of divinity, and honorables; who "bind heavy burdens, and grievous to be borne, and lay them on men's shoulders, but they themselves will not touch them with one of their fingers;" who "devour widow's houses, and for a pretense make long prayers." Faith has a much broader significance than these have ever taught to the suffering humanity that they thus aid in deceiving, dominating, and robbing in the name of religion, and by common and statute law. For again, when the Master said "Have faith in God"—that is, in his laws, as revealed in His word and works; "According to your faith be it unto you;" "Thy faith hath saved thee;" "If ye have faith as a grain of mustard seed"—that is, if ye be instinct with the vital promise and potency of growth, progress, and usefulness—"Ye shall say unto this mountain" of social ignorance and oppression "Remove hence * * * and it shall remove." And in many kindred utterances, he meant a great deal more than theological superstition and bigotry have ever dreamed of; he meant to teach, and did teach, the fundamental principle of social science, of the science of religion; he meant that broad structure of truth and right, human and divine, which rests upon the eternal rock; he meant, among the various subjective forms of this universal social element "Faith," the very faith-money with which the Prophet Isaiah exhorted men to "come and buy (not beg) wine and milk"—hope and strength—"without coin-money" only, "and without (hard) price" in labor; that is to say, buy with faith-money.

In conclusion, Senators, I am very solicitous to fix your attention, and that of the Government and the thinking public, through you, in your final action upon this great problem, aided by such other light as the most earnest thinkers on these social wrongs, and practical men from all classes, have been able to throw around your investigations, to fix attention upon two cardinal facts of the situation:

### ALL OTHER REFORMS DEPENDENT UPON MONETARY REFORM.

First. That the existing inadequate money-medium of exchange, with its great deficiency of volume which makes unavoidable truck-dealings,

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"store-pay," slow pay, and vicious credit, with its oppression of labor, as testified to before you by numerous witnesses, and with its great variableness in value, which causes the frequent and otherwise unaccountable ups and downs in the market, and the periodical inflations and contractions, crises, and revulsions that are so disastrous to both capital and labor, the existing money, I repeat, will and must, until a better system is inaugurated, prevent almost all the good which might otherwise result from the various ameliorating measures that have been proposed; such as more just taxation, better tenements, co-operation, arbitration, trades unions, shorter hours for labor, protection and free trade (rightly balanced), land reform, anti-monopoly, &c. For whatever good there may be in many of these other remedies, and there is doubtless much good in them, the main difficulty will still confront both capital and labor, viz: the lack of a market for products, and the lack of employment for labor; the two destructive competitions that I first emphasized.

Second. That the complete, perfect, and only possible remedy for this troublesome competition problem that meets us at every turn and dominates the economic situation, is an adequate and steady money medium of exchange always at par with gold and silver, such money, specie and paper, being the basis of a sufficient volume of money of account, which, under a sound and scientific system, will never be in excess or deficiency, as is now the case. For all the necessary elasticity of the total medium of exchange in use is, or ought to be, in that part of it that is not money; the total money, specie and paper together is, or ought to be, very nearly a fixed volume, slowly increasing with population and business, and must and will control and measure the volume and value of the larger, the more elastic part of the credit medium, just as the specie money must and will control the volume and value of the paper money, after the paper-money law has fixed the proportion of the whole gold and silver supply that shall be in use as money.

I have been present at the sittings of your committee since they began in this city, and, as an interested investigator of the social, economic, and monetary problem, have listened to question and remark by committee, and statement and answer by champions of labor and of capital, of experts, editors, and dreamers—some men of both extreme poverty and some of boundless wealth—and I must here say that I fear that a great deal of the good that might result, and that ought to result, to the poor and needy workers, the producers of values which they never enjoy, the good that should result to them from this investigation by their Government, is in danger of being lost to them because of a lack of perception of the most important points, the crucial questions as presented by many of the witnesses. Those more vital points, to my mind, have been ignored, passed by, slurred over, and far more so by the press than by the committee. If the press, daily and weekly, secular and religious, would take more interest in these questions of labor's rights and poverty's rights, and if the pulpit would follow the example, there would be more hope of quick and efficient relief for the misery and death that are all around the palaces and temples of this so-called Christian land. At present the light of press and pulpit, of university and hall, is hid either under the bed of sloth or under the bushel-measure of worldly gain.

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NEW YORK, *September* 24, 1883.

EDWARD KING recalled and further examined.

The CHAIRMAN. I understand you wish to make some corrections in your testimony. If so, you may proceed.

The WITNESS. The point which I wanted to correct in my former testimony is one concerning the tariff.

The CHAIRMAN. What is it?

The WITNESS. Within a day or so after my testifying before the committee, I received an invitation from the Free Trade Club, of New York, to lecture before them in this city, on account of my "admirable testimony in favor of free trade," given before this committee—so the letter expressed itself. In conversation with others, I found that such statements of my evidence as had been reported in the newspapers created the impression that I had advocated free trade.

### RELATION OF WAGE-WORKERS TO FREE TRADE AND PROTECTION.

I therefore desire to state that, speaking at that time as I felt, and as I feel now, on the position which the organized workingmen, to my knowledge, took on the question of tariff, and the position I took myself as associated with them, was that with neither free traders, nor protectionists, as at present agitating, should the working classes associate, as wage-workers. The question was one which, according to the admission of both parties, required to be settled by independent organizations of workingmen, to secure such wages as they might. I simply desire to add that so far as my opinion is concerned, and the opinion which I find to prevail among workingmen on the question of free trade, I believe that with them it is a matter of adjustment for misplaced labor. The general opinion, I find, is that given proper arrangements for adjustment of the misplaced labor in the event of any introduction of free trade, the independent organizations of labor would be able to obtain just as good wages under the *régime* of free trade as they are now by forcing their wages up under the system of tariff. That is the general opinion. I think I stated formerly that my own trade, which is protected, and before which we placed a proposition as to which of these they favored, were divided in their views upon the matter, and would not express a decided opinion either one way or the other.

The CHAIRMAN. You have some views in reference to the matter of education, I think.

### MORAL ASPECT OF THE LABOR QUESTION.

The WITNESS. Yes.

The demands made by the trades unions I think the committee will find, on reviewing the testimony presented to it, imply a great many demands not strictly of an industrial nature, but of a social character, as distinguished from that of a pure trade organization desiring to raise its wages. That comes from the complex nature of the problem which I claim to be involved in this question—that it is a problem that cannot be solved apart from morals and religion. And I claim that that view is the view which is at the bottom of all the agitation among the working classes to-day, and that that marks the difference between the early form of the trade union movement and the broader form of the labor movement now. Those conditions are demanded because it is found that we cannot organize labor on the bare, selfish principle of so

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many more cents a day, or so many more dollars a week, and that the proper organization of labor, even in the strictest trades unions, implies qualities of character that are moral in their nature. It also implies prudence; it implies a certain amount of surplus savings, and the power and disposition to save, and it implies the provocatives to saving. It implies a number of conditions that are entirely novel when compared with the original demands of trades unionism.

Now, our view is that these conditions are necessary to the proper organization of labor as an economic force in the community and apart from any movement, such as the socialistic movement, or anything of that kind. The strict economic trades union movement demands certain conditions which are outside of its formal demands, and must be granted.

### THE EDUCATION DEMANDED BY LABORERS.

Among these are the questions of education, including industrial education and moral education. I would go farther if I were to express my own views; but I know that they are not yet held by the vast majority of men in the labor market, and I do not think it is of importance to give them.

To attain the intellectual, physical, and moral training of workmen, skilled and unskilled, by labor combinations which will keep within the bounds of economic law while they reduce the disturbances to industry to the lowest point consistent with the highest possible condition of the workingman is the object of the legislation demanded by the unanimous voice of organized labor in the United States, which legislation you will observe covers the question of malappropriation of public lands, regulation, and control of privileged corporations, the unnatural glutting of the labor market by the work of women and children, with the consequent injury to the family institution and public morals; also the malicious importation of foreign labor by organized capitalists as well as the discrimination by law and by executive officers against labor when a crisis occurs in its keen competition with capital. All these are demanded as being quite practical and consistent with the provisions of good Government.

### LABOR NOT A COMMODITY. WHY?

It must not be supposed, however, that because the strict trades union movement virtually recognizes the question of supply and demand as governing the market of labor it therefore believes labor to be a commodity. The contrary is the case. The discussion of that question is becoming deep and widespread among the active and serious thinkers of the day, who deal with that question more and more from the sociological stand-point, and that stand-point repudiates the idea that labor is or can be rationally dealt with as a commodity. The principle that the laborer has not got a commodity to sell is argued in the articles of Frederick Harrison (who is one of the leading advisers of the trades unions of England), and is also maintained in a work by Mr. Walker on the labor question (the gentleman who had charge of the last United States census), and also in a more recent work entitled "The Law of Labor," by Weden, and in numerous articles which are widely read by the thoughtful leaders of the labor movement in America. Originally promulgated, I believe, by Mr. Harrison, it has been widely copied and commented on, and comes into all the discussions that I have heard for the last five years. I constantly urge it myself whenever I get a chance.

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The principle is, that the laborer has not got a commodity to sell, because what he seeks to do is not to exchange products, but to combine to produce. When buyer and seller meet in the market the price is paid, the goods change hands, the men part; the transaction is complete. That has no resemblance to the case of the workman and employer, which is really the formation of a continuous relationship, which for the workman arranges, perhaps, the whole of his life. The trader's sale is the simple transfer of some specific thing, while the bargain between the workman and capitalist is permanent, or at least continuous. The latter involves the entire existence of the workman in its consequences and implies constant co-operation. This is, therefore, not a contract to *sell* something; it is a contract to *do* something. It has been well said that you can buy $50 worth of pig-iron, but you cannot buy $50 worth of puddling without a puddler. The pig-iron can wait until next week or next month; it is in no hurry; but the $50 worth of puddling cannot wait even a few days. The human machine is subject to the fatal defect of starvation and death.

If one wants $500 worth of fish he goes to the market and buys it; but if he wants $500 worth of wife the whole matter is changed; the commodity must be consulted and many stipulations made. The first is a purchase; the second is a partnership. The fish cannot work with or trust the purchaser; the wife must.

In fact, wherever there are permanent or close human relations between one man and another an understanding is the regular course. It is so with all partnerships in labor. All co-operation to effect anything in common involves this mutual agreement between the parties. It is because capital insists on regarding a business concern, plant, stock, *and hands* as so much raw material, to be bought and sold, that conflicts do, and always must, prevail between workmen and employers. The employer, we know, wants to purchase the conscience, the energy, and the intelligence of a man. He is not purchasing a mere *thing*. He purchases a man, who will work when not watched, day by day and month by month, and who will not waste or ruin his machinery; who will not cheat or rob or murder. If he cannot get such a man as this he knows he will be ruined and undersold by those who can.

This is a fundamental proposition underlying all the demands of the labor movement of to-day, and it is based on the rejection of the fundamental principle underlying the works of the political economists, when we regard political economy as an independent strict science. That is rejected altogether by the working classes. The position assumed, you will observe, by nearly all the speakers representing workingmen on this platform is the social or sociological one, and while you have had before you several representatives of the socialistic labor party, there are, of course, other schools of thought; there may be various degrees of difference of opinion between them, but that is a position common to all, no matter what their differences may be.

It will be seen, therefore, that to deal with the labor movement on this principle implies a question of education in the large sense—the culture of all the faculties of the working classes.

## TECHNICAL EDUCATION.

I desire to speak, at this point, upon the special form of education known as technical education, and one upon which, I think, a great deal might be done by the Senate of the United States, and one which the Senate has shown its interest in, I know, to a very large degree. I

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find that the Senate ordered the preparation of a report by Mr. Eaton on industrial education, and that that report has been published. I find, on comparing that report with my own personal knowledge of the same movement in England, that America is miserably behind; and it should be a matter of national pride, I think, that a nation like this should take an advanced position in such a matter as industrial or technical education—the scientific preparation of its people for an industrial career. I find that the appropriations for some industrial colleges are exceedingly small; and I find, also, that this report of Mr. Eaton's indicates that the appropriations have been such that they cannot be used to the best purpose, there being some conditions attached.

I also find that there is not sufficient attention paid to the scientific education of the working classes who are adults, and I am particularly interested in, and believe in the practicability and value of, a widespread movement in favor of a technical, scientific, elementary education for the working classes. I believe that they are ripe to co-operate, and that all the organized trade unions are ripe to co-operate, with such a movement. Before I came to this country I was myself examined under the technical education scheme of the English Government, and having a great many friends who are certificated teachers under the scheme of the English Government in technical education, I would like to state the conditions under which that scheme proved to be so successful.

### THE ENGLISH METHOD.

The Government arranged that annually there should be examinations in the various sciences in all the large schools, under persons who were supposed to be competent; elementary examinations and advanced examinations; and that all persons presenting themselves for examination in the month of May at such places should, by the department of education, be certified as having passed definite grades of knowledge in any of the special sciences, and that such students, when being examined, should state the college or class in which they were instructed, and the name of the teacher under whom the instruction was given. These teachers were paid on the principle of "payment according to results," as they call it there. Teachers whose students or pupils passed in the first or best grade would receive, I think, £3 for every pupil who passed in that grade, £2 for every pupil who passed in the second grade, and £1 for every pupil who passed in the third grade. I think that was the order. If a pupil barely passed, the teacher got £1 ($5). You will observe, therefore, that the direct self-interest of all the school-teachers, pupil-teachers, and educated workingmen who had any ambition in that direction, was immediately enlisted in this movement, and every person who was competent to pass an examination under the Government to qualify himself as a teacher of elementary science would start a class in his own block or school-room, or anywhere, containing such number of persons as might come to him, the Government, however, prohibiting him from charging the pupil any more than 2 shillings and 6 pence for a whole course of lessons in any special science. They limit the amount of fees also, because they are going to pay the teacher by his results. By this means they brought the thing within the reach of apprentices and people of the most limited means and humble condition.

### PRECAUTIONS AGAINST CRAMMING.

The Government limited, as I have remarked, the amount of fees that the teacher might charge, because they were going, as I have stated, to

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pay him by results also. It was found, however, by experience—and this is what I think it is necessary to call special attention to from what I am aware has taken place in Boston and other places where technical education has practically been put in force in this manner—that the self-interest which was provoked by this method led to a very great evil for the first ten years of the scheme, namely, it created the desire on the part of the teachers to "cram" their students by merely enabling them to quote definitions from text-books. Professor Huxley, and Dr. Carpenter of London, testified before a royal commission on tha subject that that had the most disastrous results on the value of the education. A notice was therefore printed on all the examination papers thereafter that all students whose mode of answering questions indicated that they had committed the answers to memory would be immediately "plucked," as they call it; that is, their examinations would be postponed. They would not be examined at all, and their papers would count for nothing. The Government found it necessary to actually call all the teachers who had qualified themselves to obtain certificates to meet at South Kensington Museum, London, where Professor Roscoe, the chemist, and Professor Huxley and other eminent men in their various branches gave these teachers practical, realistic instruction of a kind which many of them had been unable to obtain in their districts where they taught school. By that means the whole character of the education has been greatly improved.

Professor Carpenter testified before the royal commission that the danger of cramming, and of mere book knowledge, was so very great that he himself doubted entirely the value of any such scheme of education, unless this cramming was entirely prevented; and he gave striking illustrations (which I have, but which it is not worth while to quote here) of the kind of knowledge which candidates for the English civil service possessed, and by which they were enabled to pass examinations.

While, therefore, I advocate the entry by our Government upon a sweeping movement for the elementary scientific education of the people, for its intellectual value, for its moral value, and for the indirect value it will have in relation to their skill as workingmen, I certainly do not overlook the evils, and would regard it as a matter of very great regret that there should be any such movement unless care were taken that it should be thoroughly practical, and should be realistic in the proper sense of the term.

## THE BOSTON INDUSTRIAL SCHOOL.

In Boston there is one of the most striking evidences of the feasibility of educating boys, and in some cases girls, and certainly the feasibility of interesting and educating adult workingmen in the "Industrial School" (I think they call it in Boston), an account of which will be found in Mr. Eaton's report to the Senate on Industrial Education. But when I was in Boston myself I was at that time informed by those who were interested in that school that it originally started in a church, by simply taking some of the boys from the gutters and giving them jack-knives and pieces of wood and teaching them to cut things of a definite shape. I think they called it the "whittling class"—taking the boys in and putting them on benches on week evenings. Those boys showed such interest and the teachers had such success in their notions that they finally got portable benches and had them screwed on to the sides of the pews; and the class kept getting larger and larger, and by and

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by it became so large, and they were so sure of a successful movement, that they obtained a room in some one of the government buildings, and then they obtained chisels and other tools besides regular work-benches, and had a set of rules for the government of the school, and it was altogether so successful that it has developed now into an institution for practical technical instruction.

THE RUSSIAN METHOD OF TECHNICAL EDUCATION.

At this point I should like to say that the committee will find, if they have not already found, in the report of Mr. Eaton, that the system of technical education introduced first, I think, by Principal Runkle (I think that is his name), of the technological college in Boston, known as the "Russian system," is the one that I think above all others should have the preference, and that is the system of technical education which is least open to the objections that would certainly be raised in the event of the Federal Government taking this matter in hand. I noticed that in the case of a witness who testified on this stand on the subject of technical education there was a little editorial article in one of the daily papers to the effect that the gentleman was evidently not aware that people who had no interest in mechanical subjects—general tax-payers—would be taxed for giving a special kind of education to a part of the community. I would urge that the value of the Russian method of technical education is such that it is not open to any such objection, inasmuch as the work is applied to forms of material which are not to be used for any constructive or business purpose, but are so invented as to demand all kinds of manipulation which would be necessary in any kind of industry, and that in the event even of pupils being destined for a commercial career, the education which they obtain under this method of instruction is an education of their faculties—of their objective powers. It will always be of value to them, and it will be of value to any person, whether he undertakes to follow the life of a mechanic or a life of commerce, or anything else.

I think that a fair examination on the subject will show this committee that a technical education on the Russian system applied in the primary schools, as has been advocated, and demonstrated in Boston to be successful in, I think, a grammar school, as will be found in the report of Mr. Eaton to the Senate, would be successful if applied everywhere. That report demonstrates the feasibility and practicabilty ot the matter I am now advocating.

I believe, also, that if our Government were to imitate the English method, they would have here a far greater success than they have ever had in England. I believe that the American school boy is so much sharper, is naturally so much more apt a pupil, and his bent of mind is of such a practical character that if the Government of the United States were to make any decent effort in this direction I am positive personally that they would meet with a far greater success than even the Government of England has made.

ECONOMIC VALUE OF TECHNICAL EDUCATION.

The economic value of this is beyond question. It is calculated by Mr. J. Scott Russell, the builder of the "Great Eastern" steamship (and one of the greatest authorities in England on technical education, a man of practical business experience beyond question, and by no means a theorist), that about $125 is all the expense that the English Government was put to in educating each of the workmen who have

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passed through her technical scheme of education, and that $125 per annum represents, according to him, the technically educated workman over an unskilled or technically uneducated man. One year's economic value, according to Mr. Russell's calculation, pays the teacher and the expense of technically educating such a workingman. And if that is true in England, I think it would be to a far larger extent true in America.

I think, also, that one of the most important features of the testimony before this committee given by many workmen would be met by this movement, namely, that industry has now from the introduction of machinery, become such a merely mechanical process that workingmen complain that they become intellectually degraded and have nothing to interest them in their work. Their work is done by the machine, and they stand by and merely watch the machine work. From my personal experience and observation the workmen in various employments, I believe there is no hope for meeting the actual effect upon the minds of workmen except in that kind of education which will give them a species of intellectual interest and curiosity in the work they are performing, which can only be derived by at least an elementary knowledge of the sciences employed in their business, and that by that means the irresistible consequences of the introduction of machinery in degrading the mind and character of the working classes may be met. I think that sufficient importance is not attached to that aspect of the question.

### NOT THE PAUPER LABOR, BUT THE SKILLED LABOR, OF EUROPE THAT AMERICA HAS TO FEAR.

I would ask the committee to consult, if they have not already done so, the work of Mr. Stetson on technical education, published in 1874, and quoted in all authorities dealing with this question and dealing with it from an American standpoint. I think from what I know of the movement in England, that that work is worthy of every commendation, and inquiry would be impossible without it. That gentleman states:

> Let America take note that it is the educated skilled labor, and not pauper labor, as so many believe, which she has good reason to fear and against which she can defend herself only by educating her workingmen equally well.

There is another valuable work, called "Schools for the People," by Mr. Bartley, published in London in 1871, containing very valuable information on the subject of these schools in England. I think that the experience, also, of independent people in Scotland, apart from Government aid, is of very great value.

Being called so suddenly to-day before the committee I have not with me facts or statistics which I think of very great value, especially of the scheme of a Sunday school which was very successful in the city of Edinburgh, all the teachers of which were companions of my own, and were working at their own trades during the day, and went to a scientific college in the evening, which most of us attended. The interest which was there excited in their minds, of the value of science to the working classes, kept with them so far that they started a Sunday school for elementary instruction in such sciences as were of practical value in the conduct of life as well as practical value in their trades and occupations.

### THE "JAMES WATT" EVENING COLLEGE IN EDINBURGH.

This scientific college was something like the Cooper Institute, of New York, only a great deal more successful. It was established by James Watt, whose name is associated with the invention of the steam-engine.

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He established this school from the same motives that Peter Cooper established the Cooper Institute, and the Watt school has turned out several very clever inventors, and has done a very great work in the way of education. Its classes are, however, taking a wider scope than those of the Cooper Institute of this city. Every pupil pays for his instruction, and the number of pupils is more than that attending the Cooper Institute; and the interest excited in the community is represented by the fact that it is upheld partially by public subscription, by trades people, &c. The pupils pay two shillings and six pence for a ticket for one class, in any of the sciences or any of the classes. A reduction is made when they take two classes, and a still further reduction when they take three classes.

Among the other things they teach is music. The school has a regular curriculum of studies, and it grants certificates which are of very great value to the young people when they go out into business. It is attended by all classes of people—pupil teachers and clerks, as well as carpenters, and people of all occupations. But I want to call attention to the fact that every pupil pays for his instruction; and even by that method there are a larger number of students than are in attendance at the Cooper Institute in this city; yet Edinburgh is a much smaller city than New York. In fact, they cannot there accommodate all those who apply for instruction.

By the CHAIRMAN:

Q. Do you know about the number they accommodate?—A. The total number of persons at the school, I think, was nearly three thousand—attending the various classes.

Q. At a given time?—A. Yes; at a session.

Q. How long ago was that—how recent was the report?—A. That was the last report. The last report, I think, is for 1881–'82.

Q. That is an industrial or technical school?—A. Purely an evening college for the working classes.

Q. Were the instructors workingmen?—A. No.

Q. Were they scientific men—college men, perhaps?—A. Yes; the professor of chemistry, for example, of the University of Edinburgh was a professor there.

Q. The compensation paid by the students goes to the professor for his lectures, does it?—A. Well, not directly; the directors pay the professors a definite sum.

Q. Is the system of instruction by lectures or by recitations?—A. Lecture only. The system of recitation is done away with throughout the country.

Q. Are the students working men and women?—A. Yes.

Q. Of all ages?—A. Of all ages.

Q. Whoever chooses to attend?—A. Yes. My interest in it was at first brought about by an agitation, with which I was connected, for girls to attend the school. It was at one time closed against women.

Q. And the lectures are confined to such matters as bear directly or indirectly upon the ordinary industrial occupations of life—their immediate improvement in those?—A. Yes, or in their mode of living. For instance, they had a class for the harmonium. There has been a great improvement in Scotland in musical matters. Almost everybody has a harmonium.

Q. Has the improvement extended to vocal music also?—A. Yes, sir; both vocal and instrumental. At the school I speak of, when I left, ten years ago, they had an organized orchestra.

Q. This was during the week-day evenings?—A. Yes.

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SUNDAY-SCHOOL FOR THE TEACHING OF SCIENCE.

Q. As I understand you, there was a Sabbath school conducted on some similar plan?—A. Yes.

Q. And in those Sunday-schools are the children included?—A. Oh, yes; it was intended originally for children.

Q. And that was wholly sustained by the workingmen themselves?—A. Yes; purely so.

Q. The compensation received by the professors connected with this workingmen's college is in addition, of course, to their ordinary collegiate salary?—A. Yes. In Scotland they have attached to every university what they call extra-mural lecturers, whose lectures students have the option of attending, and these lecturers nearly always become teachers in the Watts' School of Art

SCIENTIFIC LECTURES FOR THE WORKING CLASSES.

Q. Is there anything else of this kind in Scotland or England?—A. In Glasgow many years ago Dr. Birbeck originated the idea of scientific lectures in chemistry, physics, &c., for mechanics. He was laughed at very much about it at the time, but, to the amazement of every one, it was found impossible to find room for all the mechanics that thronged to the lectures.

The CHAIRMAN. There ought to be an institution of that kind, and it might easily be made an initiatory movement for a Government university. There are many men connected with the Government employ in Washington, as at the Smithsonian Institution, &c., that would be glad to give lectures on scientific subjects.

The WITNESS. Yes. There is one peculiarity about professors and lecturers in America; I have met many of them; they are men more apt to co-operate in that sort of movement than those in Scotland and England, who are very hard-headed sort of men.

The CHAIRMAN. In every city there are retired and intellectual men who are more or less students and who would be very glad of the opportunity of giving instruction gratuitously if a movement of that kind could be inaugurated. If the workmen of this city could hire a hall I have no doubt they could get gratuitous lectures on scientific subjects to any extent from men who live here in the city, and who would be glad of the opportunity of finding utterance.

The WITNESS. One great difficulty about that is the difficulty of getting apparatus. Mr. Eaton says the experience of industrial colleges in this country is that they cannot supply themselves properly. It is so expensive to furnish a technical college, as compared with any other sort of college, that the relative expenses seem enormous.

Q. But there could be a vast deal of instruction given that would be very useful even without any sort of apparatus at all?—A. Oh, yes; theoretical science could be taught, of course. I might state as an evidence of how far such teaching is capable of being made intelligible, that, with regard to this Sunday-school of which I have spoken, and of which a report appeared in the New York Times about a year ago (as to the number of pupils, average attendance, &c., during the year), my brother, while a teacher in that Sunday-school, taught, in addition, a class of little girls, from nine years up, in geology at his own house at 9 o'clock on Sunday mornings, and on Saturday afternoons the whole class took excursions out to the quarries adjacent to the city. That

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method has always been found best—to associate practical, realistic, instruction with theoretical instruction in the science or subject involved.

I think, therefore, that while for the future technical education could be introduced into primary and grammar schools, and should be incorporated into the primary school system of the country, it should not be overlooked that there is a large adult population that should be equally interested in it. And from the stand-point of a trades unionist I claim that the kind of mechanics who would be produced after ten years under such a system would be a body of men far better able to conduct legitimate combinations such as trades unions, and far better able to conduct all other combinations of labor under the recognition of economic principles and arrangements as they now hold, than any body of men that we have yet seen in this country.

I therefore regard such a system as an auxiliary to the strict economic branch of the labor movement, and it is of indirect value in every possible respect. I do not think that too much importance can be attached to it.

I think the idea of enlisting the self-interest of teachers all over the country who can add a little to their incomes by teaching is a most important point; but must be guarded against, so far as concerns the mere book knowledge which might result from it, by demanding a degree of knowledge on the part of the pupils when passing, before the teacher gets his payment by results, demanding a knowledge which can only be obtained by apparatus and contact with the things themselves of which the theoretical science treats.

### TRADES UNIONS IN THEIR RELATION TO LAW IN AMERICA.

I should like to call the attention of the committee to a point which arose in my former examination here regarding the relation of the law to the present trades union movement—the constant liability of conflict from the uncertainty of the law.

I understand from what I have heard before this committee, in the course of discussion and examination, that there is a desire and probability of an effort in the direction of obtaining legal recognition of trades unions—national trades unions—and I certainly think that in any such law, or in addition to any such law, it is necessary to recognize the legality of *all* trades unions—for there are local trades unions which have not been able yet to reach such a point as to be organized nationally. And also, that law should be so explicit that there can arise no conflict in the case of a strike, unless by outrageous provocation and violation of all decency.

Q. Conflicts of what character do you mean?—A. When a strike occurs now, for example, as the law is interpreted here, a man is acting illegally if he attempts to persuade another man not to go to work in a shop where the strike is. We have tested that and we have authority for stating that that is the law, so far as it is understood.

### THEIR RELATION TO LAW IN ENGLAND.

In England they have repealed all such laws. The law in England simply prohibits violence by threats or intimidation, molestation, or obstruction on the part of masses of men; and it also states definitely, "provided this act shall not apply to persons who shall meet together for the sole purpose of consulting upon and determining the rate of wages or prices which the persons present at such meeting, or any of them,

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shall require for his work or their work, or the time or hours for which he or they shall work in any manufacture, trade, or business, or who shall enter into any agreement, verbal or written, among themselves," and "that persons so meeting for the purpose aforesaid, or entering into any such agreement as aforesaid, shall not be liable to any prosecution or penalty for so doing, any statute or law to the contrary notwithstanding."

Now, several great strikes occurred in England after this law was passed, and in spite of the language of the law some of the striking workmen were arrested for persuading other men not to go to work where a strike was going on. Recorder Russel Gurney, of London, in the case of the cabinet-makers' strike, stated that as to "persuading others not to work (that was one of the charges in the indictment against the men), this they had a perfect right to do;" and as to the charge of "watching the place of business," for which the men were also prosecuted, it being held by the employer to be a tacit threat, while the men maintained that it was for the purpose of informing other men of the conditions of the strike, and of endeavoring to persuade them to join the strikers—all this was declared lawful by the recorder of London under that statute; and in doing so he quoted Justice Lush, who was a high authority on the subject. The statement of Justice Lush says, "There must have been threats and intimidation otherwise than by endeavoring peaceably and in a reasonable manner to persuade others to abstain from work." The same decision was given in Manchester in 1876. All the decisions (being of test cases for trades unions) were to the effect that "watching a place of business" and "persuading men not to go to work" were not to be taken as intimidation.

### NECESSITY FOR EXPLICITNESS IN LAWS REGARDING STRIKES.

Now, what I claim is that any law dealing with this subject must be explicit, and it is more necessary in this country than it is in England, for various reasons. The influence upon executive authorities in large centers of population and the association of such officers with politics, &c., lead to very grave suspicions of their motives on the part of workingmen who, in a time perhaps of famine or public disturbance, may be roused in anger and may misinterpret ignorance on the part of the executive authority for malicious intention. Any law dealing with the subject should specifically state the things which workingmen may be allowed to do and which they may not be allowed to do. And then it will be proper to decide whether workingmen in the strike are law-abiding citizens or not. I know that in making that statement I am speaking the views of every workingman in the United States connected with labor in any form. It is a constant source of public danger—the doubtfulness of the law on the question, and it would be just as well when you deal with the question to make a clean sweep of it and put it beyond doubt. I think also that the evidence given before this committee by persons professing to be friendly to the working classes, to the organization of labor, and to the labor movement generally deserves a little notice at my hands.

### CO-OPERATION AND INDUSTRIAL COPARTNERSHIPS.

The question of co-operation and industrial partnership has been discussed very widely among the organized working classes. And while the value of co-operation and industrial partnerships is neither ignored

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nor denied, still there is a very strong feeling among the working classes that neither of these is adequate to solve the labor problem. It is found that what a man would save by his membership in a co-operative store, such as has been tried in this city, amounts to about $25 a year—that is the percentage that he would save on his purchases. It is found that for the successful conduct of any such concern, stability of occupation is absolutely necessary; that the man's income must be stated; that his income must be regular; his place of abode must be steady; he must almost look to living in the same place and having the same position or the same wages for a very, very long space of time, if that method is to be successful. And it is found, in practice, that these conditions do not exist; that the constant tendency of the present business system is to compel workingmen to go after their work wherever it may be found. And workmen are constantly moving from city to city, and from country to country; and I think it really does not require much argument on my part to convince this committee that this vagabond tendency on the part of labor, compelled by the necessity of looking for work, brings to bear on the co-operative system a specially difficult item to deal with. An industrious man is willing to work, and is willing to go for work, and if he has to tramp for it he is entitled to all the more respect, because he is determined to be industrious. But I say, apart from any exaggerated feeling like that, there is a feeling in the minds of the best skilled workmen in favor of such things as co-operation.

### CO-OPERATION MERELY COLLECTIVE COMPETITION.

On the other hand, I think that Rev. Dr. R. Heber Newton and other advocates of co-operation entirely overlook a most important fact which has been demonstrated in England among the most successful co-operating establishments there, namely: That the question of labor as opposed to capital does not come into the question of co-operation. As a matter of fact, co-operation should be properly called "collective competition;" that is all it is, and that is proven in the history of co-operation in England by the fact that when an institution of that sort became so successful that it had to employ workmen who were not connected with the co-operative system, it had to employ those men at the ruling market wages. Then a question arose between the workingmen and the co-operative concern, and it does not appear that they were any better able to make a solution of the difficulty than the personal employer is able. Assuming that other concerns of like character enter into the business, it is quite clear that there will be competition between similar co-operative concerns.

Q. You are speaking of the question of collection and distribution?

### DIVISION OF PROFITS IN CO-OPERATION.

A. No; I am speaking of the question of division of profits. Co-operation is simply a number of men acting together, like a joint-stock company, and a workman working for them for wages is in the same position, and bears the same relation to that co-operative association as a workman bears to an employer—as a workman in New York, for example, who is working for John Roach bears to John Roach, and that co-operative concern, if economically conducted, does not pay that workman one penny more than anybody else would pay him for similar service.

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The CHAIRMAN. I understand, but I did not know but they cease to be co-operative when they employ help.

The WITNESS. In Rochdale the oldest establishment was a co-operative concern.

Q. What did they manufacture?—A. I forget the business now, but the question of division of profits came up for discussion at a co-operative congress. That question became a matter of dispute. The genuine co operatives held that when outside labor was employed by a co-operative concern such outside labor should be paid a dividend.

Q. The same as the members of the concern?—A. Yes; on moral grounds.

Mr. CALL. It is no longer co-operative unless he is a member of the concern?

The WITNESS. He is not a member of the government of the concern, but he is a worker.

Mr. CALL. He is a beneficiary without being a partner.

The WITNESS. That is all.

Q. What did they decide to do with him—that he should have a share in the profits, or that he must take wages merely?—A. I think the decision of that special case was in favor of paying the man just the same as if he were a member.

Q. Suppose that those profits were less than wages, you could not keep the man?—A. No; of course not.

Q. Therefore the principle would not work?—A. No.

Q. And the association would not work a long while unless they paid as much as their men would get in business houses?—A. Yes; from the co-operative point of view; but that system has been supported by men who have an interest in it from another point of view. George M. Holyoake and others have appropriated money to it every year.

By Mr. CALL:

Q. What has that got to do with co-operation?—A. Because these men insist that men will not go into it unless they can look beyond to-morrow, and beyond their noses.

By the CHAIRMAN:

Q. And have an assurance for the better future of their families?—A. Yes.

By Mr. CALL:

Q. An uneducated man as well as an educated man, if a member of the co-operative institution, would have the same economic benefit from it?—A. Yes; but he is more liable to ruin the business. A co-operative establishment is after all engaged in a competitive system, and they cannot afford to have noodles or fools in the directory nor as voters in their boards.

Mr. CALL. I thought a co-operative system was one designed to buy goods at the lowest possible price and sell them for just enough to pay the cost and expenses of the business, with reasonable salaries, giving no profit at all to the business?

The WITNESS. That is true in one branch of the co-operative system, the retail store system, but co-operation has also gone into productive industries.

Mr. CALL. Yes; but that should be the principle always, to divide everything without profits to the concern.

The WITNESS. Yes. Now, from that point of view, the point I desire to make is all the more apparent: If it is conducted as a business

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concern it is simply a collective factor in competition; and if it employs a man to keep store and gives him wages, it has got to pay that man the same as the wages that he gets in the competitive market; it could not afford to be a philanthropist to its store-keeper. As a wage-worker he gets so much; as a member of the co-operative association he gets so much.

Now, then, the objection made by the student of the co-operative system is based on the discovery that, given a widespread sense of the co-operative movement, it would not be a solution of the difficulties involved in the labor problem, because it would be simply a thing in which those who are inside get the benefit, and those outside get none.

By the CHAIRMAN:

Q. They become a corporation, you mean?—A. Yes.

By Mr. CALL:

Q. Do you mean to say that the working people object to being partners in a business, and receiving all that that business can give to them as the fair share of their labor?—A. No.

CO-OPERATION NOT A SOLUTION OF THE PROBLEM OF "LABOR AND CAPITAL."

Q. But that is what co-operation means, is it not?—A. But when co-operation is presented as a cure for the labor difficulty—for the conflict between labor and capital—it must be taken up on its merits, on the merits on which it is presented. As a cure for the conflict between labor and capital it is not recognized by the labor classes of this country, because they have been unable to see that it is anything but simply collective competition.

Q. What do you mean by "collective competition"?—A. All those people who are shareholders are collected together, and they conduct the business as if they were one employer; they have a manager, and he has to have as good a head on him as has any individual employer; he has got to cut his coat as closely, according to his cloth, as the individual employer has.

Q. How are you going to remedy that so that you should not have competition anywhere?—A. We do not want to remedy that; but we want to have a fair competition.

Q. You are a printer, are you?—A. I am a type founder, but I have been a printer also.

Q. Then, to illustrate your proposition, suppose the law to-day were that everywhere in the United States all workmen engaged as type founders, or manufacturers of any kind, should have the proceeds of that business divided among them, after allowing a certain portion, which may be assumed to be necessary to keep their houses up, and the machinery in good repair, and that whatever is made should be divided among them, the foreman getting so much, and the ordinary workmen so much. Now, that would be a co-operative industry; they would have to pay, of course, for the house, whatever its value was, to whomsoever owned it, or, if the concern owned it, they would have had to pay somebody the cost of it. That would be co-operative industry, and that would be a universal law. Now, if some one man among them organized a type foundry and got his friends to assist him, and these friends gave him the means from day to day to carry it on, and you had agreed to help him, he would have such part of it as he might see fit, by arrangement with you, to appropriate?—A. Precisely.



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Q. And you might say, "We will not pay you more than such an amount; we will take the balance of it over this"; and he might say, I am not satisfied with that"; and then you might arbitrate the matter, but the principle would be the same, of a division of profits?—A. Precisely.

Q. It seems to me it is unnecessary to confuse the matter by the term "controversy between capital and labor." Why would not workmen be satisfied with that?—A. Wherever the workmen are able to carry out any such thing they are satisfied.

Q. That is the principle of co-operative labor?

THE CONDITIONS NECESSARY FOR CO OPERATION NOT EXISTING.

A. Yes; but you observe that the objection I make, and that those working classes who did not take kindly to this solution of the co-operative system make, is that such business concerns demand certain conditions which we do not find possible in the lives and conduct of workingmen.

Q. Then your objection is not to the system of co-operative industry, but to the conditions which are demanded for its operation?—A. Yes; the general way of stating it among workingmen is that it is "too previous."

Q. What do they mean by that?—A. It is too previous by reason of the fact that it demands conditions which are not yet existing, and it demands characteristics in men which do not yet exist in full development. To be successfully carried out it demands conditions in character and in society which, if they existed, would render co-operation unnecessary.

Q. You mean they prefer the wage system?—A. No.

Q. That is the only contrast; the only question is how they shall get their portion of what is made in the factory, whether by contract with the man who directs the labor of the others, or by sharing the proceeds of what he makes. So far as concerns distribution, and so far as education is concerned, it is simply a question of the qualification of the laborer, as you say, for different employments, and higher tastes, but so far as this factor is concerned it is a question of distribution, how he shall get his share—whether in wages, or his share of the profits?—A. Yes; but the first question is, how shall he get the factory, how the management, how shall he start the co-operative concern. Dr. Heber Newton, who has been before you, has been engaged in several concerns like that, and they have all burst up.

Q. Well, you have the factory now, and the assumption is that business is being done everywhere, and the question which you gentlemen propound, as I understand, is how is this vast productive interest—engaged in the arts and manufactures—by what form of voluntary effort shall we obtain for its different component parts reasonable and adequate distribution of what it makes.—A. Yes; that is the question.

Q. Of course you do not expect a share of anything outside of what you make?—A. No.

Q. It must be a distribution of the proceeds of that?—A. Yes.

Q. And the question is how to get that, is it not?—A. Yes; and we claim that the way to get that is by trades unions.

Q. But I mean there is no way, except by paying wages, or by distributing the results?—A. Undoubtedly. But there are different methods of getting a larger share of profits. The co-operative movement is recommended by gentlemen interested, who complain that the working

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classes do not help them. They say, "why do not the workingmen help to bring them up"? My answer is that the trades unions are a better educator.

Q. Educator in what?—A. Educator in habits that are necessary before men can successfully conduct co-operative concerns.

### HOW TRADES UNIONS EDUCATE MEN.

Q. How will the trades union educate a man better? I am not disparaging the trades union at all, but I particularly want to see how the argument runs. What effect will a trades union have on me as a member of a co-operative association of any kind? How would it affect me in any way, good or bad, assuming me to be a member of a trades union?—A. Assuming that you were ignorant, short-sighted, imprudent, and with not sufficient forethought to look further than to-morrow, if you looked so far as that, and were never known to take anybody's interest into account but your own—that is the condition of the man who works at a trade who does not co-operate with anybody regarding any interest. As a general thing you will find that such a man drinks a great deal, and wastes what he does make, and cannot be depended upon to help anybody who is sick. There are whole trades and occupations made up of men like that.

Q. How does that affect him in his co-operative character?—A. Let the Rev. Dr. Newton go among such men with a prospectus of a co-operative factory, and he will get a lesson that he will remember.

Q. But, now, if a man is drunken, and all that, how will that affect the money he is paid—which is a fixed sum—one way or the other? He will get just exactly according to the good judgment shown in buying and the economy of conducting the business; he will get whatever he buys at so much lower or so much higher a rate; how will that drunkenness or vagabondage affect the higher or lower rate?—A. If they buy beer, for instance, and muddle their minds, it will affect them (and they have just as much right to start a co-operative saloon as they have to start a co-operative cheese factory); but in the case of a store the objection does not hold with the same force as it does with the factory.

Q. Let us go now to the factory. We will see this drunken vagabond as a workman in a co-operative factory, and each man gets his share of the proceeds.—A. But I say you cannot get a co-operative factory until you get this man sober.

Q. Of course; but I suppose nobody would have an association of workmen that are all drunkards, and they would not have them. But you do not consider that such is the condition of the workingmen. I think you exaggerate the condition of men in that respect; there are many hundreds of thousands of workingmen who are examples of sobriety, and taking them as a class there is no better class of people to be found anywhere. You have shown us here that there are no more brainy or thinking people in the world.—A. There are certain occupations which I know (because we have tried to organize them) in which a large body of men are so degraded by their occupation and the hereditary results of those occupations and the conditions in which they live that you cannot organize them, even to protect their own interests, in their own shops.

Our argument is this, that all men are selfish in proportion as they are ignorant; and that if you are going to educate these men it is the culture of *habit* that you want, not the culture of theory merely. The

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most important habit to cultivate in labor is the habit of working together. To work together with others implies self-control. It implies, for instance, not to get in a passion; it implies a willingness to hear what another man has to say; it implies also caution; it implies a certain degree of integrity in order to get men to pay their dues regularly, and one of the great difficulties is to get men to pay their dues.

The CHAIRMAN. In the great co-operative associations it is difficult to get men to pay their taxes.

The WITNESS. Yes; and it is not found easy to remedy Now, in the case of trades unions, as opposed to industrial and co-operative associations——

Mr. CALL. [Interposing.] But you cannot make any such antithesis; there is no opposition between them.

The WITNESS. There is.

Mr. CALL. They may work well or ill together; but where is the op position?

The WITNESS. The point is this, that we have the friends of the people, and we have the people themselves. The friends of the people are not generally workingmen; they are not habitually associated with workingmen. They do not know the real difficulties in the way.

Q. Why do you say that the "friends of the people" are not workingmen?—A. Not themselves, I mean. They are generally engaged in some occupations that do not degrade them. The "friends of the people" are men who, by self-interest, would not be called to work in the ordinary labor fields. Their interest in labor is philanthropic, as in the case of doctors, lawyers, and clergymen. In the case of lawyers, perhaps, it might not be; but in the case of doctors and clergymen let us assume the best motives.

Q. What interest might the others have?

EXCLUSION OF LAWYERS AND OTHERS FROM THE KNIGHTS OF LABOR.

A. As matter of fact, there is a prohibition against the admission of a lawyer in the four great organizations in which the labor movement takes form now. A politician, a lawyer, a doctor, and a clergyman are not admissible.

The CHAIRMAN. Nor a rumseller?

The WITNESS. Nor a rumseller.

Q. You consider those the four evils of society, do you?—A. No. A very wrong impression has gone abroad because of this exclusion, and of the qualification implied. Professional people are not excluded except on the ground that, in the present progress of organization, it is not judicious for the growth of the combination of labor to have these elements introduced—not because they would work harm intentionally, but because of the present condition of the labor movement.

Q. Tell me why it is considered injudicious.—A. Because integrity is one of the first conditions demanded now in the labor movement.

Q. And you think that is not to be found in those four occupations?—A. Yes, sir, when they are in their own business; but the kind of integrity demanded is that nobody shall be "on the make" in any respect. Workingmen who have been poor have found in the attempt at organization that their best men have been liable to temptations. The instruments have been frequently lawyers, politicians, rumsellers, doctors, and clergymen.

Q. What sort of temptations do you refer to?

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WHY CLERGYMEN ARE EXCLUDED.

A. Well, in the case of clergymen, which must be the most vulnerable case; a clergyman might introduce sectarian feelings, unconsciously, without any intention of doing so. His special education as a clergyman naturally induces him into it. Workmen belong to all denominations, and the slightest reference to anything denominational is protested against at once.

Q. Do you mean to say that a minister, being an Episcopalian, would try to make men Episcopalians?—A. No; but he could not speak on many questions so as to convince the Catholics of an organization that he was not just a little disposed to be "down on" the Catholic church, and to put in a good word now and again for evangelicism—not specially Episcopalianism.

Q. You do not consider that their philanthropy and their intention to overcome their sectarian bias would be credited?—A. Personally I would credit it; but I say that the working classes would not. The least introduction of anything religious in any organization of labor is at once frowned down.

Q. When you say "working classes," you of course mean the people engaged in manual labor, in the arts and manufactures?—A. Yes.

Mr. CALL. We all work a great deal, you know.

The WITNESS. You work, too, but then the effects of your work are not physical. There is a physical basis of distinction.

Mr. CALL. Some of us work physically, too.

The WITNESS. Yes; but the consequences are different.

Mr. CALL. I have worked in the fields and on the farm.

The WITNESS. Well, we include farm laborers. The farm laborer is a wage worker.

WHY LAWYERS ARE EXCLUDED.

Q. You have told us why you keep out the preacher. Now, why do you keep out the lawyer?—A. Well, the lawyer is about the most miserably constituted man in this country for getting business.

Mr. CALL. I know he is a very bad fellow; but I want to know how he tempts you people.

The WITNESS. In order to get a business, it is almost hopeless for a young lawyer to sit down quietly. A young lawyer is very liable to see that he can get no career unless he goes into politics. De Tocqueville noticed that the Government of this country was going to pass into the hands of lawyers, and he has a very significant chapter on the danger to republics from lawyers. He treats in a systematic way the sponta neous suspicion which workingmen from their experience have verified namely, that lawyers, by reason of the competition in their profession, have very little chance to get business, and indeed all the bright hopes for a lawyer to have a good career seem generally to be associated with politics. Whether that is so or not, it is a fact that many lawyers think so, and many working people also.

Mr. CALL. Suppose we admit that, what then?

The WITNESS. The working classes have found that many of these lawyers are men who know the weaknesses of the workingmen. It is a profession into which any man may rise in this city.

Mr. CALL. That is, any man knows that a lawyer may become a politician?

The WITNESS. Yes.

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WHY POLITICIANS ARE EXCLUDED.

Q. How is that going to hurt a man?—A. Because a politician, in the general condition of politics, is a dangerous person.

Q. Why?—A. The working classes regard the politicians, especially those engaged in local politics, to be men who might introduce into their organization elements which would tend to rend them asunder.

Mr. CALL. Suppose we admit all those who are in to be good and those who are out to be bad. We have had from you and from others here a good deal of politics, because all these remedial measures on which you talk with so much force are of course politics. Hence it appears that you are all politicians.

The WITNESS. There are two kinds of politics. There are politics and higher politics. It is the higher politics that we are interested in.

By the CHAIRMAN:

Q. It is not the higher lawyer that you would keep out, is it?—A. No.

By Mr. CALL:

Q. You had a lawyer here who was discoursing on those things?—A. Yes.

By the CHAIRMAN:

Q. If a lawyer is both lawyer and farmer, or lawyer and workman, can he get in?—A. Yes; if he chooses.

Q. The fact that he is both does not exclude him?—A. No.

By Mr. CALL:

Q. What do you mean by a lawyer; do you mean a man that knows something about law?—A. No.

Q. Do you mean a fellow who pretends to know something about law and does not?—A. Well, if he does not know much about law he is pretty harmless.

The CHAIRMAN. I think he is the most dangerous lawyer to be found.

The WITNESS. We do not employ a lawyer the ordinary way. When we have to employ a lawyer, one is selected who has been a workingman and who has retained his connection and proven by his business life that he was not ashamed to be a workingman, who has demonstrated that his life has been pure, and that his introduction to the law has not corrupted him to any dangerous extent.

Q. How are you gentlemen who abjure all existing lawyers going to carry on government after you possess the Government?—A. We have not the remotest idea of getting possession of the Government in such time as would not enable us to grow to the power necessary.

Q. Then you propose to have lawyers by that time?—A. Not professional lawyers; and if a lawyer is paid for his services, it is so much the worse. It is so much loss to the community. If I had the time and the means I would study law and would conduct cases before the court, and would not charge a cent.

ALL MEN ARE WORKINGMEN—SOME IN A PICKWICKIAN SENSE.

Q. But we are all workmen, and are you going to exclude all those of us who do not work at trades?—A. Well, we are all workmen—in a Pickwickian sense, but not in the other sense. In the real sense we are not all workmen. Men do not all work at work that degrades.

Q. Well, in what sense do you say that work degrades?—A. That is

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a subject that I like very well, and would just as soon go into it, if the committee has time, but it will take a little time.

The CHAIRMAN. We must close it to-night. However, I am willing to stay as long as is necessary; but we must get through to-night.

RELATIONS OF LABOR ORGANIZATIONS TO POLITICS.

The WITNESS. I am simply stating a fact now which has really been debated seriously before all the labor organizations, and in which great difficulties have in many cases arisen. In this city the workingmen actually went into politics; they set up workingmen for legislative offices only; they excluded executive offices because those implied the handling of money, and that, they said, implied the possibility of suspicion; the least suspected offices were legislative offices. That is a very good position to take. It was also agreed that no person should be put up for those offices except actual workingmen who were members of trades unions, and who should be governed in their votes, if elected, by the decisions and instructions of the organizations who put them in office. One gentleman, however, was a lawyer who also was an editor, who also had been a workingman. His experience as an editor and as a lawyer were perfectly satisfactory; his career was known, and he was practically regarded as a professional martyr to his faithfulness to the workingmen's movement. At the same time he would not back down and claim that he was a workingman in the technical sense of the term. He said he was a lawyer, and was going to live by the law. Now, that gentleman had it in his power to be a member of a trades union, and to be technically admissible to the organization, and to be a proper candidate. He had many friends, and finally he was nominated, and the rule violated and a special exception made in his case, he being a lawyer, because he had served his time as a workman, and had kept up his associations. Still in this particular case it caused a great deal of discussion and even ill-feeling, although I may say the case was one in which all the conditions were satisfied. But so great is the suspicion that men who live by the law, under the present competitive system, are apt to be in a tight place, and are apt in their training as lawyers to lose the moral sense which is so necessary for conducting the case of the people properly, that they are excluded from the Knights of Labor.

Q. Are they not human beings?—A. Yes; but there are many human beings not capable of conducting the case of the people—or their own cases either.

WHO MAY BECOME MEMBERS OF TRADES UNIONS.

Q. You do not allow anybody but wage-workers to go into trades unions, do you?—A. Persons who work at a special trade, and persons who have worked at the trade and desire to belong to the union may do so.

Q. But there must be wage-workers?—A. Yes, no bosses.

Q. No employers?—A. No, not in the trades unions, but the Knights of Labor admit them.

Q. When you put up candidates you look forward to that organization as one to control the political power of the State, do you not?—A. Not at present.

Q. Well, ultimately?—A. No action in a political way is attempted at present, except under the system which now prevails, which is simply an accommodation to circumstances over which we have no control.

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Q. You propose to control the political power of all members of the union, do you not? You propose to act as a union?—A. Yes.

Q. That is a part of your scheme, is it not?—A. Yes, sir.

Q. And all who belong to the union are to act in common?—A. Yes.

Q. You want to get all the wage-workers in the country into that union, do you? You propose to get in every man. If you could you would take in every man to-day in a trade and every woman too?—A. Yes. I understand you are speaking of trades unions?

Mr. CALL. Yes.

The WITNESS. They must be persons who belong to the trade and who have learned the trade, and are now willing to acknowledge themselves and pay their dues. I understand you have built a house and so you would have a right to belong to the carpenter's union, if you thought proper, and I would certainly advise you to do so, because you will be able to see that men get a training there of an entirely different kind from anything they can get anywhere else.

Mr. CALL. Well, I want to know what sort of training I would get which I have not got already. But what I was going to ask you was this: Suppose all the tradesmen in the country belonged to this association, would you not then be practically establishing a caste by providing that nobody but wage-workers should get into office? You exclude the employers, and if the wage-worker has the capacity to rise, which will probably be found to be the case in some instances, then, unless you propose to have all men on a level as to capacity, you have a privileged order in which you do not allow anybody but wage-workers to have any political or industrial power.

The WITNESS. Precisely.

Q. That is the theory?—A. Yes.

Q. The theory, then, is that however much the wage-worker may develop capacity to combine the labor of others, he must not be permitted to exercise that capacity. That is, all that what you call "capital" really is, most frequently, the capacity of one man to rise to a position where his fellow-men say "you have better capacity to combine our work than we have collectively, and therefore we prefer that you should do it." That is the function that capitalists develop as John Roach has developed it. I understand you to say that you propose to discard that sort of capacity, and not allow any such men to rise up to that level, or to directing power?

The WITNESS. Do you mean in the matter of political power?

Mr. CALL. No; I say industrially, and in all other ways. Is not that the tendency of that proposal of yours?

## THE WORKING PEOPLE NOT A MERE "CLASS."

The WITNESS. The object of the workingmen politically, in excluding persons whom they regard as representing class interests, is based on the conception that the working people do not represent a class interest at all. They claim to be *the people*, and they claim that they are better able to take care, even by their instincts, of the general welfare of the nation.

Q. Would it not be better to pass a law that there should be no doctors or lawyers?—A. No, sir; doctors are good enough for medicine, and lawyers are good enough for law, but they are not good enough to be invested with the life interests of people whose lives are entirely different from theirs.

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By the CHAIRMAN:

Q. Would not the better thing be to refuse to vote for professional men for office?—A. Yes.

Q. That would be a tangible and feasible way, I suppose, by which the workmen could exclude such men from public office?—A. Yes.

Q. Why do they not elect their political officers from their own class?—A. The effort to do that is constantly spoiled by the liberality of the working people intrusting some men who have smooth tongues.

By Mr. CALL:

Q. Why should you assume that there is any more virtue among one class of people than another?—A. It is not a case of virtue. We assume that the selfish instincts of people are equal.

Q. You cannot possibly demonstrate that there is any more reason why you should be in favor of protecting the people than there is why I should be?—A. No; but there is more reason for supposing that a thousand men like me who vote to agree upon any line of action are more apt to correct one another.

Q. You do not let me vote as one of them?—A. We object to your coming in to manage our organization.

Q. You propose to manage it so that it will exclude me?—A. Yes.

### ADVANTAGES OF TRADES UNIONS OVER CO-OPERATION.

We claim that the trades unions by their methods are a graded system of practical education for bringing the workmen, entirely self-consciously, up to the point where they will regard the good of all other workmen in their country and their trade as of as much importance as their own, and recognize the welfare of each as bound up in the welfare of the others. The International Trades Union is the highest form of that, and that demands the best development of the best instincts. It begins at the lowest and most degraded kind of man, and is capable of lifting that man up by the practical education that it gives him, and we claim that co-operation is not capable of taking a man of that kind and doing anything with him. We claim that co-operation begins with principles of character that do not at present exist. We claim also that industrial partnerships under certain circumstances are valuable, but they have to do with a future rather than a present condition of the people.

### TRADES UNIONS THE BEST PRACTICAL EDUCATORS.

Q. In other words, you claim that the best educational system in the world is the trades union?—A. Undoubtedly the best practical education.

Q. Better than the church, better than the family ties, and better than the association of friendship? The bare fact that it is an association of wage-workers supplies all the other beneficial influences that are known to civilization?—A. Oh, no.

Q. That must be the argument, because there is nothing peculiar in the educational functions of trades unions. They may be employed as you say, but there is nothing in the mere fact that so many workmen get together and form an association and agree to pay, monthly or otherwise, so much money to take care of each other when sick. There is nothing in such facts that contradistinguishes such an association from the church or any other benevolent association, nor is the fact that

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any man is a wage-worker, or is working for wages, calculated to make him a better man than another.—A. You cannot co-operate with other men in your trade without being better.

Mr. CALL. But it does not make any difference whether I am a blacksmith or a carpenter. If we co-operate to do a good thing the advantage is surely just as good as if I were a tradesman.

The WITNESS. But the peculiar training is different. The organization of the shop is not as good nor as high and does not call for the same qualities as the organization of a trade in a city. The organization of a trade in a city does not call for the qualities necessary for the organization of a trade in the country.

Q. Why is not a man in the country as good as a man in the city of the same trade?—A. A trade in the country does not educate a man as well, in the broad sense, as a trade in the city, nor a city organization so well as a national, nor a national so well as an international organization; it does not give him that feeling of international relationship with his craft.

Q. If the trades union is such a wonderful educator, why do you want technical schools?

THEY FULFILL A FUNCTION WHICH CHURCHES AND SCHOOLS DO NOT.

A. We claim this for the trades union: that it is a graduated elimination of the personal selfishness of man. The copartnership and the industrial partnership begin too high up. We claim that men cannot be good trade unionists, nor can they exercise the qualities demanded by an international trades union, unless they have learned to suppress their selfishness, and they do learn to do so.

Q. I can see a very great beneficence in the trades union; but it seems to me that you are surrounding it with a great many purely fictitious and adventitious circumstances.—A. It does not seem so to me.

Q. You assert the proposition in the first place that to make a proper man you must have a wage-worker—that is the first condition.—A. No, sir; we start with him. We are met by a special difficulty. Here are wage-workers warring with capitalists; and some way must be found to get out of the difficulty.

Q. In the second place, you must have him a member of a trades union; and in the third place, of an international trades union; and you say that these functions educate him, not only physically, but give him intellectual and moral qualities.—A. No, sir; I do not. I say the trades union is a graduated system of education which cannot be supplied by churches, by schools, nor by technical education. It is a graduated education in working together for impersonal purposes. I should not like to be misunderstood in that respect.

Q. By an elimination of personal selfishness?—A. Yes; in the conduct of a combat between capital and labor, and that nothing can supply the place of a trades union, and nothing can do the peculiar work which a trades union organization, properly conducted, can do. We demand the church, and all it can do. We demand schools, and all they can do; and we demand technical education in its relation to this wage-worker in his other characteristics.

Q. I notice that this term "capital" is very familiarly and constantly used as being the war of the dragon and its victims. What do you mean by capital? It is very familiar, and I suppose everybody understands what it is when they say that there is a great war between capital and labor.—A. The only reason I should have for not going into that matter

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is that it is impossible for any proper reports of what I say to get to the public, and it would be a year before I could explain myself to a hundred or more organizations who might misunderstand what I have said by reading what they see I should be reported as saying before this committee. That is a great burden.

Mr. CALL. I do not think any of them can find any fault with what you say.

The WITNESS. Garbled statements of what I say appear before the public, and if I go to speak before trades organizations I may have that difficulty to meet. We are all under a difficulty of that kind that is not felt by professional people.

Mr. CALL. That is a great subject, and I do not suppose you would want to speak on it without preparation.

The WITNESS. It is a large subject, certainly.

By the CHAIRMAN:

Q. These organizations are secret, are they; and a part of this educational process you speak of as indispensable is a training which is to be found in your ritual and secret exercises, I suppose, is it not?—A. Well, I think, mainly in the actual circumstances, the duties that every man has to perform, or the organization is a failure. The point is that the organizations cannot be alive in the absence of certain qualities of character, and if the organizations are living it is proof that those qualities are existent.

Adjourned.

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NEW YORK, *September* 25, 1883.

The committee met at 10 a. m.

HENRY BISCHOFF sworn and examined.

By the CHAIRMAN:

Question. You are a banker, and reside in this city, I believe?—Answer. Yes, sir.

Q. How long have you resided in New York?—A. For thirty-six years.

Q. And how long have you been engaged in banking?—A. Since 1858 exclusively in banking; but before that in banking and partly in commercial business. I have been, altogether, in business since 1848.

Q. The study and business of your life, then, has involved the investigation of the relations of capital and labor, and their combination in the production and division of wages and whatever relates to the material prosperity of the country, I take it?—A. Yes.

Q. Have you examined the resolution which calls the committee to this city?—A. I have.

Q. I will ask you then, in the first place, to make any general statement that occurs to you as pertinent, either in the way of fact or of opinion, for the consideration of the committee? We may perhaps ask you some questions after you shall have made your statement.—A. I have just looked over the resolution, and may state a few things that occur to me.

### SHORTER WORKING HOURS IN AMERICA THAN IN GERMANY.

The working hours of labor are shorter, in my opinion, in this country than they are in my native country, Germany. People do not work as long hours here as they do there.

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Q. You have reference to what class?—A. Mechanics and laborers, both.

Q. About what is the length of the working hours in the different occupations in Germany?—A. For a grown person it is ten, twelve, and frequently more hours, especially in the smaller establishments. In small shops and small communities they work longer.

Q. Taking laboring men as a whole, they work longer in Germany than in the United States?—A. Yes; but while they work they do not work so hard.

BUT THE AMERICANS WORK HARDER.

Q. Taking the year through, which do you think expends the most physical force, the American or the German laborer, or which taxes the physical frame the most?—A. The American.

Q. And which produces the most?—A. I think the American produces almost as much although the hours of labor are less.

Q. What should you say as to the conditions under which the American and the German laborers respectively work? I mean by that the sanitary conditions where they work under cover.—A. I think the German conditions are preferable as far as sanitary conditions are concerned. They work more harmoniously and with more pleasure during the time they do work. In fact they do not strain their utmost during the time they work and therefore they can bear longer hours of work.

DISCIPLINE NOT SO RIGID IN GERMAN AS IN AMERICAN FACTORIES.

The discipline is not so rigid in German factories as it is here, especially in large establishments. This is more particularly the case with mechanics and factory laborers working in large establishments—more discipline is exercised—they are more sharply superintended by foremen. They are always under a spirit of personal discipline in our larger establishments—in our larger shops—which works upon the nervous system of a workingman harder than a more cordial and liberal treatment would, such as in the matter of speaking to their neighbor or their fellow-workman, sometimes. There is in our larger establishments a personal discipline which works harder upon the nervous system of a workman than if he were left a little looser and a little more alone. You can notice that even by their shy look as they come out of their factories. They have a shy look about them from this rigid discipline while at work. In smaller establishments the intercourse is more cordial and kind; and although the discipline is less severe, as much and certainly as good work is done, because the mechanic is better disposed to his employer and takes a pride and interest in the business, and in the success of his employer. In smaller establishments he gets into more immediate intercourse with his employer.

VILLAGE FACTORIES BETTER THAN CITY FACTORIES

By Mr. PUGH:

Q. Is not that the fact, too, in village manufacturing, in the country and out of the cities?—A. Yes, sir; to a certain extent. That is much preferable. I would rather have, and I think the State is better off, and safer with one hundred factories which employ 50 men each, than with two large factories, each employing 2,500 men. The more directly a laborer can be brought into contact with a benevolent and kind-

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hearted practical employer, the better it works for both parties. In large factories the workmen stand at too remote a distance from the person next in interest; that is, the employer. That relates to mechanics. It is even more so with the laborer, who, of course, has less ambition to go into business for himself. That is, he is more dependent upon the employer, and will always be so. The mechanic has, and should have, the ambition to get into business for himself at the first opportunity. But the laborer will look more to his employer for advice, particularly as to how to invest his earnings and provide for old age. Not having the ambition that a trade brings, nor the ambition to start in life for himself, he should be guided, if possible, by his employer, who should always find some time to guide him.

### THE DUTY OF THE EMPLOYER.

The employer should find some time to study the interests and opportunities of his workingmen. He should gain and observe their confidence, and he will generally find it to pay him by securing lasting and reliable help.

The laborer should be encouraged to save a little money and take the first chance to secure a home, no matter how modest and humble it be. For the possession of a piece of ground, no matter how insignificant, lifts his mind and keeps him from wasting his earnings; it cheers his field of labor and his family. Instead of tenement houses in the heart of the city, neat cottages should adorn the suburbs for miles around, in which our working people could live, surrounded by a little garden where the wife may preside, caring for the children and helping to make home cheerful for the head of the family when he returns from his exhausting work. It is done already to a considerable extent here; but it ought to be encouraged.

Making a good home for the mechanic and laborer should be an object among capitalists and employers; not a home of luxury but one of contentment and cheerfulness. That is at the very root of strikes and of the dissatisfaction of the laboring classes. Pleasant surroundings will keep men at home, instead of attending meetings and plotting against their employers. The wife will then see that the husband remains neutral on all questions of violence, as long as she has a cheerful home to offer to him. But of course, such a thing is out of the question in large tenement houses.

### WORKINGMEN'S HOMES.

If large capitalists would lay out plots and build up homes for workingmen at a fair rental, with the chance to buy at cost, and put the interest as low as it is possible to make it, then they would enable the workingmen to own little homes in time, and this would be practical philanthropy of the best kind. Large capitalists retiring with millions of dollars find nothing better to do than to invest their money in United States 3 per cents, or in other convenient security, while if, instead of devoting their munificence to churches and benevolent societies, they would invest money in some such property with the sole view of bringing homes within the reach of worthy workingmen, they would really be conferring the very largest benefits upon society. Such benevolence and philanthropy will bring more fruits than the endowing of institutions. It would take their continual care, however, and would require their own individual activity to bring about this result.

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I admit that there would be considerable work about it, but the end would justify it, and would pay for all their endeavors. The fruit of the exercise of such benevolence, besides the regular interest which would be paid upon the investment, would be practical benevolence such as no other course would secure. It would put the workingman into the condition of owning a home which it would be his pride and pleasure to keep in good order, and so it would be an inducement to him not to squander his money upon trifles. There are hundreds of instances where the successful career of a workingman, or the head of a family, commences from the date when he is able to call a little place his own.

Merchants, clerks, traders, and professional men also work, in my opinion, longer hours in the United States than they do in Germany, and while at work they apply themselves more closely.

### NECESSITY OF APPRENTICESHIPS.

It is hard to get our young men to select a regular trade. They should be apprentices and kept in rigid discipline until they are of proper age—seventeen or eighteen years old, or beyond. That would keep them from bad company. They are generally unwilling to apply themselves to anything like discipline. They want their choice too soon, but it is necessary, in order to steady them for life, that they should be under rigid discipline up to a certain age. It is particularly so in our societies. Having too much of their own way has been the ruin of many young men.

### NEED OF TRAINING IN HOUSEWORK FOR GIRLS.

With family labor it is even worse. This cramping up of hundreds and hundreds of young girls into shops, it appears to me, is neither good for their morals nor for their health. If they could be kept at home more, helping the mother, or if trained more for housework, it would be better for their health, and would make them better wives for their future husbands. Even taking home their work would be a great deal preferable to having these great aggregations of them in shops. By crowding into shops they find no time to properly prepare themselves for the work of the household to which they will have to apply themselves when they become wives. When they marry they have not the capacity or training to give their husbands such a home as he is entitled to, for they have not been trained to it, and have a natural dislike for it. I will just give you an instance of this:

About a year ago I had occasion to look after some rent in a district inhabited by working people. The house was inhabited by a number of tenants, and my first object was to clean and improve their quarters so as to make them nice. The second story in that house was occupied by a widow lady. Her two daughters were employed at a shop. Calling there one morning about 10 or 11 o'clock, to see whether the work had been done that I had ordered, I found the room full of smoke, so much so that I was alarmed lest there might be a fire. I knocked hard, and the old lady opened the door. She stared out at me, for it was difficult to see on account of the density of the smoke. Her eyes were red, and the whole room suffocating. The kalsomining that had been put on two or three days before was already yellow. I said to her, "Where does that smoke come from?" She says, "The chimney will not draw at all." The first thing I did was to go in and open the front window, so as to clear the rooms. Then I looked at the chimney.

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In the mean time she sat before the stove, blowing as hard as she could to make the fire burn. I saw at once what the matter was, and by one touch removed the difficulty. I pulled the stove out about two inches into the room, for I had noticed that the pipe seemed to run straight against the wall, and it was impossible for any smoke to pass. The moment I touched this the fire burned very nicely. She wanted to know how it was possible for me to remedy that trouble so quickly. "Well, madam," I said, "you could have done this yourself just as well. Where are your daughters? Don't they take their coffee in the morning, and didn't they see this trouble, and could not they tell what the matter was? You see this stove was entirely out of place." She says, "I have been at it, and my girls have been at it, for the last two or three days, and we have not been able to do anything with it, and the poor things have had to go without their breakfast in the morning because I could not get a fire." Of course, from that moment there was no complaint as to the stove.

I have simply mentioned this to show how necessary it is that a young woman should find some time to attend to and have some interest in actual housework. But really they do not have any interest in this class of work, because they are tired out at the shop and get home tired, and so are disinclined to do any work relating to their homes.

Let me give another illustration: On the same floor is a tailor, whose wife complained of being unable to lock her door. She had a big son there, and I spoke to him and asked him what the matter was with the door. He said that it was impossible to do anything with it. I looked at the door, and then I said to him, "Can't you fix it for your mother?" He said "No, I can't; there is something wrong with the bolt." I found that the clamp into which the bolt ran was full of dirt, and taking out my pocket knife I picked the dirt out. They were greatly surprised to see that I could bolt the door, and they wanted to know how I could do that without being a locksmith.

If more time could be devoted by women, especially young women, to the interest of their homes they might take their work home with them, and so they would acquire more love for their homes, and they would make their homes comfortable, and thus assist their mothers and certainly please their fathers. This would make more happy homes than are to be found at present.

## SCARCITY OF GOOD HOUSEHOLD HELP.

Housewives complain of being unable to secure aid in the way of female assistance for the household, even where they are willing to pay good wages. They do not get servants who remain with them or become steady in their work, while the shops are crowded with working women at almost starvation wages. If their aid were enlisted more in the occupation of housekeeping, there would be more content and more satisfaction among the working classes.

## AMOUNT OF DEPOSITS IN SAVINGS BANKS IN THE UNITED STATES.

I desire to say that I think it shows well for a people to have such large deposits in our savings banks. It is almost without a parallel. There are about $250,000,000 or $300,000,000 in our savings banks. If one-half of that was expended by the depositors living in tenement houses in securing little homes, I think they would be better off, and the community would be happier.

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WORKING HOURS OF GERMAN MERCHANTS.

Q. You were comparing the working hours of the workingmen in Germany and in this country. I would like to ask you how it is in regard to the hours of labor of business men in the two countries—men like yourself, merchants, professional men, and others?—A. They devote a portion of actual business hours in Germany to pleasure and recreation. They take longer time for dinner, and they do not attend, as a general thing, so steadily to their business as we do here. They do not work so hard; still they work long hours.

Q. Do you think that business is managed more safely in that country than it is here?—A. No, sir; I do not say so.

Q. Do you think a business man is more likely to prosper and go through life without business misfortune?—A. No; that end is reached quicker here by attending to it closer—altogether quicker.

Q. He makes his fortune or he breaks it sooner here?—A. Yes; but he can stand his business longer there than he can here without wearing out.

STRIKES.

Q. He can live longer?—A. Yes, he can live longer.

Q. I suppose that your observation has led you to form some opinion about strikes and their causes, and how they should be managed, and what may be done to prevent them.

The WITNESS. By legislation, do you mean?

The CHAIRMAN. In any way.

A. I think law-makers can do less there than schools, ministers, moral suasion, and training. These can do more than the law-makers. I do not know of a law aiming directly at removing causes of grievance of this kind.

By Mr. PUGH:

Q. Do you not think that the blame for these strikes is chargeable largely to the employers themselves in not treating the laborers—their employés—as you have just been stating they ought to do? Do you not think that the employer, by a proper course of treatment, and getting up a state of confidence and good feeling between him and his employés could do a great deal?—A. Yes; that is what I should call moral suasion.

RESPONSIBILITY FOR THEM LARGELY RESTING ON EMPLOYERS.

Q. You think the responsibility is largely with the employers in the cases of strikes?—A. Yes, sir; and is particularly so in larger establishments. The workingmen there are too remote from their employers; there is too little intercourse between the parties in interest—the workingman and his employer.

Q. In smaller industries and in the country they are trained together in personal association more, and in more personal contact?—A. Yes. There should be more benevolence, more kindly feeling between capital and labor, and it should not only exist but it should be made to appear to be. A kind word by an employer will inspire confidence in his men. He should ask questions, and they should be answered. His superior learning should properly go to the benefit of his employés, and if it does he will find that he will have good workmen. It would pay him if that disposition existed.

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TRADES UNIONS.

By the CHAIRMAN:

Q. What is your opinion of trades unions as they exist in this country and in the older countries?—A. They are extremes, and are the fruits of this rigid system of discipline in the factories. These unions come in for the defense of the working people. One extreme always creates another.

Q. Do you think it is possible to prevent the formation or spread of the trades unions until this spirit of which you speak is manifested by employers toward their laboring men?—A. No.

Q. When employers treat their help in a kindly way you think the trades unions will disappear?—A. They will entirely disappear. I suppose there will always be differences of opinion, but they can be harmonized, and will not lead to violence.

Q. As a practical thing at the present time, do you think the trades union a good thing as against this spirit of the employer?—A. It is a necessary thing, whether a good thing or not. It is a thing that I should not care to see, but it may be necessary under the present state of things.

Q. A necessary evil—to prevent something worse?—A. Yes.

Q. We have heard considerable here about the matter of wages. These working people complain that they do not get as much money as they ought to get for their labor. What is your impression in regard to that?

SUFFICIENCY OF WAGES IN THE UNITED STATES.

A. They are well paid, sir.

Q. You think they are, as a rule, well paid?—A. Yes, sir.

Q. Then why is it that so many of them are living uncomfortable lives?—A. It is on account of their homes. Their homes are not made happy.

Q. Well, whose fault is it that their homes are not made happy? There seems to be money enough, you say—wages enough paid, in your judgment?—A. Well, but that money is not judiciously spent.

Q. You say that the home should be made better. How are these people to get better homes? Take a man living in one of these tenement houses getting wages enough and his family needing more than is actually expended upon them—in other words, suffering greatly for many of the comforts, and of course all of the luxuries of life—how is that man really to better his condition?—A. Well, the head of the family understands how to earn, and he earns sufficient, but his wife, or perhaps himself, doesn't know how to keep house with the money, and the causes of that are manifold. But it is particularly the wife that ought to study how to get along with what the husband earns, and not only to get along, but to get along comfortably with it, and wives can do so if they have learned to cook and keep house, as young girls, instead of spending their time at outside work that ought to have been applied to studying the art of keeping house within their means. They have tried to earn all they could in order to buy dresses and appear as if they belonged to a position that they could not maintain after getting married. They keep on trying to keep up this way of living after becoming responsible to a family—that is, after getting a family. They lack the courage of self-denial, and the knowledge and art of devoting that which the husband earns to the most practical purposes. They have not learned it, and therefore it causes dissatisfaction in the family, and



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money is spent outside which ought simply to be devoted to the maintenance of the household. Some people cannot live on $200 or $300 a month, where others manage to live nicely, and have all the comforts that they need in order to keep them in good condition, and they will be happy and contented with $60 or $70 or $100.

Q. We have been into some of these tenement-houses and seen the women, and they seem to have about as hard a time as anybody, and they have seemed to be doing the best that they could. It may be, as you say, that the fault is principally with the women; but suppose the fact is that they do not possess this knowledge that you speak of—they do not know how to cook—they have not these frugal habits that you speak of; nobody ever gave them any instruction in that regard. Is not that so?

TRAINING IN HOUSEHOLD ECONOMY.

A. That is just it; they should be instructed to keep house within such means as they would be likely to have when they get married.

Q. What can be done to give the wives and mothers of the future the information so desirable for the improvement of their homes?—A. Moral suasion—teaching in church and school, and at every opportunity. They should be encouraged to devote a portion of their time to the art of keeping house economically, and, if possible, benevolence should aid them. Premiums should be given to family servants for a certain length of good and faithful service. Proper pride in that sort of work can be worked up in this way, and such prizes would be an inducement which would raise the standard of house service. Such a service is really more what would be called "aid" than many things that have been so called. There is one expression very much used now among these house servants. They do not like the word "servant," and so they do not say "I serve," but they say "I am assisting in house-work," or "I live with such and such a family." Now, it ought not to be a matter of which they should be ashamed. It ought to be an honor to learn how to keep house and to get pay for service in housekeeping. It should be a pride, and not a disgrace, to be well versed in the kitchen. That occupation could be elevated if proper effort were turned in that direction.

By Mr. PUGH:

Q. The trouble is in not having a proper training in the knowledge of domestic duties?—A. Yes.

Q. The remedy of that is with the family—with parents?—A. Yes.

INDUSTRIAL SCHOOLS.

By the CHAIRMAN:

Q. Take this parent—this woman who is without the knowledge, and who does not seem to be able to help herself—who is to instruct her children? The mother cannot do it.—A. Schools should do it.

Q. Are the schools in existence?—A. No; but they should be. There should be industrial schools. There have been schools started, however. It is a hard task, I admit, though a noble task. Children would rather do almost anything else than to do little things in and about the house, although it is so necessary.

Q. Well, until these schools are established and these new mothers are raised up and these habits and powers of economy, and the capacity to get along with fifty cents where they now need a dollar in order to

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be comfortable, until then, are their wages enough?—A. Well, their wages keep them and will keep them; but they do not keep them as comfortably as the same wages would if properly applied.

Q. That is the sense in which you mean your answer to be understood?—A. Yes.

Q. Then, until society has done something for these people, do they get as much money as they really need, or should what further is necessary to make them comfortable be given in the form of charity?—A. Oh, they should have more to make them comfortable in their fashion—they should have decidedly more.

Q. Here is an immense mass of wealth that others have—more than they can well apply to their personal uses—A. Yes.

Q. So that it would seem for the time being that here is an unjust discrimination of the wealth which is actually created, would it not?—A. Yes.

Q. Now, does any way occur to you in which the immediate evils can be remedied at all by effecting some more equitable distribution of the wealth that does exist?—A. I do not know that it can be done under existing laws, nor could I devise any law.

Q. You would begin with schools, and with the rising generation?—A. Yes; but laws would have to be devised or found in the future time to equalize this.

## TENEMENT HOUSES.

Q. With regard to the tenement houses. One-half of the population are living in tenement houses that are not fit to live in, but the working people do not own these houses. Could not the men who own them make them better before they rent them?—A. Yes.

Q. They could tear them down and put up buildings with suitable appliances for life and health?—A. Yes. But why tear them down? Let them stand and be rented for cheap factories, or be enlarged and improved; but let the people's dwellings be out of the city in our beautiful suburbs. Let them select places there and build up cottages of the value of from five or six hundred to one thousand or fifteen hundred dollars, and rent them very low. In these places little gardens could be cultivated by the wife, who could have vegetables and such things for the food of the family, and could have chickens around the house, which contribute so much to the economy of a family, thus saving a portion of the husband's earnings, while at the same time the husband can avoid climbing half a dozen flights of stairs to get to his little habitation. This would make a very different man of him.

## MORAL RESPONSIBILITY OF CAPITALISTS.

Q. That is a very much better solution; but how can that be achieved unless the capitalist takes his money and invests in this little homestead, and gives the laborer the opportunity of buying and paying him on time?—A. We have so many philanthropists, so many large capitalists in this country that it would only need a man or number of men of that kind to try the experiment.

Q. But they would have to give their labor into the bargain?—A. They can well afford to give their labor so as to let the workingmen actually have the benefits of the capital at a legal rate of interest. Let the workingman pay his interest and let the capitalist receive it, but let him give his own exertions without charge. In that way it could be attained and a great deal of benefit would be conferred upon the

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workingmen. One instance of that would, no doubt, lead to others and would open up a great field of practical philanthropy. There are miles of beautiful country around this city which could be covered with the happy habitations of working people, and we would have a very much better class of men.

Q. Of course what could be done here could be done in other cities. Now, is there any way in which the capitalists of the city could be induced to enter upon such a system of improvement; do you not think that capital so invested would pay well?—A. Yes. Well, it would be a safe investment at any rate; but it ought not to pay better than other just as safe investments. It should not be made to pay better, because the labor and the extra care required in order to collect this income out of investments of this kind should be for the benefit of the working people.

Q. Do you think that anything could be done to induce men of means to undertake this reform that you speak of in the direction of furnishing the opportunity for cottage homes?—A. Yes; by recommendations of men high in standing and high in office, but particularly the press, by calling upon the capitalists and pointing out to them the beauties of such benevolence.

### LEGISLATION NOT THE REMEDY FOR SOCIAL DIFFICULTIES.

Q. The thing would have to be done more in that way than by any effort at legislation?—A. I do not know any legislation that could do it. A capitalist has a right to do with his money as he pleases.

Q. Is it not a fact that most of the difficulties in society must be remedied by individuals in society who realize them, rather than by the laws?—A. Indeed, it is. It is more of a social field than a field for legislative action.

Q. Are there any suggestions in the direction of legislation that you think it would be well for the committee to consider—anything touching the land question, or the hours of labor, or a bureau of statistics, or any other subject of interest in this direction?—A. Not immediately. I have not been considering those phases of the subject.

Q. Would you be inclined to say anything to the committee in the matter of the currency in connection with wages and labor, and the steadiness of its employment and rewards? I would like to ask you this question: Whether, in your opinion, the speculation that exists in produce—in the necessaries of life—has a healthful or an injurious influence, or none at all, upon the prices of the necessaries of life?

### GAMBLING IN THE NECESSARIES OF LIFE.

A. Oh, it has. All these combinations have certainly an injurious influence, and are so much against the consumer. It is a conspiracy, but I do not know as it can be remedied by any legislation. As long as capitalists exist, and as long as they band together their capital, they have a perfect right to do with it as they please. I do not see how legislation can prevent that except making criminal these "time sales," or sales of what a person has not got—bargaining in "futures."

Q. Please explain your views on that a little more fully. There is some evidence already before the committee, and there will probably be more on that point, but I would like to get your view upon it.—A. I think that subject has been exhausted, and I would rather not express myself upon it.

Q. You mean it has been exhausted in another investigation?—A.

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Yes; and before this committee, too. I do not see how this can be reached except by classifying that sort of thing under the laws as you do lotteries—making it illegal to sell things that people have not got—for that is the basis of "corners."

Q. You believe the commodity which a man sells should be in his possession or control?—A. He should have it under control, at least, and not be allowed to sell it until he has got it under his control.

Q. Is there any other matter that you would like to suggest to the committee? We would be glad to get the views of hard-headed practical men.

THE TRADE DOLLAR.

A. I would say as to the currency that, in my opinion, a wrong has been done to the workingmen and traders by this so-called trade dollar that has lately been taken out of circulation so abruptly, after having circulated for a number of years. I have had an opportunity to investigate the question of the trade dollar and, in my opinion, it has not been treated aright by legislation nor by the executive department of the country; nor has it its true standard now. The trade dollar was made ostensibly to find a circulating medium for our East India trade. This dollar was devised to be of 420 grains of silver, which was then fully worth par and over in gold. It was at that time made a legal tender to the amount of $5, being silver, but in 1876 the legal tender quality of it was taken away very abruptly by a simple resolution, saying that the trade dollar should not be any longer a legal tender; but that resolution still left the trade dollar in circulation, and, in my opinion, these trade dollars should have been called in at that time, and that could have been done without a loss to anybody. It cannot possibly be just or right to declare them out of existence, to deprive them of the quality of legal tender, which they had before. They have been left in circulation ever since, and have been bought and sold, if you please; but the people got used to them and looked upon them, after all, as real money, and they were treated as a full dollar until very abruptly, through a combination here some months ago, workmen who had been paid off in this money, and had laid it up, were told at once that people would not take trade dollars from them, they being only worth 85 cents apiece, and that the Government would pay no more for them. That caused great dissatisfaction among the workmen. The workingmen had already been taught to distrust savings banks and to distrust bonds, and to distrust the investment of their money in mortgages; and now they were called upon to lose 15 per cent. of what they had accepted as money of the United States. In my opinion, this was a wrong against traders.

IT SHOULD BE REDEEMED.

Q. What do you think should be done to remedy that wrong?—A. They should be redeemed. They are worth more than the standard dollar. A time should be fixed for them to be called in, and they should be redeemed.

Q. If that could be done do you think it would redound to the advantage of the working people?—A. It would.

Q. Do you not think these trade dollars have got largely into the hands of speculators?—A. They have been sacrificed to some extent for their immediate wants, but there are many who cannot yet make up their minds to think that the redemption of the trade dollar should be denied to them—that they should be called upon to sacrifice 15 per cent. of their honest earnings. Their reasons for expecting to have this

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remedy are well founded. The similarity of this dollar to the United States dollar was such that to a man of ordinary education it is hard to understand just why it should not be redeemed. It bears all the insignia of the United States Government, the same as other money, only it is called a trade dollar—for what? Money is used in trade to be sure; and if the object was to use this dollar for the East India trade exclusively, those merchants should be accommodated, but it should be rightly named. In England the people call their East India dollar the "Canton dollar." They do not call it the Canton pound or the China pound. They call it the Canton dollar, and it has the words "East India" upon its face. Our tradesmen here were misled by the long practice of accepting these trade dollars. They thought that that money was good until it was called in. With regard to the remedy for this difficulty, the workingmen look to two things. First, they look to Congress to remedy the wrong, if it was a wrong to coin it; and, second, if it was not wrong to coin it, then they look to the court to contest the thing on constitutional grounds, because Congress should not assume the power simply by resolution or law to declare that that which was by a former act declared a legal tender should now not be a legal tender any more. To be sure it was only legal tender to the extent of $5, but to that extent it was legal tender. The act of 1874 says absolutely that the following silver coins shall hereafter be the coins of the United States: The trade dollar of 420 grains, up to $5; the standard dollar of 412 grains, and quarter dollars, half dollars, and ten-cent pieces, &c. In 1876 a resolution says that the trade dollar shall not hereafter be a legal tender. It takes it off without any ceremony. Surely this cannot be legal; it cannot be constitutional. If Congress may shape things in that way by a simple declaration, what would prevent Congress from simply declaring to-morrow that the standard dollar, or the greenback, if you choose, shall not any longer be a legal tender.

Q. Suppose that the legal tender quality should be considered divested only with reference to contracts entered into after the date of depriving the coin of its legal tender—that is to say, that it should be continued as a legal tender upon all debts and the obligations that arose when it was a legal tender, and that it should be considered not a legal tender with reference to all debts and obligations that arose after the statute was enacted depriving it of the legal-tender quality. Would there be any injustice then?—A. I think there would; yes. It would be an injustice. It would make our whole currency too much dependent on the opinion of Congress. It is against public policy.

Q. You think it should be called in and redeemed?—A. Anything excepting the true measure of values, which is gold, should be called in if not any longer wanted, and should be redeemed in that measure of values, in gold. Otherwise it is partial restitution.

The CHAIRMAN. I think your views appear to be very just. It is impossible to get notice to the world of a law of Congress; and the best way would have been to call in the trade dollar.

The WITNESS. That is what I think. It is against public policy, and is prejudicial to the interests and credit of the country; and anything that tends to depreciate the currency is a dangerous precedent and against public policy. I am for a pure unmixed measure of value, and the only thing that is accepted to be that is gold—nothing else. The time will come when the standard dollar will cause a larger inconvenience even than the trade dollar, which was only of limited circulation. The standard dollar will be the dollar that will cause most trouble to the United States in the future.

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NEW YORK, *September* 25, 1883.

GIDEON J. TUCKER sworn and examined:

By Mr. PUGH:

Question. Please state your residence.—Answer. My address is the Press Club of the city of New York, 119 Nassau street.

Q. How long have you resided here?—A. I was born here.

Q. You have seen the resolution under which this committee is acting?—A. I have read it, sir.

Q. Within the scope of our inquiry, as authorized by that resolution, you may now give to the committee such information and opinions as you may have touching the subjects of inquiry, stating the opportunities that you have had which give value to your opinions and information upon these subjects.

### THE PATROON LAND PATENTS.

A. Having been connected in one way or another with the newspaper press since the age of eighteen, I claim to have been a workingman all my life, though I never worked with any tool except a pen. When I began reporting was in its infancy and stenography was only beginning to be used in this country. In the year 1845 there was much discussion in our newspapers on political subjects. The existence of the great patroon land patents in this State had become felt as an unendurable grievance by the tenantry and by those who sympathized with them. In those days conductors of journals were more willing than now to furnish room to aspiring contributors, and I found newspaper room in which to assail the land monopoly of the Van Rensselaers and Livingstons. You may remember that essays upon public matters were quite a feature in old newspapers, with their classical signatures of "Gracchus," "Agricola," &c.

### THE OLD COURT OF CHANCERY IN NEW YORK.

Another grievance of those days was the expense, delay, and arbitrary character of our court of chancery. Our young students and newspaper writers exhausted their wrath on that tribunal. We wrote "*delenda est*," which is, I suppose, in modern English, it "must go!" And we saw both patroonery and chancery go.

### STATE PRISON LABOR.

Then there was State prison labor. It has always been before the public in this State. Those mechanics and skilled workmen who have suffered by State prison rivalry have been endeavoring to rid themselves of it since the beginning of the century. Sixty years ago the Sing Sing prison was located, that the convicts might be employed in quarrying the marble found there, and forty years ago the Dannemora prison was erected in order to work the convicts in mining and preparing iron ore. I remember trades union meetings and processions in this city when I was a boy. In 1826 the property qualification for voters was abolished in this State, and from that time to this the working people (who are numerous enough to command everything in this country if they could act together) have been vainly trying to prevent the prisons from being controlled against their interests.

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### ABOLITION OF FEUDAL TENURES IN NEW YORK STATE.

In 1846 a State constitutional convention met, which revolutionized the entire government of this State. I helped report its proceedings for an Albany newspaper, and knew and listened to the remarkably able body of men who took part in its deliberations. Its formation of a constitution, and the acceptance of its work by a popular majority of 136,000, was a great triumph for the radical youngsters. It overthrew patroonery, abolished all feudal tenures, and forbade the leasing of agricultural lands for longer terms than twelve years.

### LAND REFORM.

Our fathers had already made a movement, as early as 1813, in the direction of land reform, by prohibiting the suspending of the alienation of land for terms beyond two lives in being at the creation of the estate. This was to prevent the erection and maintenance of large landed properties by will or deed.

We had also copied the interest limitation or "usury law" from England. The prevision of our ancestors did not, however, foresee that the results of their incorporation policy would be the aggregation of personal property that would soon outgrow and exceed any that might be feared of real estate; and that there might be demands, before the end of the century, for the limitation of rent, dividends, and income generally, as well as of more interest.

### FREEDOM OF THE PRESS.

The new constitution of 1846 freed the press, by providing that the truth might be given in evidence in criminal proceedings for libel, and making juries the judges of the law in such prosecutions.

### OFFICERS MADE ELECTIVE.

It made all the heads of State departments elective. It utterly overthrew the appointive system and life tenure of the judiciary, and fixed the term for the highest judicial office at eight years. I am sorry to say that this has since been extended to fourteen years, which I look upon as a great public calamity, for every long official term, in any class of office, but especially in the judiciary, is an inducement to nepotism, favoritism, arbitrariness, and indolence. Indeed, we have had great difficulty to keep the elective system at all. The lawyers' "Bar Association," of this city, endeavored in 1873 to get the appointive system restored, but were happily defeated by a popular majority of 200,000.

### THE CONSTITUTION OF 1846, NEW YORK STATE.

Taken all in all, the constitution of 1846 was a great landmark in the history of the struggle between popular interests and public abuses. But the issues of to-day had not then arisen. We had not yet to deal with questions which have come with density of population and increase of wealth, namely, the social degradation of the producing classes, and the monopoly of corporations, and their remedy.

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### MARRIED WOMAN'S PROPERTY ACT.

The next progressive movement of great import was the married woman's property law of 1849–'50, which was vehemently opposed at the time, as likely to overturn all the foundations of religion and society, and to abolish the most sacred features of the marriage compact. On the contrary, it has produced social amelioration, and has saved thousands of homesteads to families and children, beside leading the way to a reform which is inevitable in the future—woman suffrage.

### THE EIGHT-HOUR LAW.

In further explanation of what I have done and seen done, I may say I voted in the legislature for the eight-hour law, which was the first serious endeavor made by the workingmen themselves in their interest. I have advocated the proposition that the wage of the employés is not, as is so frequently asserted, a matter exclusively the concern of himself and of his employer or that it is to be solely left to be regulated by the law of demand and supply. On the contrary, I submit that the means of livelihood, the comfort, domestic conveniences, education, and social status of the workingman is a matter which interests and concerns every individual in the community, and none more than the class of non-producers themselves.

### LEGISLATION SHOULD PROTECT THE WORKINGMAN. WHY?

There is, and, so long as the competitive wage system endures, must always be, an irrepressible conflict between capital and labor. And as the rich man is always able, inside the law or outside the law, to protect and care for himself, I believe the weight and influence of legislation and administration should be exercised for the protection of the weaker party to the social compact, namely, the working producer.

Mankind has passed through the period of religious struggles; these are, at least, for the time being, stilled and at rest. We have settled, for the most part, all purely political questions; that is to say, "divine right" is dead and birth-right monarchies and aristocracies are on the road to extinction, and their downfall and disappearance are only a question of time. Parliamentary government by the people is to be the government of the future.

### THE QUESTIONS FOR CONSIDERATION.

If, then, religious and political questions are in abeyance, social and humanitarian questions—or questions having such bearings—only remain for public consideration. That is the class of questions which you are meeting on this inquiry. They are the outgrowth of this conflict between capital and labor. You cannot evade them in this generation; they will not be belittled; they will not "down." If the abuses and tyrannies of capital intrench themselves behind laws, those laws will be repealed; if they are incorporated in constitutions, those instruments will be amended.

### EDUCATION THE KEY TO THE PROBLEMS OF LABOR.

We must try to calculate, as well as, in the absence of all data and precedents, we can calculate, the effect of educating so many millions

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of young citizens, every year, in our common schools, and enlightening them through the press. These coming men and women, educated and enlightened as they will be, and eminently practical as they can scarcely fail to be, will be willing to labor, but they are not proposing to live, like the present generation of their class, in hovels, or tenement garrets and cellars, or to starve as tramps on the highways. They will have intelligence enough to find out methods by which the blessings of government, "like the gentle dews from Heaven," shall descend "alike on the rich and the poor." Their first education in the common schools will lead to their effective combination in trades unions, those most valuable institutions, which are destined to reproduce and replace the prosperous guilds of producers who made the Dutch Low Countries so happy and rich, when all else in Christendom suffered under royal and aristocratic disorder, rapine, and misery.

The reasons for the slow progress of the working classes in this country towards accomplishing what they need have been their jealousies and disagreements among themselves (in some cases, perhaps, fostered by their employers), and their very natural suspicion and distrust of the aid and advice of educated men. But in the future they will be educated themselves.

### THE INCOME TAX.

III Income taxation is the most fair and equitable of all methods of taxation, just as capitation is the most unjust and inequitable. The man whose income is $1,000 a day costs the community which secures to him its possession and enjoyment ten thousand times as much as the man who earns $1 a day costs it, without reference to the terrible moral examples the millionaire and his family set to their fellow-citizens. The present system of taxation, both in the State and nation, are unworthy of a free and intelligent people. The test by which a protective tariff should be tried should be, Does it increase the wages of workingmen? I cannot see the benefit to the mass of any tariff which only increases the gains of the employer. All our United States internal tax system ought to be swept away. Income taxation should be substituted by degrees for all others in the shape of a graduated system, increasing in rate with increased incomes. Our State taxation should be levied in like manner; in fact, State officials ought to levy and collect all taxes, although, of course, Federal supervision might be had as to the share coming to the Federal Government.

### THE GOVERNMENT SHOULD OWN TELEGRAPH LINES AND INTERSTATE TRANSPORTATION SYSTEMS.

IV. The United States Government should own and work telegraph wires for public use as an adjunct of the postal system. It should own and run interstate transportation systems. I began life as a State-rights Democrat, fearing governmental interference and centralization, and especially the Federal Government. But this is as different a world from that into which I was born as though it were another planet. There is now no way to protect the people from the monopolies of almost demoniac power which they have created but by and through the action of Government. If you say this is unconstitutional which is demanded by our supreme necessities, the reply is that constitutions can be amended, and that they must be made to conform from time to time to new popular wants.

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POSTAL SAVINGS BANKS.

V. The frauds in the management of savings banks in this and other cities have been remarkable principally for that so few of the thieves who stole the money of the people have been punished. The United States should protect the people by establishing postal savings banks, that the money of the poor may be as secure as is the money of the rich invested in Government bonds.

RAILROAD LAND GRANTS—HOW TO TREAT THEM.

VI. The transfer of every acre of public land which has, by any act of Congress or any construction of courts or departments, been filched from the actual settlers and given to railroad corporations and others, must be scrutinized. Future grants may perhaps be prevented by an aroused public opinion, but I fear there is little left to lose that is worth saving. New States will have to break up these railroad land grabs within their limits as New York broke up the patroon manors. They may tax the railroads out of possession; they may put land limitations into their constitutions; they will find a way to deal with the evil.

GOVERNMENT MONEY.

VII. All coin or paper composing a circulating medium, passing as money, should be furnished by the General Government. If banks be needed for deposit and discount, so be it; but they are not needed for making money or promises to pay money.

NATIONAL AND STATE LABOR BUREAUS.

VIII. I have seen no adequate argument against the erection by Government of a labor bureau, wherefrom statistics concerning the occupations, incomes, and welfare of what constitutes the great mass of the people can be obtained, and a supervision of the interests of the employés maintained. There should be National as well as State bureaus.

MONGOLIAN IMMIGRATION.

IX. I cannot close my evidence without an allusion to the evils of Mongolian immigration. The presence of these unassimilating hordes of Asiatics in our midst is a standing menace to every interest of society. Their presence is only desired by those who would minimize the earnings of labor and degrade the laborer. The immigration of tens of thousands of strange men without families, without comprehension of free government, without identification with our population, without capacity for American citizenship, without care for our political, social, or religious institutions, without any object in crowding to our shores but to earn money by underworking our white and black citizens enough to return to their own country—such an immigration can be conducive to naught but injury; and, since past legislation has proved insufficient to arrest their coming, more stringent precautions should be adopted on the part of Congress.

INDIFFERENCE TO SUFFRAGE.

X. Finally, I wish to remark that the greatest danger to the free government of this country and the political and material interests of the

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masses of our people is the indifference of such large numbers to publi affairs. Partly this is owing to the influx of those who are strangers t free institutions, but in a greater degree it is owing to the selfishnes the engrossment in business, and the political ignorance of men wh were born and grew up here. Attempts to limit universal suffrage hav been made in this State, fortunately, as yet, without success. Under th control of Congressional legislation are those great Western Territories to which by an inexcusable anomaly, and in contrast with the States ad joining them, you deny the right of self-government, and which you gov ern, like satrapies or pro-consulships, from the Capitol at Washingto Self-government has been abolished in the District of Columbia. Nowher where the Federal Government has exclusive jurisdiction do democrati institutions exist. It is of course the fact that one of the Federal legis lative bodies—the one to which the members of this committee belong does not come, except by a very circuitous and indirect route, from th people. The United States Senate is as little responsible to the peopl as the British House of Lords. The public demand to which the Senat acceded, for instance, on the silver-dollar question and the Chinese ques tion, the British Lords would equally have acceded to.

With universal suffrage, popular education, and a free press, the caus of the mass of the people may and will sustain itself in the irrepressibl conflict. But every attempted infringement of these must be watche and resisted by those who believe that Government should seek to a complish the greatest good for the greatest number.

Q. Do you think you have gone over all the subjects that the commi tee is authorized to inquire into under the resolution of the Senate?—A I have not, sir; it would take a much longer examination to exhaust a the subjects.

### STRIKES—THEIR SUCCESS DEPENDANT ON FUNDS.

Q. Have you given any thought to strikes, their causes and rem dies, to the means which might prevent their recurrence?—A. The o igin of a strike is generally the supposed inefficiency of the pay whic the workmen receive for their labor. I favor action by trades union on behalf of the interests of wage workers, and consider it to be the onl means now practicable by which they can obtain a living compensa tion.

Q. How is it that so many strikes fail to secure an increase of com pensation?—A. Every reformation is preceded by many failures. They fail because they do not provide themselves in advance with sufficien means to fight the power of capital; because dissensions are sown i their ranks and jealousies pervade all action of workingmen and brin them into conflict with each other, so that finally they are starved out

Q. How are they to make this preparation to endure a trial with cap ital?—A. Some organizations, like the typographical unions, have bee able to do so by weekly and other contributions from their wages mad to a general fund.

### THE LABORER MUST HELP HIMSELF.

Q. It is your opinion, then, that the share which the laborer gets o the joint product of labor and capital is not just and equitable, is it What is your opinion as to the equitable distribution of that joint prod uct; does the laborer get the part to which he is justly entitled, as a general rule?—A. As a general rule, I think he does not.

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. Is there any legislation by States, or by the Federal Government, ; would increase the power of the laborer to compel a more equitable ribution?—A. Yes; in some States there are still conspiracy laws ch forbid combinations among laborers for the purpose of raising r wages. There is no such law under the General Government that n aware of; and it would only be operative in those portions of the ted States, as in the Territories, where the General Government has lusive jurisdiction. However, all legislation favoring the existence influence of trades unions would have that beneficial effect. The orer must help himself. He must take the means which he has be- him to raise and improve his condition.

. How is the laborer to learn the proper use to make of his power—power of combination?—A. Only by publicity, by discussion, by onstration. By such agencies as the action of this committee intelli- t workingmen will learn.

## THE SCHOOL TEACHES THE GOSPEL OF DISCONTENT.

. It seems to be almost the universal opinion that the education of laboring masses is indispensable.—A. It is indispensable. We are mplishing it with wonderful rapidity and completeness, but as the kingman becomes educated he becomes discontented. The school hes him the gospel of discontent.

. That discontent grows out of his increased intelligence to see that s not getting a fair share of the products of his labor?—A. I believe

. The public opinion that these laborers can aid in producing re- n—is not that to be the main agent to work out the reforms that seem e demanded to improve his condition? Is there not more necessity voke the power of public opinion to rectify these evils than is to be ed for from the Government?—A. Government in any free country ld be nearly the reflex of public opinion. How far Government interfere is a question for you gentlemen to consider. I have only sted that in all these questions of capital and labor the Government ld interfere on the right side—on the helpless side.

## THE INCOME TAX.

. Do you think that public opinion, even, would have the power to edy the greed and selfishness of capitalists?—A. I would rely much e upon an income tax than upon public opinion to remedy the evils apital. Public opinion is coming to demand the income tax.

. Have you thought anything about the details of a tax upon in- e, how a law of that sort is to be enforced, and what would be the luation of it?—A. I have seen the working of one income tax which not, I admit, eminently satisfactory. Doubtless any future legisla- would profit by the mistakes which were found in levying that tax. to the details of the graduation I have not thought them out. That ld require longer consideration than could be given to it by a prep- ion for such an examination as this.

. Do you think that the burdens of taxation should rest upon in- es?—A. As the best test of wealth, yes.

. Then you tax the economy and energy employed in the accumula- of wealth with the expense of Government?—A. Say, rather, that propose to tax wealth—luxury—for the expense which it causes the mmunity and the injury it does to its morals.

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Q. When you impose this burden upon income—I am not controverting the correctness of your opinion, but we are simply seeking information—when you tax the incomes of the country with the burden of taxation, how will that relieve the laborer of the power of these men who have the incomes to visit this increase upon the labor they employ? For instance, if you tax the real estate owners upon their income from real estate they would immediately add the amount of the tax to the amount of the rent which their tenants must pay. If you tax the merchant upon his income he will visit that tax upon the consumer of his goods by the increased prices of what he sells to the consumer; and how is it in the power of a Government, levying that tax for income, to avoid the power of the owners of the income to collect it again out of the labor they employ? Is it possible to avoid what has been universally the case, that taxation at last falls upon the producer—the laborer—the employers of labor still imposing the burden of taxation (which is put upon their incomes) upon the labor they employ. They will reduce the price of labor, or they will increase the price of what the laborer is bound to have, such as land and houses. How can you avoid, for example, Mr. Astor's power to visit upon his tenants any tax which you may put upon his income; or how can you prohibit the owner of capital, in lending the use of his money, from visiting the tax which he is to pay upon the borrower?—A. I admit all the difficulties in the case, but our proposition is, first, to relieve by making the tax more direct, which is now indirect; by taking off at least from persons of small incomes any direct tax. That the merchant will charge the tax on his goods against his consumer, and that the landlord will add it to his rents, is the case now. It can be made no worse by the more equitable system of taxation proposed. That it can be entirely prevented I confess I do not know in the present condition of society.

Q. Your object, as I understand it, in imposing your tax upon incomes is to increase the share that the producer gets of the joint product; if it does not accomplish that, where is there any improvement by means of that remedy?

### EVASION OF TAXES BY THE WEALTHY.

A. I believe that the great mass of capitalists and corporations do not pay anything like their fair proportion of taxation, and that by these means an additional proportion can be extracted from them. For instance, I could name, you could name, twenty capitalists in New York (men of large wealth) who now evade personal taxation almost entirely by making their legal residences outside the city, and by connivances with the supervisors or other persons charged with the duty of taxing them. They are taxed upon $20,000, or $30,000, of personal property when they should be taxed upon ten times as much. That is a great grievance. Corporations in this State, at least until recently, have escaped taxation with wonderful facility by being taxed only at the place of business on their stock or capital. In all these things I see an inequality or injustice which I think a stringent and equitable income-tax law would correct.

### WHO OPPOSE INCOME TAX.

By the CHAIRMAN:

Q. From what class is the opposition made to the proposition of an income tax to replace largely other forms of taxation? Who oppose it in the community?—A. I am not aware that there is any active opposition to it; but, with the exception of that one trial made during the war

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by the United States Government, it is a novelty in this country, although perfectly familiar in Great Britain, and there a permanent tax, I believe.

Q. You think that if the proposition were made to impose in the State and in the nation, so far as it is necessary to raise funds for the nation, a tax upon incomes as a substitution for present methods of taxation, there would be no opposition to it?—A. No, I cannot say that.

Q. If it were made an active issue, what classes would oppose it—if you anticipate opposition; do you think the common people would oppose it?—A. No, I do not think they would.

Q. Why not?—A. Because no proposition that I have ever seen or heard for an income tax includes so small an income as that of the working people.

Q. It would come then from the rich classes and corporations?—A. I suppose so. I think incomes of $2,000 were exempt under the former income tax.

Q. Why should they oppose it, if as a practical result they could recollect it?—A. Perhaps they are not quite so sure that they could recollect it.

The CHAIRMAN. The last income tax, as I recollect it, was universally opposed or criticised by the wealthier classes; and I always supposed that it really did get something out of their incomes which they were not able to recollect.

The WITNESS. It was specially opposed, if I recollect rightly, by the non-producing classes, the men who lived altogether upon the income of their money.

Q. And those who had fixed incomes?—A. Yes. I myself paid an income tax as a judicial officer of the State of New York, though it was afterwards refunded to me from Washington.

By Mr. CALL:

Q. Why did they refund it to you?—A. There was a decision of one of our courts to the effect that the salary paid out of the county or State treasury was not taxable under that law.

Q. But it was taxable under the philosophy of your theory?—A. Well, that is true.

Q. I suppose, however, that you took all that the law allowed?—A. I took all that the law gave me.

By the CHAIRMAN:

Q. I suppose there was great inequality between the returns of incomes and the actual incomes of those who made returns?—A. Yes. The objection was publicly made, especially in newspapers, that it was a tax of an inquisitorial nature that went into the details of a man's business, as, for instance, is shown in the prosecution against Mr. Tilden. His books were required to be produced to ascertain the amount of his business. He was prosecuted after the Government had accepted his own statement of his income.

Q. Is there any other matter that you would like to suggest to the committee?—A. I believe I have not anything else to say. I rather carefully shortened what I had to say. I do not know that I have anything further to say.

Mr. PUGH. We have a general concurrence of opinion as to the evils. We can all see them, and they are felt and known; but the great trouble is, what is the remedy? That inquiry always confronts us, and there are just as many opinions as to what the remedy is as there are persons who relate the difficulties.

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PROPORTION OF JOINT PRODUCT OF LABOR AND CAPITAL GOING TO EACH.

By Mr. CALL:

Q. Have you any data as to the amount of the production of the United States in agriculture and manufactures that goes to the laboring people of the country?—A. No, sir; I have not. I confess I have not given so much study to these socialistic questions as I might have done, but I have been rather inclined to view the social evils as things which might be remedied by the progress of thought and time.

Q. Some persons estimate that a very large proportion of it goes to the account of labor, and that but a very small part goes to capital, or to the profits, or directing power which is involved in "capital," as you called it, and that the inequalities of compensation that laborers get arise from economies existing among themselves. For instance, take a factory. How would you estimate the proportion that labor would get? A man puts up a house, whether by having money of his own or having the confidence of friends—you can call them capitalists, moneyed men, contractors, or whatever name you please—he builds the house by reason of his enterprise and good management. Then he gets machinery on credit, or for money, as the case may be, by which he may start it to work as a factory. Now, how much of the proceeds of that business shall go to labor? First you have to pay the laborer for putting up the house, and you have to pay labor for the materials of the house, and for the cost of machinery and the cost of the labor that is in the machinery from beginning to end, the cost of the direction and management of the contractor who makes his profit, and the laborers who get their wages from it. We want to form an estimate as to the relative proportions to go to labor in such a case, and to go to "capital," as you call it. How are we to arrive at any direct conclusion in that respect?—A. I am afraid that I am not able to assist the committee in respect to the details of shares of profit; but it seems to me that it cannot be possible that labor receives the greater share of profit under present arrangements.

Q. Of course you are not speaking of the wages of the laborers employed as operatives in the factories, but labor from the beginning—labor of every kind, whether of the head or of the hand?—A. Yes; it seems to me impossible that labor gets the larger share of profits; but, as I have not given it any attention, I cannot speak positively as to it.

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NEW YORK, *September* 25, 1883.

Mrs. CELIA B. WHITEHEAD examined.

By the CHAIRMAN:

Question. State, if you please, what is, or has been, your connection with the charitable work of this city, and your opportunities to learn of the condition of the working women.—Answer. I had not supposed that your investigation was confined at all to this city. I do not live in the city.

The CHAIRMAN. It is not confined to this city. I was under a misapprehension as to your residence. You may go on and state to the committee such facts and suggestions as you see fit, upon the subject-matter of the resolution under which it is acting.

The WITNESS. Perhaps I am also ignorant of that. I saw that labor

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and education were under consideration, and I thought that they covered so wide a field that it was impossible to get outside of it.

The CHAIRMAN. You may proceed in your own way. I know that several ladies have wished that you should be heard by the committee.

## "LABOR AND EDUCATION" INCLUDE EVERYTHING.

The WITNESS. The term labor and education cover so wide a field that if it were properly considered there would be nothing left to take into account. If all our people were properly educated, all would work at something; so the question of labor would embrace everybody. If everything requiring labor and education were going on well this committee would not need to be here, and I should not need to be here, and I should not need to urge upon this committee the justice and the fairness of woman's rights. But because, as the existence of this committee shows, things are not going on well, it behooves every one interested in labor and education to do all in his or her power to find out why they are not, and, so far as possible, to remove the causes of the evil. One of the members of the committee said this morning that we had plenty of exhibitions of trouble, but that it was hard work to find the remedy. It seems to me that the first step to be taken is to find the cause. If we can find that probably the remedy may suggest itself.

I suppose that the great mass of testimony given here shows that our people are sick and ignorant, and poor, and in debt, and many of them drunken and immoral. If, as a people, we are in such a condition, does it not become us as a Government to ascertain the reason why, and to attempt to apply the remedy? For if our theory is correct, *we* are the Government and you are our servants. Of course I do not wish to put it in any offensive sense, but I believe that that was the understanding and it seems to me perfectly in order that you should come to the people for your instructions. I remember that so much of a man as Saint Paul was taken by Priscilla and Aquila and instructed, and possibly a woman may make some suggestions that will be helpful to this committee.

## TWO GOVERNMENTAL DEPARTMENTS FOR KILLING PEOPLE; NONE FOR KEEPING THEM WELL.

We want to inquire if everything is being done at our headquarters towards removing sickness. We have two Departments for killing people—our Army and our Navy—but we have not any department for keeping them well, and it does not seem to me that that is just the right way to organize a government. Perhaps it was necessary at the organization of our Government, but it does not seem to me that that is the way to carry it on. Our children are dying at the rate of one-half that are born under six years of age. Now, it seems to me a great deal more important that some steps should be taken towards raising those children than it is that we should keep up an army and a navy. I suppose you have had a great many figures given to you with regard to workingmen's wages, so that it is probably not necessary for me to present anything on that head. I have some figures with me showing the proportion that is received by the manufacturers, and the proportion received by labor, after deducting a large per cent. for the repairs of machinery and the maintenance of buildings.

The CHAIRMAN. That is exactly the information that we desire.



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The WITNESS. Well, they came from the census of 1880, and I suppose you have the census tables.

The CHAIRMAN. If you have simply the census tables, you need not give them. We have access to those ourselves; but if you have some condensed statements from those tables, you might give them.

The WITNESS. Very well.

### WAGES AND LABOR IN THE UNITED STATES.

The number of hands employed in manufactories in the United States, according to the census of 1880, including men, women, and children, was 2,738,94[illegible]; total wages paid, $947,919,674; or an average of $324.47 for each person employed. The material employed cost $3,394.340,029, and the value of the manufactured product was $5,369,667,706—a difference of $1,975,327,677. The capital employed was $2,790,223,500. Allowing 10 per cent. of this for pay for manufacturers' time and labor, and for keeping buildings and machinery in repair, and then deducting this amount and the wages paid to labor, and the value of the material used, from the value of the manufactured product, we still have remaining a net profit of $748,38[illegible],653. Dividing this by the number of hands employed, we find that each produces, on an average, $273 more than he or she received, and this is a clear profit over all expenses. At this rate it takes only a few slaves to support a master. You see that the average wages paid the workingmen and those employed was $324, and that the surplus left, after deducting all necessary expenses, is $[illegible]73. You can see, therefore, that the profit is nearly as much as each man and woman and child receives.

By the CHAIRMAN:

Q. In your calculation do you make allowance for interest upon capital?—A. No, sir.

Q. Nor whether it is a fixed capital or capital invested in raw material?—A. I do not know what capital is. I know what labor is, we can see the effects of it all around us; but capital, I do not know what it is. It seems to me it is a term not well defined as yet.

### INTEREST ON MONEY ONE OF THE CAUSES OF LABOR TROUBLES.

And speaking of causes, it seems to me that interest is at the foundation of all this trouble. I heard testimony here the other day regarding postal savings banks. Now, it seems to me that postal loan and savings banks would obviate a great deal of the trouble that we find. There is a surplus in the cities; in our borders there is lack of people. I spent three winters in Florida, and I know a man there who just by the power of interest is oppressing laborers so that it makes it almost impossible for them to settle there. He sells his land; he persuades them that they can buy land, and that he will make the terms easy. The legal rate in Florida is 8 per cent., although 10 per cent. is more common. One gentleman said to my husband (who did not pay for some orange trees within three or four days of the time the bill was due) that if he had had that money in time he might have laid it out at 20 per cent. To go there and pay 10 per cent. interest on the price of land, and then have nothing to start with, as a laboring man from the North can have nothing to start with (for if he gets enough to take him there he does well), you can see that to pay that 10 per cent. and buy his provisions while carrying on his work results in just what this Shylock ex-

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pects. The land has to be given back. I have known of repeated instances in which that was done. The people with whom I boarded were in this man's clutches, and expected to lose their home. He is gathering for himself wealth from all hands, which it would be impossible to do in any other way. He takes the labor of others and lives upon it. If men could go there and have money loaned to them with no more expense than just what is necessary to carry on the business, through postal savings banks, that would do more to develop the resources of the country than all our boasted railroads have done.

We hear much said about laws that we want made. I think that our salvation lies in the direction of the repeal of laws. We have too many laws.

THE TARIFF.

Look at the tariff, for instance. I was in a manufacturing city not long ago, and found that an establishment there had discharged a large number of hands. While riding along the street a number of people were pointed out to me who were said to be Welshmen, and I was told that the manufacturers often brought them over to America because they were good workers in that department of manufacture. I said, "Is there any tariff on Welshmen?" and I was answered, "No." I said, "Is there a tariff on the article that is manufactured in this establishment?" "Oh, yes." My friend saw the point at once and said, "But we can afford to pay our hands much better prices by having the protective tariff on the article produced." He said they could "afford" to do so; he did not say they *did* so. I saw the gentleman's wife a few months later, and asked her if she knew what had become of all those people who had been discharged; and she said no, nor the hundreds that had been discharged since that time. That is the way we "protect" our workingmen.

Q. Do you mean to be understood that hands already employed had been turned off to make way for these imported people?—A. No; I do not mean that. They had a large order, and labor is lying around loose; it is packed in the cities; there is no way for it to get to the outskirts of civilization, and no provision made for it when it gets there. So the manufacturers are at perfect liberty to discharge men to-day because they have not many orders, and are at perfect liberty, when a good order does come in, to send across the water and bring over people from there. I am not sure that I am right in the nationality of these men; but that makes no difference, because the principle is the same. I did not think that people would do such a thing. And yet this establishment I refer to is considered a benevolent institution. I do not believe, myself, in these benevolent institutions. I think justice, not charity, tends to create self-respect. But they have libraries there for their hands, and they try to encourage them to save what little they have to save, and try to interest themselves in them; but it is impossible in a large establishment, and these men are left entirely to shift for themselves. It seems to me that, in the matter of personal comfort, our chattel slavery before the war was an improvement on the present system; because then they were taken care of; they were spared at least the anxiety of wondering what was to become of them to-morrow.

PANICS.

A gentleman who testified here the other day spoke of panics as if they were inevitable. I do not propose to discuss that question, but

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there are those, I think, if you have not already had any information on that point, who could give you some. But I do not think that hard times, either acute as in a panic, or chronic as they are with our working classes, ought to exist under our form of government.

### WAGES UNJUSTLY HELD BACK.

The wages of the working people are in many cases kept back from them unjustly. I worked for a number of years in a New England factory, and I know something of the way they do things. I remember that when I had been working at buttons for $5 a week I found that by working on silver-plated ware I could do better. But I could not save much on $5 a week. If you go to work there at any time in the month except the first, you get no pay for about six weeks. They held back two weeks' pay always. I worked for $4 a week and paid $4 a week for board, and extra for washing. That is not a very hopeful condition of things, but I happened to be able to borrow money of somebody who did not ask interest. The way the manufacturers do is, if the working pleople insist on having their pay regularly or weekly, they deduct a large discount, and they get quite an income in that way.

By Mr. PUGH:

Q. Do you mean that they discount the wages of their employés?—A. Yes, sir. The old Jewish system did not allow the employer to keep the wages over-night. I think if they had undertaken to keep it six weeks there would have been serious trouble.

### THE PATENT LAWS.

I want to say a word as to our patent laws. A manufacturing firm that I know are so strong as to have a monopoly of the article they manufacture, and they have paid lawyers thousands of dollars in trying to keep another establishment from manufacturing the same article as themselves. It seems to me that there might be some different arrangement than that in regard to patents.

In regard to the public health, we have no sanitary department at Washington.

### AN INDUSTRIAL NATION: WITHOUT A DEPARTMENT OF INDUSTRY.

Neither have we any industrial department at Washington, at least I do not think we have, though I cannot say that I am thoroughly informed on the subject. Certainly we have no representative in the Cabinet in that department, yet we are an industrial nation, if any ever was. We are not a fighting nation, and it hardly seems the thing to have war represented by two departments in the Cabinet and industry not represented at all.

In the last fifteen years there may have been some law passed at Washington that had a tendency to benefit the working people. I do not profess to be well versed in the law, but I have not heard of any such, and do not think that any such law has been passed.

### HOMESTEAD EXEMPTION.

If all homes were exempt from taxation the gentleman (Mr. Bischoff) who was giving testimony this morning would find it much easier, I

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think, to encourage working people to get homes. I was in Meriden, Conn., at the time of the panic of 1873, and intimately associated with the working people there. I do not speak particularly for women now; but I know that in a panic the women are the ones who suffer most. I know that hundreds of people then lost their homes. They had bought these homes, and had mortgaged them, and undertook to pay the interest. They were getting good wages, and when the wages were cut down they could not pay their interest. Where they could before have paid their interest with a few days' work—say six—the way they were cut down it took twelve days' wages, and sometimes a good deal more, to pay the interest. The consequence was that they lost their homes and that was owing to interest.

### FRACTIONAL CURRENCY.

The absence of fractional currency does not, of course, bear very heavily as a money loss; it is more an annoyance than anything else to be deprived of it. But there are some industries that have been very visibly affected by that. A publisher told me that the book trade had never revived since 1873, and that it never would until we again had a fractional currency; that that was one of the greatest helps in the book trade of anything that they could have.

### EDUCATION.

Coming to the subject of education, I have had some opportunity to know something about that, having a child at school. The first thing that attracted my attention was that he had to pass by six liquor saloons to get to one school-house. One of those saloons has been burned down since then; but I noticed yesterday in the storm that while I could have sent him only a little distance for a glass of beer, he had to go quite a way to school and had to sit all day in wet clothing because the school-house was so far off.

### THE WOMAN QUESTION.

I come now directly to the woman question. You asked that gentleman this morning a good many questions as to how things could be remedied. It seems to me that the first thing you want to do is to get into the homes of the people, where things will be talked about. As things are, politics is one thing and questions that women are interested in are another thing, as a rule. I want to give some illustrations of what women's capacity and faculties are turned to. I will read from one of our New York daily papers an account of something that happened in New York about three years ago:

### "EXPENSIVELY APPARALED HUMANITY."

"Fifth avenue, in the afternoon of yesterday, the first Sunday of the fall season, wore its old-time look of fashionable life and brilliancy. About 1 o'clock the numerous churches along the street emptied themselves of their crowded congregations, and for two hours afterward the west side of the avenue was covered with a slowly moving mass of expensively appareled humanity. The prevailing texture of dress was flannel trimmed with velvet, and all-velvet dresses in black and royal purple and dark green were not infrequent. The crowd that sailed

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slowly down the avenue must have impressed a foreigner greatly with the degree of wealth, taste, and beauty in this metropolis of the New World. Not an ill or poorly attired person was to be met on this thoroughfare of fashion, and if the foreigner was to take his impressions of New York alone from a stroll on the avenue in the afternoon of yesterday, he would conclude that this must be a city inhabited by nabobs."

This writer says "the numerous churches along the street *emptied* themselves"—note the expression—"of their crowded congregations, and for two hours afterward the west side of the avenue was covered," &c. And he says that "not a poor or ill-dressed person could be seen on that avenue." It is evident that the poor did not have the Gospel preached to them in that neighborhood.

### SOCIETY DRESS IN WASHINGTON.

But I want to come a little nearer home, and I will take a description of an entertainment given to Lord Lorne in Washington. Here is what some of the ladies wore on that occasion, as described by the newspapers next day:

"Mrs. McElroy received her guests in a toilet of pale mauve silk with trimmings of mauve fringe and point lace.

"Miss McElroy wore a dress of rich pomegranate silk and white lace.

"Mrs. Frelinghuysen, black satin corsage, *en train*, with petticoat of black and silver brocade, *méchin* lace trimmings and *coiffure* of white ostrich tips.

"Miss Frelinghuysen, white ottoman silk, trimmed with deep embroidered flounces and bands of white feathers.

"Mrs. Waite, pale violet satin, front heavily trimmed with violets and finished with point lace.

"Mrs. Keifer, electric blue ottoman silk and brocade with point lace *fichu*, and bouquet of lilies of the valley.

"Miss West, trained dress of pale blue satin trimmed with *valenciennes* lace and diamond pendant.

"Mrs. John Davis, white satin and white embossed velvet with point lace, square corsage and diamond ornaments.

"Mrs. Don Cameron, trained skirt of white satin, draped with point lace, low corsage of white and gold brocade with pearl necklace, and diamond pendants.

"Mrs. Eugene Hale, corsage and train of rose-tinted satin with front of pearl satin, brocaded with roses and cascaded with point lace, *révers* of pomegranate velvet, pearl and diamond ornaments.

"Mrs. W. W. Story, dark green velvet trained dress, and low corsage, trimmed with gold and irridescent passementerie, lace, and ornaments of pearls and diamonds in setting of antique Florentine work.

"Mrs. Bigelow Lawrence, trained dress of white satin, draped with point lace, with pearl necklace and ornaments.

"Mrs. Beckwith, black satin train over a front of embossed velvet, low corsage, trimmed with Brussels lace, diamond ornaments.

"Miss Beckwith, white brocaded satin and *crape de Chine*, with draperies held by garlands of myrtle; pearl ornaments.

"Miss Sherman, a toilet of white silk mull over white silk, low corsage.

"Mrs. Pendleton, pale mauve satin and brocade with point lace and diamonds."

That shows what the attention of women is directed to. If these women were to set about *earning* these clothes the labor question would assume new proportions.

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### THE DRESS QUESTION FOR WOMEN.

As something in an opposite direction, I would like to remind you of an illustration that Mrs. Blake mentioned the other day, of a young woman who was put under arrest and sentenced to six months' imprisonment for dressing in what was called male attire.

I have another instance here, and if you gentlemen were as much interested as I am in this question, you would have observed that such instances are not uncommon in our newspapers. It is not an uncommon thing for a woman to be found dressed in man's clothes earning her livelihood, and there are several reasons for that. One is that it is a much more convenient dress, and another is that the state of our morals is such that a woman going into public, active service, is oftentimes subject to insult. Another is that a man gets better wages, as a rule, simply because he is a man. This lady said that she used to work as a saleswoman in a dry goods store, and she received $8 a week. She determined to earn a living as a salesman, and she did much better. Those are great contrasts to the ladies of Washington, arrayed in all those elegant dresses, when compared with that poor girl who broke a law of this State—for I believe there is such a law—in order to enable her to earn a living. Now if I were asked what legislation can do in this matter, I would not say that legislation should decide what sort of a dress a woman should wear; but I would say that if women were given something to interest them they would not be so much taken up with dress as they now are.

That is the reason why I would urge that the right of suffrage should be given to women.

### WOMEN SCHOOL TRUSTEES NEEDED.

Another reason for that is that women are needed in our schools. I know that from my own experience. The trustees are men; the teachers are women. Most of them are young women, and there are many points about which they have a delicacy in going to male trustees. Of course our Congress cannot say what we shall have in our districts in New Jersey, but it can set an example if it chooses to do so, and it would not be long before every State and county and town would be following it up. I understand—and it is the general understanding, it may not be correct, but people generally so take it—that Dr. Mary Walker was discharged from her position in Washington on account of her dress. I do not know whether it is true or not. But if she were discharged for incompetency we could better afford to keep her, and a dozen more like her, there, doing nothing, for the sake of illustrating a healthful dress.

### RELATIONS OF DRESS TO EXTRAVAGANCE.

Extravagance is dependent on the style of dress. A physician once said to me, "You cannot prevail on women to give up skirts, though I know it would be vastly better for their health, because they would then have to give up the greatest arena for display."

Now, that is just the reason why I would urge it, and I would urge making women political equals with men in order that they might feel a greater responsibility resting on them. I remember once rowing in a boat with one oar, and I found that I went round and round in a circle, and the thought came to me, "History repeats itself," and then

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another thought: "There is good reason why history does repeat itself, because we have been going on one side all the time." I have been told that if a man is lost in a forest he will make a circle finally by the extra swing of his right arm. I do not know whether that is true, but the principle—the thought with me was that history repeats itself—it has gone round in circles that have been wider or narrower according to the force of the propelling power, but have always brought man back to where he started.

### THE BALLOT NEEDS WOMAN.

We have seen nation after nation rise and prosper for awhile, then luxury comes in, then quickly pauperism, and then the nation goes down. We have seen the rise and the prosperity here. We now see luxury and we see pauperism. What is the next thing if history repeats itself? To my mind, the way out of the danger is to take hold of both oars to our boat, set both sides to work and then we can make direct progress, and not until then.

As I have said, I think that if these women in Washington were to set about earning those clothes that they wore the labor question would assume a proportion that it never has done yet. It is very much a question of the direction of their energies. But I do not urge the ballot for women simply for the sake of women. I think that the ballot needs the women as much as the women need the ballot.

### THE TRAINING OF WOMEN.

The gentleman who spoke this morning (Mr. Bischoff) said that these women that he spoke of did not know enough to pull the stove out so as to stop the smoke. Well, *he* knew enough to pull the stove out. Had he been educated to housework? Why, it was simply common sense that led him to it. It was not because he had been educated to housework that he knew that dust had clogged up a lock. The fact is that women have been kept devoting their attention to trivial matters and have not had their scope or sphere enlarged.

We hear great complaint about financial dishonesty. I would offer the same remedy. And we are asked why strikes do not succeed. I offer the you the same remedy. The women at home do not realize the position. They realize the deprivations of their class; their attention has been given to other matters, and they discourage strikers and strikes; it is oftentimes so. If both sides of the house were equally intelligent and united on these points, strikes would succeed, as in many cases they deserve to succeed.

Mr. Newton testified here a short time ago in regard to people going to church. It is a fact, and I know it to be so, that many people are kept out of church. The great display in the churches, and the fact that these people have not sufficient to enable them to keep up a respectable appearance keeps them out of the churches.

### EDUCATION TOO EXCLUSIVELY INTELLECTUAL.

Our schools, too, are not given to moral instruction. We instruct the intellectual faculties, but we leave the physical and the moral faculties uninstructed. As a consequence, we get a lot of smart rascals. We set boys to studying interest and discount, and all those things, contrivances for getting other people's money; but we do not teach them any

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way of earning money for themselves, and that accounts for a great deal of this concentration of wealth. The rank of pupils in our schools is determined solely by intellectual qualifications. A boy or girl may lie or cheat or steal, or do anything; but, if they rank well in their studies, up they go. It seems to me that the moral standing ought to be taken into account also.

### THE TRAMPS.

Political differences in the sexes make differences everywhere. They make differences in work. I have had men come to my house—they are called "tramps." I never use the term "tramp" in a disparaging sense—repeatedly, and ask for something to do. I would say, "Well, if you can scrub a floor, bake bread, wash dishes, black a stove, or wash clothes, I can give you work." But of course they would have to say, "I cannot do that." Now, all these differences have a harmful tendency. There is no reason for putting a wall up between different kinds of work and saying this is man's work, and this is woman's work. Tastes are not so different by nature as by education.

By Mr. CALL:

Q. Do I understand you to say that you are in favor of changing the dress of women?—A. Yes, sir.

### FREEDOM OF DRESS DEMANDED.

Q. What sort of a dress would you give them?—A. Just what they please to wear. I would not be in favor of legislating them into any particular dress; but I would be in favor of abolishing all artificial distinctions.

Q. Do you think that dress makes an artificial distinction between men and women?—A. Yes, sir, I do; a very great artificial distinction. With time I could show that it interferes with the health of women very largely, and also that it interferes with their mental development.

Q. Do you think a man's dress is better for women?—A. Well, I think that in some respects it is. I think that any dress that follows the natural contour of the form is certainly the least inconvenient; but I think that the dress of men may be greatly improved. I have for eight years made this a particular study, for the reason that for two years and a half I was an invalid, and good for nothing. I went to an establishment where, although not compelled, I was advised to adopt a dress usually worn by women there; and now, though not as strong as some women, I have recovered my health to a degree that I had not expected, and that I feel very grateful for. My recovery I attribute very largely to the change in dress.

Q. Then you think that a change of dress and the ballot are the two necessary factors for the education and improvement of women; do you?—A. Well, fundamentally, yes.

Q. You think that would alter the relations of capital and labor?—A. Yes, sir; I do. In the first place, I think this extravagance in dress is very largely responsible for the greed of wealth. I think that many a man, for the sake of keeping up a stylish appearance in his family, does things that he would never do without that pressure.

Q. Do you not think that if we were to give the ballot to women they would vote you down on that proposition of not having any fine dresses?—A. I do not object to fine dresses. I wish everybody could have fine dresses.

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Q. I thought you said that this thing of dressing is what made the men extravagant, from a desire to please the women?—A. Well, to such an extent. I think that if women should get the ballot, a great many of them would vote at present one way. I think, as a rule, women are quite conscientious, and they make an excuse that they are not instructed; but I think it would help to instruct them, and they might vote it down. I do not know about that. At any rate, I will abide by any decision of the majority; but I know that with time and the exercise of all their faculties women would grow.

Q. Do you understand it to be the sentiment of women that we should pass a law in Congress by which the women in the District of Columbia should be al owed to dress like men if they pleased?—A. I think, sir, that the majority of women have not thought much about it. You must remember that women have been instructed for centuries to have somebody do their thinking for them.

Q. You think they have not arrived at a point yet where they do their own thinking?- A. I think they have not.

Q. That is merely your individual opinion.—A. Not individual, exactly. There are many others that are interested in the same work. I have been surprised, since I became interested in the subject, to see how soon things will be brought to you. If I talk with a person who has never before thought of the subject of dress at all, I will find slips of paper coming to me after a little while, sent by those very people to whom I had been talking. These persons would not have seen those things before, and would not have thought anything about it. So I know that all such things do have an effect. I have had letters from all over the country—orders for a little book which I wrote on the subject. They had seen a notice of it somewhere, and they wrote to inquire about it. I know there is a widespread interest arising upon this subject, but not sufficiently concentrated to take any organized form. I think that in the West, for instance, women are much more awake to such questions than they are in the East. I judge so from the letters I have had from there. I have had one from Thomasville, Georgia, only a day or two since, upon the subject, requesting a copy of the book. Indeed, there is hardly a State or Territory in the Union where there is not some interest shown on the subject. In London, England, they have an organization called the "Rational Dress Society," and from them I know something of their force, because they are organized.

I do not wish to detain the committee, but will be very glad to answer any questions that may be asked.

By the CHAIRMAN:

Q. I see that you are unusually well informed upon a variety of subjects affecting education and labor, and we should be glad to hear from you such views and suggestions as you may see fit to state.

### THE AMERICAN "HOUSE OF LORDS."

A. Well, sir, I did think—I have always thought—that the abolition of the "American House of Lords," as we call it, would be a great good; but I confess that I am beginning to change my mind.

Q. Perhaps you would give us your reasons on both sides of that question.—A. Well, it is hardly to be expected that a body would abolish itself, and I do not know how otherwise it could be done.

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By Mr. CALL:

Q. Would you not be satisfied to keep it if we had some women there?—A. Well, sir, I cannot say that I know any woman that I would send there just at present.

Mr. PUGH. She says, however, that she has changed her mind about abolishing it.

The WITNESS. The question was once asked, "Can any good thing come out of Nazareth?" and this committee has convinced me that some good can come out of the Senate.

Q. You will be satisfied if we pass a law giving women the right of suffrage in the District of Columbia?—A. I only ask that women be placed on a political equality with men, and then, if they want to pass any law about dress, let them do it. That is the only request I would make, because it seems to me that, as we profess to be a people's government, any law that you pass now is not really lawful in the full sense. You have not a republic now. You have simply a male aristocracy, and any law that you pass does not represent the will of the people, and will not do so until the people are represented.

By Mr. PUGH:

Q. You do not want any law making it indictable for a woman to dress as she pleases.—A. No, sir.

Q. And you want to repeal any law of that sort.—A. Yes, sir. I do not want any law passed on the subject. I think there might be more good done by the repeal of a great many laws than by passing more. A multiplicity of laws tends to give business to lawyers, but I do not know that it has any other good effect. It seems to me that more harm has come to us from laws than from lack of laws.

By Mr. CALL:

Q. Why cannot women dress as they please now?—A. There is some law against it in almost every State.

Q. There is some law preventing them from dressing like men, but there is nothing against a modification of their own dress.

PUBLIC SENTIMENT REGARDING DRESS.

A. But there is a public sentiment on the subject. For two years I wore a dress that caused me to be mistaken for Dr. Mary Walker, and I assure you that, although I gained physically very much, yet there was a great mental strain. The sentiment has been and is that women should be modest and retiring, as it is called, and that sentiment will be maintained as long as you keep us in our present political position. I do not know what might come, nor how soon it would come, but I only know that that is all that is in your power to do, to emancipate us politically. Then we are left free to do whatever we can for ourselves. But until that is done we are hampered.

Mr. CALL. Well, you must make the men in the State of New Jersey do that.

The WITNESS. I have done my best. I have circulated woman suffrage petitions for some time.

Mr. CALL. If you can ever get the women of New Jersey to ask for suffrage, there is no doubt they will get it.

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WOMEN IGNORANT OF THE BENEFITS OF POLITICAL FREEDOM.

The WITNESS. That is not fair, sir. What do the women know about the benefits of political freedom? They have been slaves. In times not very far back when the slaveholders told us that slavery should continue because the slaves were better off in slavery, we abolitionists used to say—but I hope I am not touching any sensitive point——

Mr. CALL. Oh, no; we have forgotten all about that.

The CHAIRMAN. And the House of "*Lords*" has been abolished.

The WITNESS. I cannot forget it, because there is so strong a parallel in the case. They used to say that the slaves were more contented to be in slavery, and we abolitionists used to argue that that was the very reason why they should be free, because freedom is the natural condition of mankind, and any sentiment that makes people contented with slavery is an argument against slavery. The fact that women do not want to vote is to my mind one of the strongest reasons why every persuasion should be brought to bear upon them to bring that about, and the fact that the men of the country desire it would be the strongest argument that could be brought to bear upon the women.

Mr. PUGH. We love the women because they are unlike men, and we are afraid that if they have the right to vote and to dress like men they will all turn into men and we will all be alike—except our chairman here, of course.

THE MORAL ASPECT OF WOMAN'S DRESS.

The WITNESS. Let me say, sir, that perhaps you are touching on a question that I did not think of having brought up—but you have brought it up. You speak of loving the women. I understand you, and I do not wish to misrepresent you. But a social question comes in there, and that is that a great deal of what is called love is not love at all. The fact that a man loves a woman because she is not like him, is not love. That is an argument, I say, for making their dresses alike. They say that the attraction between the sexes would be lessened, and I think it would; and I think anybody who looks over our society knows that it ought to be lessened; and that is one of the very strongest arguments for it. I do not think that there is any danger that men and women will not be sufficiently attracted to one another. You may dress them as you please, and put them in any position you please, and you can never destroy the attraction of true men and true women; but it may be stimulated artificially and hurtfully, and it is done so to some extent. There is a moral aspect of this question, aside from the extravagance, that I have not considered, but which is worthy of serious consideration.

The CHAIRMAN. You might state to us briefly your views upon that.

The WITNESS. Well, sir, you cannot legislate upon it. There are many matters which legislation can only affect indirectly, and it seems to me that this is one of them. The wider the differences, as Senator Pugh says, the stronger the attraction. I believe that, and for that reason I would urge the abolition of artificial differences.

REPEAL LAWS FOR COLLECTION OF DEBT.

I also desire to urge, as a measure to promote honesty and honor in business circles, the repeal of all laws for the collection of debts. It has come to be so that what a man can lawfully escape the payment of, he feels justified in leaving unpaid. My husband often complains of the

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total lack of honor in this regard. So clear is it to him that this disposition is growing, and that it has a tendency to destroy all honor among commercial men, that he often declares himself in favor of repealing all laws which secure the collection of debts. He is constantly inquired of as to the standing of business men in his community, and these inquiries are almost always regarding the man's property, and almost never regarding the man's honor or morals.

### ADVANTAGES OF FRACTIONAL PAPER CURRENCY.

Once more let me urge the restoration of the fractional paper currency. Our present system makes a discrimination between the dollar man and the 50-cent man. The former can put his money in a letter at home, can send it with his other mail to the post-office with no farther trouble, while the 50-cent man or woman must either go or send specially to the post-office in order to get postage stamps, or take the trouble to get a postal note and pay 3 cents for it; while at the other end of the route the dollar man has the full advantage of his dollar, though the 50-cent man has been deprived of part of the advantages of his 50 cents.

### THE TARIFF.

The point I wish to emphasize in my testimony touching the tariff is this: Our workingmen are obliged to compete with the pauper labor of Europe, either here or in their own country. Our present system of tariff crowds back from our markets the productions of their labor, and by the same pressure, of course, the laborers of this country, besides being compelled to pay a much larger price for what they consume, are left to open competition with as much of the European pauper labor as our manufacturers choose to import. I submit that we can better afford to compete with pauper labor, and let it stay in Europe, than to bring it here to compete with us at our own doors.

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NEW YORK, *September* 25, 1883.

## THE FINE ARTS.

JAMES FAIRMAN examined.

By the CHAIRMAN:

Question. You are an artist?—Answer. Yes, sir.

Q. And a writer upon what subjects?—A. I am non-resident professor of the fine arts of Olivet College, and a permanent resident of New York City.

Q. You may present to the committee any facts or statistics which you desire, within the scope of the resolution under which the committee acts.

### THE GROWTH OF ART IN THE UNITED STATES—ITS NEEDS.

The WITNESS. I came before you to present the interests of art and education in this country. There is no representative body properly of the artists or friends of art in this country, and no one has been sent to represent that subject before your committee. I simply represent

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one of the general democracy interested in this as in all other elements of civilization in this country.

This is the first opportunity since the inauguration of our Government to bring this matter before the nation in the sense of its responsibility and its needs. There has been such a growth of interest in the United States in the direction of fine art, and in the direction of art literature, both periodical and permanent, and of art lectures, and in the direction of art education, as to be simply amazing to those who have witnessed its growth. I have taken what I conceive to be an intelligent interest in the progress of art in this city for the last forty years, and am familiar with all of the incidents of that history. I entered the New York Academy of Design as a pupil forty-two years ago, and, therefore, I think I can speak intelligently as to our methods and our needs in the direction of art.

Let me premise what I have to say by remarking that ours is the only nation within the pale of civilization that exists, or has existed, since the days of Pericles that has not, in its nationality, fostered by direct patronage and support, public schools for the purpose of cultivating and advancing the interests of the fine arts. This may not be said in reproach to us, for we have had other things to do in the direction of first making and afterward saving a nation. But the smallest nations on earth have their art schools—even when they have drifted from almost all other representative interests of a higher civilization. We see this in Portugal and in Spain, where they still preserve in all their fidelity their art schools. Holland and Switzerland among the smaller nations have their art schools.

### ART AN INDUSTRIAL AS WELL AS SOCIAL QUESTION.

This question of art is not a social question only; it is an industrial question as well. It is social in the effect of the ministry of fine art upon the mass of people in all their relations in life. It is industrial inasmuch as the decorative, the address to the artistic faculty, is inseparable from many of the ordinary industries of life. The distinction "industrial" and "fine" art is one forced upon our literature as a phrase rather than as a philosophical distinction. Art represents every department in the decorative faculty. Our position in this direction may be epitomized by reference to a passage in a recent address by Professor Goldwin Smith, who lived for a time in our country. He said to his British brethren "America is beating us in the direction of the mechanical arts. But inasmuch as we have Kensington School and the branch schools of that establishment teaching decorative departments of industrial art, while these live, and the Americans have none, we shall have a long precedence in those departments."

### ART EDUCATION IN ENGLAND.

Thirty-eight years ago there was no art school in Great Britain except the Royal Scottish Academy in Edinborough, and the Royal Academy in London. Now there are forty branch schools chiefly employed in teaching decorative art so far as it enters into the industries of the country—in the manufacture of textile fabrics, iron work, furniture, &c. Forty such branch schools, besides the great school of Kensington, teaching art, fine art, sculpture, and painting, and also industrial art, for the two must be united in any public effort in this direction. Besides this they have given an incentive that has produced a very large number of

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unrecorded schools of similar rank. These are the results of the efforts of two men. Benjamin Robert Hayden, who was recognized in Secretary Cross' address at the Bethnel Green College of Art, in giving out the prizes, when he said: "We owe these things to one man, Benjamin Robert Hayden, who lies in a suicide's grave. He committed suicide from poverty." The other man, he who carried it up so as to make a solid foundation for the present splendid system, is Mr. S. C. Hall, the retired editor of the London Art Journal, from whom I have these facts.

MONEY EXPENDED FOR ART IN THE UNITED STATES.

The people of this country now pay for art, and pay handsomely. The United States gives more money to the artists of the earth for works of art than any other nation in the world, simply in the way of buying pictures, statuary, &c. A half million dollars is invested by our citizens in the form of volunteer subscriptions for the endowment of art schools in this country, and the support or s udents abroad.

Q. Can you make any statement as to the probable amount of expenditure by the American people for works of art of all descriptions?—A. Except in this comparative sense I cannot.

Q. You have stated that about a half million dollars is expended in the support of schools, but I refer to the commodities of art themselves.—A. Not in the purchase of pictures?

Q. Pictures and statuary.—A. No; those are somewhat equivalent, for people do not always report correctly about these matters. Many of these things are unreported, and sometimes, when reported, the amounts are not apt to be correct; but the facts I have I have derived from such authorities as the veteran house of Alphonse Goupil, and others.

Q. Is there any statement you can make as to the amount that we probably pay for foreign and domestic art?—A. No, sir; I am not in possession of the figures.

Q. It must be many millions.—A. Oh, yes.

By Mr. CALL:

Q. What did you say that half a million was for?—A. It is invested in this country in the form of endowments to art schools and money given for the support of students abroad in the department of art, principally painting and music.

Q. How do you get that data?—A. From the number of students abroad, the average amount required for their support, and the definite amounts that are given for art. For instance, $12,000 a year is given in Cincinnati for an art school; $150 000 was given within the last two years in Saint Louis to found an institution—a museum which should be a memorial to a suicide son by a devoted father. Then, there is the endowment at Yale College. All these moneys amount to some half million dollars, not annually, but in the aggregate representing the amount permanently invested in art, and the money which goes annually abroad. That sum of course is not the interest, but the gross amount.

Q. It is not half a million annually?—A. No, sir; that is the permanent investment, though part of it is an annual expenditure.

Q. What is the annual investment, do you think?—A. It would represent just that, not annual y renewed; but of that amount about $460,000 I think is permanent. The remainder represents the support of students abroad. I am approximating now. I have not more particular data

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with me, although I have been careful in the preparation of the material that I have.

Q. What is the scope of instruction in those art schools in Cincinnati and Saint Louis?—A. I will come to that in its order; or, if you choose, I will answer now.

Mr. CALL. Perhaps you had better come to it in its order.

### FINE ART EXHIBITIONS HUMILIATING TO THE UNITED STATES.

The WITNESS. Our position before the world is such that these periodical international expositions of art are periods of our disgrace and humiliation. The first exhibition in Paris was so bad that our American fine art commissioner (called Frank Leslie, now deceased) had to apologize to the world in four different languages for the miserable display of American art. The subsequent exhibitions, including the one now at Munich, have been no gain in artistic merit. The world is indulgent to us, and therefore we are saved from the recorded opprobrium that frequently visits others in this connection.

### DECORATIVE ART WELL ADVANCED.

In this country, where necessity has impelled it, and industry and competition called it forth, we have not only greatly advanced, but have universally acknowledged precedence in decorative art. No furniture known on earth of the solid kind—I do not mean gilded work—can equal that made in Grand Rapids, Mich., both in solidity and in decorative art. In quantity, the art of this country is vastly beyond that of any other. In household decoration we are ambitious to make great attempts. Even the handle of an ax is a work of art, and represents perfectly, although merely from the instinct of those who made it, partly from utility and partly from natural taste, the line of grace and beauty upon which Hogarth wrote his elaborate essay.

### AMERICAN PROFESSIONAL ARTISTS.

In this country there are 21,000 professional artists, so called. The profession in this country is not protected by any necessary examination or charter of any kind. May I say, loosely, that any man that can buy a slouched hat and wear his hair long, and sport a velvet coat, and affect Bohemian habits—a chronic "diner out," who lives in a garret, and always wants to borrow $5 of you—can set up here as an artist. This, however, is our misfortune, not our fault. To show how much intelligent thought there is among artists with reference to art I will mention that the only document ever presented to me to be signed in order to be presented to the National Congress was in 1867. It was a request to Congress to increase the tariff upon fine works of art, and it was signed by every member of the New York Academy of Design, from the president down. I think I was the only artist that did not sign it, but, on the contrary, sent a protest to Senator Sumner against its being entertained.

Q. Asking for a prohibitory rate of duty upon articles of art?—A. Yes; and they disguised it in the circular by an intimation that that was what was needed to force people to buy American pictures. They had so little discrimination as not to see that we were not then equal to the foreigners—department for department—historical, portrait, marine, or any other department, excepting in one department—that represented

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by the great Charles Elliott, deceased, a portrait painter than whom no nation on earth has produced a greater, in my judgment. His work was in the Paris Exposition, and was the one redeeming picture—the picture of Fletcher Harper, of this city.

Q. How numerous were his productions?—A. I do not know. The book recording them is now held in a case in the National Academy of Design—where they would not hang one of his pictures when he was living, or treat him with common decency. "They build the graves of the prophets whom their fathers killed."

### AMERICAN ART WANTING IN INTELLECTUAL POWER.

The distinctive features in which our American art is wanting may be designated as the intellectual and the sentimental power. Indeed, there is a wonderfully concise delineation of what art is in the Encyclopediæ Britannica, written by Benjamin Robert Hayden. Starting out with the definition, he declares that "Fine art consists in taking the material agencies about it and so shaping them that from the senses of sight and hearing they shall stir thought." Art should be subjective—thought should be objective. That is the distinction. It is a philosophic and scholarly distinction, and therefore the ordinary person who has learned to scrub around colors and put a little of them on a canvas and make something like a picture does not comprehend, let alone apprehend, what constitutes his work as an artist. Let me illustrate: You may understand the two schools of music; for example, one the school of music for the sake of music, headed by Mozart; the other the school of music for the sake of thought, headed by Beethoven. A similar distinction exists in the formative arts—painting and sculpture. The ancient Greeks produced splendid works in the way of literal and correct anatomy, but they did not have any idea of sentimental art. Hence they represented no expression in the face. Now, we know that the best element of a picture or a statue is the sentiment or the intellectual element—the instrumentality by which thought and feeling are expressed. We lack, then, the sentimental, or, what Mr. Hamerton would call the poetic, in art.

To illustrate: a description of Niagara that should be topographically and scientifically accurate would not affect us; but a description of Niagara leaving out those features and giving the impressions they produce on a man's mind would impress us very much. It is because we go to Niagara and Mont Blanc and to other great pieces of natural scenery without these impressions upon us that we are so disappointed when we reach them. In other words, the ideal is the basis of art.

### THE PROVINCE OF ART.

I may say here that the province of art is to stir the ideal in men in the direction of human interest mingled with hope. So that I might epitomize a work of art—a drama, a poem, a work of fiction—by saying that it would mean the excitement of our sympathies by the contagion of human emotions, finally ministering to those emotions, including our sense of justice.

### SCULPTURE IN THE UNITED STATES AND EUROPE.

Our special backwardness is publicly conspicuous, or perhaps I should say perspicuous, in the direction of sculpture as seen in our public monu-



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ments. A gentleman of New York, and a man of taste, offered to head a subscription to buy up and take out of the streets and parks of New York what we call our sculpture. As sculpture requires a more exact education than drawing or painting, it is there that we are weakest, and it is there that the sagacity of artists prevents them from making the attempts. To illustrate: look at any examples of what we call the statuary of this country, and then compare it with the figure of Columbus set up at Genoa, of Bismarck at Mayence, the figure of Peel at Charing Cross, of Roget De Lisle at Marseilles, all made by living men, and put up, we may say, within a few hours, in a historic sense. Those are wonders of art; they are simply amazing. This will appear when any one who sees them attempts to describe them.

### LOW STANDARDS OF ART IN AMERICA.

The standards of art in this country—painting and sculpture particularly, of course—I am not speaking now of furniture, jewelry, household decoration, and those things that have entered into industry, in which respects, aided by our sagacity and progress, we have come up to the level of foreign nations, and have secured absolute precedence over them—the standards of art outside of those are the lowest on the earth, and, although not a pessimist, I do not see any outlook that should cause us to hope, because even art cannot grow without definite, intelligent, well-directed effort. It will not grow of itself beyond a certain point any more than many other things will grow that will occur to your mind. In this country there was so little appreciation of art that thirty years ago Paul de la Roche's picture of Marie Antoinette, now on exhibition in the Louvre, was taken through this country by Goupil, from New York to New Orleans, and no one would buy it. A magnificent picture of the "Temptation of Christ," now in the Louvre, was also taken through this country, and no one would give $1,500 for it.

By the CHAIRMAN:

Q. What is that picture worth in money; or has it a price?—A. I should simply say, without using a figure of speech, that if you should cover it solid all over with the biggest gold coins of America, you could not buy it.

### ACADEMIES OF ART.

Our "Academies," as we call them, are really nothing but common drawing schools. There is no intellectual training in them. Digital dexterity is all that is attempted, and that but poorly accomplished. We actually break off and declare our pupils graduated at the very point where the English begin. Pardon me for illustrating again: If you go into the British Museum you will see men and women and boys copying the Elgin marbles—these wonderful works from the fingers of Phidias—from the Parthenon of Athens in the days of Pericles. The work of these pupils is perfectly wonderful. I could not attempt to equal these drawings. You ask them what they are doing, and they tell you they are going to present their work to the Academy of Design in order to enable them to begin their studies as pupils. I deliberately say that these drawings of those boys and girls are, on the average, better than the best of our graduates, when we finish them, in this country. I do not mean in mere point of manipulation, but I mean as well in the higher elements of drawing.

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### MERE COMMERCIAL GUILDS.

Our so-called academies have drifted into that state where they are mere commercial guilds, ruling in certain places for the sale of pictures, periodically tempting artists to enter them for the purpose of getting advantages. The Spaniards have an old proverb that most men are tempted by the devil, but that some men tempt the devil himself. There are no periodical competitive exhibitions or anything equivalent to them, nor is there any public award by authority of any kind in this line, and there never has been. There are such, however, in all countries where art has assumed a high standard. I do not say that they are always justly administered. In France it was clearly proven that there was corruption in the award publicly made in the *Prix de Rome*, as they call it, and it was withheld for one year. But, as it is in all ordinary human industries, so is it in art. The failures of our attempts at art education show the system to be wrong.

### ART EDUCATION.

The system in this country is that of the ordinary national academies of Europe in their humbler elements—more poorly administered. For instance, in Paris *Les Ecoles des Beaux Arts* have the human skeleton, and the students enter with the scalpel in their hands and study the actual anatomy. We did not even have a life school here until the boys asked for it. Ruskin, as Slade professor in Oxford, recommended study from life first, and from the cast afterward, just as in English composition you would recommend teaching people to express their thoughts first and study the grammar afterward. That was the logic of his thought. In this country there was an effort to discover whether anybody could teach perspective in the organization of the Academy in New York, and it was discovered that there was not a man out of the whole lot (I am not speaking bitterly) who understood perspective, and they had to get an outsider. So they do not speak of painting as a matter of composition, that is, producing the picture in accordance with the canons of art—they do not understand the chemistry of color—and these things enter into art. I may be permitted to say that the practice of an artist in our day is that of a scholarly and scientific profession. It did not use to be so, but it has grown to that. Now, as Ruskin says with reference to perspective, it is no credit to a man to have correct perspective, but it is simply a discredit to him *not* to have correct perspective, just as you would say of English grammar in a pretended scholar. Therefore in this country our best "academies" are nothing else but drawing schools, usually under the instruction of persons so poorly paid that it would be an outrage to ask them, if they were able to discharge the functions, to do soor the price paid. May be it is worth what it cost, and may be it is not I shall have occasion to say, further on, how it is that we cannot get stronger men into our institutions of art, as in other countries, to give instruction to the coming artist.

It is sixty years since the most pretentious institution in this country commenced its existence under the presidency of S. F. B. Morse, the renowned telegraph inventor, and there has not been produced in that institution a single instructor whose name will give any credit to the country or to our profession.

### EMINENT ARTISTS: THEIR RELATIONS TO ART EDUCATION.

Artists who have become strong, and who were early in that institution, are men who have discovered that they must seek elsewhere what

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they need, and have gone elsewhere to get it. Our strongest men will not accept the position of instructor there. Why? How have they got strong men in art institutions abroad? Cardinal, Fleury, Jerôme, Meissonier, Carolus Duran, these giants in art, are teachers in *Les Ecoles des Beaux Arts*, in the department of painting. How are they secured? That institution is one of such august character in the estimation of the world that it is a great honor to any man to be a professor there. We have no such institutions here. We have nothing credentialed in any public way so as to make it so respectable as to induce a man to go into it from the motive of ambition, and to gain an honorable historic place in the art of his country. These men whom I have enumerated in the Paris schools are not paid in the sense of compensation, as ordinarily understood. They look for fame from their connection with these schools. The money compensation of the position would not be sufficient to attract men of their reputation and ability. So these schools adopt the plan of drawing them from professional life only for a part of their time, just as our law schools in New York will pick out a great lawyer and appoint him a lecturer in the school. That man could not afford to go there as a pedagogue, under the salary of a professor.

By the plan adopted, however, they secure all the advantages of competence which these men can give, without taking them out of publicity or taking them out of their professional life; the schools get the *éclat* of the names of these men and the benefit of their instruction, and, what I believe is the most valuable of all, the inspiration to the student coming directly in contact with a man of eminent success in his profession.

In this country there is no salary paid to any instructor in art in any art institution that will command a mediocre man. Then, of course, it leaves those who, for some reason, cannot get a subsistence before the public to become teachers of others. That is one of the reasons which induces me to say that I do not see a very hopeful outlook for art.

### NATIONALITY: ITS RELATION TO GENIUS.

At present we are in a state of unnecessary dependence on foreign nations for our art education. I say "unnecessary," because there is not now, and has never been, to my knowledge, an American artist who went abroad and studied there and came back to this country, or remained abroad and became an American painter of originality and power, who received his instruction from some other nation. Like poetry, histrionic art, and other things that depend upon some native and emotional qualities and upon the imagination, an American cannot write in the vocabulary of a foreign nation, nor can he draw or paint in it. Our young men, when they begin to manifest some talent in this country, are taken up, out of mistaken friendship, and are sent abroad to study. They do not learn a word of French that anybody can understand; but they lose their American sabbatical ideas, and they come back and paint in broken English all the rest of their lives. That is the course of hundreds of our American students, if not indeed of thousands.

### COLLECTIONS OF PICTURES: THEIR PROVINCE.

It will be said, however, that we must have certain things to enable us to work in art with the promise of success abroad, particularly fine collections of the old pictures. It would take a long time to argue this subject, and I do not propose to do that, but beg you to take my

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judgment upon it. Collections of very fine pictures, even modern ones—to which I attach, of course, a great deal more value for educational purposes—may be necessary in art education—indeed are necessary. It is a great thing to have a fine collection; it enables you to see what has been done by the brain and fingers of man, and it shows a student what he is to paint up to. But his education cannot be got from these pictures. Let me here make a broad statement: there has never been an artist in modern times who has derived his art-excellence from the study of other men's pictures. From the first artist of the Renaissance—Giotto—to the present hour, it has been original genius that has enabled a man to take a bound ahead. It is true that a man must avail himself of what has been done in the past, just as a student of engineering must examine the steam engine of James Watts. But I dare say it would amaze James Watts if he could have seen the Corliss engine at our Centennial Exposition. When you come to look at the old engine, with its wooden cylinder and beam, now to be found in Kensington Museum, you will agree with me that it required more genius to make that engine out of nothing than it did to construct the splendid mechanism of Corliss. Just so is the artist helped by seeing what has gone before. Without giving any name, I will mention this. I know an artist who had a passion for painting sunset pictures. He studied from the line engravings of the Turner pictures, as the best accredited, as well as the most effective, examples of the originals to be found in this country. He got a higher ideal of landscape art from these engravings of the Turner pictures than was sustained when he came to see the originals themselves, which are now on exhibition in London. I mention this to illustrate that the inspiration and energy of the artistic faculty does not require that we should have local collections of pictures here. It is a mistake, I think.

### THE TALENT FOR ART IN AMERICA.

In this country we have the talent beyond question. I make this general statement. There is more available talent for the higher departments of intellectual and artistic work, in proportion to the population in this country, than in any other nation on earth, or any nation that ever existed; and I will give you one or two reasons for it—reasons that are saitsfactory to me. There is more education in this country in the sense of what is in a man being drawn out of him. The average man in this country whom you meet in a railroad car is, in his general intelligence, above the average man of any other nation. We are a newspaper and magazine reading, discussing, organizing, ambitious, pretentious, superficial people. That makes available, however, the talent where the talent exists. We have twenty quacks and one genius that rises so high as to make the whole battalion of quacks respectable. That I think epitomizes our whole condition in that direction.

Look now in other directions. In poetry—speaking of the poetic germ, the eloquent in man—not pretentious epic works such as the Iliad of Homer, or Milton's Paradise Lost, but such, I mean, as we see the material of in the man—for dramatic power no nation has produced a greater poet, though his works are short ones, than John G. Whittier. Edgar Allen Poe is without an equal in his class in the world. So it is with others.

Take histrionic art. We are ahead of the world in that, and yet our stage is lower, because the average is not so high as in Europe. We have genius for the stage and for poetry, and we are rapidly rising in metaphysics; and even eastern archæology is represented at high-water mark in the State of New York.

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### NECESSITY OF ART ORGANIZATION IN AMERICA.

The secret of it is: There is in this country fairly a passion for art. It is illustrated by the high prices paid for the articles and the money that is put in to try to build up institutions that will build up art. We have the secret here and the men here; but we have not the organization, and without organization we cannot have art.

In Paris, *Les Ecoles des Beaux Arts* represent sculpture, painting, and music, although the music is in a separate building, but all under the patronage of the Government. They have in the cabinet a *Ministre des Beaux Arts*, and have had such for many years. In London, the Royal Academy teaches sculpture and painting. The Government teaches music in a distinct institution. European schools have masters of the greatest eminence in all these departments. They even covet the position for the public eminence it gives them and the credentials it gives them.

### EDUCATIONAL FACILITIES.

With regard to material facilities for the study of art in Europe—I am speaking now of the formative arts more particularly—they are not so much greater than they are in this country as is commonly supposed. We have everything in this country, including the raw material in the men, to constitute the corps of professors, although we would do better, to begin with, if we get men of broader, deeper discipline, which it takes time to produce. Such men they have in Europe.

### A NATIONAL ACADEMY OF ART NOT DESIRABLE.

A great national academy conducted by the Government at Washington is not needed, nor is it desirable. Our territorial extent precludes its usefulness. If a man had to go all the way, for example, from Portland, Oregon, to Washington, it would be too long a journey, and he would be too far from home. The ministry must be more diffused, and, carrying out higher details and greater undertakings in this direction, had better be by the several States—the emulation between the States being a great advantage. It would not be desirable to have such a national institution in this country, because it would be impossible, in the multiplicity of the duties of the Government, with the rapid changes we have in our governmental officers in all directions, and the inevitable element of politics which goes into everything where Government is concerned here, would prevent the usefulness of such an academy. The importunities of unworthy men would enable them to secure the places and would degrade our art as a matter of necessity. This would be partly the result of the fact that those having the power to make appropriations of money and to make the appointments, would not be themselves sufficiently educated in art matters to act with discrimination; and allow me, with due respect to the representatives of the Senate present, to say that I have an apprehension that even the purity of Congress might be contaminated by such a power.

### DIFFERING CONDITIONS OF ART-PATRONAGE IN EUROPE AND THE UNITED STATES.

Our circumstances are different from those of other nations. Other nations have fostered art through their hierarchs, their nobles, their kings, their emperors. We do not have those personages. They have

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not been an unmixed blessing in the past. The art of the *renaissance* was greatly degraded by ignorant priests dictating the themes of art to men who had to live—for *il faut vivre*, as the French say. That is the reason, too, why we have in our art galleries so many pictures that even our respect for the past and for the grandeur of art cannot keep us from laughing at. There is a picture of the Israelites gathering manna in the wilderness, and one of them has a double-barreled shot-gun on his shoulder. That simply illustrates the abounding ignorance of those times. When Benjamin West undertook in London to paint under the patronage of the Government he had the courage to paint men in the garb of real life. Up to that time there had been no English painter who had the courage to do it. Englishmen had been dressed in Roman costume, and West was told that the king would not recognize him unless he, too, painted the old dresses. But he painted with the modern dress, and the king had to recognize him. There was a necessity for new style. So with modern art; we want a style of patronage which, while giving bread to the artist, will not paralyze his arm.

### WHAT THE GOVERNMENT CAN DO FOR ART.

In this country art, if we ever have it—and we shall—will be the legitimate child of the people, and we shall have the first natural, real, non-pedantic, legitimate art of all the earth. I speak, of course, collectively of American art. But it is not necessary to have a great national academy. We cannot go a great way in this direction as a nation, because of the limitation of general authority and delegated power. The Government can do for us, however, what it already does for other departments. When it desires to foster other neglected and dwarfed interests in our country means are provided for it. It can do for art what it can do for agriculture, and through the same department. It can do for art what it can do for the fisheries; it can do for art what it can do for railroads, or what it can do for ship-building. That is not asking too much, unless art is a thing to be neglected. Let us see what practical measures could be adopted to bring it about.

### WHAT THE TERM "FINE ART" EMBRACES.

Fine art embraces a number of departments usually designated as, first, Architecture (that is, architecture in an artistic sense, for constructive architecture is a species of engineering); next, Sculpture, an art dealing with one material only; next above that, Painting, which is a higher form of expression, adding colors and groups; next above that, Poetry, which abandons these forms and, through allusion to them, addresses the understanding; and highest above all—the greatest of the arts—Music.

Histrionic art—the stage—represents a grouping together of these arts. The posing upon the stage of the graceful actor addresses the sculpture sense; the intonations and inflections of the voice address the musical sense; the face, if it be good, even though it be not in measure, expresses the poetry of thought; the grouping together in the scene behind addresses the pictorial faculty. So that the stage may be regarded as the grouping together of these four things.

It will be noticed that I have omitted oratory, for I regard oratory as a department of histrionic art, and the basis for it is histrionic art. They knew no such thing among the ancients as oratory. They had rhetoric, but that was a different thing.

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Another fine art I should add to those that I have enumerated, and that is found in the literature of fiction. It is not poetry, and it is not music. It is a distinct art, and since the advent of Scott and Dickens it has risen to a majesty never seen nor heard of before.

### AFFINITY BETWEEN THE DIFFERENT ARTS.

Now, the National Government cannot undertake to teach these; it can only undertake to assist in their teaching. Some of them it cannot teach at all; but be it remembered that there is an esthetic affinity between the different arts, so that if you acquire one it will inevitably lead you to the others. You cannot study one without studying the others in a philosophical, intelligent way. It is conceded by all philosophic minds that, looking in this direction, art stands together as one thing. It is the emotion in the soul of man; what we call the fine arts represents the different channels of its expression. It is the same *animus* that makes the poet, the sculptor, the painter, the histrionic artist, or what you please. It is a divine afflatus, to use an old hackneyed phrase; it is a flame in the soul of man, calling for expression. Sometimes you will see this displaying itself in peculiar, unexpected forms. The pictures of Doré, for example, are not pictures, but poems. They are an attempt to express poetry in drawing. And so you will see very frequently that a man has a misguided passion to do that which he cannot do. Hackett died with the belief that he was a neglected tragedian. He was nothing if not a comedian. There was nothing funnier than to see him play Hamlet. But, as I have said, when one art is studied it inevitably leads to others. Plato says that if you get a hold of one great truth it will lead to the center and radiate in all directions. I have no weakness in the direction of classical authorities, but that remark of Plato's shows how old the idea is.

### PROPOSED NATIONAL BUREAU OF FINE ARTS: ITS FUNCTIONS.

How could art be assisted by the National Government? This could be done through a bureau to be instituted in the Department of the Interior. It could assume the duty of furnishing plaster casts of those of the classical models which are difficult to get, and text-books and compilations of such matter as would give correct technical guidance in art instruction. This art department could publish an annual compendium of discoveries, inventions, and new features in practical art, embracing art industries in all departments; these could be placed in the hands of persons in each locality where it was proposed to commence a school of art (where a corporate body should be founded for this purpose), as raw material to be restored to the department when from any cause the school is discontinued. General instructions could be published showing how a building, for example, should be constructed for the special purposes of art, and describing the general requirements in the organization of a simple pioneer effort at art education. This would be necessary here.

In this country there is no general exhibition of works of art accessible, on a basis of merit alone. You must belong to some organization, or have a friend in it, in order to get your pictures seen. (I ought perhaps to say that I am not myself a victim in this direction.) The bureau could show an annual exhibition of works of fine and industrial art. This will commend it to those having no special sense of the artistic, but who like industrial art on utilitarian grounds. It would educate and stimulate the people.

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Among the advantages to be immediately secured—and I will not elaborate these—would be the employment of many of the working classes in an inexpensive recreation that would unconsciously educate them intellectually and morally. This would be a great advantage to all classes of the community. It has been discovered in England that the law protecting the working classes in the Saturday half-holiday has led to the most appalling increase in drunkenness and crime, showing that the opportunities for recreation given to the working classes depend for their best utilization upon previous habits and surroundings in the atmosphere in which they live.

## RELATIONS OF ART TO GENERAL EDUCATION.

Let me state one thing that is a simple fact in education. The most rapid method of educating the adult mind is through fine art. Let a man begin to study any department of art and he will find that the attempt at this study, while it is fascinating—and he will continue it for the love of it—yet touches a thin place in his education in all directions, and that place it will thicken unconsciously to himself. The ministry of fine art, the sensibility of the race, high and low, even in its humblest forms, to appreciate it, is one of the most conclusive and successful methods of proclaiming to the world proof of the universal dignity of human nature, and will make us love and protect man as man.

The logical force and necessary results of fine art are not occasioned incidentally and by indirection, but are immediate, elevating the mind and leading it in the direction of moral purity and public order. Plato uses the words "beauty" and "truth" as synonymous in his language; but they are not synonymous except in this association. Goethe contends for the use of the word *wahrheit* instead of *schönheit—truth* instead of *beauty*. Cousin's wonderful work, "*Le Vrai, le Beau et le Bien*" ("The True, the Beautiful, and the Good") is not a forced association of words for a good title. It is a logical chain or linking together of elements intimately related in our nature. The mental and moral discipline of the fine arts, and their dissemination among our people, even in a cursory and occasional way, will help to correct the defects of our system of education, by appealing to the emotional and moral parts of our nature. Ebenezer Elliott, "the Corn Law Rhymer," as he is called, was a stern, practical man, terribly in earnest, and of such great sensibility that the simplest incident, however remote, would touch his heart with the intermittent beat of suffering. His poetry is bristling prose. In reference to the working classes and their elevation, he says:

> "Outbid the house of sin, and win, by this,
> Men's minds to virtue and to nobleness."

In speaking of the degradation of the workingman and of means for his elevation (at the time when S. C. Hall was beginning to talk up those Kensington schools, that have done so much for England), Elliott wrote:

> Oh, give him taste; it is the link
> That binds him to the skies,
> A bridge of rainbows thrown across
> The gulf of tears and sighs.

William Tone, one of the greatest of the minor poets, says that the action of the heart of man is sometimes so eccentric with reference to his outside life that Tone himself could never hear of an extraordinary criminal without a desire to pierce beyond the mere judicial view of his case. I have myself, in visiting prisoners and trying to influence them

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by a little sort of lay preaching, been amazed at the insensibility of some of them to human sentiment. They have usually a dwarfed imagination. When we look at a play, if we are over fifty years of age, a very simple thing makes our eye dim, because we have the greater and nobler sentiments in our nature. It is not the mock scene that stirs us, as the superficial observer might suppose, but it is the well-stored memory bringing vividly before our eyes something in life that is like the mimic scene. It stirs up within us a strain that may perhaps have lain in our hearts for thirty years. That part of our nature is awakened by it, and it makes us nobler and better citizens. It leads men to be God-like. It is a blessed thing to be able to do work in this direction.

I may say, if I may do so without appearing to parade my own importance, for I do not think I want to parade it, that I have had other avenues of life opened to me. I have been fascinated with the nobility of the ministry and fascinated with the study of fine art. (Among the calamities of my early life, I was going to say, I came near being a member of Congress from the eighth district of this city, in 1858.) There is a grand, deliberative mood of mind reached when you come into high zones of thought and feeling from converse with the dead in your library; I know nothing but a pure Christian ministry that will compare with the similar mood of mind and feeling developed by an intimate association with art.

### EFFECTS OF ART ON THE POOR AND OPPRESSED.

I do not know whether I can smite this committee with the contagion of my enthusiasm, but you will be congratulated in this world and rewarded in the next if you should be the agents through whom something should be done to lift up the brow of the neglected poor from this sordid earth, where so many of them are, as Ruskin says, like Samson, with their moral and intellectual eyes put out, grinding in the dark for bread. I know of nothing within the reach of governmental methods that will do so much for the race and do it in a way that will not afflict them with the patronage of charity. In our country we have no royal family. We have no ideal to appeal to as the ultimate source of power and the charter of our rights—the immutable thing in our governmental system—or our social system either. Stimulate the ideal, and this will be possible. Garibaldi found grand material among men of Italy who could neither read nor write, but who had stood around upon the stone steps of the grand squares of Florence and found inspiration in gazing on the noble works of art which commemorate the splendors of their country. He could talk to such men about the glories of a free Italy, and they could understand him. It did not need any poetry but that which appealed to the eye. The swords and bayonets that flourished at Solferino were wielded by those men. It was Art's contribution to Liberty. When the Duke of Wellington was at Waterloo and did not know what to do with the raw recruits from Glasgow, for nothing seemed to move them, he asked one of his staff how he could best inspire them. "Tell them," said the officer, "to drive the enemy down the Gallowgate" (the Gallowgate is the "Bowery" of Glasgow). That simple reference to a well-known spot, which called up the feelings of home, produced the greatest charge of Waterloo. The reference is authentic.

Allan Cunningham, the great writer and poet, said, "Let me but make a nation's songs, and I care not who makes its laws." I think that we Americans, in our cold-blooded, materialistic, severely logical ways of

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thinking, of which we are so proud, neglect too much the emotional and moral intuitions of men. For my part, I have never seen an audience in this country who were below the ideas that I could present. I might be below them in my capacity to use the Saxon that would present those ideas clearly to the natural mind, "untainted," as Mrs. Howe says, by the "artificial ignorance taught in colleges," but the ideas themselves can be drunk in by the humblest men.

### THE STRENGTH OF THE MORAL AND SENTIMENTAL POWERS.

Art gives one a peaceful view of human nature. I have attempted to speak to prisoners and others, in the direction of art, and I have seen and talked with men of cropped hair with faces upon which crime was stamped so startlingly that nothing but the chemistry of the grave could take it off, and I have often seen, too, the indications of a higher and nobler manhood among these men, and if I could but keep such a man in such mood, I have no doubt that through the ministrations of Christ, he could be restored to society. I am not an enthusiast, or given to the use of poetic phrases; but I wish to emphasize the great strength of the moral and sentimental forces in men—forces that can very seldom be touched by mere legislation. Jomini, in his "Art of War," relates that men in the field are greatly affected by what is said to them in the bulletins and orders of the army, and that indeed it has almost everything to do with the efficiency of the army itself. You may remember that when Napoleon led his troops across Mount St. Bernard, they were weary and foot-sore. He gathered them together by the roadside and addressed them as Hannibal did his army many centuries before. He reminded them that when these campaigns should be over there was a glorious future for them; he reminded them that they had already conquered the sternest of enemies—Nature—and now they had but to conquer the less powerful enemy, when they would retire from those fields with the laurels of the victor; and when their children's children should come to play at their knees, their proudest boast would be that they had "fought with the army of Italy." It was this that overcame the gnawing agony of empty stomachs and resulted in the great victories of the Italian campaign. All things which tend to elevate men, to develop enthusiasm, to fire the soul, are factors and forces in government.

When Edmund Burke, in answer to Paine's "Common Sense," published his pamphlet called "Plain Truth," he demanded to know "What is the ultimate source of power—the immutable thing—the final basis of your charter?" Paine answered, "You ask this question. I answer: Name the time and the place; let the altar be erected and place upon it the word of God. That is the ultimate source of power and the charter of our Government." You may remember that almost before our Government had a form, when the "mad general" took Fort Ticonderoga by surprise in the night-time, got into the bed-room of the British officer and shouted "Surrender!" and the officer shouted in return, "To whom shall I surrender?" the American, astonished at the question, and without waiting to frame a more prosaic answer, shouted back, "Surrender in the name of the Great Jehovah and the Continental Congress!" That is our charter in this country. The significance of our flag commends itself to the humblest intellect. The fact that this western, last-born nation is so much greater in material things now, and going to be greater in other things soon—so far as you can make this feeling intelligible to the masses of the people—that they are part owners of this

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great, broad continent, you can develop a sense of nationality that will stamp out what little is left of that old spirit that would make of this nation two where God has made but one.

### A BUREAU OF ART SUFFICIENT.

You will notice that the measures I propose are very simple. I have considered the subject carefully. I think it is all that can be safely proposed and intelligently grasped and worked out. My immediate hope would be that if this bureau of art were attached to the Department of the Interior, and these State schools should be established and credentialed—chartered—by the National Government, in a certain sense—I think then that great masters would rise among us, and those we have, if we have any, will join in the movement, and the beginning of the grand result will have been reached. And that amounts, after all, only to the same thing that you do for other industries that are really better able to help themselves already, and not so much needing Government aid. Let me again say that this is the only Christian nation, and the only nation within the pale of civilization that does nothing in its national capacity for art education. It is not done by the States either; so that it is a *tabula rasa*.

### THE ELGIN MARBLES.

I may mention, in addition, that there is not in this country a perfect set of the Elgin marbles, or plaster casts of them—these models of the age of Phidias that are so inspiring to the artist. I have no question at all but that the national Government would get, as a gratuity, from the British Government the presentation of duplicates of all those, and probably everything else in the British Museum. But even if we had to pay for them, it would be a very simple thing by national appropriation to get them, and it would be a great contribution to art. If it embraced also the archæological remains of the British Museum, especially pertaining to ancient Egypt and Chaldea, and those places so strongly associated with archæological study, it would save many a journey across the Atlantic to those who now go there to derive benefit from the study of these works. Speaking of the Elgin marbles, as they are called, and the models of ancient art, there is no question that we could also easily get, through the Government, from the Vatican collection at Rome, a cast of the Apollo Belvidere, of which there is no copy in this country at all. That is the one that Raphael introduces into the painting of the "Transfiguration." It is the finest presentation of the human face that has been made in all the ages.

By the CHAIRMAN:

Q. If we had them, what could we do with them at present?—A. It would not require much room to hold them.

Q. But where is there a single national building at present existing where they could be placed?—A. All of the Elgin marbles would occupy but a small space.

Q. But you are speaking of duplicates of the various works of art in the British Museum, as well?—A. Yes, the archæological works.

Mr. CALL. I suppose you would consider the Smithsonian Institution the best place for them?

The WITNESS. Yes. All the classical pieces proper that do not belong to art education would stand in this room.

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The CHAIRMAN. I do not mean to indicate that it is a work that should not be undertaken. I believe there ought to be some provision made in the direction you mention on a large scale by the National Government and a national university also. All these things could be developed in this country, I think. You think that those could not well be obtained on the solicitation of a State government.

The WITNESS. I think they could, but I do not know the State that would undertake to do it.

### COST OF A SCH OOL OF FINE ART.

By Mr. CALL:

Q. What would it cost for the Government to establish a school of art of that kind?—A. I have already said that I did not think it desirable to do that, but it does not cost much to establish a school of art. You simply want plaster casts, and nothing else. But there should be a library. I believe I own the only art library in the United States. To establish an art school——

Q. [Interposing.] I mean in a manner creditable to the Government of a great people.—A. To secure those casts, I suppose $50,000 would be enough, even supposing that we had to pay for everything in the most expensive form. But I think that we would get casts for nothing. I know they do that.

Q. You do not think that $50,000 would be the entire cost, do you?—A. Yes.

Q. Not exceeding that?—A. No. I have carefully written out a scheme of a fine-art college in all the five departments of art, based on the French system, in the city of New York, including rent of premises, and the expense would be about $1,500 the first year. That is based on the idea of $150 for each pupil for a whole year. There is no such cheap tuition anywhere on earth.

By the CHAIRMAN:

Q. What opportunity is there in this city for the common people to visit such works or museums without expense?

### THE METROPOLITAN MUSEUM OF NEW YORK.

A. There are certain days when they can visit the Metropolitan Museum of Art.

Q. How extensive is the collection of art objects there?—A. It is the most extensive that we have in the sense of variety.

Q. And selection and merit?—A. No, sir. The selection for the benefit of the sanitary commission on Fourteenth street was the greatest we ever had in this city; but those were "loan" pictures. That is a system inaugurated in this country—it is unique here—a "loan collection." If these places were established that I speak of they would be necessarily, as an incident of their history, what is called loan collections. Once a year those who own pictures would be invited to loan them, and it would be highly educational.

### IMMIGRANTS.

Q. Here is a subject I wish to have your opinion on. New York and other large cities are full of foreigners. You have alluded to the Garibaldian soldiers, and the effects of education of the eye in opening the

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souls of those men to the spirit of patriotism and the growth of high sentiment, so that they became a soldiery that overthrew an existing Government and established liberty in Italy. Do you find in the children of those men here of such of the foreigners as are sometimes called "foreign paupers" anything of that aesthetic quality that might be developed by art education?—A. No, sir; I would not say that I do, as a class.

Q. I was going to inquire whether they could be readily reached, lacking as they do lack knowledge of our language?—A. I think that would be an incentive to the study of our language, though incidentally only. But there is a law of natural selection that determines emigration from any country. It was the persecution in Holland that sent some of the best people of Europe to our Southern States, and it was the persecution in England that gave us some of the best population of the Northern States. I verily believe that if gold had not been discovered in California in 1848—and I remember it very distinctly, for I was a mechanic in this city at that time myself—there would have been most terrible suffering from the desperation among the working classes—the feeling that makes public security very fragile. If it had not been for the drawing off of our population from one section of the country to another there might have been serious trouble.

Q. What was the condition at that time?—A. Every industry was prostrated. All industries were working on half time.

Q. Where was that?—A. In the city of New York. I remember the period of 1837, also, when an army was raised in New York, I may say, to engage in the Texan revolution. They came near taking a State from Texas just from the fact that the people had to seek any direction for bread. The great mass of people must be supported in one of three capacities—either as laborers, prisoners, or paupers. Such labor as we have in the country, which represents the means by which they can get what we call currency with which to buy other things—the purchasing power—must be so spread around among the working classes as to give them all a share.

### NECESSITY FOR SHORTER HOURS OF LABOR.

I have been long of the conviction that in proportion to the increase of labor-saving machinery which produces, but at the same time cuts down manual labor, there should be legal limitations to the working hours, enforced in such a way as to make them practically universal. If we had now twelve hours a day, as we had when I was a boy, in the city of New York, it would represent a desperate, starving community. When I was a boy I was one of a committee to go out to the police stations between 12 and 2 at night to see those who sought shelter there, and I was amazed at the numbers of people who went to those stations for the mere privilege of sleeping there. I remember on one occasion an Englishman came in with a little girl and said: "Can we get lodgin' 'ere?" The officer told him "no." The man says, "Isn't this a prison?" "Yes." "Well, can't we get in 'ere and sleep? They say you let 'em do that." "No; this is a place for prisoners." "But can't a poor man and 'is little child get a place 'ere to lie in?" "No." The man went straight across the street and plunged his arm through a large pane of glass, and came back into the station and said: "Now I can get in, I fancy."

By Mr. CALL:

Q. You saw that?—A. Yes, sir; I saw that.

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### A CASE OF MURDER IN "SARTOR RESARTUS."

And there was a case mentioned by Carlyle in, I think, the footnotes to "Sartor Resartus," in which a man belonged to a burial society in England, where they gave so much—I think 6 pence—a month as contribution, and if a member of the family died the expense of the burial was paid by the society, because labor is so poorly rewarded that they cannot get enough money together to pay the expenses of the funeral. In a season of distress this man actually killed two of his children in order to get money to buy bread for the other two; and, when the facts were ascertained, the society refused to pay, and the case was presented in court.

Q. Do you believe that?—A. It is a veritable incident. It is mentioned by Carlyle as such, and is well known in England; but it is a desperate case, I admit.

Q. But you do not think that such desperate cases as that are the rule in England?—A. Well, there was a time in Ireland, in 1848, when a man could be got to work for 8 pence a day—16 cents of our money—and out of that he had to find everything with which to support his family.

Mr. CALL. That, of course, is a terrible state of affairs; but it is better than the case of the man in England who killed two children to feed the other two.

The WITNESS. Oh, yes; that is one of the cases where there is a strange transition from the human to the opposite—an oscillation.

Mr. CALL. The testimony before us and the testimony of the general reports of labor in the United States is not to the effect that labor is so very poorly paid as that.

### LABOR AND WAGES IN ENGLAND.

The WITNESS. There was a meeting in England two years ago of the representatives of the agricultural laborers, at which they presented and discussed statistics and statements regarding their position. They presented to the Government the statement, as a fact solemnly averred by them, that they could not afford to touch animal food more than once a month.

Mr. CALL. We have had an exhaustive report on that subject from our consul abroad—a very valuable one, and it does not show any such condition as that, but states the condition of labor, although not what it ought to be, as nothing like such as you mention,

The WITNESS. Well, you can get plenty of men to go on the police force in London at £1 a week—$4.84; a sergeant of police gets £1 5*s* a week.

Q. What do you consider the condition of labor in this country at this time?—A. I cannot give you a very intelligent idea of that. I have been living abroad for ten years—in England, Palestine, Egypt, and elsewhere, so that I have not got a sufficiently particular knowledge of the field here to be able to make a satisfactory reply.

### A UNIVERSAL EIGHT-HOUR LAW NEEDED.

I consider, however, that what you may call the natural laws of industry in this country are producing that state of things where the wants of society can be met without giving eight hours a day of labor to the laboring classes as a body. Of that I am satisfied.

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Q. Would you be willing to take the responsibility, if it were in your power, to enact such legislation as to make compulsory all over the country such a regulation as that?—A. I have not had occasion to consider the question with reference to the practical exercise of the power. I say the thing ought to be done as equity, and as a social and industrial necessity, and that it is an element of national protection in the sense of public order being needful for us all.

Q. Are you quite sure that you would not starve everybody if you were to adopt a regulation that all should not work more than eight hours a day? Are you quite certain that the economic result would not be a failure of subsistence for everybody?—A. It would practically lessen the number of laborers if carried out in the way I mention.

Q. Would it not lessen the amount of agricultural product?—A. There would be exceptional pursuits, such as the baking of bread, which it might be necessary to carry on at all hours of the night and day; the driving of horse cars or the carrying on of agricultural labor perhaps. But even those would be exceptions which wise legislation would discriminatingly take into account. I think one of the calamities of the whole science of legislation is to generalize too much and not prescribe for the specific case. I consider that our tariff was always in that state, because it was not possible to get at things except through the men who are interested in the things themselves. I was amazed at the things I heard about it. So in reference to regulating labor and the hours of labor.

There are several things that should be done that are expensive to society.

## SUPPRESSION OF VICE.

There should be a suppression of vice. The vice which is exposed daily in the city of New York is appalling. The property stolen, the people hurt, the time of men and women wasted in prison, the time lost to those who are injured through broils, &c., is very serious. But the cost of the agencies of the Government in its partial suppression of crime shows that the greatest extravagance is in attempting to be temperate with it.

Q. How would you suppress it? Are not those all fanciful ideas?—A. No sir; they are strictly realistic. I lived in Dresden a year and a half. In that city, if a woman is found doing a disreputable act as between the sexes, the presumptive evidence is acted upon at once, and the case is dealt with summarily. The woman and her paramour are put outside the city, and if they come back they are imprisoned for a year. Therefore there is no lewd women in Dresden.

Q. Do you understand that there are not done in Germany any "disreputable acts as between the sexes," as you term it?—A. Oh, there are, as there are Louisiana lottery tickets sold in New York.

Q. But not in the streets?—A. No, sir; the temptation to the young and uninitiated is not the same; the women do not stand in platoons on the sidewalk there as they do in Captain Williams' district in New York, leaning against the railing, and seizing a man and dragging him toward them; such a state of things does not exist anywhere else than here—and I have lived in Paris.

Q. Are you quite sure that the proper way would not be to study up what would be the best sort of remedial measures to adopt with such cases, instead of severe treatment?—A. The difficulty is that there is no attempt to remedy the vice in a man. I said to people in Paris that

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if women ought to have licenses for vice, men ought to have similar licenses. If they should come to licensing the men as well as the women, the licensing system might do; but all attempts to regulate vice in Paris, Brussels, &c., has simply led to the increase of it. Vice, with all its incidents, including its diseases, has greatly increased wherever there is *quasi* encouragement given to it on the part of the government.

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NEW YORK, *September* 25, 1883.

BAPTIST HUBERT sworn and examined.

By the CHAIRMAN:

Question. What is your residence?—Answer. No. 174 Worth street, in this city.

Q. What is your business?—A. I am a machinist.

Q. You may now make to the committee such statement as you desire.—A. During my life I have found that two things exist which no man can deny. The first is ignorance, and that has an important bearing on the question to be discussed here; the other is antagonism, which, from the point of view of human interest, is one that cannot be ignored. Various interests in life are opposed to each other—"every man for himself." That is the general law which guides and directs the action of men toward one another.

### EDUCATION AS IT IS, A SHAM.

The subject of education, which prepares men for the business of life, should be one of the first things to occupy the thought of people in a free country. Education as it is is a sham. It is not what education ought to be. There are men enough in the world who should be teachers, and there is material enough to build up schools throughout the civilized world; but our institutions as they are will not permit it, because if they did then those wise men who rule the world would have no occupation. If all men were wise and well informed, if all men were *savans* why, we would have nothing to do. In America, as throughout the entire world, we are dealing too much, in education, with the old things that have been taught for centuries. I am in favor of education in the broad sense—education in the old things as well as the new; but it seems to me that dealing with the old all the time and not at all or very little with the new is not a good way to educate.

### SCIENTIFIC AND TECHNICAL EDUCATION WANTED.

What we want is scientific, technical, and professional education. If young men were trained in technical and scientific schools until they were of proper age they would make much more useful citizens than they do now.

Education, after all, is at the bottom of this question of labor. There are many kinds of labor; manual labor, which is divided into industrial or skilled labor, and unskilled labor, in which a man has nothing but his hands. Brain labor is a very important element to guide the hands, but how few men are taught to use their brains in their work? It should be the object of education to teach a man how to use his brain



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in connection with his labor. Education which fits a man to use his faculties for mere pastime is the wrong sort of education. He should be educated for labor.

There is plenty of room for the exercise of brains in every field of labor. I often hear people say that some man of their acquaintance is a mechanic, and that therefore he "uses no brain power." I can only say that when I leave my home and go to my shop I do not leave my brains at home. I bring them to the shop with me, and I find plenty of opportunity to exercise them upon my work, and I do not find that I can afford to do without my brains, no matter how apparently simple the piece of work may be on which I may for the time be engaged. My hands may do the work, but my brain always presides.

### ALL WORKERS, BRAIN WORKERS.

The great mistake of intellectual people, I think, is that they believe mechanics and workmen are working without brains. It is not so. Every man has brains, perhaps not highly cultivated, but, so far as his brains go, he uses them in his work. This is true not only of intellectual labor, as it is called, but it is true of all kinds of labor. Even the most humble worker uses his brains. The street-sweeper, although occupied in a very humble, and, to some, a very disgusting work, cannot afford to do without his brains. If he does not use his brains to direct him you will find the place where he sweeps to be poorly swept. Neither, again, can a man leave his body behind. His body must move with his brain.

### WAGES.

An important question in connection with labor is the question of remuneration. How is a man to be paid for his efforts according to the effort which he makes, and where are the laws to regulate men's efforts? They are in existence in name, but not in application, and we must make tremendous strides in the department of law and of politics before men understand this truth. Ever since I have been in New York—now a third of a century—I have heard great speeches from great speakers—such men as Wendell Phillips and people of his class—and they sometimes give forth a great thought which vibrates among the people, and does great good and helps the world to advance. But, after all, advancement is of slow growth, and one man is but a small part of a world, and the great question of time has yet to be solved. Where are the men who can solve it? I have been looking for a great leader who shall inspire the people with a knowledge of their power and of their rights and of their duties; I have been looking to Washington for such a man, but I have not been able to find him. I am in the dark and am looking for light. I know you gentlemen are devoting yourselves to the interests of the people, and I think this committee has done and is doing a great deal of good in conducting an investigation of this kind, because the things which you will find out here you will find it hard to see stated elsewhere.

### AMERICA MUST AVOID EUROPEAN PRECEDENTS.

This is a new country. Its institutions are strong; but they have not been harmoniously adapted to one another, so that there is jarring and confusion, and it will take time and friction to harmonize all the

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conflicting interests. But if we once find the right path, and are able to follow it, there is a great future in store for the American people. If, however, we follow in the lines and along the paths that have been marked out for us by the old nations of Europe and of Asia, there is a deep pit into which we will fall. One of the steps leading to this pit is our false system of education; it is nothing but a sham. It begins with the boy when he is little, and it leads him on to nowhere. It leaves him on the threshold of manhood, as I may say, in a fog from which he cannot extricate himself, for, whichever way he turns, he cannot see much beyond his nose. That would do very well in a country where the people have nothing to say about their Government, and where other people lead them by the hand through this fog—people high in power and enlightment who can penetrate the darkness; but, in a free republic which was not made to crush the lives or souls of men, and which was established in order to make people free—in this republic things must be fixed so that men can see for themselves.

### EDUCATION SHOULD BE USEFUL AS WELL AS TASTEFUL.

The atmosphere must be cleared. Men will not be led by the hand, they will want to lead themselves. That is one of the necessary conditions of freedom, and it is one from which we cannot escape. We have certain duties in this world that must be performed, and the man who shirks these duties and throws them upon other people is not only a coward himself, but cannot expect his children to be any better than himself. Men only do this by ignorance, and they are ignorant because education has not been given to them. How can we give our children an education that we do not receive ourselves? There are enough books, and there are enough teachers; but the books are not of the right sort, and the teachers teach those things which do no good. Let them study science, and let them study the practical applications of science in the life of every day. It is only in this way that we can have citizens trained to the highest development.

It is not necessary, however, that in order to be useful we may not also be tasteful. We must admire taste and we must admire art, because art and taste are natural to men. They are parts of their nature and should be cultivated. Therefore when I have heard gentlemen speak before this committee upon the subject of art I have listened with attention to what they have said, and I have no doubt that if more attention were paid to industrial art among our young people we would have less of the brutal selfishness which we see displayed upon all hands. The struggle of life here is keen, and people are occupied so much with the mere utility of everything that they forget art and forget beauty. They seem to worship the almighty dollar; they all bend before it. This is most unfortunate, because it gives them a false idea of value—not only of the value of art, but of the value of everything about them. Men and woman are measured by the amount of money that they have, the amount of fine clothes, and carriages and luxuries in which they have indulged.

### THE HIGHEST STANDARD OF VALUE, LABOR PERFORMED.

The thing to represent value, after all, is labor performed. That is the highest standard of value. To my mind, therefore, the greenback is no more a representative of value than silver or gold. Educate your

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children to regard money as a good thing in its way, but not the best thing to have in this world. It is better to have a conscience, better to have taste, and better to have adaptation for the business of life, to live honestly, and at peace with your neighbors than it is to have more dollars than you can make use of. If men would but recognize this fact it would establish among all mankind that sort of influence which is like the influence of the electric current. You cannot touch any question that is not affected by this false notion of value.

## EDUCATION OF CHILDREN.

Children should be taught from their earliest age to use their hands and minds together, and should not be taught to make of their brains mere intellectual machines without the help of their bodies. They should be taught a sufficient variety of practical matters to give them some interest in the labors of other people. If a boy is brought up in the city, he should be taken in the summer time into the country, and should be made to associate with the farmers and people engaged in agriculture, and he would have some sympathy with their wants and more brotherhood for them than city men now have for their poor hard-working neighbors in the country. When boys are fourteen or fifteen years of age they should be able to do in their schools something which would pay the State for their education, and as they grow older they should be taught to understand and to exercise the duties of citizenship. A man should only be admitted to citizenship when he gives evidence that he is fit for it. In that way you will have true citizens, and not men who sell their votes; you will not see men fighting and disturbing the peace, nor wasting their time in listening to cheap oratory among ward politicians.

## INVENTORS AND INVENTIONS.

We hear a great deal said of inventors and of inventions; and we hear it said that the inventor does not get the result of his labor and of his thought. This is very much so, and it is largely owing to the fact that men are not thoroughly trained in their business. If a man could learn to become a practical man, and could learn to use his ideas in his business, and adapt them to the practical wants of his business, then you would not see so many inventors at the mercy of the men who can give them a little money to help get out their patents, and put them on a business basis. This question of practical education, as I have said before, lies at the bottom of all prosperity in the state. The Government can do a great deal to make a practical system of education universal throughout this land. A system could be organized which, in usefulness and advantage to the great mass of the people, would be far ahead of any of the learned colleges. Each man could have his specialty, and could be thoroughly drilled in that specialty; but he could also know some little of the work and labor of other men, and so he would have a broader mind and a larger heart and better feeling for his fellow workmen, whether engaged in the same field of labor with himself, or otherwise. In that way this country could build up great men, not only in science and in the arts, but great men in the sense of good men and good citizens.

I thank you, gentlemen, for the patience with which you have listened to these few remarks.

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NEW YORK, *September* 25, 1883.

EDWARD NEWBERRY sworn and examined.

The CHAIRMAN. Please state briefly to the committee what you desire to present within the scope of the resolution under which the committee is conducting the examination.

The WITNESS. I shall occupy but a very short time in the remarks that I have to make.

### HUMAN GOVERNMENT SHOULD BE A REFLEX OF DIVINE GOVERNMENT.

It seems to me, gentlemen, that the government of a nation should be a reflex of divine government, and then only can it be a success—then only will it educate, not only the people of its own country, but bring all nations up to a high state of excellence. The great end of man is affection. It is man's mission to utilize all truth in its application to life—the highest aim being the perfectability of man—as we all attribute to the Divine Being perfection—the balance and harmony of all opposing forces, all phenomena. Hence the divine will is working towards the perfection and harmony of all things in the truth, and to govern a nation should therefore be to perfect its individuals. Perfect man is a spirit of good and evil; that is, in the knowledge of good and evil—acting good in the knowledge of evil—and therefore evils must exist in the progressive education of every spirit. That, of course, we cannot alter.

But government should not make men evil, and that is what it unfortunately does, not only here, but elsewhere.

### ENFORCED CHOICE OF WRONG OCCUPATIONS.

For instance, if men are driven by circumstances into monotonous industries agreeably to their deformities, increasing their stronger faculties, which are already harmful, to the neglect and disintegration of their weaker faculties, which may be the good—if in that way they are following the law of death, it is a great misfortune to the men themselves and to all mankind.

Now, a government should have for its object something like the divine motive—to integrally organize men; to encourage them in the strengthening of their weaker faculties and in the subduing of the faculties that are too strong, and so favoring the progressive attainment of all truth in its application and uses.

How terrible must be the conscience of a man who has monopolized the rights of his fellow creatures and degraded and depressed them into semi-starvation—destroying them by monotony of existence. Why, we actually destroy ourselves and each other. It is the law of human spontaniety. Just as the strong faculties usurp the strength which should be devoted to the development of the weaker within us, so it is in the social mass called society—the strong oppress the weak by every divisable scheme; such a life is a hell upon earth, and such lives many men suffer.

### USEFUL EMPLOYMENT.

The true moral government should, in the first place, guarantee to every individual useful employment in the production of all the necessaries of life. That would produce an immense surplus even though they

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exercised their faculties agreeably to their development, without any excess. Government should also establish justice, and should sell the results of the guaranteed employment at the cost of production and distribution—superseding all profits of labor, all interest on capital, and all the means by which the rich rob and oppress and destroy, not only the poor, but themselves. If we could establish that much, all things else would follow in the natural order.

We find now that everything that ought to be under the Government is not, and is not properly administered. For instance, we have here a number of medical schools of different theories quarreling among each other; they cannot be perfect because they are not free to become perfect, even in their departments. A medical institution should be like every other institution—commercial or mechanical, industrial or agricultural—all these things ought to be managed by the Government. This could be done just as well as the Government manages the post-office. If there be any department of activity in this nation which is thorough, it is the work of the post-office, and that is done at the smallest expense. If that work were done by private individuals or corporations they would be rolling up enormous fortunes for themselves to the detriment of the people. Why, then, should not everything be owned by the Government? If the Government was rightly constituted I do not see why this should not be done; if the Government was not a fraud, and if it was as it should be, this could be done. Every physician should be guaranteed his location, and should teach in the public schools in his department of usefulness and science; and when the pupils arrive at an age and a capacity to receive their diplomas, they should each go, or be directed, into that department and branch of usefulness for which they have the highest aptitude, whether under the control of the municipality, of the county, of the State, or of the nation. When they have passed through all those grades, and have become thoroughly educated—the medical student, for example, in all that is known to medical science—then they should be guaranteed their location. Why should not every man in his capacity, whether as lawyer, as farmer, as merchant, or whatever his field may be, be guaranteed the usefulness of his faculties in the same way? Why should we have great masses of people crowded up into single rooms in the cities, huddled together in centers of pestilence and disease? Why should we not have integral homes—beautiful hotels, in which people may have ample room and fresh air—in which they shall have all that science can contribute to their welfare and all that art can contribute to their tastes? This would produce for every individual the highest practicable disposition of his powers. In that way it would be cheaper to live in first-class homes than to live in the shanties and crowded tenement houses in which the masses of the people are congregated.

### EDUCATION.

Why should people not be guaranteed education in all its departments of necessity in life; in all those sciences that contribute to the elevation and progress of human kind? Children brought up under these conditions would grow to manhood and to womanhood with every advantage in their favor. When they came to vote they would have the knowledge and will to select the choicest flowers in the garden of humanity, to be placed in positions of eminence and power in the State. This would produce a social order which would be a heaven upon earth.

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### TRAMPS.

There is no reason why there should be poor men or tramps in a rich land—a land as rich as any that the world has ever known. There is no occasion here for poverty; riches ought to overflow the land.

### NEW SOCIAL ORDER.

If men were guaranteed employments, and all goods were sold at cost of production and distribution, then the workers would not be supporting armies of rich idlers, and on the other hand there would be no army of idle poor as there is to-day. All men would be guided according to their capacities and tastes into that line of life and activity in which they would be able to contribute the largest degree of usefulness to the state and to society. The best people of the Old World would come to us under such an order of things, and by degrees the countries from which they came would be forced to adopt the same system of mutual guarantee and justice; and so all the world would gradually but surely develop toward perfection. It is our duty to perfect each other, not only as individuals, but as nations, integrally and in harmony with truth and usefulness. That is the great beacon light of truth to which every statesman should look for enlightenment. It would establish an order of things of which no man would complain. What a contrast that would be with the condition of things that we see to-day—the misery, the starvation, the disease, the life-wearing monotony of industry—the steady march to death of the great masses of mankind who are crushed down by the circumstances in which they find themselves placed, and from which their limited knowledge and the darkness of their intellect gives them no means of escape.

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NEW YORK, *September* 25, 1883.

KINAHAN CORNWALLIS examined.

By the CHAIRMAN:

Question. You have given some attention, have you, to the condition of American authors in comparison with the authors of other countries?—Answer. I have, sir.

### THE POSITION OF AMERICAN AUTHORS.

Q. If there is anything peculiar in the condition of American authors as compared with those of other countries—placing them at a disadvantage so far as the American market is concerned, whether relating to the copyright laws or otherwise, state what it is.—A. The American author, in the first place, is at a great disadvantage in consequence of the absence of an international copyright law. Publishers are able to get for nothing all the books they want by reprinting the works that have already met with success in England and other countries, as well as works by such well-known authors as promise success, even though they have not been long enough published to ascertain the particular success of the special book. So long as American publishers can republish, on those terms, all the works that are printed abroad which

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they think are likely to meet with popular success here, they have no inducement whatever to pay a copyright to American authors. Again, even if they had no copyright to pay to American authors, they would be to a disadvantage in printing American books, because it costs more to print from manuscript than from type. In that way they also save the cost of authors' corrections of the proof-sheets, and various miscellaneous expenses in connection with printing from manuscript.

Q. These same items of expense which are saved to the American publishers have already been incurred by the foreign publisher?—A. Yes. And in republishing a foreign work they have the guarantee of the success already achieved by that work, or the *prestige* of the author's name sufficient at least to cover expenses, if nothing more. I came here to-day unprepared to enter into particulars on this subject; but I have already embodied all the points in an article which I wrote for the Manhattan Magazine, published in this city, and it appeared in the September number. If I had the article with me it would suggest many points that may not occur to me now. But there are some topics in connection with it that I can place before the committee without memoranda.

## EFFORTS TO PROMOTE INTERNATIONAL COPYRIGHT.

With respect to the efforts that have been made for the promotion of an international copyright law, those that have been put forward by the American publishers thus far have been merely schemes for their own protection against the piracy of rival publishers—not for the purpose of securing justice to authors, or of remedying the great wrong that now exists. And there is no prospect of any movement towards a true international copyright law involving justice to authors being made in this country, at the instigation of publishers or of any of the trades concerned in the manufacture of books.

The printers, binders, and paper-makers are allied with publishers in their efforts to continue the present state of things. They have an idea, which is to some extent well founded, that an international copyright law would restrict the publication of books. Certainly it might exercise some check upon the mass of reprinting that is being done at very low figures. If an international copyright law existed, it would involve the addition of the author's copyright to the present price of these cheap reprints. It is true that would not be much; if it were 10 per cent. that is all that any foreign author would ask, or that any American author on his first print would expect. That would only amount to one cent on a ten-cent publication, and would only amount to ten cents on a dollar publication, and that would be a very small addition to the price of the book. Most of these reprints of to-day are only twenty-cent publications, and the percentage to authors on that basis of sale would be only two cents a copy; and certainly the public are very willing to pay that. But so long as the people are not inconvenienced by the existing arrangements, it turns out that what is everybody's business is nobody's business, and so neither the public in the mass nor individuals composing the public take hold of this matter. They are not individually interested. Men are busy about their own affairs and do not care to trouble themselves about the affairs of others. Therefore it is that an international copyright law has become an abstract question in which very little interest is felt except by those immediately interested. Authors on both sides of the Atlantic simply say that this is robbery.

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AUTHORS ROBBED.

Q. Why do they say so?—A. Because the English author publishes his book at home, where it has, we will say, a small circulation (say a thousand copies), which at the high price of books published in England is enough to pay expenses, and secure him some retrun for his labor. That book is republished in America and has a circulation in cheap form, of from 5,000 to 20,000 or 25,000 copies, but the author gets nothing for it. He considers that he is defrauded of the copyright to which he is entitled for that circulation.

The American author looks on and sees no market for his book. He writes a book and offers it to a publisher, the publisher says to him: "You are not very well known, and we cannot compete with these reprints without having some great name on the book which we may publish, or without having some very striking and unusual feature in it." The consequence is that his book remains in manuscript, and to-day there are probably as many manuscripts of American books good, bad, and indifferent, in existence in the United States as there have been American books published in the last twenty years, showing the great intellectual waste that is going on arising from want of an international copyright law.

Q. Is it also the fact that thereby the American people are brought into contact with foreign ideas and foreign treatment of subjects, instead of with American ideas and American treatment of subjects, so that the mental and moral training of the people is apt to have a foreign tinge?—A. Yes, but there is no objection to that, because literature should be universal—the "Republic of Letters" is a broad one.

AMERICAN LITERATURE STIFLED.

But the great evil resulting from it is that American literature is stifled, and instead of our being able to build up a literature worthy of a great nation, and corresponding with our vast material progress, we are making no progress whatever in that direction. Therefore it is that the vast mine of literary wealth in this country is to a great extent unexplored. The great field of American literature is, in consequence, imperfectly worked. There are thousands of things that are inspiring and suggestive in this vast and growing country, with all its diversity of race, language, institutions, manners, and customs, all of which are but faintly represented in our national literature. The time will come when an international copyright law will no doubt be secured. Then, and not till then, will we begin to increase our literary wealth so as in some degree to correspond with that which already exists in England, or in any of the countries of the Old World. At present we compare very unfavorably with English literature.

Q. What contemporaneous literature?—A. With both contemporaneous and classical literature—old literature.

VAST DEVELOPMENT OF ENGLISH LITERATURE.

The reason why we have so much to reprint is because of the vast development of English literature—the vast amount of material that is constantly emanating from the press of that country. If England were as barren in literary works as America is, there would not be so many foreign books to reprint, and American authors would not be so discouraged. But there is such a prodigal supply of English books con-

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stantly coming here, that it makes up for the dearth of American books. While that exists there is no danger of a book famine in this country. At the same time American literature is being starved by this very redundancy and plethora of literature.

Q. Do you think that the publication of American books would make a difference in the republication here of foreign books?—A. No, not much; but it would raise the price by the amount of copyright paid to the author. But I think it would have a very stimulating effect on the publication of American books if we had a copyright law in existence. At present, if a great American epic, an Iliad or a Paradise Lost, were written, it would be likely to remain in manuscript, because no American publisher would be willing to undertake the risk of publication, and, if published at all, it would probably have to be at the risk of the author.

Q. Do you not think that a work of genius would sell even against the competition of these reprints?—A. It will sell just as well if it is a republication of the work printed and sold abroad.

### ENGLISH TASTES IN AMERICA.

The American people have no preference for American over English works. On the contrary, I think there may be said to be a preference for English works, as we all know there is for English plays.

Q. There was a cigar-maker before the committee recently who said that the fact that a cigar was known to be of foreign manufacture, and imported into this country, would enable it to sell better than an American cigar, which would seem to indicate that Americans have a sentiment akin to hero worship, preferring a foreign article to an article of home manufacture?—A. Yes, I am sorry to say, that it is still true that a man may be a prophet everywhere save in his own country.

Q. Does the English author stand as well as the American author of acknowledged genius?—A. Yes. That is shown by the fact that very few American books are published in England. The English people depend on English authors for their literature. If a good American book is published, one that achieves great celebrity here, it will be read in England, just as Longfellow's, Hawthorne's, and Howells' works are

Q. Is it not a fact that an unknown author, however great his merit, has at first to make his way among his own people, and be celebrated at home—for instance, could an unknown English author's work be pirated and republished here and sold to the American people with any greater facility than an equally unknown American author's work?—A. No; but it would not be published here at all. American publishers have their pick.

Q. But is it the same with regard to American authors writing books that are well known abroad, like those you have mentioned; will they not sell abroad?—A. Yes. Longfellow's works have always been sold more abroad than here.

Q. But neither gets a copyright from abroad?—A. No. The American author is robbed also in England.

### PROVISIONS OF A PROPOSED INTERNATIONAL COPYRIGHT LAW.

Q. What provisions would you put into an international copyright law?—A. I would certainly say that the maximum copyright upon a book should be 10 per cent. upon the price of the book.

Q. To be paid as a royalty?—A. Yes. That should be the maximum;

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but English authors would be glad to get 5 per cent. In other words, they would rather have half a loaf than no bread. Speaking of the success of a book reprinted in this country—an English book, we will say, reprinted here—the success of the reprint is not always in the same proportion as the success of the original edition in its own country.

HENRY GEORGE'S "PROGRESS AND POVERTY."

For instance: Mr. Henry George's work on Progress and Poverty had a very limited circulation here compared with what it had in England, and it made Mr. George no reputation until it was republished in England. There its circulation was in one year ten times what it was in this country. That fact immediately reacted on this country, and a cheap edition of Progress and Poverty was issued and became very popular, and more copies of it have been now sold in America probably than in England.

Q. Does that inure to the benefit of Mr. George?—A. Mr. George has not made a penny by all the circulation of his work in Europe.

Q. How about his own country?—A. In his own country he has a copyright, but abroad he does not receive a penny from all the sales that his book has had there. I believe it is being translated into many of the languages of Europe; but we have no international copyright law with any country, and therefore it is that if an American author does achieve a success here, his book is just as liable and just as certain to be reprinted abroad, without a penny of compensation, as is the work of an English author to be reprinted here without any compensation.

Q. You think, then, that there ought to be a system of international copyright laws, as there is a system of patent laws to protect inventors?—A. Certainly. I think such an international copyright law should first be made to apply between England and this country, and from that would follow quickly similar laws involving the right of translation with France, Italy, Germany, Spain, and other countries.

Q. You understand, of course, that inventors protect themselves by making their application or arrangement for patents in the foreign countries before the publication of the patents here?—A. Yes.

Q. Could not a system be devised by private agencies so that the author of a book could arrange for the sale of his book with some foreign publisher?—A. In a treaty such an arrangement might be stipulated for.

THE PRESENT STATE OF THE LAW OF COPYRIGHT.

Q. I mean without any treaty at all. A. Not now, unless, first of all, the book is published there. If an American author were first to print his book in England, it would be common property here.

Q. That is, if he published it in the first instance in England?—A. Yes.

Q. Would he then be protected by the English law?—A. He could copyright it there.

Q. Would his publisher be protected?—A. Yes; if he copyrighted his book in England, and if it had not been published elsewhere. He would get a copyright in England for it, but he would lose his own country.

Q. He could not get a copyright in both countries?—A. No, sir; because it would be reprinted here as an English book, and he would forfeit his right to copyright in this country by the fact of prior publication in the foreign country. Copyright, in other words, cannot be se-

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cured for the same book in two countries, that is, for an American or English book, under existing laws. Having no international copyright law, an American cannot copyright anything in any country but his own, unless he sacrifices his own country, which he would do by prior publication abroad; and, in that case, his book could not be distinguished from an English work, pure and simple. His nationality would not be called into the question. If it had not been published elsewhere, he could assert his copyright here. But what he wants to do is to get what he is justly entitled to as a royalty or compensation for the publication of his book abroad.

Q. Does anything of this kind happen—that books which find their natural and exclusive market in this country are produced abroad, like ordinary school or text books, which, though produced abroad, are republished in such way as to come into competition with like books by American authors?—A. No; because the school books that are used in England are not available for the schools of this country.

Q. No; but are they prepared in England with adaptation to American wants and republished here?—A. No; I think not. I think that all school-books used in American schools are written for the purposes in America by Americans.

### AMERICAN TEXT-BOOKS.

Q. So far as the text-books of either our higher or our lower schools are concerned the rights of American authors in that direction are not infringed upon, then?—A. No; I think there is no republication of primary-school books by either country; at least I have never seen one.

Q. Or text-books of more advanced kind?—A. There have been text-books altered, adapted, or edited for our schools.

Q. Lexicons and the like?—A. Yes; take Carpenter's Physiology, for example. We have had an American edition of it with notes; and so with a great many books, as Dr. Smith's School Classics, &c.

Q. Those come in competition, then, with the books made here?—A. Yes; those come in competition with American books; but the editions are American editions with notes.

Q. But they come in direct competition with American books of like character?—A. Yes; though they must be edited here in order to have a large sale. I have never known of an American school that would adopt an English book as published. All the books I have known that were English which were adopted here have been edited for this country, and by Americans. The Harpers have published a number of English text-books in the course of their career, but they have had them edited for the purpose of having them used in America. So with the Appletons. They have published English books with American notes.

### ENGLAND AND AMERICA AS FIELDS FOR PUBLICATION.

Q. The American authors have a field comprised of 53,000,000 or 54,000,000 of people who read English, and if they produce anything, they have the advantages of sale to that large number of people, while the English authors have only 35,000,000 to sell to. Why, then, on the whole, do you not think that the American has as good a chance as the English author?—A. He might have as good a chance, but it must be remembered that we have an almost redundant supply of reading matter for the 50,000,000 or 54,000,000 of people that are here, and that they do not crave American books as such; and that the American au-

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thor, if he publishes, must compete with the foreign author; he must compete with these ten-cent and twenty-cent editions. These books do not allow on their price a sufficient margin for copyright to tempt him into publication, and if he publishes he must do it so as to sell at a considerably higher price. He cannot, therefore, compete successfully with these cheap editions. They cut him out. Hence it is that the sale of dear editions of novels has been killed—the old one-dollar and dollar-and-a-half editions.

Q. You have given the reason why the American authors' work cannot be published as cheaply as the foreign can be published.—A. Yes; as I say, through the greater cost of printing from manuscript, and making the author's alterations, correcting typographical errors, &c., besides which a copyright of course is expected by an author, and the publisher does not usually like to take a book without some arrangement of copyright—he would not expect to have a work given entirely free of copyright. There must be some contingent return possible.

Q. Are there any original works which are republished in this country without the American publisher making some equitable arrangement—perhaps as high as 10 per cent.—with the authors, if they are living, or their representatives?

MONEY VALUE OF ADVANCE SHEETS.

A. I made such an arrangement once with Carleton, the New York publisher, for the republication of the Cloister and the Hearth, by Charles Reade, when I came to this country in 1860. I made an arrangement by which I got 10 per cent. from Carleton for that book, but it was very exceptional, and it was in consequence of my having early sheets which gave the American publisher a start of about three weeks or a month over any other American publisher. We made a slight alteration in it so that it would have been hazardous for any American publisher to print it here, and they would have had to wait for a month or so, and during that month Carleton's sales would have been sufficient for all his outlay, and would also secure him a profit. But, unfortunately, since that time the duration of passage from Europe to America has been lessened by about half the time. Steamers make the voyage now in about eight days, while at that time fifteen or sixteen days was the usual length of time. Consequently a publisher here, buying early sheets, would have too short a start to make it an inducement for him to give much, if anything, for early sheets. The consequence is that early proof-sheets of even the most popular authors have become a drug in the market and are worth little or nothing. Then, again, the telegraph puts publishers in communication with Europe very closely, and they know everything that is coming out, and that lessens the inducement to buy early sheets. They can order by telegraph a copy of an English work sent over to them on the day of publication, and they can get it there in the shortest possible time—say, eight or nine days—after they send their order. The consequence is that our development in civilization, I may say, has only inured more and more to the injury of the foreign author, and indirectly of the American author, too, because the more the English author is cheated, that is, the more his works are published here, the more the American author is shut out even from his own market.

Q. Of course, the profit to the foreign as well as to the American author depends upon there being some sale of the book—the book must be consumed?—A. Yes, sir.

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Q. The book is consumed by reason of an intellectual sense or appetite. Do you not think that the greater cultivation of that appetite by the cheap circulation of foreign intellectual productions gives the American author really a greater market than he would have if foreign books were shut out by a duty or by this other arrangement, and the American author left to the market which American products might have secured to him?

AMERICAN AUTHORS SHUT OUT FROM THEIR OWN MARKET.

A. The cheap republication of English works certainly diffuses a vast amount of information and learning among the masses of the people, but it shuts the American author practically out of his own market. If you choke up the field with cheap foreign reprints, you certainly do not present a very inviting field to an American author who has an original work to bring out.

Q. If he is to bring out the same work, I grant that you are right, but he is bringing out an original work, and, if there is money in the country to pay for it, he has the better chance.—A. But he has to compete with these cheap reprints that have no copyright to pay, and in order to compete with them he would have to put his book down to such a price as to give him no compensation.

Q. Not unless it is a book of the same kind.—A. No; because the majority of people in buying a novel, for example, they do not care what book they happen on. It is so with books of all characters, except perhaps technical books and scientific books, and other books of more ephemeral interest that cannot find sale among a large number of people. To those the argument does not extend quite so forcibly. But even there they have to compete with works that are reprinted.

NUMBER OF PERSONS LIVING BY AUTHORSHIP.

Q. How many men or women do you believe there are in the United States who are living by authorship—by literary work of that kind?—A. I could count them on my fingers, all who depend on authorship, pure and simple, and even those have made what money they have made first through the magazines or newspapers. Take Longfellow, and Bryant, and Howells, and Hawthorne, and all those men. They received very little until the close of their labors by the publication of their books; not enough to be worth mentioning, although, as they went along they had received considerable from time to time from the magazines and papers to which they had contributed. Ten years before his death, Longfellow said that he had never made anything out of his books. In other words, he had been paid merely for the magazine use of them, and the sales of his books, until within ten years of his death, were not sufficiently large to make it a matter of any consequence. In England he had ten times, perhaps fifty times, the circulation that he had in America, and did not receive a penny from that country.

AMERICAN LITERATURE LANGUISHING FOR WANT OF INTERNATIONAL COPYRIGHT.

Q. Is there any further suggestion in that direction that you wish to present to the committee?—A. I would merely say that until we have an international copyright law American literature is liable to languish continually, as it has languished ever since the era of cheap reprints

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began. Before that era began there was some chance for an American author to get his book into print; but during the last few years the competition has been so great from that source that he is practically shut out.

The CHAIRMAN. We would be glad to take your article, which, of course, presents your views more justly to yourself, and give it consideration.

The WITNESS. I shall be glad if you will. I may mention, in closing, that, in consequence of this state of things, literary talent is driven into journalism; and that, in consequence of that fact, more men are buried alive in journalism in the United States than in any other country in the world. In journalism they can earn a living, such as it is, whereas by authorship they would altogether starve.

Adjourned.

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NEW YORK, *September* 26, 1883.

The committee met at 10 a. m.

JOSEPH MEDILL examined:

By the CHAIRMAN:

Question. You have read the resolution of the Senate directing the investigation which we are conducting. Will you please give the committee the benefit of such facts and suggestions as occur to you to be pertinent, under the resolution? You may do it in your own way, with such arrangement of topics and at such length as you desire. The committee will be glad to hear fully your views on the subject which they are investigating. Before you proceed I will ask you to state, if you please, where you reside, and what is your occupation.—Answer. I reside in the city of Chicago, and my occupation is that of publisher of a newspaper—the Chicago Tribune.

Q. For how long a time have you been connected with the press?—A. I have been connected with the press since the year 1848, and in Chicago since 1855.

Q. You may now proceed, if you please, with the expression of such views as occur to you, under our resolution.—A. When I learned that I would be summoned to appear before the committee, and recollecting the general tenor of the resolution, I sat down last evening and devoted an hour or more to condensing, as much as I could, some views that I desired to place before the committee, in the form of memoranda, which, with your permission, I will first read, and then hold myself in readiness to answer any questions you may propound, as well as I may be able.

I discuss this proposition:

THE LABOR AND CAPITAL PROBLEM; THE DISCONTENT OF THE LABORING CLASSES, AND SOME OF ITS REMEDIES.

The chief cause of the impecunious condition of millions of the wage classes of this country is due to their own improvidence and misdirected efforts. Too many are trying to live without labor—that is, industrial or productive labor, and too many squander their earnings on intoxicating drinks, cigars, and amusements, who cannot afford it. While they continue to spend their surplus earnings on these things they will not

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get on in the world and will fail to accumulate property. The possession of property among the masses is really due more to saving than to earning; on small earnings a man may still save something, while no amount of earnings will improve his bank account without economy. The power of waste is vastly greater than the power of production. The wisest politician and the most original thinker on social subjects which this country has yet produced, laid it down as an axiom that "a penny saved is better than two pennies earned." It was the habit of saving which he inculcated as absolutely essential to success in life. I refer, of course, to Dr. Benjamin Franklin. It was to the working classes that he addressed his wise maxims, his suggestions, and advice. I have rarely known a steady, sober, industrious man, who saved his surplus earnings and prudently invested them but attained independence before old age.

### LIQUOR AND TOBACCO; THEIR RELATION TO THE LABOR PROBLEM.

And I have never known a workman, no matter what might be his wages, who freely indulged his appetite for liquor and nicotine, that ever made much headway. And that observation covers a good many thousand workmen with whom I have come in contact during my life—of all classes. This sort of people always remain poor and dissatisfied—complain of their "bad luck," denounce the tyranny of capital, and allege that they are cheated in the division of the profits produced by capital and labor.

### $600,000,000 ANNUALLY WASTED.

Those who have closely investigated the subject estimate that the money spent by the wage classes of our cities and towns on intoxicating drinks exceed $400,000,000 per annum. Of course, the total consumption of liquors is a great deal more, taking in the remainder of the population, which I do not include under this head; and to this enormous sum must be added at least $100,000,000 for cigars, and $100,000,000 for useless amusement, and gambling, making a total of $600,000,000 a year absolutely squandered by the discontented employé classes of this country. I have understated the waste of wages on those injurious indulgences in order to be safe in my estimate. The money thrown away on liquor by the wage-workers for the last ten years would have provided each family with a comfortable home free of rent, thereby emancipating all of them from servitude to landlords. If that squandered money had been loaned out at interest it would now amount to the enormous sum of $5,000,000,000—at a moderate rate of interest, say five per cent.—multiplied into the last ten years. And if invested in railroad stocks and bonds during that period, it would have transferred the ownership of every mile of railway in the United States to the possession of the laboring classes who have wasted their wages in drink. Drink is the evil progenitor of most of the ills which the poor man encounters and is the cause of the "bad luck" which keeps him in poverty. I have used that term "bad luck" several times because it is a stereotyped phrase in every household that has a hard struggle in life.

### SUPPORTING 250,000 SALOON-KEEPERS.

The wage classes cannot support in idleness a quarter of a million saloon-keepers, and their bar-tenders and families, and pay the rent of

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their dram-shops, and at the same time hope to prosper themselves. No trade-union combinations, or knights of labor "strikes," to force up wages or shorten the hours of work will enable them to do it; and no relief that political legislation can give will essentially improve their condition in the absence of the virtues of temperance and economy, the corner-stones of prosperity and independence.

High license, and the higher the better, will do much to lessen the loss from liquor by reducing and improving the saloons that tempt men to visit them, and also by returning to the municipalities a part of the money extracted from their citizens. But upon a voluntary self-denial on the part of the drinkers themselves must chiefly depend this vitally needed reform of appetite. I have very little faith in the practical good of political prohibition or coercive laws in removing men's desire for drink.

One of the constant demands of the trades-union leaders is for the establishment of bureaus of statistics, and when they are created their most useful work will be in finding out and making known how much of the wages of workers are spent on liquor. and the effect thereof on the pecuniary welfare of the drinkers, and the injury done to health, morals, family, and society from alcoholic indulgences.

## UNHEALTHY TENEMENTS, AND THEIR EFFECTS ON THE DEATH-RATE.

I now wish to make a few remarks on another topic—bad, unhealthy tenements. Perhaps next to liquor drinking the worst ill that afflicts the tenant-wage classes is wretched domiciles—over-crowded, badly ventilated, poisoned by sewer-gas and excessively rented. Thousands of such structures in this (New York) and other large cities, including Chicago, where I reside, should be demolished by municipal authority as nuisances, injurious to the public health. It is a dreadful fact that in this naturally salubrious city the annual mortality exceeds the births by upwards of ten thousand, as shown by the sanitary statistics of the municipality, proving that were it not for the in-flowing stream the population of New York would become extinct and the city uninhabited. The proportion of deaths to births is as 4 to 3, while in London three are born while only two die. The number of births in 1882 in that city was, in round numbers, 150,000, against 100,000 deaths, showing a clear gain of 50,000, while New York suffered a dead loss, veritably, of 10,000 on one-third the population, and this is naturally, in my judgment, a more salubrious city than London. The premature deaths among the laboring population of New York and other large American cities in great degree, result from the brutal avarice of landlords and the criminal neglect of duty on the part of the demagogues who tax and rule the cities and permit such a murderous condition of things to exist.

Reform is necessary, not only here, but in all the other cities of this country, in the character of the abodes rented to the industrial classes. The rents exacted are twice or thrice too high, as a rule, and most of the houses are unfit for human habitation. And this is one of the bitterest causes of discontent among the wage workers—unhealthy and over-rented tenements. The rents of artisans' dwellings in England average about a dollar a week, as I ascertained last summer when I was there, after careful inquiry of intelligent men in several of the principal cities. Their sanitary condition is far better attended to than it is in this country, which in part accounts for the smaller rates of mortality in English as compared with the cities of America. All over England



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badly constructed and unhealthy tenements are being torn down as nuisances, by corporate authority, under an act of parliament, and building companies are replacing them by a better class of houses for the working population, to be let at very low rentals. If private capital is unwilling in this country to provide decent and healthy abodes at moderate rents for the industrial classes of our cities, it may become necessary for municipal corporations to do it, and lease or sell the same to the wage-workers at a rate that would repay interest or cost. As good a public reason for this course exists as for providing school-houses, poor-houses, water, gas, fire-engines, &c., at public expense for the benefit of the people. I cannot see any good reason why the one may not be done if the other may.

I now come to another topic bearing upon this general question, which I entitle

"SHORT HOURS AND LONG PAY."

It is a standard belief in trades-union lodges that the ills of labor would be relieved in great degree by shortening the day's work to six or eight hours, as it would cut down production per man 25 or 40 per cent., thus creating a great demand for extra labor, which, in turn, would force up wages to a high point, say, twelve hours' pay for eight hours' work or fourteen hours' pay for six hours' work. And it is alleged and contended that nothing stands in the way of the adoption of this scheme of long pay for short work except the unfeeling selfishness of employing capitalists. In my opinion, this idea to get a "corner" on the labor market would prove delusive, and fail utterly, if tried; and for these reasons: increased wages for short work would instantly attract to this country countless multitudes of foreign workmen. They would rush hither as fast as fleets of steamers could bring them, and quickly swamp the demand for extra labor caused by short work. In a little while they would be soliciting employment at reduced wages, and offering to work for ten hours a day for probably half the pay that had at first been demanded for six hours' work, and this by reason of the oversupply of labor. But the panacea would fail to cure from the operation of another cause. It is an axiom that "dear labor makes dear goods." The effect of large wages and small work would be to greatly increase the cost of production and the price of manufactures in proportion to the enhancement of labor prices; the demand for such goods would necessarily decline, because the remainder of the community cannot afford to buy as large a quantity of artificially dear fabrics. Rents, too, would advance in the same degree that the cost of building houses increased, and the number of new structures would greatly decline, and that would cut off labor. Merchants would refuse to buy the excessively dear domestic goods produced under these circumstances, but would import what merchandise they needed, and if the trades unionists undertook to double up the tariff in order to prohibit importation, the great agricultural masses would sternly resist being thus fleeced for the benefit of any city class of producers.

The farmers constitute one full half of the American people, and they furnish one full half of the market for the productions of the towns. Their power to buy domestic goods is limited strictly to the amount of money they receive for their crops. The cheaper goods are, the more the farmers can purchase, and, conversely, the dearer, the fewer. The trades-union idea of short work and long pay would cut off a large part of this market provided by the farmers, leaving their dear goods unsold, and this would result in throwing multitudes of workmen out of

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employment and on the streets; the farmers cannot be overcharged by the town artisans without the latter being punished for it by loss of market. This is a law of trade which the framers of our tariff are apt to overlook, and the railroad magnates who are practising the principle of charging for freight and fare "all that the traffic will bear" will do wisely to reflect that the higher their tolls are on agricultural products the less return freight or general merchandise they will carry, because their extortion will cripple the farmers' ability to pay for goods or travel on their roads. Fleecing the farmers is not the best policy on the part of either the manufacturers or the railroads.

## CO-OPERATION.

I will next say a few words on the subject of co-operation as a labor remedy. At one time co-operation was hopefully regarded as the solution of the capital and labor contentions. But after many trials in this country its advocates have become discouraged, and it is fading out as a feasible remedy for the ills of labor. Certain obstacles deeply grounded in human nature are encountered. The fundamental idea was to pay the workmen the full market price for their labor, regardless of the question of profit or loss to the manufacturer, and, if the works made any profit over interest on capital, to divide it with the operatives; but if the factory lost money, the stockholders were to stand it. The trouble was to find capitalists who were willing to invest their money on those terms—as the final outcome pretty certainly led to bankruptcy. If a manufacturer must stand all the losses when trade is bad, and divide his profits when trade is good, there is only one end to that system of business, and that is the closing up of the establishment. Where the experiment was tried, it was found that the workmen themselves soon became dissatisfied with the results of co-operation. (What I am saying now is based upon pretty close observation of a number of trials in my own city, and elsewhere, that I examined; and I was an enthusiastic admirer of this scheme, and advocated it for many years, so that I am not speaking as a prejudiced witness, but as a disappointed one.) If the mills made losses or small dividends the workmen found fault with the management or suspected their honesty, and appointed committees of investigation, who quarreled with the owners; that is always the case. Disputes also arose as to who should be discharged in dull times, and about wages when the shops were not finding ready sales for their wares. And these were very bitter causes of complaint; internecine quarrels were bred by them. Another source of discontent was the payment of equal wages and equal dividends to inferior or negligent workmen.

The trades-union lodges insist that all the workmen shall be paid alike, regardless of skill, activity, or value of service, as the loss from unfaithful or deficient work falls on the employer alone; at least they think so; that is the principle. Many other causes of weakness and disintegration manifested themselves; but probably the worst of all was the ignorance of the foreign workmen, who constitute the great majority of the mechanics in this country, and that weakness bred suspicion and destroyed confidence, and rendered harmony and united effort of workmen and employer impossible.

The co-operative experiments have therefore pretty much all failed, except in a few cases where the conditions happen to be peculiarly favorable. When these people are better educated in the future, and both sides have studied the subject more thoroughly, co-operation may succeed to some extent. Until then we must wait and hope for it as a remedy.

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### HIGH-SCHOOL AND COLLEGE EDUCATION UNPRACTICAL.

I next come to the educational system of this country as bearing on the labor question. I refer to the high-school and college system of teaching. Our college system certainly does not train our youth in habits of useful industry; its purpose is not to increase the effectiveness of labor, to make two blades of grass grow where only one grew before; it does not show the pupil how, by acquiring a manual art, he can double or treble the value of his labor. It does not teach art or science in a practical form. On the contrary, college education is conducted with a view to imparting a knowledge of dead languages and the higher mathematics to the pupils, which is all well enough for the wealthy and leisure classes, but is not best suited for bread-winners. These academies attract hundreds of thousands of our youth, whose purpose is to acquire the art of living by their wits and avoiding manual labor; this, too, is the purpose of their parents in sending them to such schools. These academies have flooded the professions with men destitute of natural capacity for them, and have swollen the ranks of office-seekers, gambling speculators, and professional sharps, who subsist by preying upon the rest of the community. This American system of education has destroyed all desire upon the part of the youths to learn trades and become honest artisans, and it has crowded the ranks of the middle-men with searchers after genteel employment at wretched wages. Multitudes of farmers' and mechanics' sons seek to be salesmen, clerks, book-keepers, drummers for trade houses, and, failing to find or retain such situations, they become "sports," billiard-markers, bar-tenders, confidence men, dead-beats—anything, in short, but hand-soiling workingmen. With the exception of a few special branches of industry Americans have surrendered the mechanical fields to foreigners, and when more artisans are needed they are not trained here, but are imported, as we import our merchandise. This is all wrong. It is a cruel injustice to the rising generation of Americans and a source of weakness to the body politic. Every institution of learning should, in my judgment, teach art practically. Every college should have a department of mechanism and a chemical laboratory to impart the secrets of nature and the sources of force. We need industrial schools in every city, where the youth can learn trades that will equip them for the struggles of life and increase the power and productiveness of their labor, and elevate it in the eyes of the rising generation. They must be taught to respect rather than despise industry, and to hold working bees in higher estimation than the drones in the human hive.

When I had written thus far the hour was late, and my arm was tired, and I stopped.

The CHAIRMAN. But you do not need to stop now. Go right on with any other ideas that occur to you to suggest.

### POWER OF CONGRESS TO REGULATE RAILROADS.

The WITNESS. The next subject I had proposed in my mind to discuss briefly was what is termed "the railroad question," and how far legislation, applied in the way of regulating, governing, and controlling the movements of the railroads would benefit the community and benefit industry. From my reading, I have no doubt whatever of the constitutional authority of Congress to enact laws controlling and regulating interstate railroads—railroads passing into or through two or more States. I am referring now to the opinions of gentlemen learned in the

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law, who have given the subject profound study—such men as Judge Cooley and others; and I believe it to be the duty of Congress to formulate a law of that kind for the good of the railroad companies themselves as well as of the community which patronizes them. Every merchant knows, feels, and complains of the evil to his business caused by the perpetual and unexpected perturbations of charge for the conveyance of goods and produce. The railroads seem to have no system of rates that last for any definite length of time. I print in my paper (the Chicago Tribune) a department entitled "Railroad Intelligence," and devote a great deal of space and attention to it; it is a sort of barometer of railroad doings. And when I look over those columns from day to day, and from year to year, I am astonished to observe the perpetual ups and downs of railroad charges.

### EFFECTS OF FREQUENT CHANGES IN TRANSPORTATION RATES.

We will say that the cost of conveying wheat or corn or any agricultural product from Chicago to this city is 25 cents per hundred pounds, to-day. On the strength of that rate our merchants proceed to buy wheat, corn, or oats all over the West, through a dozen agricultural States, and farmers make their bargains based on this cost of transportation from Chicago to tide-water. Suddenly, or with brief notice, the charge goes up to 30 cents. Every merchant who holds that grain, and it may amount altogether to tens of millions of bushels, has instantly lost 5 cents on each hundred pounds. That 5 cents is wiped out as completely as if it had been burned, or sunk without insurance. Then, if there is a fall suddenly of 5 cents a hundred pounds that affects not only the grain that was bought by the merchants, but the entire stock of produce remaining in the hands of farmers. At once, of course, there is a natural dissatisfaction throughout the whole farming community at this artificial fall. They cannot understand why their grain, which was worth yesterday, say, 50 cents a bushel for corn, and $1 for wheat, should have suddenly dropped down to 47 cents for one, and 97 cents for the other, while there is no change in the New York or Liverpool quotations. They cannot understand it. This will run along for a few days or weeks, and then there will be another cut down, 3 or 4 or 5 cents per hundred pounds, and down go the prices that the farmers expected to get for their products. About the time the community begins to reconcile itself to these "cuts," some undercutting or competition takes place between the railroads, and they break the "pool," one or two roads, or more, underbid, give shippers rebates secretly, or carry more grain than they pretend to carry in their cars, or charge less than pool rates, and a "war" begins. The first thing you know they are carrying grain to New York from Chicago for 20 cents per hundred pounds instead of 30 or 35 cents. All at once there is a tremendous "boom" in the market. Every man's grain rapidly advances. Then the farmers are all angry because they sold out before the cut in transportation. They have lost 10, 12, or 15 cents per bushel by having sold so soon. Immediately there is tremendous speculation. The merchants, thinking that the railroad war will last for a considerable time, begin purchasing grain, "long" and "short," and on "puts" and "calls," and in all the sorts of ways that they have of gambling in produce, until there are probably hundreds of millions of bushels of grain purchased, on speculation, more than there is in existence. And about the time they think they are going to realize on these fictitious arrangements which the railroads have induced, the

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roads suddenly go back to 35 cents per hundred pounds, and away goes all the profit of these merchants and the hopes of the farmers.

They are doing the same thing in all other kinds of freight—cattle, sheep, swine, coal, lumber, iron, all sorts of general merchandise that go from the West to the East, and from one part of the West to another. There is no steadiness, no system, no fixedness for anything, and the whole country is kept in a tremor of expectancy as to whether prices are going up or going down from this unregulated cause.

### GOVERNMENT REGULATION A DUTY.

In my judgment, the railroads of the United States should not be permitted to exercise any such power as to change values in this country, up and down, at their capricious will and pleasure, or by reason of their quarrels and contentions for more than their share of the freight that is being carried. I hold that it is the duty of the people's legislatures, State and national, to stop it. They have a right to do it. These railroads are common carriers. The highest courts, national and State, as you know, have so decided. They have decided that these railroads are public corporations, exercising *quasi* sovereign powers of state which the people have loaned to them in their charters. They could not exist without it. They could not cross a public highway without borrowing the sovereign power of the state. They could not cross a man's land, take possession of it, or remove his house, or take down his barn without employing the highest power of the state, that of eminent domain. They have the protection of the law in many ways which citizens do not enjoy, and they enjoy certain rights and privileges that citizens do not. Every railroad, to a certain extent, is a monopoly. It has a highway all to itself, and has obtained that by borrowing the highest power of the state—the sovereign functions of the people. Now corporations holding such power as railroads do should not be left to their own free will, unregulated and uncontrolled. It is neither for their good, taking it altogether, nor for that of the people to permit it. I think I am safe in making this assertion: that ours is the only civilized country on the face of the earth where railroad corporations are permitted to exercise, unrestrained and unrestricted, the arbitrary power, without notice and when they please, of putting freights and fares up or down at will, and charging "what the traffic will bear," which is a cut-throat, rascally principle that the public should not tolerate in a corporation of common carriers.

A few of the States have in a small, timid way applied the principle of regulation to the railroads, fixing what is called "maximum rates," which the railroads shall not exceed, and laying down the principle that they shall not charge for carrying a ton of freight a certain distance more than they charge for carrying it a longer distance. A few of our States, I say, have got thus far along in defense of the public good, but that is not enough; it is feebly exercised, and the commissioners who have charge of the enforcement of such laws usually seem to act as though they were the attorneys of the railroads rather than the representatives of the people. I am speaking of my own State as well as some of the neighboring States.

### GOVERNMENT REGULATION OF RAILROADS IN EUROPE.

I say then, as far as I know, and I have made some inquiry, that in no civilized nation of the world is this thing permitted. In all the na-

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tions of Europe the Government exercises a close and strict control and regulation over the freights and fares, and the changing of the rate of freight and fares—England less than any of the continental nations, but vastly more than has ever been attempted in this country. And England is going further in that direction. There is an important bill before parliament now, greatly enlarging the powers of the Board of Trade to control charges on the English railroads, both for passengers and for freights. In France, Germany, Austria, Italy, Russia, Holland, Belgium, and Switzerland, the Governments determine absolutely what shall be charged. And the Governments of some of these countries own all or a part of the railroads, and fix the rates themselves. In some they own a part, and make them act as regulators for the rest. The consequence is, that in those countries the manufacturer, the merchant, and the farmer can tell beforehand, for months, with absolute certainty, the exact cost of transportation of their wares and crops from one given point to another.

It is really necessary for the proper transaction of trade in this country that we should have some such system—that our merchants, manufacturers, and farmers should know, for at least a reasonable period in advance, what the value of their goods will probably be, because every irresponsible change that the railroads arbitrarily make in transportation, changes the value of the property that a man has, beyond his control, and beyond any human foresight or effort.

The price of the farmers' crops is totally at the mercy of these railroad managers. The manufacturer, figuring on his expenses, says "I can pay my workmen certain wages, based on the freights that are now charged," and he suffers loss by these railroad freight changes which increase his cost of transportation, and his business is deranged if not destroyed. He may be obliged to cut down the wages of his workmen; they strike; and a social war ensues, and enormous loss is inflicted. The men themselves lose thousands of dollars rather than submit to a reduction of wages, and the manufacturers will close up their establishments rather than submit to paying wages that will subject them to loss. All these things result from this arbitrary and perpetual changing of freights and fares by the railroads.

### STRIKES—INFLUENCE OF RAILROAD CHARGES IN CREATING THEM.

I attribute a great many of the strikes that have occurred in the United States in the last twenty years, and that are going on now, to the irritation caused by unrestrained railroad charges. You cannot throw a stone through a window without doing some damage, and you cannot capriciously change the value of a man's property without disturbing his calculations. Competition is so severe nowadays in all manufacturing lines of business, not specially protected by patent rights, that capitalists have figured everything down to a cent; they know what to expect for a certain amount of expenditure, and these sudden changes in rates disturb all their calculations. If freights decline, then the manufacturer makes an unlooked-for profit. His workmen instantly discover that, and immediately demand more wages. When he is reluctant to pay more wages, not knowing how long these low freights will last, a strike is inaugurated, and thus, perhaps, the manufacturer is forced to grant an increase of wages so as to divide the reduction in freight with his men, and by the time that is done the railroads put the freights up again, and then the manufacturer is compelled to reduce wages, after which comes either a strike or a lock-out. When we see

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that sixty millions of people are affected and injured every day by this state of affairs, and that we have a National Congress of four hundred men to represent us, and nearly forty legislatures to represent the local interests of the people, why is it that we have not had some political regulation of these evils?

Some shrewd railroad men with whom I have conversed have told me that it would be for the advantage of railroad property in the United States, that it would increase the value of their stocks, if Congress and the State legislatures adopted laws that would stop this everlasting warfare and contention of the railroad companies with each other, and this constant and capricious changing of rates of fare and freight up and down. They are coming to that opinion, and some of them are willing to ask for such legis ation now. But whether they do or not, Congress, it seems to me, has a duty to perform to its constituents, the American people, who provide the freights and pay the fares and furnish the business of the railroads.

### DELINQUENCY OF CONGRESS REGARDING PACIFIC ROADS.

There is another point I wish to call your attention to, and that is, the delinquency of Congress in not regulating especially the charges of the railroads which have been constructed by the money, the credit and the public land of the American people. The fact that these railroads have in effect, been built by the people adds to the outrage, in my mind, very essentially. We have several thousand miles of railroad in the West, reaching from the Missouri River to the Pacific Coast, every mile of which has been paid for by the money of the people of the United States. The stockholders have not furnished a dollar, nothing but chromos, to the building of those railroads. Not only have the companies not furnished a dollar to build them, but the manipulators of these roads have pocketed many millions over and above their cost. The Government subsidy bonds on two or three Pacific railroads (including the first and second mortgages) represent a great many millions more than were expended in the construction of the roads, as the reports of the companies themselves, reluctantly made public, prove, and as the investigations of Congress show, and as the press of the country asserted. The managers of these railroads, in my opinion, never intend to pay either the first or the second mortgage; they intend to fleece the American people and pocket tens of millions of profits by charging "all the traffic will bear" until the bonds fall due and then they will abandon the road to the mortgage-bond holders. The Government will have to pay the first mortgage or lose its lien. They do not even pay the interest on their bonds. An enormous balance of interest is unpaid now, and when Congress insists upon the payment of the interest, they resist by every means of delay and technicality which the legal profession can devise, and they cheat the country out of its due, to the last penny.

### EXCESSIVE CHARGES OF PACIFIC ROADS.

These railroads I refer to, that are so enormously subsidized with public lands, and public money besides, have for fifteen years been charging the American people for travel and transportation of freight twice or thrice as much as other railroads of the United States charge. The subsidized railroads west of the Missouri River are to-day charging twice to three times as much as the railroads east of the Missouri River. They say they have to pay more for fuel, but they have long

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hauls on level roads. I have been over them, and probably you have; and for thousands of miles the tracks are laid on a dead level almost.

Q. Is it not a fact that now they own the fuel themselves?—A. They have owned it for years. I have been in a coal mine on the Union Pacific Railroad, not far east of Ogden Station, where I saw a face of 12 to 14 feet of good coal, and less than 100 feet under the surface of the earth—coal that probably did not cost them a dollar a ton to mine.

Q. Is not that coal very largely located upon the land grants themselves?—A. All of it; every acre of it.

Q. Consequently it costs nothing but the mere work of mining?—A. The mere cost of digging it out of the ground—and a very cheap cost at that.

Q. Do you understand that what is true of the railroads you mention is also true of the northern and southern railroads?—A. Yes; especially of the Northern Pacific; it, too, has found extensive masses of coal on its subsidy lands close to its tracks.

Q. Is it or is it not, then, the fact that with all those long roads west of the Missouri, the Pacific roads, the fuel question is more favorable than it is found to be with any of the other railroads of the United States?—A. I regard the fuel question as furnishing no justification or reason for excessive charges. They are getting their coal, on the whole, more cheaply than the Canadian roads are, and more cheaply than the northern roads of this country; for instance, than the New York Central and Northwestern roads, which are a little outside of the coal fields. They are charging 6 to 10 cents a mile for carrying a passenger, and freight in the same exorbitant proportion.

Q. Will you state whether, aside from the fuel question, there are any other reasons that you know of why the cost of operating these railroads is greater than the cost of operating other railroads.—A. There is no other than that which they allege, as to the truth of which you must judge. They say that the country is sparsely inhabited and they have not a large local trade. That is largely due to their own avarice in preventing people from living on their lines by charging them so excessively that they cannot subsist on the lands. They are holding them too high, and that is another grievance. They refuse to pay taxes to the local communities, under protection of some curious court decisions, which is another grievance, as it causes double taxation on the farms of the settlers. They charge so much that a poor man cannot get to the lands with his family and outfit, and when there he cannot buy them at reasonable price, neither can a mechanic or manufacturer make anything along the lines of those roads, because of the cost of transportation, and that excludes new immigration and new population. In short, they have overreached themselves by their greed. California to-day has a half-million less industrial white population than she would have if the railroad charges to that State, and through the State, were as cheap as they are east of the Mississippi River. If the Northern Pacific Railroad, called the "Villard" road, which is subsidized with as much land as Illinois contains, pursues the same policy of charging high rates and of "pooling" with the Union and Southern and Central Pacific roads, it will have the same evil effect upon population along the territory that that road traverses. It will prevent the flowing in of industrial people and it will keep those who are there impoverished and unhappy.

ABANDONMENT OR SURRENDER OF PACIFIC RAILROAD CHARTERS.

I have been told by some Western railroad men that if the Government passed a law to compel them to carry freights and passengers at the

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ordinary rates which prevail east of the Mississippi they would abandon the roads. I wish the experiment were tried, and that they did abandon them. I would like to see these railroads that have been built by the subsidies of the Government put back into the hands of the people, and let the Government try the experiment either of operating those roads or of putting them into the control of men that would do so, and at rates that would be promotive of the public interest, for the purpose of demonstrating the question whether the Government can economically manage a railroad, and how cheaply such roads can be operated and still pay interest on their *bona fide* cost.

Q. What would you say to a proposition formally made by the Government to the owners of those Pacific railroads to take the railroads, paying the first and second mortgages, and recovering control of the public lands of the United States, and paying any reasonable compensation beyond to the owners for their stock?—A. My answer would depend very much on what that "reasonable compensation" would be for the stock. If you should let the railroad companies fix the value of that stock it would not be a good transaction.

Q. I suppose you say that because they would be asking an unreasonable compensation?—A. Yes.

Q. But the condition of my question was *reasonable* compensation.—A. They would be asking a compensation based upon the profits they have made heretofore on their outrageous charges, and by defaulting on the Government mortgage bonds, and they would figure the stock at vastly more than it is intrinsically worth, as it never cost them, in fact, anything.

Q. You assert the, I think, conceded power of the Government to regulate fares and freights. Mr. Gould asserted it, in fact, the other day, with reference to the charges of the Western Union Telegraph Company, and the principle must apply to railroads if it applies to the telegraph. Now, suppose you take, as the basis of the value of the stock, the income which the reasonable charges that the Government might fix for fares and freights would afford—suppose you make that a basis upon which to calculate the value of the stock, diminished by the incumbrances upon the roads—what then?—A. I would say that if it is an alternative between buying the roads on those terms by the Government, and continuing the present system of unlimited and unrestricted rapacity, and failure on their part even to pay the interest on the second-mortgage bonds, it would be wise for the Government to do it.

### THE QUESTION OF RECOVERING THE NATIONAL DOMAIN.

Q. As having a bearing in that direction, let me ask what importance you would attach to the recovery of the national domain which is now very largely, as you know, absorbed in other ownership, so that the opportunity for homesteads are getting to be very few?—A. I am very much afraid that so far as the public domain is concerned, by the time any bargain could be consummated with the railroads, all the lands, or those of any considerable value, would be disposed of. A great deal of those lands west of the one hundredth meridian of longitude are not of much agricultural value; they are really of little value, except for cattle ranches, unless it be in strips where there is water that can be applied for purposes of artificial irrigation, as I have seen them, in traveling over them. There is very little good arable land now unsold or in hands of private owners, west of the ninety-ninth or one hundredth meridian of longitude. I have observed that some of the witnesses who have

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testified before you have spoken of the enormous quantity of first class farm land still in the possession of the Government that ought to be divided up among the poor. There are no such lands. They do not exist any longer. They are absorbed and taken.

Q. Whom by?—A. By the American people in part, by the railroads and speculators in part, and the rest are comparatively arid, except for the purposes of cattle raising.

Q. Would not that process recover to the Government a large part of those lands that are in the hands of the speculators?—A. They would not surrender them if they have the title to them.

Q. You mean those who have already taken titles from the railroads?—A. Yes. They have already taken titles from the railroads, and have got hold of grants under all the varied United States laws, much of them fraudulently.

BONANZA FARMS.

Q. In that connection, have you any knowledge as to what they call the "bonanza" farms that are being created in this way?—A. Well, that is only a matter of a dozen big farms in Northern Dakota. There are only a few of them. I have been over some of them. The absorption of lands taken up in "bonanza" farms is not worth taking into account when you are talking of the public domain in this connection. A few townships of land in the Red River Valley, up near the Canadian lines are not worth considering. They will only continue until they are wheat-cropped down to a certain number of bushels per acre, and then being unprofitable to the owners, they will cut them up into smaller farms and sell them.

THE INDIAN RESERVATIONS: CHARACTER OF THEIR SOIL.

By Mr. CALL:

Q. You leave out the Indian reservations in your calculations; what of them?—A. I am glad you mentioned them. There are two classes of Indian reservations that I have seen. There is the Indian Territory proper, the eastern one-half of that is good, arable land. The western half or third of that Territory is fit only for grazing purposes, and will not produce any crops reliably without artificial irrigation. In that respect it is precisely like Kansas, north of it, and Texas, south of it, which I have been over. The other greatest Indian reservation, called the Sioux Reservation, on the Missouri and Yellowstone Rivers, is almost entirely embraced in this *quasi* arid portion of the country. There is very little land held by the Sioux, of the tens of millions of acres they hold, that is fit to plow, or would raise grain or food without irrigation. It is good grazing land for cattle, sheep, and horses.

Q. Can you give an idea of the extent of the arable land upon the several Indian reservations?

The WITNESS. Those northern reservations?

Mr. CALL. The whole of them.

A. Well, I will say that in the Southern Indian Territory reservation you might carve out a State nearly as large as the State of Kentucky or the State of Ohio, certainly as large as the State of Indiana, of good land that could be cut up into quarter sections, and that a farmer could comfortably subsist on each quarter by the plow. In the northwestern reservations, where they have a scarcity of rain-fall, it is doubtful how much of the land would do for farming. It is held by some, I know,

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that when the land is broken the rains descend more plentifully, and that crops could be produced without irrigation, but my observation is that there is no certainty whatever of more than one crop in three or in five without irrigation when you get west of the one hundredth line of longitude until you cross the Sierra Nevada range and the Cascade Mountains and get over into the rain slope of the Pacific. Western Oregon and Washington Territory have humid climates, and where the land is suitable for agriculture there is no trouble about raising, in the ordinary way, any kind of crops that the temperature of the climate will permit to grow, provided there is enough rain-fall.

IRRIGATION OF ARID LANDS.

Q. What is the practicability of artificial irrigation?—A. It is costly and limited. If you take a good map of that territory of which I speak, extending a thousand miles east and west and a thousand miles north and south, containing a whole million of square miles, lying on this side of the Sierra Nevada Mountains and west of the 100th parallel of longitude, I would say, from twenty years' observation and conversation with newspaper correspondents, Government officers, cattle men, farmers, traders, prospectors, and every class of people who have been through that country, that over that whole vast area of a million of square miles, embracing one-third of the American republic, if you could irrigate one acre in twenty, by no matter what expenditure of labor and money, you would cover every acre that can ever be reclaimed to cultivation, unless artesian wells produce unlooked for sources of irrigation. I am speaking of irrigation from running streams of water. I have looked at Colorado and Western Kansas, Western Nebraska, and Western Texas, and at Nevada, Wyoming, Utah, Western Dakota, New Mexico, Arizona, and Southern California, and I think that one acre in twenty is all that crops will ever be grown on by any process, natural or artificial. But they will feed millions upon millions of cattle and sheep in that vast area on the natural herbage. The entire grain-growing capabilities of that million square miles of arid plains and mountains are not equal to those of either the States of Illinois or Iowa.

By the CHAIRMAN:

Q. Then the value of that million of square miles is as cattle ranches?—A. Yes, chiefly.

Q. If that is so does it not become very much more important that the Government should control those lands, in order that the water supplies which make them valuable may not be appropriated by individuals?—A. Well, if it is public policy that individuals or companies shall not monopolize water courses, then Government control would be advisable, because individuals and companies are now monopolizing them just as fast as they can, but then somebody must furnish the capital to construct the irrigation canals and dams to hold and distribute the water.

LANDS FRAUDULENTLY OBTAINED.

The CHAIRMAN. It is stated that by obtaining control of a quarter section under our present laws the actual control of immense tracts of land is obtained, and instances have been testified to before the committee of something like thousands and thousands of square miles controlled by the surreptitious or pretended purchase, as a homestead, by capitalists, of a quarter section, or even a section, it may be, involving the water supply—the springs themselves.

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The WITNESS. Yes; that is being done every day, and the land is being fenced in with barb wire fences and defended with shot guns.

Q. Then, that being so, is it not even more important for the Government to repossess itself of the control which it has parted with than if these were agricultural lands?—A. It would be very important if the Government would take some steps of reclamation, and to put a stop to this monopoly process of absorption going on with these irrigable lands.

BONANZA FARMS.

Q. I want to ask you another question about the "bonanza" farms. Your statement is made from personal observation?—A. Yes; I have been over them in harvest time and looked at the crops, and talked with some of the principal proprietors.

Q. And as the result of that you say there is nothing in it?—A. Nothing; only a few townships of land; experimental farms on a large scale in the Red River Valley. When they are exhausted a little more by continual wheat cropping they will cease to be profitable, and will be subdivided into small farms and sold.

ARTESIAN WELLS ON THE PLAINS.

By Mr. CALL:

Q. What do you think of the practicability of getting artesian wells out there on the Plains?—A. There is no reliable answer to be given to that, except by actual boring in many places. Sometimes where they think water can be had they drill down many hundreds of feet and find nothing, and in other places they have to bore down but a few feet and unexpectedly get all the water they want. You can only tell by boring.

Q. There is no general theory that will do, then?—A. Where the contour of the country is favorable it may reasonably be expected that subterranean water can be had. Sometimes it is struck not far down, but will not rise to the surface. In other places it will spout up with force and gush forth. In and around Denver there are scores of fine artesian wells.

Q. You think the experience is not enough to deduce a general principle from?—A. No; not yet.

RAILROAD CHARGES.

By the CHAIRMAN:

Q. You were speaking of the charges on roads west of the Missouri and of their regulation by the Government. Won't you now go on and give us any further views you have with reference to the railroad question?—A. I have nothing further to say except that the present rate of charges and the capricious mode of making and changing them I regard as seriously injurious to the public prosperity. On the roads unrestricted by the State they have the unjust and oppressive habit of charging a greater sum for a shorter distance than for a longer distance—a most vicious principle. You may want to send agricultural implements or furniture, for instance, from some of our western manufactories—from Chicago, Moline, South Bend, Dayton, or Grand Rapids—over one of those roads, and they may charge you once and a half or double as much for carrying a car-load to Cheyenne or Salt Lake City or Denver, than clear to the Pacific coast. There is nothing that people complain of more bitterly, and with good reason, than that sort of outrage—that robber discrimination which is going on on all the roads not restrained by law.

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WATER COMPETITION WITH RAILROADS.

Q. They allege that the water competition between the Atlantic and the Pacific coasts, on many of these heavy articles, compels them, unless they abandon the trade across the continent, to carry at these very low prices. How is it about that view of it?—A. I am aware of that pretext, and, further, I know it is true that if it were not for the competing ocean route they would continue their extortions clear through to the Pacific coast; but if they can carry at a profit for certain price 2,000 miles why should they charge more for carrying the same kind of goods half the way?

The CHAIRMAN. I hope you do not expect me to answer such questions.

The WITNESS. I am only asking you responsively, not argumentatively or expecting an answer.

Q. You assume that they would abandon the San Francisco traffic and the through traffic to the competing points unless they made money on it, do you?—A. Of course; certainly.

Q. Do you mean by that that they would make money if their sole business was between those competing points?—A. They would make some.

Q. Do you think that is clear? May it not be that they make up for losses in that way by overcharges on the intermediate traffic?

PRO RATA CHARGES.

A. I mean to say that if they were to charge between the intermediate points pro rata, or substantially so, on what they charge for the long hauls they would make less profit immediately, but not eventually, because by these excessive way or local charges they discourage and prohibit the development of the resources of the intermediate country. They restrict the raising of cattle and sheep and they do not get half the freight they otherwise would in the mining of minerals, the transportation of lumber, iron, salt, machinery, furniture—every kind of manufacture that a particular neighborhood can produce or may need in the transportation of traders and immigrants. In other words, I regard it as very short-sighted, narrow, and unjust policy for a railroad corporation, especially a subsidized one, to act on the swinish principle of giving the smallest possible and poorest service for the largest amount of money "the traffic will bear." I claim that these corporations are in one sense partners with the National Government, those of them that have national charters and subsides, and with the State government, those that have State charters and special privileges, and *that* means with the people, and they ought not to be permitted to indulge in any extortionate practices, and that it is not the right of a railroad board of directors to squeeze out of a community inordinate prices for services. I hold that it is illegal for them, being common carriers, to do it, and that they should be limited and regulated by law, as is the case in all other civilized nations.

RELATIVE COST OF RAILROAD SERVICE IN EUROPE AND AMERICA.

By Mr. PUGH:

Q. Mr. Fink was a witness before this committee the other day, and he stated that he was a commissioner representing about forty railroads east of the Mississippi, of which five were trunk lines; he knew the tariffs of these roads, and also the tariffs of the roads in Germany,

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France, England, and other European countries, and he said that the tariff rates—the freight and passenger rates—in France, Germany, and England were from 25 to 100 per cent. higher than the rates of the roads that he represented in this country. I thought that was a very remarkable fact, if it be a fact. What do you know about that?—A. I think he is right to a certain extent. Wherever railroad charges are held in check by the competition of waterways their freight tolls are reasonable, and where not thus regulated they are high. Mr. Fink forgot to state that fact; at all events he did not state it, according to your remark. Besides, those are small countries geographically, and the railroads necessarily have short hauls from the manufactories to the ports of export, and the roads, as constructed over there, cost three or four times as much as they actually cost in this country. Every observant American knows that who has traveled upon them. Our roads are mostly single track; theirs double, treble, and quadruple tracks. Their right of way alone costs as much as most American roads.

Mr. PUGH. He stated that the roads there cost nearly double what they cost here.

The WITNESS. Yes; they cost three or four times as much. The English roads have actually cost, notwithstanding their cheap labor and material, as many pounds as the American roads have legitimately and actually cost dollars. It is a common thing in those countries—in England, for instance—for a railroad to have four tracks, and they cross all country roads, as well as other railroads, on viaducts, and go through all the cities on arches, and are finished in a style that we have never attempted in this country. Then, as I have remarked, their hauls are short; they probably will not average a hundred miles where they average five hundred in this country. Mr. Fink has not given credit for long hauls on cheap-built roads. The cars over there are chiefly engaged in standing still, waiting to be loaded and unloaded, and are not traveling more than a small part of the time. With the exception of Russia, there is no nation in Europe that has an area equal to Texas, and some are not larger than Ohio or Illinois.

By the CHAIRMAN:

Q. The European population is over 300,000,000?—A. Yes, and the Western 250,000,000 of them occupy only one-half the space of the United States.

Q. Would not the result of that be that the traffic over such roads as they have must be immensely greater than that over our roads?—A. Yes, as compared with our Western and Southern States.

Q. And ought not their charges, therefore, for that reason to be less, although the original capital invested is much more?—A. The reasons given in Europe by railroad men, on inquiry, for their higher charges than ours is the short hauls and the enormous cost of construction. In the cost of construction there is one item that I imagine Mr. Fink did not mention, and that is, the mere right of way. Obtaining the mere right of way in Western Europe costs more money than the railroads cost here. The usual profit that the governments permit a railroad to make is 4 or 5 or 6 per cent—6 is about the highest; the general average is 4 or 5 per cent. on the actual expenditure of capital in cost of construction.

Q. I suppose that much of this increased charge may be accounted for by reason of the fact that in Europe the Governments supervise and manage it to a considerable extent, while in this country private management and sharp competition produce or give an opportunity for

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a profit on a lower charge to the people. How is that?—A. I should think not; because all the forces of competition are still in play where a European Government does not own the roads. The Government merely fixes the maximum rate and allows a road to charge as much less as it pleases. Therefore rival competition and waterways come into effect as well as Government regulation.

Q. Are both those principles operative in Belgium?—A. In Belgium and Holland the Governments owned about half the roads the last time that I investigated the subject, and fixed their tolls. The private roads are therefore forced to charge not more than the Government roads or lose the traffic. It is the same thing in Italy and Germany. And it was given as a reason for requiring an alternate road, so to speak, that it was meant to compel comparatively low fares and freights in those countries, and prevent the owners of the roads from overcharging the public. And I should also remark in this connection, that great dissatisfaction exists in England, France, Germany, and several other European countries at the high railroad charges, and public agitation is actively at work to force them down, and I notice that some concessions have recently been made and others are expected soon to follow.

COST OF CONSTRUCTION OF RAILROADS.

By Mr. PUGH:

Q. Have you any information that enables you to state the average cost per mile of constructing railroads in this country?—A. Not more than is entirely accessible to the committee. It varies according to where they are located. In hilly States it is comparatively high; in the level sections of the country it is quite low.

Mr. PUGH. Mr. Fink put it at $60,000 per mile.

The WITNESS. For a single track?

Mr. PUGH. Yes; for the construction and equipment of the road—$60,000 per mile.

The WITNESS. As the average cost of the railroads of this country?

Mr. PUGH. The *bona fide* cost; and he said they could not be built for that much now.

The WITNESS. Well, they did not cost that much in the Western country, certainly. It would be nearer $25,000 per mile throughout the West. I mean the actual cash cost, and exclude watered stock and pretended expense. The right of way, as a general thing, cost them little or nothing.

Mr. PUGH. Yes. I have no idea that it would reach $30,000 a mile in the South.

THE POWER OF CONGRESS TO REGULATE RAILROAD CHARGES.

By Mr. CALL:

Q. You consider the question of the right of regulation of rates of fare by the State authority to be settled, do you not?—A. Yes. In the Western States the question is settled affirmatively.

Q. How about the question of the national authority to prescribe rates of fare?—A. I have no doubt at all that Congress, under the constitutional authority to regulate commerce between the States, has ample power to do all that is proper or necessary to prevent extortion and sudden and arbitrary changes of freight and fare charges.

Q. Do you think that that extends to prescribing specific rates of fare?—A. I think it does; at least to the extent of prescribing maximum rates and forbidding unjust discriminations.

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APPLICABLE TO SHIP-CHARGES, ALSO.

Q. Would not that proposition apply equally to goods carried by other public carriers, as ships, for instance, plying between the different States—prescribing the rates of freight and passenger charges which should be charged by them?—A. I think so, yes. I hold that Congress has complete power, if it chooses to exercise it, to regulate the rate of freight between Saint Paul and New Orleans if necessary, to break up an oppressive steamboat monopoly; but competition, as you know, has always been so severe between the boats on the Mississippi River that it has never been necessary for Congress to interfere to protect the shippers. There is no oppressive combination among those boats, and there never can be such as the pool railroads form.

WHENCE THE POWER IS DERIVED.

Q. You derive the power of Congress in that matter, from the power to regulate commerce?—A. Specifically, yes; but also by other provisions of the Constitution, I should say that it is an inherent power of Government.

Q. What other provisions of the Constitution?—A. Well, the very preamble of the Constitution, which sets forth that the Constitution is ordained for the public good, and certainly the public good requires *quasi* political corporations to exercise their powers with reasonable regard for the people's interests, and not abuse them, to the public detriment, as is done every day by the railroad companies.

Q. You consider that Congress has an unlimited power to do what it thinks best for the public good?—A. I think so, in a general way. If not, we ought to amend our Constitution. The people should not be left helpless to protect themselves against corporation rapacity.

By the CHAIRMAN:

Q. Would you not make a distinction between the exercise of the business of a common carrier on a natural waterway, like the Mississippi, and the exercise of the same business upon a railroad where the franchise is obtained in the first instance by a public grant?—A. No; not to the extent of denying the power of regulating charges on waterways belonging to the national Government.

THE PRINCIPLE OF GOVERNMENTAL RESTRAINT ON CHARGES GENERALLY.

Q. Then, if there is no such distinction as that, and you claim that Congress may regulate fares and freights on a steamboat owned by a private individual plying on a national waterway, because, and simply because, he is a common carrier and dependent upon the public for his patronage, would not the proper extension of that principle involve you in this: that Congress might regulate the charges of an innkeeper, and so prescribe the amount of hotel bills?—A. The local municipalities may do that now. I believe the common law recognizes that principle.

But to reply to your question more satisfactorily to myself: When I answered Senator Call's question affirmatively, I was supposing a case that would justify Congress in exercising such control over steamboats; it was that of complete combination of all the steamboats traversing the Mississippi River and branches, which belong to the Federal Government, forming a joint "pool," as the railroads do, and making an oppressive monopoly on the national water courses—keeping out and suppressing competition and taking advantage of that combination to



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overcharge the people. That was what I had in my mind. Then, I say, it would be the duty of Congress to step in and protect the people on so much of the river as is national, or interstate, and regulate or fix some limit to the charges; and on the water courses that were not national it is the right of the State to do it, where that species of robbery may be carried on. Again, in answer to your question, Mr. Chairman, if all the hotels and inns of the cities of New York, Chicago, Memphis, or New Orleans, for example, should combine to rob the wayfaring man by extortion, I think it would be the duty, and I believe the common law will give the power (at least with legislative aid), to the local corporation to stop it—the same as the municipal corporations may now prevent overcharges by hack-drivers and omnibuses and draymen, and as they should do everywhere.

RELATIONS OF NATIONAL TO STATE REGULATION.

Q. It is the common law power to punish conspiracies against the public good?—A. Yes. "The greatest good of the greatest number" is, after all, a pretty safe rule to apply to those matters.

Q. There is one question I would like to ask you touching the railroads. The power is asserted in Congress to regulate fares and freights upon interstate railroads, that is, upon interstate commerce. Now is not interstate commerce and commerce within a single State, in railroad transportation, so intermixed that in regulating one you necessarily will regulate the other? For instance, interstate commerce is the long haul, commerce within the State is the short haul. Thus arises the difference between the long-distance traffic and the local traffic, interstate and State traffic. Is it possible for Congress to lay its hand upon the one without affecting the other, so that if it does regulate one it must regulate both?—A. Well, all that would have to be regulated by a national board of commissioners, whose duty it would be to carry the national law into force. I can conceive of cases where the exercise of the interstate charges might have the effect of reducing the charges allowed in the State; but I think, as a rule, that it would not act in that way. It would certainly not be any damage to the public if national control did incidentally reduce railroad charges in the States occasionally. I do not think there is any more danger of conflict in that regard between the State and national jurisdictions on many other questions.

Q. That may all be as you say. But does not the power to regulate interstate commerce necessarily involve the power and impose the duty of regulating it with reference to that remaining commerce over the same road, within a single State?—A. In some cases it may have that effect, like the interference of Congress with State bankruptcy laws. There might be overlapping, so to speak, which cannot be helped; but a wise exercise of discretion in the performance of the functions of the national railroad commission would avoid most of it. At any rate, the benefits to the public will so enormously overcome the infringements, that the difficulties in the way are not worth talking about. Congress should do what is best for the interests of the great mass of the people.

Q. You think that where there is a will there is a way?—A. Yes. The obstacles are mostly imaginary when brought to the test.

THE COURTS AND THE RAILROADS.

By Mr. PUGH:

Q. This question of power is purely a judicial question, to be settled by the courts, is it not?—A. In the last resort, yes.

Q. The weight of the legal decisions is, that it is in the power of Con-

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gress to fix rates of railroad charges upon roads running between two or more States?—A. Yes; and in the Territories. Our national Supreme Court and our State supreme courts are growing up in their decisions to recognize the interests and necessities of the American people.

By Mr. CALL:

Q. That is a very latitudinous rule of construction, though, that the courts shall grow up in proportion to the interests and necessities of the people.—A. That is what the courts are for. They are to do justice and equity, and protect the rights of the people.

Q. Would you have your courts established on that foundation, that, instead of looking to the legislature, they shall construe the law and the powers of government to be according to the development of the necessities of the people? You have not any use for constitutional amendments in such case.—A. These very tendencies in decisions of the courts to which I refer, have avoided the necessity of a great deal of constitutional amendment which it might be very difficult to obtain in the face of selfish and combined corporation opposition.

Q. Do you approve that practice of the courts amending the Constitution and the laws?—A. There is a large latitude of discretion between what is called a liberal construction and a narrow technical construction, and the courts are supposed to work within these two lines; sometimes leaning towards one side of the center and sometimes towards the other. All lawyers know that as well as all judges. What I mean to say is that, the tendency of the decisions of the courts for a number of years past is to such a construction of the laws as will promote the good of the people rather than the greed of selfish corporations. In Webster's time the courts swung strongly to the side of "vested right" and monopoly. Now they are swinging away from that, and I am glad of it, because if they did otherwise the people would have to make some radical changes in self-protection by giving them a very different law or constitution to construe.

### COURTS AND CONGRESSES THE SERVANTS OF THE PEOPLE.

The people own their government. Their courts are only their aids and arbiters, and Congresses and Presidents are only their agents and committees, and when the machinery they have set up does not work well, it is their right to amend or change it to suit them better.

Q. Is that the place to do it, though—in the courts—without the action of the people?—A. When the courts do it within the reasonable limits of law, they are carrying out the wishes as well as promoting the interests of the people.

Mr. CALL. I did not mean to controvert your opinions upon the wisdom of such legislation as was necessary. The suggestion that you made was that the courts would grow with the necessities of the people.

The WITNESS. They are doing so in the way I have mentioned, and the truth is, if you will turn over the last half-quarter of a century of American history, you will find that about half our laws are, in effect, court-made, and the other half statutory.

Mr. CALL. There is no doubt about that. The question is whether the courts might not some time make a law that the people would not want.

The WITNESS. Then we have the legislative machinery to correct it.

Mr. CALL. According to the present theory of government, the courts

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do not acknowledge the power of the legislative machinery to repeal their decisions.

The WITNESS. But the legislature can repeal the law which supports the objectionable decisions.

Mr. CALL. They can repeal the law, but they cannot repeal the decisions of the courts.

The WITNESS. Oh, yes, in effect; the legislature does that constantly. When there is a decision of a court that is not in harmony with public sentiment, the legislature at once repeals or amends the law so that it can no longer support the decision, and the decision then becomes null and void.

Mr. CALL. You know our courts have what they call vested rights, which cover a very large ground.

The WITNESS. I was remarking a moment ago that I was glad to see that they were coming down a little from their old high-horse notions of "vested rights," and were becoming more democratic and conservative of popular interests.

Q. You think that is so?—A. Yes.

Q. What decisions do you refer to?—A. To several decisions; the general tenor of the decisions.

Mr. CALL. But I mean the Supreme Court.

THE GRANGER CASES.

The WITNESS. I would instance the Granger railroad cases and the affirmed right to build public and railroad bridges across navigable streams, though they may obstruct navigation to a certain extent.

Q. Did they decide anything more in the Granger cases than that the authority of the State over charters granted by the State was complete and had not been parted with—that the sovereign authority of the State to control its own creature, the charter, in those respects remained?—A. Well, that was a great advance on the doctrine previously held; when a court has decided that one legislature has no power to cede away a sovereign right of the people or tie up the next one, they have in effect or in fact upset the vested rights which enroach on the public good.

Q. Was not that always the doctrine of the courts until a few years ago?—A. I do not think I have been able to find it in any of the books until a few years ago.

Mr. CALL. Oh, yes; I think there is no doubt but that that was the unvarying course of decisions.

The WITNESS. Then why did the attorneys for the railroad corporations make such a bitter fight on the law and plead vested rights if that had always been the law?

Mr. CALL. The point had never risen on the subject of railroads until it arose in the Granger cases.

The WITNESS. Well, at all events, their decisions are in the right direction, as I view them. Fifty years ago they would have decided against the Grangers.

By Mr. PUGH:

Q. What you say here is not apt to influence their decisions in the future, I suppose?—A. No; except that they are public servants and are subject to the influences of their environments as other men are. I think the American courts never forget—they ought not to forget certainly—that they are a part of the American Government and established by the people to conserve the popular good.

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Mr. PUGH. I made that remark for the purpose of not impairing the value of your testimony by going into the discussion of those unsettled questions.

The WITNESS. I should be very sorry to think that what I have said would have any deleterious effect on the decisions of the courts. If you apprehend that it will have that tendency, let your reporter strike it all out.

Mr. CALL. No; I think your opinions are valuable; but it is well to ascertain definitely and precisely the extent to which you wish them to go.

HOW LAWS SHOULD BE CONSTRUED.

By the CHAIRMAN:

Q. I understand you to say that you consider the courts would decide within the law as it is?—A. Yes.

Q. And where it is uncertain what the law is the courts are now inclined to give that interpretation of the law which is most consistent with public good?—A. That is my observation.

Q. Not that they make law, but that they enunciate the law liberally?—A. They construe it liberally and in behalf of the people's rights and interests.

Mr. CALL. He has just stated that one-half of the law of the last fifty years has been made by the courts.

The CHAIRMAN. Defined by the courts, he meant.

By Mr. PUGH:

Q. You want us to go as far as we can under the Constitution?—A. I do, in the interests of the people. I want you to be liberal in the interests of the people.

Mr. PUGH. It is an old interpretation, that the preamble of the Constitution is not a source of power to Congress, but a mere definition of what the express and implied grants are.

The WITNESS. It is a good guide.

The CHAIRMAN. It is the lamp, or light, by which the whole Constitution is to be construed.

The WITNESS. Yes; the preamble, in my judgment, is in the nature of a compendium to what comes after, intended in a comprehensive way of stating what is said in detail in the body of the instrument.

By Mr. CALL:

Q. What office do you assign, in your theory, to the limitations of power contained in the Constitution?—A. Well, I have answered the question, not directly, but in substance, by saying that the powers given to Congress by the Constitution should be liberally construed in the direction of the public welfare—whatever will promote the general good of the American people and curb the rapacity of monopoly.

Q. Will any liberal construction avoid the effect of an absolute limitation?—A. Not where there is a plain absolute limitation, like a wall that you cannot get around nor over; but I would not go about imagining I felt a wall that did not exist and say, "We cannot cross that line."

Q. You would not deny that it was there, however, if it was there, and you saw it.—A. No; I would respect it.

THE TELEGRAPH IN AMERICA.

The CHAIRMAN. I would like to have your views with regard to the telegraph system of the country.

The WITNESS. In what respect?

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The CHAIRMAN. In this respect, whether you consider that there is any abuse that the people suffer under from overcharges or through discrimination as between individuals or associations, or different sections of the public, evils that the general public suffer from in the exercise of power by telegraph companies over the intelligence, and the transmission of intelligence, of this country.

The WITNESS. You ask with reference to Congressional remedy?

The CHAIRMAN. With reference to actual fact, and whether the remedy is in the State or in the nation.

The WITNESS. Like the railroad system, its rates have been subject to the same constant change arbitrarily and suddenly, and up and down without any logical reason or necessity that I have been able to comprehend; and there are possibilities of abuse that are very serious in the telegraph monopoly. I am willing to concede that the tendency, as a whole, has been to lower rates, but less so since stock-watering has been practiced so immensely. The reductions have been in consequence of competition to some extent, and to duplex and quadruplex, and other improved methods of telegraphing which have enormously cheapened the process, and the immense increase of business that has thrown into the hands of the telegraph companies so much money that they could not, in very shame, keep the rates up. Their profits are still so immense on the actual investment, partially concealed by watered stock, that they could not give the people any decent reason for charging so much. So they have been lowering the rates a little, and they have found that as they reduced them they recouped themselves by an increased business, so that they have not lost anything by it. That is a well-known principle, that consumption increases in proportion to the reduction of cost.

### THE TELEGRAPH IN ENGLAND.

The English Government, when it bought up the telegraph companies' wires some years ago, made a uniform price of a shilling for twenty words all over the United Kingdom. That was a great reform, and it pleased the English people wonderfully, and it paid the Government notwithstanding that the Government was shamefully cheated in the purchase. They paid for the property twice as much as it was expected to cost. They paid $48,000,000 for a plant which they thought they were getting for half the money, for reasons not necessary to name now. But the Government cut down the rates to a shilling a message for all distances, and now it is about to reduce the rate to a sixpence or 12 cents in American currency for 20 words for all distances.

### IN BELGIUM, FRANCE, AND GERMANY.

In Belgium they only charge 10 cents (half a franc) for a message of twenty words. In France they charge about the English price, and in Germany somewhat less. But all the telegraph lines are in Government control. There are no private telegraph companies that I know of in Europe. The whole telegraph system is in the hands of the post-office departments there, and they make the rates uniform. One great objection to the American system is, that there are so many rates that nobody can ever tell what a message will cost from one city to another. There is a certain rate to one town and a higher rate to another town of less distance, although I see a tendency lately to divide the country up into districts which will permit some uniformity of rate. At present it is a great and absurd nuisance, these multitudinous rates.

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## POSTAL TELEGRAPHY: OBJECTIONS TO PURCHASING WESTERN UNION LINES.

I am decidedly in favor of the national Government establishing a system of telegraph wires in connection with the Post-Office Department, without any interference with private wires. I should oppose the purchase of a mile of private wire. You could not enter upon that without suffering the English experience, probably in magnified form. You could not buy out the present watered plant of the Western Union Company by arbitration or condemnation proceedings without being cheated one-half, without paying a price out of all proportion to the real value of the property. The owners would insist on a price representing the profits their monopoly can squeeze out of the public, irrespective of what it would cost to duplicate their plant. And there would be raised a cry against Government monopoly. But if the Government proceeded to establish its own system of wires, in connection with the Post-Office, fixing its own price for the transmission of news at a moderate rate, not at an inordinately low price, but at a fair compensation for services rendered, you would then accomplish two things. You would furnish to the American people a certainty of cheap and uniform service at steady tolls, and you would constrain the private companies to charge no more than the Government rates. They could not overcharge without losing their business. That would give everybody a choice between two systems and sets of lines—those who would distrust the faithfulness or secretiveness of postal officers would go to the private companies. and if the Government wires were overcrowded they could go to the private offices with their messages. In my judgment there would be business enough for both systems. This country is growing very fast, particularly in the use of electricity.

### NECESSITY OF A GOVERNMENT TELEGRAPH.

Then again the Government itself would have great use for the wires for its own business. At present the Government can only use the wires to the extent that Congress votes appropriations for the different branches of the service, and that is but a very limited amount. Now, in a country like ours, with thousands of miles of territory, the Washington Government cannot correspond with its officials all over the country by mail as quickly as it ought to. It cannot communicate with San Francisco by mail and get an answer in less than a fortnight or more. It cannot communicate with New Orleans or Saint Paul and receive a reply in less than a week, or with Chicago, Cincinnati, or Saint Louis in less than four or five days by mail. By telegraph, of course, it is always a matter of mere minutes, or, at most, instead of days, of hours. The use, then, of the wires for the fiscal business of the American Government would be of great value, and in using its own wires it would be at the lowest possible cost to the Government.

### EFFECT OF A GOVERNMENT TELEGRAPH ON STRIKES.

In the next place, I think the danger you have seen lately of an operative combination and strike would be averted. The next strike made by the employés of the telegraph company will be of the most formidable and injurious character. Those young men in the telegraph business will profit by their late failure, and the next time they "strike" they will derange the business of this country, both by rail and wire,

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beyond endurance. They will be prepared next time to stand out unitedly until, after a long and destructive warfare, the companies will succumb to their terms. And having secured control of the companies they may then proceed to devour them, as the companies would like to devour the community, if they could. You cannot tell how far they would go. If outside men are allowed to dictate to you in your business you do not know where they will stop short of your utter destruction. If the Government had a system of wires of its own running in connection with the Post-Office Department throughout the United States its employés would be Federal officers, and they would be paid fair salaries. The Federal Government, as a rule, pays its employés liberally, and does not overwork them, and everybody likes to work for the Federal as well as for the State governments. It is an "office" which has some dignity to it, and it is very attractive to men's minds.

The young men who would seek the places of operators under the postal system would, of course, keep their places during good behavior. You cannot very well turn a man out of such service on the ground of his politics. He must be appointed as an expert, and retained, under the civil service rules, on account of his skill and capacity.

Again, Congress fixes the salaries, and it does that only once a year, so it would be useless for the operators to make a combination against a postmaster for an increase of pay because he could say: "I have not got any authority to raise your pay. You will have to wait until Congress meets, and you must present your claim there, and if Congress finds that you are not receiving sufficient compensation it will give you more." The result would be, that there would be no strike, or any serious attempt at it, if a telegraph system were in the possession of the Government. If the employés of the post-office or telegraph system should enter into a strike conspiracy throughout the United States, knowing these facts, I would apply the conspiracy laws to them, and clap them in jail, and try them for conspiring against the Government and the public good. But a strike of that kind would not happen once in a hundred years. The telegraphers are intelligent men, and they would be no more likely to strike than the clerks in the Treasury or custom-houses, or Post-Office Department, or the Army officers. Office-holders don't resign *en masse*. The postal telegraph system would stop strikes of the operators of the private companies, because, if the Federal operators kept right along at their instruments, as they would, what would be the use of a strike against the private companies, as the business would immediately flow right on to the Government wires.

### ITS EFFECT IN RAISING WAGES OF ALL OPERATORS.

On the other hand, if the Government would fix a fair price for its men, as it always does, the private companies would have to pay substantially the same price to their employés, as they would not work for much less. There would be a standard fixed of the same pay for the same service and the same capacity, so that much of the labor problem would be settled. The Government would have as many wires as Congress and the American people would desire. I do not think we would have any more than are needed, or that the private companies would have more than they should need. The only thing that would be stopped would be the building of parallel lines for blackmailing purposes, to be sold to the existing companies. That would probably stop. The speculating class of hawks that get together and lay out parallel lines, and tell the people they are going to reduce the rates of telegraphing, and that they

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will give greater facilities, and will never sell out, or pool with other companies, are frauds; they construct lines for the express purpose of selling them to the existing monopoly at big profit. That is the only purpose they have in view, and that purpose will be materially interfered with by this plan of a postal telegraph.

WAGES IN NEWSPAPER OFFICES.

By the CHAIRMAN:

Q. I want to ask you some questions about local compensation to laboring people in Chicago and vicinity. I believe you have been connected with newspaper work a good many years?—A. Yes.

Q. Will you please give us an idea of the compensation paid to reporters and gatherers of news? I do not speak of proprietors, but the men who work for wages or fixed compensation, whether by the piece or otherwise, so that we may have a comparison between the compensation of that class of men in Chicago and in this city. We have testimony already as to that matter in this city.—A. We pay for typesetting on a morning paper in Chicago 42 cents per thousand ems; for book-work the same; on an evening paper, 37 cents per thousand ems. We pay the foremen from $36 a week to $24, according to the responsibility of their work.

We pay our pressmen in the principal offices of the city about $30 to $40 a week, according to their position. On the afternoon papers, where the work is lighter, the pay is somewhat less. Stereotypers are paid perhaps a little higher in most of the offices of the city, and their assistants in due proportion, if they are men, and of course less if they are boys learning the trade. We pay our clerks $20 to $50 a week, according to the position they hold. We pay our reporters from $20 to $50. A general average for fair men, I might say, would be $30 to $35. Young men beginning to try their hands as reporters are not paid so much. "Short-hand" men are paid better than "long-hand" men, because that requires additional skill. They get $5 or $10 more per week. Proof-readers possibly average $30 a week—the best ones as high as $36 or $40 a week. Our compositors—those who set type, working six to seven hours of a night, for, say, six nights in a week, expect to make $3.50 to $5 a day, according to their skill—$24 to $30 a week is about what a fair compositor would earn on a morning paper; on an afternoon paper something less. The printing profession is paid rather higher than any other trade, because it is supposed to require a higher order of intelligence than other mechanical occupations. The man has not only to be a mechanic, but he has to have some educated thinking power.

Q. Speaking of pay by the week and for regular periods, let me ask do you have a class of newspaper men in Chicago whose pay depends upon the acceptance of what they produce, and who get paid according to the length of the article?—A. Well, to a limited extent. We have never introduced that piece-work system much in Chicago. We have, however, a few men who do not hold regular situations, but when there is extra work they are called on and are paid for that work either by the quantity or by the day. Our general rule in Chicago is to pay men by the week for reporting—a fixed sum of money.

HOURS OF LABOR IN NEWSPAPER OFFICES.

Q. How about the hours of labor in the newspaper work?—A. On morning papers reporters are expected to come on about noon, or earlier

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when necessary, and to stay until their branch of work is disposed of. The commercial reporters have to begin early, but they get off early; with marine reporters it is the same; with law reporters the same. Every class of business that is transacted during the day is generally written up during the day, but reporting that runs into night work, such as public meetings, council meetings, conventions, and the happenings about the city in the night, those reporters do not get off until late. We have reporters who remain in the office past midnight, and of course they commence later in the day.

Q. Can you give us some idea of the number of men who are employed upon some of the leading newspaper establishments?

The WITNESS. In what capacity?

The CHAIRMAN. I mean in doing the ordinary work of the paper—not the editorial writing, but the common work that goes to the make-up of the paper from day to day.—A. The Tribune has about thirty reporters. The Chicago Times has perhaps as many; the other papers have less. I think none of the papers have less than ten or twelve. The Chicago Tribune has on its pay-rolls a list of perhaps two hundred and fifty men as compositors, proof-readers, pressmen, stereotypers, clerks, reporters, &c.

Q. In different parts of the country?—A. No; in the city of Chicago. The other papers have fewer. This does not include, of course, such occupations as paper-makers or distributors, or carriers, or correspondents, but only men that work directly on the paper.

The CHAIRMAN. You were going on to speak of the pay of tradesmen and clerks.

### WAGES OF CLERKS.

The WITNESS. Well, the clerks are the lowest-paid people in our city. Their wages are very low. There is an enormous surplus of them, and they have cut each other's compensation to pieces. Many work really for starvation wages; that is, store clerks do.

Q. Why do they do that? Why do they not go about something else?—A. The principal reason is, they have not any other occupation. They have learned no other trade—I mean they have learned no mechanical trade. They are farmers' sons and mechanics' sons and small shop-keepers' sons, and the sons of professional men, that have picked up a little smattering of education in our schools and academies, and have never learned any manual labor and do not want to go back to farming (if they are farmers' sons)—it is at least very difficult to get them to do it. And at any rate the man that is not raised on a farm cannot do well on a farm. A town-raised person would almost as lief stay in the penitentiary as to work on a farm. Farm labor is hard work and poor pay, and is a sort of *quasi* solitude. These young, half-educated farmers and villagers flow into the cities and stay there and take the first genteel employment they can get, at any wages offered them, if it is barely enough to pay their board and washing, and to keep them in clothes.

### NECESSITY FOR TECHNICAL TRAINING.

Q. For that state of things what remedy occurs to you?—A. Well, I tried briefly to state it in my opening remarks before the committee this morning. The most practicable remedy that I have been able to think of is the industrial school system—to teach trades to boys that are growing up—which would take the pressure off of these lighter avocations

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called the "genteel employments," and put these young men into productive industries.

Q. But so far as the farmers' sons are concerned, and that seems to be the most numerous class, they already have the farmer's trade and will not work at it?—A. Very well, they would learn other trades if they preferred them. At present, if a farmer's son leaves home, there is nothing for him to turn his attention to unless something like clerking. What can he do? He does not know any trade.

Q. Do you think that the difficulty is other than that the trade involves manual labor and he wants to escape manual labor?—A. Yes, there are other complexities in the problem.

### TRADES UNIONS.

Our trades unions, composed chiefly of foreigners, are almost universally hostile to American boys learning trades—any boys outside of their own. Of the present American mechanics, the enormous majority of them are of foreign birth, and they prefer, when there is a vacancy, to send for a brother or cousin or chum of their own in the old country if a mechanic; and so they secure places for them and limit the places which might be had by Americans, and in that way they keep the Americans out.

### OBJECTION TO APPRENTICES.

Another trouble is, that the "bosses," as they are called, the proprietors, do not like to be bothered with apprentice boys, and do not want to give up the time of their foreman to teach these boys. They prefer importing ready-made mechanics from Europe. They prefer to have men that already know the trade than to be troubled with teaching boys for three or four years the art they are working at; so that between the disinclination of the proprietors to incur the trouble of instructing boys and the hostility of the trades unions to Americans getting into the trades, our boys are squeezed out. Then there is a vicious idea taught in families among the American people, that it is not quite respectable to follow any vocation that soils the fingers or the shirt cuffs, and the mothers as well as the fathers like to have their sons go into what are called "genteel employments," even if they are beggarly paid. The dignity of labor is not held up at all, and mechanism is not held in the respect that it ought to be in this country. For my part, I look upon the mechanic as being about the best man to be found—next to the farmer. I regard the farmer as the first.

Q. Where were you born?—A. In the territory of New Brunswick, on the Saint John's River, a little east of Maine, and emigrated from there to Ohio some 52 years ago. I was born a farmer's son there, and continued to be a farmer until manhood, when I drifted out of farming into town, as millions of other young men have done.

### INDUSTRIAL SCHOOLS.

No, our American boys have no chance at present to acquire the manual arts, and it is the duty of the State governments, if not of the Federal Government, to assist in the institution of industrial schools, where mechanism will be taught, and where natural philosophy, electricity, mineralogy, and chemistry will be taught practically.

There is altogether too much time wasted on Greek and Latin and higher mathematics in the schools, and not enough time devoted to art,

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applied science, and practical chemistry. We ought to have more laboratories, polytechnic institutions, and manual schools. There is hardly a place in the United States to-day where I could send a son to learn a trade, except to force him into some shop where the boss does not want him, and where he would be unwelcome to the trades union, and where he would be kicked and cuffed about pretty roughly, and to get rid of him they would try to break him down and discourage him by all sorts of tricks and meanness.

### THE FRONTIER FARMERS: THEIR CONDITIONS OF LIFE.

Q. Have you knowledge of the actual condition of the farming population in the frontier States like Minnesota and the eastern portion of the Territory of Dakota, and in Kansas and Nebraska, where the farmers are upon the frontier?—A. I have a general idea.

Q. I do not mean those in contact with the cities, but those who are out.—A. Yes; I have a pretty general idea.

Q. What is their real condition?—A. One of very hard struggle for a number of years—just as hard work as it is possible for the human mind and body to endure, unless they are well supplied with money when they go out. Any man who will go out to these frontier settlements with such limited amounts of money as they generally have who go there will encounter a hard struggle until he gets his house built, his fences and his stables up, has broken land and raised crops, and has some comforts about him. In the winter it is very cold, and the frost sets in early and lasts late. He is very apt to be destitute of sufficient fuel; there is very little coal in that frontier country, and no wood. Coal has to be imported at great cost, and he has to lay in enough to last him some time, or else in the winter he will be short and his family will be in a condition bordering on freezing. Sometimes the winter is so severe that the streams freeze up and the cattle perish. All that frontier farming is a desperate business for poor men for a number of years. If a man has plenty of money and can put up a warm house right away for his family and get some comforts about him that takes the edge off the difficulty, of course. But the crops are uncertain at first, and he may lose a crop or two and so be nearly ruined. But those who hang on and stick to it become, eventually, independent.

### THE HARDEST OF ALL TRADES TO LEARN—FARMING.

Q. Then really it is not much use to tell the surplus population of our cities to "go West"—since they have nothing to go with?—A. It is an absurd remedy. They won't go West. They won't go on land. I understand from the reports in the newspapers that some people have testified before this committee that it is a solution of the labor question to send town's people onto farms. That is a totally impracticable solution. You will have to find some other one. Men raised in the city rarely succeed on a farm. It takes an apprenticeship to make a farmer. One must commence it when a boy, and spend 15 or 20 years of his youth on his father's farm to learn the whole art and mystery of agriculture. It is the hardest art of all to learn thoroughly and to know all about crops, soils, seasons, live stock, drainage, manures, seed, breeds, markets, diseases of animals, fruit-growing, butter-making, poultry-raising—everything necessary to learn.

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By Mr. CALL:

Q. Does a man need to be a farmer in order to work on a farm?—A. Well, he won't work to much advantage otherwise. He will make a poor plowman or planter, and is not good in getting crops in or taking them out.

Q. How long will it take a city man to learn to plow?—A. Longer than you could get him to stay on a farm. He leaves before he arrives at that knowledge.

Q. But supposing he staid?—A. Well, I should say that perhaps in a season, if he had a practical farmer to instruct him; but merely learning to plow is but a very small part of the agricultural art.

Q. He would make a pretty good plowman then, would he not?—A. Fair.

Q. And earn a good living?—A. A very poor living. He would have much else to learn to earn wages. Farmers only pay half as much as workmen are paid in town.

Q. Taking his board into consideration are not the wages paid pretty fair?—A. No, sir; the general rate is $12 to $16 a month.

Q. And board?—A. And board—but I don't know of any mechanic in a city, and I think there are none here—able-bodied men—who for double $12 or $16 a month and board would put in the hours of hard toil that farm hands are required to labor.

Q. You think the average amount of wages, then, amount to board and more than $12 to $16 a month for the mechanic in the towns?—A. I certainly do, as that is only 50 cents a day and "found."

Q. How about the man who cannot get employment as a mechanic, though; would he not do pretty well to get board and $16 a month on a farm?—A. Yes, but he won't work on a farm, preferring to tramp or starve.

Q. I have no doubt you are right about his unwillingness to labor as a farm hand.

## THE WESTERN FARMERS INDEPENDENT.

What is the general condition of the farmer in the Northern and Western States?—A. Outside of the fringe of pioneer country, fairly prosperous, and many of them quite so, that is, prosperous from their standpoint.

Q. Comfortable and contented as a whole?—A. Yes, and independent

Q. Are they generally in debt and their places mortgaged?—A. No, sir; that is an exception.

Q. They are independent, then?—A. They are quite independent and getting to be well off.

Q. And satisfied?—A. As far as men are apt to be, yes. I think they are the most contented portion of the community. Since you have asked me that question, I will say in addition, and it may not surprise you because you have been living in a farming community, that I have been watching our calendars of crime and the social and domestic "unpleasantnesses" that are reported in the courts, and I think it would be within the limits of truth to say that nine-tenths of the divorces of the United States are in towns, and nine-tenths of the intemperance is in towns, and nine-tenths of the crimes, nine-tenths of the violation of law, and nine-tenths of the inmates of reformatories and penitentiaries are all in and from the towns, although half the population live in the country.

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Mr. CALL. No doubt you are right about that. The country people are the contented and independent portion of our population.

The WITNESS. Yes; farmers do not make as a rule more than small profits, but they work away steadily and make a fair living and raise their families virtuously and religiously and clothe them decently and feed them well, and educate them fairly. They are generally religious people; have very few *isms* in their heads, and each year, if their crops and the prices received for them are at all fair they make a little something to improve their holdings or lay by for a rainy day.

Q. And that something is all clear?—A. Yes; they are the backbone of the Republic, and have been in the past as well as in the present, and will be in the future.

Mr. CALL. I agree with every word of that.

By the CHAIRMAN:

Q. Have you in your mind any legislation, either State or national, that you think should be enacted for the benefit of that class?—A. Only the legislation that is named in the early part of this testimony—that which would prevent the railroad carriers of the country from capriciously, constantly, and unexpectedly changing their freight schedules and thereby the prices of the farmer's products. Give freights a little more stability, so that farmers will know what they are going to get for what they have, and forbid the railroads to charge more for a short haul than for a longer one. I think they are more injured, and feel more dissatisfied with these continual and unjust discriminations and ups and downs of railroad prices than anybody else; they are the class who have complained most bitterly of railroad extortions and discriminations, and have, in fact, given their own name to the decisions of the courts on that subject—for those decisions are called the "Granger" cases. It is the farmers that have revolutionized public opinion and law on that subject. It is the chief grievance the farmers talk about. Of course, they have their notions of the tariff and taxation like other men, and I think that, as a whole, they do not believe that the higher the tariff is the better for them—except on wool—by those who raise sheep.

RELATIONS OF DISTRUST BETWEEN LABORERS AND EMPLOYERS.

Q. We are required to inquire into the relations between labor and capital, and we have construed that as implying that we should try to learn something of the personal feelings that exist between laborers, as a body, and the employing class, and have taken some testimony in that direction. Now, as you have observed it, what attitude or feeling do you think these two classes occupy with reference to each other?—A. Well, I suppose a feeling generally of distrust and dissatisfaction. They are not amicable, as a general thing.

Q. Is that feeling that you refer to on the increase or decrease in this country?—A. I think it is on the increase steadily.

Q. Do you think it of a character sufficiently serious to occasion any alarm or require attention?—A. Well, it is a serious question. Yes, sir; it is a growing dissatisfaction. The trades unions of this country are feeling more and more dissatisfied with their position, and they are developing more of what might be called a communistic feeling—a tendency or desire to resort to what may be called revolutionary and chaotic methods of rectifying things. They are not satisfied with their division of the profits of business, and they look at the enormous and sudden acquirement of fortunes by a few speculators with feelings of dissatisfaction and anger. I think that expression is not too strong.

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PUBLIC UTILITY OF THIS INVESTIGATION.

By Mr. PUGH:

Q. I would like to get your judgment as to the public value—and by that I mean the value to the public—of the work which this committee is authorized to do under the resolution which you have read.—A. I do not know, until I see your report, and see what you propose.

Q. Do you think that the thing to come out of this work will be of any value to the country?—A. Well, you are the gentlemen whose duty it is to make a report that will cover all the practical grounds. I think you are able, after hearing so much testimony, to tell Congress and the country how far legislation can better the condition of those complaining classes, without doing more harm than good.

Q. Have you noticed the character of the testimony that we have been taking here?—A. Yes; I have been watching it pretty carefully as far as I have seen it reported in the press.

Mr. PUGH. It is very imperfectly reported in the newspapers, and you cannot get much idea of it from those reports.

The WITNESS. I have read all that has been printed in the New York papers and telegraphed West.

Q. You think, then, that it may be made of some use in solving this problem of directing public opinion to the troubles?—A. Well, you can do this: You can either make some suggestions to Congress that would improve the condition of the complaining people, or you can show why there is nothing possible to be done within the limits of congressional legislation. Now, that is your problem, not mine. You will have to study that problem.

By Mr. CALL:

Q. The question, I take it, is not so much as to the efficiency of this committee as to the value of the inquiry in gathering opinions of thoughtful and experienced men upon these subjects—whether such a body of opinion, authentically taken, will be of value to the country and to Congress.—A. Well, it will depend on what comes out of it finally, and what your conclusions will be, what schemes of amelioration you will formulate. Everybody in the United States may testify before you, and every man may present his notions, and unless you can draw some extract from them it would be of no use.

THIS, THE WAY TO GET INFORMATION.

By Mr. PUGH:

Q. How can this Government attain, in its legislative department, information otherwise than by authentic reports of the practical experience and opinions of its business men?—A. That is the way to do it. It is the way the English Government always does it. It always has one or more commissions in session searching for facts from the people interested in economical questions.

Mr. PUGH. You will allow me to say that I consider your statement here to-day worth all that it will cost the Government to have this information.

The WITNESS. Well, that is complimentary. I am afraid the printer's bill will be a good deal more than the value of the report of my testimony.

The CHAIRMAN. The committee will not discriminate, of course, between persons. We want to hear all classes and get at the public sen-

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timent and at the feeling on this problem that you say is looming up in our presence, and which must be met. We cannot suppress a man who comes here to testify. We have got to get all the information that we can; it may be crude, and some of it may be "cranky," but it is the mass of opinion that we have to look at.

The WITNESS. You asked me a moment ago in regard to the dissatisfaction of the laboring classes. I only half answered it. I will now add the rest of it.

### EFFECT OF SUPPLY AND DEMAND ON WAGES.

There is an almost universal impression prevailing among the trades-union people—those engaged, I mean, in labor combinations for mutual defense. I am not making any attack on them at all. I recognize a great deal of good and usefulness in those unions; but there is a universal impression prevailing among them that the employers in the United States could afford to pay much larger wages than they do if they wanted to without increasing the prices of their goods, and that they do not out of pure selfishness. I think the dissipation, if it were possible, of that fallacy would be the most useful thing that could be done. I think that if the laboring classes of the United States—the mechanics especially—could be brought to see that under the fixed laws of trade, of supply and demand, the employer has really little more control over prices where not protected by patents than over the winds and the weather, the largest possible good would be done; for if the mechanics saw that they are really, as a whole, paid about as much as it is possible to pay them they would then yield to the inevitable and seek other ways of improving their condition, and the feeling that they were being systematically cheated all the time would die out. In my newspaper, and in personal discussions, I have tried in my small way to get them to see that in a country where competition in trade has free play and full operation, it really fixes the maximum price on the whole for wages, and I have tried by iteration to get this idea before them: never to strike for higher wages on a falling market on the line of goods you are working on, for if you do you will inevitably be defeated, as your employer in that case can always make more money by locking up his shop than by paying the increased wages demanded while the prices of his goods are declining. I have tried to get this further idea into their minds: that no man is carrying on manufacturing from motives of benevolence purely. He has behind his motive gain, and if he does not see a reasonable prospect of making a satisfactory profit on his investment he will quit the business and not risk its dangers and losses, and that the time to strike is on a rising market, and that is the time that they do not often need to strike, because, under the law of active demand, the employers searching for new workmen bid one against the other, and it does not require much combination to get better wages on a rising market. And when the market is bad or sluggish or standing on a poise, the men had better arbitrate, and they had better arbitrate any way in all cases than to strike. I have tried to teach those lessons, and I have endeavored to show that every strike, even if successful, costs more than it is worth; and if unsuccessful, the loss chiefly falls on the workmen, and nobody gains. It is a species of civil war every time. Now, if any method could be devised by the legislatures to stop strikes it would save millions upon millions of dollars of earnings to the classes who live by their hands in the United States and to the men that hire them.

I have tried to teach the workingmen another lesson: that it is not

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even to their interest to force the employer to give up substantially all his profits or to keep only a small reserve; that that is a foolish policy, and that the effect of it is to prevent the employer enlarging his business and thus hiring more men; that in this country the rule is if a man makes money in his business he usually puts it back into his business, in order that it may grow, and he could not make it grow without hiring more men, and he must have new machinery and new stock if he has more men, and that adds to the business of the country in almost every direction.

Q. Has not much the greater part of the gross proceeds of your own business gone for the compensation of labor in some form or other?—A. Yes; in the last thirty years we have paid back to labor, and for fuel, light, materials, machinery, repairs, and paper 80 to 90 per cent. of all that we have taken in; and some of our neighbors have not made anything. It is a pretty accurate estimate to say that 80 per cent. of the gross production of the country goes for shop wages, raw materials, taxes, insurance, &c.; fully that; and if we take panics into account, such as those of 1837, 1858, and 1873, it is perhaps nearer 90 than 80 per cent. I include, of course, middlemen's commissions, freight charges, interest on borrowed money, repairs, and replacements, and all necessary expenses. The final net profit, after taking out living expenses, is far less than the trades unionists are generally aware of, and that is a chief reason why so many men fail in the manufacturing business. They have to sell so close. The competition is so sharp and perpetual that independent of anything that they may do there is rarely any more than a moderate margin of net profit unless there is what is called a "boom" in prices, which is always succeeded by depression.

Q. The evils then that would seem to oppress labor, and of which it so justly complains, arise from economic causes?—A. Yes, I think so; to competition in production, as I have stated.

Q. And in various forms appertaining to the whole community?—A. Yes.

Q. Of course it is a very large subject, but it has not been touched upon. After all, is not this competition among employers very largely the secret of the troubles of labor itself—the failures, the panics, &c.; do they not arise from causes which lie beyond and outside of the laborer, and for which he certainly cannot be blamed?—A. Yes; the panic of 1873 was produced by causes which neither the employers of labor nor the workmen should be held responsible for; but I am speaking of the effects of competition on manufacturing, that it cuts down profits to the lowest point and determines a market rate for wages beyond the control of employers, to raise them and continue in business.

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NEW YORK, *September* 26, 1883.

NICHOLAS HEINTZELMAN examined.

By the CHAIRMAN:

Question. What is your residence and occupation?—Answer. My occupation is a chaser and decorator in metal. My residence is No. 110 Fourth avenue, New York City.

Q. Are you an unusually skilled workman in your business?—A. I claim to have made some of the best work in this country.

Q. What class of work have you done?—A. I have been confined to chasing patterns.



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Q. State some of the sort of work you have done—patterns of what?—A. Patterns for silver-ware and castings for decorative work.

Q. For what firms have you worked?—A. Tiffany's and the Gorham Company, and the Whiting Company, and I have worked largely for all the small establishments throughout the country—in New Orleans and elsewhere.

Q. Have you done the best class of work for those several firms?—A. I claim so.

THE TARIFF.

Q. What is the grievance that you have to allege to the committee?—A. The exclusion of the competition in skill—the tariff, which excludes competition in skill.

The CHAIRMAN. Go right to your particular grievance in your own profession.

The WITNESS. In these large establishments they steal their designs on a large scale. The tariff permits the stealing of designs; that is, it makes it profitable in proportion to the tariff. Stealing of designs would be bad enough under free trade, but the tariff is just so much of a premium on stealing designs.

Q. What effect has it? Where does it hurt you about your pay for your work? Do you sell abroad?—A. No, sir.

Q. Did you not say to me that your heaviest orders came from abroad?

SUPERIORITY OF AMERICAN SILVER-WARE.

A. They come from abroad, because the work can be done here cheaper and better. We have beaten Europe in the three last exhibitions—the exhibition of Vienna, the exhibition of Paris, and the Centennial Exhibition. American silver-ware has been superior to any done in Europe.

Q. That is to say, you have the foreign market and the home market both? Now, how does that hurt you?—A. It hurts me because I cannot get in my own designs.

Q. Why not, if you have a market both abroad and here to sell in, and exclusion of foreign competition; you can sell here, and sell there too?—A. I have no market as a workman. These men monopolize the margin, and it is disastrous to me.

Q. What men?—A. The large manufacturers. If I should manufacture an article I would not be able to sell it.

Q. Your complaint is that you are a workman, and not a manufacturer, is it?—A. Yes. I would like to become an independent workman, and I would like to find a market.

Q. If, as an intelligent workman, you have both Europe and America to sell your work in, why are you not as well off as you can be as a workman?—A. I do not claim that I have America and Europe to sell in. I do not claim that I have got the market. I am compelled to work for the wages that are now stipulated for me.

Q. Can they not pay you higher wages when they can control the trade of the Old World than when they cannot?—A. I do not think so.

STEALING OF DESIGNS.

They can impose a low grade of work on the market. They can suppress rising skill. I think the Government aids these men in stealing foreign designs that are good enough to duplicate; and they will not pay for promoting original ideas in art as long as the Government gives

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them 40 or 50 per cent. in stealing these designs, to the exclusion of the originals from the market.

Q. What designs do they steal; European designs or American designs?—A. Largely and chiefly Japanese designs and the better European designs.

Q. Do you complain that Japanese designs are cheaper than American designs?—A. They are if they can sell them and exclude the Japanese goods from the market. If their goods came here free, there would be no premium on stealing them, and they would have to promote original designs and original American art.

Q. And you want a higher tariff to keep out the designs, don't you?—A. No, sir; I want free trade. I am not afraid of competing with the skill of the world.

Q. What pay do you get?—A. My wages would be now less than they have been, if I worked in a shop.

Q. I ask what pay it is that you do get?—A. I have been working lately at what has been stipulated—so much for the work.

Q. If you are a first-class workman do you not get first-class wages?—A. I do not. I was told by a manufacturer that he did not want that kind of work; it did not pay him; it took too much time.

Q. Do you not think that you, as a first-class workman, are dissatisfied rather because you are a workman and not a manufacturer, and that you desire to be a manufacturer rather than to work practically?—A. No; I believe that I aim at art.

Q. Have you stated your grievance?—A. The destruction of the competition of skill diminishes the demand for high quality of work. They are under no necessity to compete with the skill of other nations. Therefore they are under no necessity of promoting skill here. They can impose any work they please on the market, and they do not want me to do good work. I believe the tariff gives no encouragement for art in this country.

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NEW YORK, *September* 26, 1883.

REUBEN CARROLL examined.

By the CHAIRMAN:

Question. Where do you reside?—Answer. I reside in Richburg, Allegany County, New York.

Q. What is your business?—A. I am at present engaged in the development of oil territory principally. I have some other business, however.

Q. Are you connected with any association or company; if so, in what capacity, and what is the name of the company?—A. No, sir; I am operating individually.

Q. In the development of the oil region?—A. In the development of oil territory; yes. Abstracting oil from the ground. I am usually called an oil operator.

Q. How long have you been engaged in that pursuit?—A. Since 1864.

Q. Since about the time of the discovery of oil?—A. I did not commence quite so early as that, but in 1864 I went into the oil business.

Q. The discovery was when?—A. In 1859.

Q. Have you been quite familiar with it since 1864?—A. Yes; quite familiar.

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The CHAIRMAN. I think it would be quite interesting and instructive to the country, if you feel strong enough to do it in a preliminary way, to give us a narrative of your experience and knowledge of the development of the oil industry. Take your own time and do it in your own way.

The WITNESS. I would prefer to do that at some future hearing. I have prepared some notes that relate, I presume, to a matter which you are called upon to investigate, and I would prefer to be heard upon that first.

The CHAIRMAN. You may have your preference as to the order of hearing. You may go on, then, and state anything you think pertinent.

The WITNESS. I take it that your committee is organized for the purpose of investigating the cause of collisions between capital and labor and labor problems generally.

The CHAIRMAN. Yes; I will read you the resolution under which we are acting, in order to show you what liberty you have so that we may not get outside the limits. [Resolution read.] You may now go on and state what you think would be of use to the country.

### INTEREST ON MONEY AS A FACTOR IN THE LABOR PROBLEM.

The WITNESS. The greatest of all causes operating to oppress and rob labor, resulting in frequent conflicts between it and capital, is usury, commonly called interest. It is utterly absurd to seek to reconcile capital and labor or to relieve labor so long as the present unjust rates of usury prevail. As well seek to save a burning building without first having extinguished the flames.

Money obtained through interest or usury is not the result of production. A dollar will not produce, like a fruit tree or a kernel of wheat. Therefore, he who obtains wealth through usury is simply transferring to himself the earnings of others. "He has gathered where he hath not sown."

Usury is the direct cause of drones in the human hive. It enables men to live without labor; and therefore sets at naught the command of the Creator, "In the sweat of thy face shalt thou earn thy bread." Either usury is wrong or this decree of the Creator is wrong.

### THE IMPOSSIBLE TASK IMPOSED ON LABOR BY INTEREST ON MONEY.

The legal rate in this State is 6 per cent., and this rate, if paid semi-annually, implies that the laboring people of the State shall by the proceeds of their labor double the value of all the property now in the State in a little less than twelve years, besides supporting themselves. This imposes upon them a truly impossible task. Hence we hear the complaints and groans of labor.

Q. Do I understand you to mean, and to say, that the interest paid amounts every twelve years to the value of all the property, real and personal?—A. The following will explain, perhaps. If any doubt the correctness of my premises or conclusion he may test it in this way: Suppose that the present owners of the property in the State should agree to rent it to a foreign people, stipulating that they should receive as rent 6 per cent. on the value, rent to be paid semi-annually. Then in a little less than twelve years the present owners would have received from the foreigners in rent the full value of their property, and would yet own the property. Now, could an equal number of any foreign peo-

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ple make all the improvements, clear all the farms, build all the houses, construct all the railroads, erect and equip all the factories in a little less than twelve years that has cost the labor of over a century of our own industrious people? Clearly they could not. Therefore 6 per cent. usury requires impossibilities of labor.

Mr. Kellogg, in his most admirable work on finance, says, "If the laboring classes could make as many improvements in a new country as now exist in this, and could afford to give the whole improvement for the use or rent of this country for ten years, then 7 per cent. would be a just rate of interest. If the people require twenty and one-half years to perform this labor, besides making a comfortable provision for themselves, then 3 per cent. would be the just rate; if thirty-five years, 2 per cent., and if sixty-nine and one-half years, 1 per cent. would be the true rate." This estimate is based upon the fact that at these different periods money loaned at these rates would double, interest being paid half yearly, as rent usually is.

The laboring people of this country received less than $1 a day for their labor during the past year. But let us assume the average wages at $1 per day. At this rate a laborer in sixty years, working three hundred days in the year, would earn $18,000. Money will now readily loan at 8 per cent. on bond and mortgage in almost any section of this country, and in some sections at a higher rate. Now $1,000 loaned at this rate for sixty years, interest being paid semi-annually, would amount to $134,107.05; or, in other words, it would take the entire earnings of more than seven laboring men to pay the interest on $1,000. This estimate makes no account of the cost of supporting the laborers and their families; and taking into account the fact that a laborer could scarcely subsist on less than $1 a day we can only conjecture how many laboring men must give their surplus earnings to pay the owner of this $1,000 for the use of it for sixty years. This gives but a faint conception of the oppression and robbery of labor implied in 8 per cent. usury.

But while these laborers will have produced millions of bushels of grain, built thousands of houses, and produced an abundance of the necessaries and comforts of life, and blessed humanity and enriched the world, what has the owner of this $1,000 done? His thousand dollars has not increased one penny. It has not produced even a spear of grass during this time. Then why should society award to him, a drone, eight, ten, twelve times more than the honest worker who produces the honey?

## DOES CAPITAL INCREASE?

Q. You hold that capital as an element in combination with labor is not a producing power?—A. It does not produce anything. It does not increase, as I said, as a tree increases or as a kernel of wheat increases.

Q. You take a thousand dollars and put it in the form of a reaping machine; the machine and the thousand dollars are substantially identical. Now, is the reaping machine and the human labor not a producing power?—A. It is the reaping machine that does the work; but I will touch upon that after a while.

Q. I want to understand this: From your statement so far I do not quite understand whether you hold that rates of interest are excessive, or that rates of interest to any extent are wholly unjust?—A. If you will be good enough to make a note of any questions you think of that are not answered I will answer them after awhile.

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The CHAIRMAN. I do not care to make any notes. I can tell as you go along whether my points are answered.

The WITNESS. Then seeing the oppression of labor wrought by 8 per cent. usury, what must be the fearful effects of 10, 12, 15, and 20 per cent. compounded semi-annually, and frequently quarterly rates, now actually prevailing in some sections of this country? We can only conjecture, and are led to the conclusion of Napoleon Bonaparte, who, when shown an interest table and after having pondered it a while, exclaimed, "The deadly facts herein revealed lead me to wonder that this monster interest has not devoured the whole human race." But again, as Lord Bacon said, "Usury gathereth the property of the nation into the hands of the few."

## INTEREST ON MONEY THE CAUSE OF PANICS.

It is the direct and certain cause of money panics, so detrimental to labor. A money panic simply indicates that settling day with the lenders of money has come, and the production of past labor must be surrendered to them. Then manufacturers suspend, and laborers are thrown out of employment—to beg or starve or steal. No adequate estimate of the loss entailed or the demoralization of a people subject to a money panic, such as has frequently prevailed in this country, can be made. That money panics must result from usury is very evident when we consider the enormous proportions of usury. We speak of interest on money as though all money paid in interest was paid for the use of money alone, when the fact is that but a small portion of the interest paid by the people is for the use of money. Every debt, no matter how created, whether for the transfer of real property or the transfer of watered stock, implies interest. Money loaned by banks soon finds its way back to the bank, and is reloaned over and over and over again, and each loan and reloan piles up the interest, which laborers must pay. So that the accumulated interest in this country on public and private debts soars into the billions, and is in amount beyond the possibility of computation.

But not in times of panics alone are the baneful effects of usury felt by the laborer, as well as by all other classes of the community. In times of comparative prosperity, such as the present, we witness them—heavy failures reported this morning in this city being the direct result—the inevitable sequence of the high rate of usury which business men are compelled to pay.

Then usury enters into the cost of all production; and when the laboring man is compelled to buy anything to eat or to wear he is compelled to pay usury; he cannot escape it. When in the early part of this season the Secretary of the Treasury was throwing millions into the circulation weekly, to relieve the stringency of the money market, he produced no visible effect in that direction. This was regarded by business men as something very extraordinary; but after investigation it was ascertained that the Secretary's millions were absorbed in interest, mostly by large fund holders.

## MONEY THE "YARD-STICK" OF VALUES.

Then in another manner usury becomes a very great factor in the robbery of labor. The Constitution of the United States makes it the duty of Congress to coin money and regulate the value thereof. Congress has provided for the coining of money, but has utterly failed in regulat-

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ing or fixing its value. The yard-stick—the measure of length—will always measure the same number of yards of cloth of the same length, but our dollar, no matter whether of paper, gold, or silver, will at different times measure different values—sometime the purchasing power of the dollar doubles or trebles in a few months or weeks, and this always results in the robbery and oppression of labor by transferring the product of labor to the owner of money at one-half or one-fourth its value. In times of money panics the purchasing power of the dollar expands often treble and quadruple, thus resulting in changing of values, and thus robbing debtors. A man giving his obligation to pay so many dollars six months hence is simply gambling, with the odds fearfully against him. The dollars which he promises to pay may, at maturity of his obligation be worth three or four times more than the property which he gave his obligation for. For, be it remembered, that the debtor must buy the dollar with which to meet his obligations with property, and while money is a tender for property, property is not a tender for money. The law is inexorable; the debtor must pay in money and the debtor must pay the price in property which the owner of the money may demand, no matter how exorbitant. Therefore it is very evident that in times of panic the owners of money have, in Wall street parlance, a "corner" on the property of debtors and can squeeze them to their hearts' content.

This terrible crushing despotic power of money is, of course, given to it by law, as money is the creature of law, and demonstrates what I have already asserted—that our dollars have no fixed value, and are simply loaded dice, frequently in the hands of sharpers to fleece the credulous and unsuspecting public.

Senator Jones, in his report made in 1877, on the fifty-fifth page, says, "A loan of money made in 1809 if repaid in 1848 would have been repaid with 145 per cent. increase in the purchasing power of principal and interest." Those who have loaned money to the Government in 1861 have received nearly as much in the increased value of their money as in their interest. Then if we examine this matter more closely, we will find that usury or interest on money is at the bottom of this mischief. A dollar, like a rented house, is worth to its owner proportionate to the rent which it will bring. Therefore a dollar that will bring in 12 per cent. at usury is worth to its owner just two of the dollars that will only bring 6 per cent. In this light it is easy to see why the purchasing power of money is so greatly expanded in times of panic. The rate of interest jumps up double, and consequently the dollar is worth double to its owner, and will command double the products of labor. In the same ratio that the rates of interest jump up will the value of property go down—fluctuate with every change in the rate of interest. With this changing standard of value constantly and sometimes greatly changing all values, is it to be wondered at that labor is oppressed, and that so few merchants and business men succeed in amassing a competence?

It will clearly appear from the foregoing that with the ever fluctuating rates of usury it is utterly impossible to give any fixed value to the dollar.

### RATE OF INTEREST DEPENDENT ON VOLUME OF CURRENCY.

But there is another very important element entering into this problem. The rate of interest depends largely upon the volume of money in cir-

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culation. The less money in circulation the higher will be the rate of interest. Then clearly it is to the advantage of those loaning money that the amount of money in circulation should be as small as possible. Therefore by every possible means they will endeavor to decrease the circulation, so that usury, in addition to its robbing of labor by absorbing earnings, aids to drive money from circulation, and thus forces labor to idleness. In view of these facts, can there be any doubt that usury is labor's greatest curse? Its effects are clearly evil, only evil, and that continued.

But, seeing that the rate of usury depends upon the volume of money, is it not strange that any sensible people should give to those whose advantage it is to get high rates of interest the power to control the volume of their money? What claim to common sense could a people have who should give to their merchants and others dealing in cloth, the power to expand or contract their yard-sticks at pleasure? Yet this is the very foolish thing that we have done regarding our money. We have given to those dealing in money the power of expanding or contracting its volume, and thus the power to unsettle values and dictate terms to labor, the producer of all wealth.

### STEADY VALUE OF MONEY NECESSARY FOR JUSTICE TO LABOR.

Now, it must be evident that, with this ever fluctuating and uncertain standard of value, justice and equity to the ordinary debtor and creditor is utterly impossible. And this is why political economists have never been able to ascertain the just relations between capital and labor. While the days, hours, and minutes of labor are accurately and definitely measured and must be honestly rendered, the dollar which measures the value of that labor is so manipulated as to only measure 25 or 50 cents frequently to the laborer. While the products of labor are definitely measured and weighed by the yard-stick or the pound-weight, with no chance to rob capital, the dollar, which is the yard-stick and pound-weight measuring and weighing the volume of those products, can be and is so manipulated as to measure and weigh the value to suit the selfishness of capital.

Q. Do you think that is so?—A. I think that is so.

Q. Suppose I hire money of you when produce is very low, and I repay it when produce is very high—I hire money of you when produce is 50 cents a bushel, and repay you when produce is $1 a bushel; in the one case you (being the capitalist) get half as much as you do in the other. Would you not say that capital there is at the mercy of production or labor, instead of reversing it, and saying that labor is at the mercy of capital?—A. I speak now in a general sense. When the money panic comes we know that the products of labor only bring one-half the amount brought before. To illustrate: I know a man who purchased a farm in Ohio in 1865, paying $100 an acre for it; in 1877 he was compelled to sell it at $30. And I suppose there are other cases.

### IS MONEY A COMMODITY?

Q. Undoubtedly, there are cases both ways; but you do not look at money as a commodity, that a man owning it will sell for the best price he can get, and if he can get no price for it will keep it in his pocket, being himself the safest custodian of his own?—A. I think the word "sell," that you employ, does not exactly give the meaning.

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The CHAIRMAN. Then to lease or let.

The WITNESS. Well, when men "let" they do not "sell." The man who lets gets his money back—he simply transfers the use of it for the time being; and when we say that a man who has money to loan has the same right to "sell" as a man who has wheat, we are guilty of a sophistry, because he does not want to sell; he wants to loan.

In times of panic, when capital is gathering in the products of labor, the dollar is trebled frequently in purchasing power; but after the panic, when capital wishes to realize, to resell those products to labor, the dollar shrinks immediately in purchasing power. When, a few years since, the people's bonds were being sold to capitalists they were worth less than 50 cents on the dollar, weighed by gold; but when in the hands of capitalists, and the time came for the people to redeem them, to their great surprise they were worth $1.20, besides the interest, weighed by the same standard.

## MONEY—THE POWER TO ISSUE IT SHOULD BE EXERCISED ONLY BY GOVERNMENT.

Now, is this not sufficient cause for the conflict between capital and labor? Make the dollar honest, as labor is, and you have solved the problem. Make it just as impossible for capital to cheat labor as it now is for labor to cheat capital, and the conflict will cease. And this can be done by making the dollar an honest one, so that it will register the same value at one time as another.

To do this, in the first place the volume of money must be kept steady. There must be no sudden inflation or contraction, and to keep the volume steady the power to issue money must be taken from where it is now deposited and, as Mr. Jefferson said, "vested in the Government, to whom it belongs." It is idle to suppose that if you give this great power, as you do, to bankers, or those dealing in money, they will not use it to their own advantage. The many millionaires now in this country afford ample proof that they have employed this gigantic, crushing, despotic power to their own advantage.

Q. Do you think that it is the currency that is bought and sold as between capital and labor, or is it the property that is behind it belonging to capital? Do you not in substance hold that Government must own all the property and issue money as the people want it?—A. No; I simply wish to convey the idea in the first place that the volume of money should be kept steady, and that that cannot be done so long as the issuing power——

Q. [Interposing.] But the money is of no account while in the Treasury. It must be passed out into private ownership before it becomes available to labor or to anybody that hires. Now, that ownership rests, in your idea, with the capitalist, and he is the man that hires the laborer; it is not the Government. Even if the Government issues the money it first goes through the capitalist and the capitalist deals with it as his own, whether he or the Government issues it.—A. Let me explain the idea I was seeking to convey: I was saying that it was illogical and improper to allow, to those dealing in money, the power to issue money—giving them thus the power to expand and contract its volume—and thus giving them the power to expand or contract the value of your property and mine, and everybody else's, and that this power to issue money should be taken from the bankers and put into the hands of the Government, as Mr. Jefferson has said.

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Q. But I say it can make no difference in results, since it must first pass through the hands of the capitalist, the power resting in the first place with him.—A. It would make a great deal of difference in results. The instance I mention, where this land was bought at $100 an acre and sold at $30, was the result of a contraction of money.

Q. But that was not caused by the Government. The issue had already gone up to and beyond the necessities of trade. Then came a contraction; but the Government did not contract it.—A. Let it be made how it may. The point I am making is that money is the yard-stick that measures values. If to-day double the money were issued by the Government, values would jump up double; and if half were taken away values would go down double.

Q. Do you mean that the Government should lengthen or shorten the yard-stick, according to circumstances?—A. I say no; it should be kept steady.

Q. But who is to handle this yard-stick?—A. The Government itself is to issue this money. That is where the Constitution places the power. There is no power given in the Constitution to any one but the Government to issue it.

The CHAIRMAN. Money issues from the bowels of the earth primarily, in the form of the precious metals dug from it, and the Government has power to coin or stamp on that the insignia of what you call money and make it a legal tender, but the value is in the property itself. But is this to be a prolonged discussion of the nature and uses of money?

The WITNESS. No, it is not.

The CHAIRMAN. I understand that your theory is that the Government should issue the money. That is a question as large as the face of the earth, and penetrating some distance into it; and the literature on that subject *pro* and *con* is very extensive. I would like to reach the subject-matter which we had particularly in view, as soon as possible, because we want to try to get through here this week, and there are many witnesses yet to be heard; still I do not wish to prevent your stating your point.

The WITNESS. Allow me to say that I think you are in error when you say that the money issues from the bowels of the earth.

The CHAIRMAN. Well, I will admit, for the purposes of the argument, that I am in error. Now, assume that, and proceed with your main point.

The WITNESS. We will get to that after a while.

The CHAIRMAN. I want to reach these grievances about labor.

The WITNESS. Money is a very important factor in these grievances.

The CHAIRMAN. You can assume that the committee has "read up" on this subject on both sides. I think you are stating your views very strongly, and, as I said, I do not wish to interrupt you, only that this part of the subject need not be too prolonged. Still I wish you to understand distinctly that we want you to make your points as you have arranged them. I do not mean that any gentleman should go on the stand and not have a fair chance.

## THE COST OF ONE MILLIONAIRE.

The WITNESS. I now continue. The general distress and all complaint of labor points conclusively to where this crushing power of money is felt most heavily. The existence of these facts leads one to estimate

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the fearful cost to humanity of one millionaire. How many paupers and beggars does it take to make one millionaire; how many human lives must be crushed out; how much misery must be endured; how much squallor and poverty does it cost; how many criminals must be thrown upon society in order that one millionaire may revel in luxury?

By Mr. CALL:

Q. What is your theory—that all these troubles come from the variation in the amounts of the currency—the volume of the circulating medium?—A. No; but that that is a factor entering into it; that that has very much to do with changing the value of the dollar. I say that so long as the dollar fluctuates, as it is ever fluctuating, and is made to fluctuate, honesty and justice between man and man cannot prevail.

Q. Do you think that keeping the volume of money the same would prevent fluctuation?—A. Not that alone, but I apprehend that it would go a great way toward it.

UNIFORM VOLUME OF CURRENCY—ITS EFFECT ON VALUES.

Q. What reason have you for thinking that keeping a specific volume of money or currency afloat would regulate the values of things?—A. I have the same reason for supposing that it would do that if it were kept steady (inasmuch as money is the yard-stick that measures values), as I have for supposing that the ordinary yard-stick would always measure the same number of inches.

Q. Suppose that we apply your theory to cotton, wheat, or any other staple, and suppose a bad crop comes, and that the crop of cotton is only one-third of what it was; do you think the price of wheat would be the same?—A. That establishes my idea exactly. If you have only half a crop of wheat, you will get double price for it.

Q. But money will remain the same.—A. But it is the wheat that we are talking of.

Q. When you come to buy a dollar with wheat, you will have to give twice as much for it, won't you?—A. Certainly; the wheat is worth twice as much. If the dollar registers the same, it will be right that way.

Q. By what standard is it the same? The dollar will buy twice as much wheat as before; it is certainly worth twice as much.—A. If you have half a crop of wheat, you will get double for it, for the same reason that if you withdraw half the volume of money, the dollar will be worth double.

The CHAIRMAN. It is not possible that there should be a new money theory, and your testimony will be principally valuable in reference to these oil matters. At least, that is what we wanted you to come for, and I wish you would give some thought to that matter.

The WITNESS. Very well. I will trim this matter down.

The CHAIRMAN. We have excluded witnesses from the stand on the money matter on the ground that we have all read somewhat on the subject. It has taken fifteen years to discuss it, and it is not settled yet, so that I shall have to ask you to be brief on that point.

The WITNESS. As I am not feeling very well for the moment, I will ask to be excused for to-day, and will enter upon the other subject, with your permission, to-morrow.

The CHAIRMAN. Very well.

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NEW YORK, *September* 26, 1883.

WILLIAM H. MORRELL examined.

The CHAIRMAN. You have indicated that you had something which you desired to state to the committee. You may now take a half hour and exhaust the subject.

The WITNESS. Shall I respond to questions or proceed direct?

The CHAIRMAN. Proceed direct.

ELEVATED RAILROADS AND RAPID TRANSIT IN NEW YORK CITY.

The WITNESS. Our rapid transit system in the city of New York being an entirely new development in this country, must be of interest to all large cities, and having taken an active part in bringing about the system here in this city, and watched it attentively since it was developed, I thought I might give you some points regarding it.

The system, as you know, sprang into existence in 1878—quite recently. We have had the effects of it for five years upon city real estate. Great fears were expressed that this rapid transit system would detract from the value of the central property of the city while it was acknowledged very generally that it would add to the value of the property at each extremity. It has added materially to the value of the property at each extremity—below Wall street, between the two lines of elevated roads—the east and west side lines—I should say 50 per cent., and at the other extremity of the island real estate has advanced within three years about 100 per cent.—that is to say, it has doubled. This cannot be all credited to the rapid transit system; but a half of this advance I should say, in my judgment, could be credited to it. It has not detracted from the central property of the city.

Some people argued very strenuously when they were advocating the system, that you could not improve property at both ends of this island without improving the property in the center. This has proven to be the fact. The people are now very desirous of having it extended into our annexed district across the Harlem River, and the sooner it is done, and the sooner we acquire the park territory necessary for improvements and for aquariums, zoölogical gardens, and other educators of the people that are not now possessed by New York City, the better it will be for all concerned.

NEW YORK CITY PARKS.

There has been a committee appointed by the legislature to lay out new parks. They are busy at their work, and it is to be hoped they will give us a park large enough for all purposes. Perhaps that exhausts what I wished to say with regard to rapid transit, but if you have any questions, I shall be glad to answer them.

By the CHAIRMAN:

Q. The rapid transit system gives access to these educators, &c., that you expect to create in the suburbs?—A. Yes; and the sooner these parks are got the better it will be for New York City.

Q. And the rapid transit system has proved an undoubted benefit, has it?—A. Yes; most emphatically.

STREET REFUSE: EFFECTS OF DUMPING IT IN NEW YORK HARBOR.

Q. Now, what is it that you wish to say on the disposal of our street refuse and garbage? I understand you have something to say on that subject.—A. That has been a very knotty subject for many years.

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Perhaps the impediment to a greater improvement in the system has been the influence of local politics upon the efforts to secure a more modern method of disposing of the great quantity of refuse matter of this city. That we should take our garbage, coal ashes, cinders, and dirt of all kinds, and dump it into the entrance to our harbor seems, to say the least, barbarous, and people would seem to be crazy in doing it. We have got a fine harbor, and yet we allow all those things to be dumped into the mouth of it, and the result of it is only too clear—that the effect will ultimately be disastrous to our harbor. That has already been shown.

This refuse matter may be divided into three classes; first, our street manure, which should be and could be very economically given to the surrounding gardeners and farmers for at least enough money to pay for taking it up; secondly, the garbage which is allowed now to be thrown in with the ashes and dumped into our harbor, to come back on the shores of Coney Island and Long Branch; and thirdly, our ashes and dirt accumulations from builders, &c., such as sand, gravel, stone, &c. These could be and will be, I hope, at an early day brought into a system of disposal that will be beneficial and will be almost self-sustaining. The ashes, cinders, gravel, and dirt that are taken from the streets—not to mention the manure part, the sweepings—are rapidly filling up the harbor. If that were taken and put on the sunken meadows near us we would have it all solid earth within a few years, just as part of Harlem has been filled up and built upon with four and five story buildings where nothing was before but a marsh.

Q. You mean that the New York City authorities are permitting this principal port of the country to be destroyed?—A. I do.

The CHAIRMAN. There can be no doubt that that is something that the nation could interfere with.

The WITNESS. That is something which the nation should look at certainly. And not only that, but they throw this garbage into the harbor, and the light stuff floats off and gets on shore at our watering places, and that is very detrimental to the health of people there, besides being an eye-sore.

Q. How does it happen that that is done?—A. It is done, and I say it is barbarous, and I want to raise my voice against it.

Q. Who are responsible for it?—A. The city authorities under the laws of the State, are bound to take it out to a certain distance. They get it there in a storm, their barges begin to bother them, and they dump it into the harbor.

Q. Is there no way for the State to enforce its laws in that respect?—A. They have made a spasmodic effort, but it has not amounted to anything so far.

Q. Who are the men that take the garbage away?—A. The city authorities contract it out. We have a commissioner who is now doing his duty very well, I will admit. The city is divided into two or three contract districts, and the contractors work under the supervision of the commissioner.

Q. Do these contractors get any large sum for this work?—A. Not less than $1,000,000 a year.

Q. What is the reason that this cannot be used as refuse matter by farmers on their lands, instead of throwing away a million dollars and destroying the largest harbor in America?—A. The question has been agitated, and I think A. T. Stewart or Judge Hilton at one time offered to clean the streets of New York for less than the authorities were doing it, with the view of building up the place that Stewart had bought be-

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fore he died on Long Island. It is very detrimental to the harbor, the way it is now disposed of. The refuse stuff frequently floats back up and injures the health of the people.

Q. Who is responsible for its being contracted out and put into the water, anyway; why is it not disposed of? If there are business men in the city of New York why do they not sell this matter and save the expense?

EFFECTS OF POLITICS ON MUNICIPAL BUSINESS.

A. Well, the politicians foil them every time.

Q. It is a political abuse?—A. It is a political abuse. Now we have to dispose of the street manure so as to take it off our streets and throw it away, while it would be a benefit to our neighboring gardeners and farmers.

Q. What authorities make this contract?—A. The street commissioner.

Q. Is he a city or a State officer?—A. The work has been done under a State law.

Q. But he is a city officer?—A. I think he is a city officer, appointed by the mayor under a law of the State—a city and county officer. What I have said relates to manure. Now, as to garbage, I say we should cremate the garbage—put a big tank at each of the dumping grounds, and put this garbage into it and burn it up, and then add the result to the manure, which would make a good fertilizer in places all around the city. The ashes and cinders become a component part of the matter that goes into the harbor, while really that is necessary for filling in the low land in the neighborhood, and by giving the manure to the farmers, and cremating this refuse matter or garbage and adding it to that, we add to its volume and make it a good fertilizer.

Q. You promote health and the fertility of the soil at the same time?—A. Yes. And it would not be a detriment to the harbor.

Q. This matter of health concerns others in the State of New York, does it not?—A. Yes.

Q. If this were a city of pestilence would it continue to be a city of commerce?—A. I think not. If the harbor is filled up the city would not be good for shipping.

Q. Then, why is not this question of public health in this city of commerce a national question?—A. That is what brought me here.

Q. Is that all you wish to say on that subject?—A. Yes; I think so.

TENEMENT HOUSES IN NEW YORK.

Q. Your next point was as to the tenement houses and their effects on the city. What have you to say as to that point?—A. This is a matter that has been brought prominently before the public for the last five or six years. One or two attempts have been made to build large tenement houses by organizations of citizens. They are, to a certain extent, successful, but they cannot reach the masses. We have an enormous population living in tenements in this city. I have not got exact figures, but it must be over half our population in numbers. The old-style tenement that we have down town here in what we call the Five Points region, the Sixth ward, and other wards about there, have generally water introduced very imperfectly—we might say in one place for a whole house.

Now, air, light, and water are the three great life-giving commodities

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that we have in the universe, and we certainly should not shut out half our population from sunlight or from air or from water, as we are doing to a large extent. The modernized tenement has the water carried up to the various floors; but the old tenements, which still exist by the hundreds, and, indeed, I may say by the thousands, in the lower part of the city, have the water all in one place.

There is hardly five feet of space between the houses, and, of course, no sunlight, and very little air can penetrate there, unless there is some specially favorable opening. At any rate, water can only be carried up stairs by the occupants in pails.

### THE MANUFACTURE OF CIGARS IN TENEMENT HOUSES.

This is something that requires public attention, and perhaps legislation. It seems as though, if nothing else will do, legislation ought to take this matter in hand, just as they tried last winter to legislate the manufacture of cigars out of rooms in the tenement houses where typhoid fever patients and small-pox patients are often found. Very often the cigars that are made in those tenement houses are smoked next day by the young men about our cities, and it is easy to see that in the case of contagious diseases, such as small-pox, the cigar might spread the disease. The legislature has taken that subject up and has passed a law which goes into operation next month, that the manufacture of cigars in tenement houses shall be prohibited. They have been manufactured in those houses by the thousand, in little rooms where people sleep and work, and it must be very objectionable to health to carry on manufacture in that way.

Q. Is clothing manufactured in those same places in the same way?—A. Clothing is manufactured in the same tenement houses, and brought out.

Q. Does that law which you speak of do anything to prevent the manufacture of clothing where there may be the seeds of disease?—A. It does not touch that branch of industry yet.

Q. Which is the more important to protect, the cigar industry in that regard, or the clothing industry; which is the more likely to disseminate disease?—A. The cigar was believed to disseminate disease, and the evil was growing more rapidly.

Q. But I am speaking of the disposition to generate disease by the scattering of this clothing all over the country.—A. Well, sir; I do not believe that that would disseminate disease as fast as the other.

Q. Suppose a suit of clothing were made in a room where there were small-pox patients, and then that that suit were sent to Oregon, do you think the disease would go with it?—A. I do, indeed; but I do not think it is so apt to bring disease to the lungs of the man in Oregon as the cigar that is put up by small-pox fingers almost, and inhaled into the lungs the next day.

### LEGISLATION NECESSARY TO REMEDY TENEMENT-HOUSE ABUSES.

Q. What is the remedy for these tenement-house abuses; is there anything except law?—A. It seems, too, that the strong hand of the law should come in and enforce the carrying of water to every floor in tenements, and insist upon a proper ventilation of our down-town tenements that are crammed together, and running from three to six stories high. Of couse it affects the whole health of the city when one-half of the population lives in those houses.

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NEW YORK, *September* 26, 1883.

CHARLES PARTRIDGE affirmed and examined.

By the CHAIRMAN:

Question. Where do you reside?—Answer. My business is in this city; I am residing at present in New Jersey.

Q. What is your business?—A. My business is the flour commission business.

Q. And your address?—A. My address is No. 17 Moore street, of the firm of Partridge & Smith.

Q. How long have you been engaged in mercantile affairs in this city?—A. I have been in the flour business since 1862.

Q. Have you been connected with the Produce Exchange?—A. All the time; yes.

Q. In any official capacity at any time?—A. No.

Q. But connected with the Exchange during all those years as a commission merchant?—A. Yes.

Q. Were you a witness in the investigation ordered by the State of New York last winter on the subject of "corners"?—A. I was.

Q. You heard the testimony in that investigation?—A. Yes.

Q. And testified yourself, I think?—A. Yes, sir.

By Mr. PUGH:

Q. You are advised of the subjects about which we desire to hear your statement, as covered by the resolution of the Senate under which this committee is acting. Have you read the resolution?—A. I have not read the resolution constituting this committee.

Mr. PUGH. There is a copy of the resolution which we shall be glad if you will read.

[The witness read the resolution.]

Mr. PUGH. Within the scope of that resolution, we would like to hear any statement you desire to make.

The WITNESS. That resolution refers first, I believe, to education.

Mr. PUGH. It refers to labor and capital, their relation to each other, and to strikes, their causes and remedy.

### DEFECTS OF OUR EDUCATIONAL SYSTEM.

The WITNESS. I think first that our system of education is very defective in several particulars. I think that when a child has learned to read and write and cipher, the duties and work of life should be introduced. In our schools children should be instructed in those things which they would need to do in life. I think for girls there should be a room where they can be instructed, and, not only instructed, but taught practically to do the work itself, of cooking every kind of food properly, of setting table, and of doing housework, and everything which comes naturally within the scope of a family, such as making their own clothes and mending them, and giving girls something besides books upon which they can live, if they are driven to a point where they have got to work. We educate our girls now entirely in books so that they cannot even darn stockings, and cannot make a biscuit; they do not know how to cook a piece of beefsteak, and do not know anything of the duties of their lives, as a general thing. The result is, that if they have to go out and get work they are in a very bad condition.

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WORKING-WOMEN'S WAGES.

With regard to wages dress-makers, I believe, get $4 to $7 a week now, the average being about $6 for good working-women, an amount upon which they cannot live. I have before me a statement made by a woman that I know—a woman of middle age—one of those who make ladies' skirts. Here is her statement: In a dozen skirts there are 450 yards of tucking, 72 yards of seams, 32 yards of hemming, 34 yards of gathering-back, 36 yards of bands, 24 yards of bands over gathering, making 636 yards of sewing—price, $1.75. Out of that they pay for thread 50 cents, and to go and get the material, which is cut for them, and to take it back the car fare is 10 cents, leaving as the result of making a dozen skirts, with all that quantity of work upon them, $1.15, and the best workwomen, I am told, cannot make over two dozen and a half a week, making $2.87 for the week's work.

The CHAIRMAN. Is not that enough?

The WITNESS. I think it is enough just to mention it to make men ashamed to think that our females work for that price in this city, when they have to pay at least $5 a week for their board. They make $2.87; where are they to go and get the rest of it? I do not think that under these circumstances men have any right to injure or to criticise their conduct.

Q. Do you think that that is a fair average pay of the seamstresses in this city?—A. No, I do not say the seamstresses; but this is the pay of a large skirt-making establishment in this city, and that is a fair statement of what they pay.

Q. How about the difference between the $2.87 and the $5? You say they have to pay $5 to live. Don't they live?—A. They live; and I think the low price which they get for their labor is the cause of so much complaint against their characters. I think that they are in a dreadful condition, one in which they cannot live by their best efforts in work.

Q. What could be done to prevent that? They have been told that the law of supply and demand and of competition fix wages.—A. That is the question. One thing I should advise, is that females should have all the rights and privileges of voting and holding office that I have.

Q. That cannot be done for a number of years. What can be done for them now?—A. I do not see that anything can be done; I do not know that there is any remedy for it at present. But I think men who have managed our Government and industries, and permitted this condition of females should be obliged to pay females as much for the same service as they do males.

Q. Why not introduce and popularize suicide?—A. We do not need to popularize that; it is popular enough now. We cannot take up a paper without seeing some instance of suicide, and the condition of females as to earning their living invites suicides.

Q. But there are many thousands that have not resorted to it yet, are there not?—A. Oh, yes; but these things lead to suicide and all other misdeeds—the frightful burden put upon half-paid labor.

Q. You think it must go on so for several years any way?—A. I am afraid it must. I do not know of any remedy now, except to give females all the rights and privileges that men have.

Q. Do you think the people who pay those wages could not afford to pay more?—A. No; I do not think they could.

Q. Competition is such that it would destroy the business entirely?—A. Yes.



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Q. Can they not do anything else?—A. They do not know anything else. Therefore I want to see that females are educated in all the duties of their lives, so that they can do better than they are doing, and fill the places of men in dry-goods stores, and in clerical positions, and be paid the same price men are for doing the same work, and these men give up females' natural work and pursue men's work; cultivate the earth, &c.

By Mr. CALL:

Q. Those you spoke of before are skirt-makers?—A. Yes; they do 2½ dozen a week, which makes them $2.87.

By the CHAIRMAN:

Q. How much is there left after paying their bills?—A. After paying for thread and the expense of going and coming from the house for the work, they have $2.87 left.

Q. How many persons are there engaged in the business of skirt-making?—A. Oh, I do not know; a great many thousands. Even seamstresses only get $6 and $7 a week.

Q. Can they not live on a dollar a day?—A. I think they can; but, of course, they are crowded into garrets, and several are in a room. Another reason why I should recommend that all girls should be educated in all branches of preparation for life is this: If they are turned out of employment at any time at one branch of a woman's business they would be able to do other work offered. If they are turned out of sewing, for instance, they ought to be able to do something at cooking, enough to make a living. Then they would have the means within themselves of living, and they can easily find places if they have some instruction in those things; but when they are instructed in only one branch and are turned out, why, they are turned out simply to walk the streets. They have nothing to do, and there is no help for them.

Boys are in pretty much the same fix. I think that when they have learned to read and write and cipher, they should commence to be instructed in the work of life, and as far as possible, to have them not only see the work done, but to do it themselves, as a matter of education. For if they go now into our schools and come out, what are they? They want to be gentlemen at once, and they do not know anything to do, nor how to do it. Labor is considered not genteel, and therefore they turn themselves towards some of the schemes by which they can live without really earning anything; so they go into those schemes of speculation, and there are plenty of them. Plenty of our young men who ought to be on farms, or in manufacturing business where they would be doing some good for themselves and the community, are found lounging around in our cities doing nothing but idling their time—nothing that is valuable to themselves or the community—in fact living on somebody else.

## "CORNERS" IN GRAIN.

Another branch of your inquiry relates to the products of our country and how they are handled, and whether there are any schemes in the handling of those products that put burdens upon the consumers. I will mention the schemes of cornering, so called, and illustrate a corner in wheat in our market. It was called the "Keene corner" (in 1879 and 1880); but Keene was not the only man that was in it; he was then in Chicago and was associated with men here in New York, and not only here, but elsewhere; there was a clique of them. In 1879, when our crop

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was very good, but foreign countries were short, and it was supposed that all our crop would be wanted, moneyd men left their ordinary business and entered into a clique, and after buying up all the wheat they could, circulated the opinion that wheat would go up to $2 and $2.50 a bushel in this country, and that foreigners had got to pay their price for it or starve; that is, they had not enough to live without paying the price they put upon it here. Certain men combined to buy up the wheat and put their own arbitrary price upon it, and consumers have to pay their price or starve. These men don't help people to live, but help them to starve. The Keene corner in 1879 and 1880 lasted during ten months, from about the 10th of September to the 10th of July, during which time the 50,000,000 of people of America consumed about 186,000,000 bushels of wheat, at the average fictitious cost at least of 25 cents per bushel, which the Keene corner put on it and which the consumers were obliged to pay, making $46,500,000 in excess of the actual or natural value. That one corner put a burden upon the consumers of $46,500,000 in ten months.

Q. Will you explain how that was done?—A. Yes. The way it is done is that this Keene clique made their arrangements to send out men all over the country. I have been in the country and have met these buyers of wheat at the door of the mills in the country buying in competition with the millers when the wheat comes first into market, which is the time of the lowest price in the season, when some of the farmers are obliged to sell, in order to pay off the expense of raising the wheat. These people bought up the wheat, all the time circulating the idea of a large crop, to help them to buy it cheap. After they have bought what they can of the farmers, who are obliged to sell the crop early, they buy what they can for future delivery, and then get control of a large portion of the wheat.

Q. How early is the wheat crop purchased?—A. It begins usually in September—the winter wheat crop. This gambling trade is chiefly in number 2 red winter and number 2 spring wheat. They buy and hold it, as I have said. They continue to do so, and, of course, some will sell "short," as we call it, and there will be a great many "short" contracts out, most of which the clique secures and receives the difference between the price named in the contract and the price they put on wheat at the time the contract matures.

Q. What are those? Give us an explanation of those technical terms as you go along.—A. When a man sells what he has not got at a price that he thinks at the time it matures he can supply it for, that is selling "short." These men—the clique—buy up the wheat, and also the "short" contracts for future delivery, and the other man is not able to supply it; therefore he has to pay these men a very high price for the wheat, whatever price they arbitrarily put upon it, or the difference in the price named in the contract and the price the clique put on wheat in money.

Q. That man who sold it—not having it, how has he sold it?—A. He has sold "short." Sold what he did not possess nor expect to have, but to pay the difference in the price.

Q. What about the other man, the "long" man?—A. I will explain that further on. Now, in this corner the country lost the difference between what foreign countries would have paid when they wanted it and what they did pay when Keene and others shipped it and forced it on them about June and July, 1880, at about a dollar a bushel, making a loss to this country of 25 cents per bushel, amounting to about

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$30,000,000. That is the difference on that crop which these men held and could have sold it for, and what they did sell it for, and that loss is to this country, because if they sold it to foreign countries it would have come back to our people in gold or its equivalent.

Q. Who would have got it?—A. Why, they, the clique, would have got it, but it would have been in our country instead of in any other country. That is the difference. The Keene clique deceived the farmers who did not sell their wheat into an expectation of getting $2 or $2.50 a bushel; that is, after the clique had bought up what they could get at a low price early in the season. Now, suppose that one-third of the farmers held their wheat, amounting probably to 150,000,000 bushels, which they sold for 25 cents per bushel less than they could have got for it when it was wanted. That would amount to $37,500,000 loss to the farmers, who were deceived by circulars and false reports of produce exchanges into the expectation of getting from $2 to $2.50 a bushel. Then, when the corner broke it went down to $1 a bushel or $1.10 in this city, and then they had to sell it.

Q. What made it so high? Was it not the corner?—A. Yes; the corner.

Q. That is a fictitious price that you say the farmer might have got for it?—A. The corner made it high, as I have said, but during the time the farmers could have sold all their wheat to foreign countries at $1.30 per bushel as the fair legitimate price if there had been no corner. When the clique had got the wheat in their hands then they said that it would go up to $2 and $2.50, and the farmers who held back expected that, and then the "corner" broke, and it went down from $1.65 to about $1, and they had to take 25 cents or more a bushel less than they could have had for it.

Q. Why could they have got 25 cents more? Was it for any reason only that they held it back and the price went up unnaturally?—A. No; they could have got that during the time when Keene and his clique were holding it from $1 to $1.65 in this city. After the wheat crops were gathered and the deficiencies and surplus of countries ascertained prices went up naturally.

Q. But Keene and his clique could not have made that if the farmers had not held the wheat back.—A. No. The farmers holding their wheat saved the clique from carrying so much. The clique at that time would have bought it up rather than have it go on the market. They would not have the corner broken on account of that little quantity of wheat that was held back; but the farmers holding for $2 or $2.50 a bushel helped Keene and his clique to carry so much less wheat.

Q. They believed too much in what the clique said?—A. Yes; and they lost 25 cents a bushel by that.

Q. Can you say that they did lose 25 cents a bushel?—A. Yes; there were times they could have sold to go out of the market for more than 25 cents a bushel than they finally did sell it for.

Q. And they make these representations?—A. I say they do. There are two reporters on the Produce Exchange, and they differ in their reports. One for gamblers, the other by the rule of supply and demand.

Q. Well, in that case what did they say; that there was not a good market abroad?—A. At first no; but after they got into the season somewhat then they said there was a good market abroad, and wheat would go up; that the markets abroad were short.

Q. Do you mean they lied about it?—A. I don't think it is much short of that.

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Q. Did they know anything about the condition of the markets abroad?—A. Yes; they knew.

Q. Did they know whether there was to be a large or a small crop abroad?—A. Oh, yes.

Q. How can they corner that information when the London and New York papers make it public?—A. The New York papers generally use the official reports, which are under their influence; but I say the farmers did not generally get foreign information.

Q. Did they not read the New York papers?—A. Yes, some few; but as a general thing they do not, and the New York papers generally publish the official reports of the produce exchanges which are elicited by gamblers, and are influenced by them.

Q. Did they not get the truth then in regard to the crops abroad?—A. I say this: When this clique bought up this wheat in the early part of the season there was not much said about the short crop abroad; but when they had got it bought up, and when these farmers were holding it, then they said there was a short crop, and the wheat would bring a large price, $2 to $2.50.

Q. It was a conspiracy to deceive the country, then, in regard to the natural condition of the markets?—A. Well, they did deceive the farmers, and, through lack of principle, and burdened with greed, deceived themselves, and the burden of which was put upon the consumers of the wheat, which burden in this country amounted to $46,500,000, as I have said, and then the loss to the country by holding it over when they could have sold it at a high price, instead of selling it at a low price, I estimate at $30,000,000. Then, the loss we will say to one-third of the farmers who held their wheat over, expecting to get these high prices, I estimate at $37,500,000, making a total loss of $114,000,000 to this country by that corner of Keene and others in 1879 and 1880.

Q. How can you say that?—A. I have given the figures.

Q. How do you know what the foreign price would have been if Mr. Keene had never existed? How could you tell what amount would have got abroad?—A. We know foreign countries required all our surplus, and would have paid from $1.25 to $1.40 per bushel for it. We know they went to other foreign countries, and to some countries that they had never had any wheat from before, and brought out wheat for their requirements, because the price was so high here and they found it cheaper elsewhere, which defeated the cornering clique, while at the same time and for the same reason some three hundred ships which came here to take our wheat away to where it was wanted lay here for months offering to take it at almost nothing, and some of them even for ballast; but they were obliged to go away, and many persons had to mortgage their ships to pay expenses. The loss to shipping was very great, besides offending the captains and owners to such an extent that some of them declared they would not return to New York for freight as long as gambling was permitted to control our products. Commercial rules and laws were overruled and commercial confidence destroyed. Our country was irreparably injured by driving its customers for our wheat to other countries for their supplies, and stimulating an active competition in Russia, Egypt, New Zealand, British India, Eastern Turkey, and Prussia, and now at this day and this week samples of wheat from those countries are on exhibition on our Produce Exchange in New York which compare favorably with our wheat in prices and quality. That is the history of the Keene corner.

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PRICES OF WHEAT IN 1879 AND 1880.

Now, as to the prices of wheat during those different months, they commenced to buy in New York September, 1879, at $1.09¼; the highest $1.30. I will tabulate the prices:

| | Lowest. | Highest. |
|---|---|---|
| 1879. | | |
| September | $1 09¼ | $1 30 |
| October | 1 28 | 1 51 |
| November | 1 35½ | 1 48½ |
| December | 1 48½ | 1 65 |
| 1880. | | |
| January | 1 39 | 1 58¾ |
| February | 1 43½ | 1 58 |
| March | 1 37½ | 1 50 |
| April | 1 26 | 1 40½ |
| May | 1 27¼ | 1 46½ |
| June | 1 15 | 1 33 |
| July | 1 05 | 1 09½ |

About June or July, 1880, Keene made large shipments to foreign countries, and it is believed he only realized about a dollar a bushel.

Q. At that time were the ships here waiting to take our wheat over?—A. No, they were here probably from October to February and March.

Q. When did you say Mr. Keene commenced to ship?—A. In June or July, 1880, I think.

Q. He held it through the winter?—A. Yes, it could not be bought less than the above prices until spring. There were sales made (during the clique's control of the market) to go *out* of the market at less price than they asked for it to gamble with *in* the market. The idea was to hold it and make us pay for it at their price, or starve, since America could not import it from abroad.

Here were option contract settlements made at $1.35 when the price to go out of the market was $1.05. Wheat could be bought at $1.05, but this option contract had to be settled at the gamblers' price, $1.35; and in these various ways the clique wrung money out of the people. In pork there were settlements for $20, when it could be bought for $15 to go out of the market. These option trades are made like this: I sell you so many hogsheads or tierces of lard, or boat-loads of wheat, and I give you a contract, and the price goes up ⅛ or ¼ of a cent, and you sell to another man at an advance of ⅛ or ¼, and so on through indefinite number of hands. It was testified before the New York State committee in this book which constitutes their report, page 148, by one of the most reliable men on our exchange, that he had seen one of these contracts which had gone through sixty-five hands, and one delivery settled them all. Every person through whose hands it passed had to pay a brokerage, and that was added to the price of the wheat, pork, or lard, and when it it goes through sixty five hands we may understand that if it was wheat it went from about $1.20, or in that neighborhood, up to $1.50 or $1.65, and all persons who eat bread had to pay for it. This difference goes directly into the hands of the dealers or gamblers, I call them—to the injury of the consumer, and with no benefit to the producer.

Pork is dealt with in the same way. In the report of the New York State committee it is testified that 250 tierces of lard settled gambling contracts for 25,000 tierces. It passed through very many hands, but

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one delivery settled them all. It is a scheme that these young men, who are not educated in the duties of practical work, go into for the purpose of charging the expenses of their useless lives to the necessaries of life, which constitutes in my mind a conspiracy against life—of no benefit to anybody but themselves. It is a scheme to do that very thing, and they do it. It is just the same way with cotton and most other products.

Q. Do they make money by eating each other up, or the final consumer of the article?—A. They make money by eating us up. When it is sold for use we have to pay for the brokerages and all the profits the gamblers have made. In like manner we have to pay the addition of 25 or 50 cents a bushel on wheat, which goes into the hands of these option dealers, as they are called. Flour is not dealt in that way. I am glad to say that. But the price of flour is increased by the fictitious price put on wheat.

Q. What is it that you are speaking of, the wheat?—A. Yes.

By the CHAIRMAN:

Q. Well, that is the same thing in my mind. You mean that the flour goes to the consumer at this fictitious and inflated price?—A. It has to do so, yes; because here is a miller that is furnishing us with flour. The miller says that wheat is such a price at his mill, and he can't sell the flour at less than the price he charges, and that price includes the increased price made by all these fictitious dealings in wheat. It takes five bushels of wheat to make a barrel of flour.

Q. Well, is all the wheat involved in this?—A. Yes; but number 2 is mostly gambled in. But the price of all wheat is relatively increased in price.

Q. It is saying that practically these people control the whole market?—A. Yes; they control the price of the whole crop of wheat, corn, oats, pork, lard, cotton, and other products gambled in. I think some weeks this year our whole surplus crop of wheat has been sold in this country in futures, options, puts, calls, straddles, and other gambling terms.

Q. That is certainly an imaginary evil to some extent, because we do not have to consume the whole of it in one day. Now, what is the evil that results from selling the whole crop speculatively in one week?—A. Well, if our whole crop is sold fifty times in one year, it is done because they make money out of it; and if they make money, the consumer is the sufferer, and has to pay the fictitious gambling price. They do not do it without pay; they do not do it without charging the expense of their useless lives to the necessaries of life, and they do charge it. What could we do in this country when Keene held that wheat at the price I have mentioned, say $1.60? Foreign countries could get wheat elsewhere 20 to 30 cents per bushel cheaper than we could. We had to pay him his price, which carried flour up $2 per barrel, and we in this country had to pay it or starve. If gamblers run up the price 20 cents per bushel it increased flour $1 per barrel.

Q. But after awhile the thing broke and he had to sell here at a good deal less price than he thought?—A. It broke, and he came pretty near breaking.

Q. I can see how from day to day there could be hardship, but when the things fall do not provisions fall in price; and if so much more is paid now, you get it at so much less in six months?—A. I think I may say they never fall below the price at which supply and demand would regulate, for the reason foreign countries would take it; but supply and

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demand does not regulate prices now. It is entirely set aside, and the price of wheat every day in the year is what gamblers are interested to make it.

Q. You think you may assume as the lowest it ever gets, the natural prices that are regulated by supply and demand?—A. When it gets down there it is the natural price and has quick sale to go out of our market.

Q. The price that supply and demand would not have made is the price which you complain of as being made by the corner?—A. Certainly.

Q. Here it is held back when the new crop is coming in, and the speculator and farmer both see that when the new crop is to come it will be added to the old, if the old is not used up, and the new crop will be precipitated on the market?—A. Yes.

Q. Would not the result of that be that the remnant of the old crop would be put hurriedly into the market, and that it would reach the consumer at a good deal less than it would have reached him if the corner had not existed at all?—A. Not at all.

Q. You think that that can be relied upon as "hard pan?"—A. Yes; supply and demand is the natural regulator of prices, but when the wheat goes down to this natural price, foreign countries will take all that we have. So I say it does not go below that in any event.

Q. You state that as a fundamental proposition, in your opinion.—A. Yes; and I think it is correct, because here are all these men ready to buy whenever they can buy at the rate which the rule of supply and demand would give. The trouble is that people have to pay more all the time under this system of tyranny. The people of this country have to pay more. Now as to the Keene corner. Suppose it did break and went down to a dollar, why the large stock of flour that was in this market cost from a dollar to two dollars per barrel more than it would naturally bring, and, of course, the millers who owned it wanted to hold, hoping that they would not lose so much; they had to buy the wheat at the fictitious price to keep the mill running and supply their customers; they had large stocks of flour in this and other markets; they all suffered terribly; one flour-house in New York and their consignees lost $70,000. The millers all condemn this thing, because they can't tell to-day what the price will be to-morrow. If they want to buy a stock of wheat, they cannot tell whether they will make a profit on it or not; and not only the millers, but the commerce of the country and the shipper all condemn this gambling. When Keene was holding wheat the railroads had but little freight to bring, and when it went forward they had more than they could bring, and they complained of it.

By Mr. PUGH:

Q. In all these contracts for future delivery, that you call gambling contracts, does not the right exist to demand the actual delivery?—A. Yes; and that is all there is in it—*the right.* And the dealers in it, both sellers and buyers, know that it is not intended to make an actual delivery, but settle these contracts by paying the differences in price.

Q. What is the difference, in quantity, between the actual crop and the quantity that is sold under those contracts?—A. I do not know what the difference is—probably fifty to a hundred times.

Q. In other words, how do you compare the ability to deliver with the contract to deliver?—A. They don't deliver 10 bushels in 100 bushels sold. When I was asked to testify to the senate committee of the State of New York, about a year ago, I took from the authorized reports

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of the New York Produce Exchange only the amount of wheat that was reported sold each day from July, 1879, to April 20, 1882, the amount of wheat that was sold as they report "spot or cash," that is, for *use*, either in the city or to go out of the city—actual transactions—then I took the amount that they sold, called "options, futures, puts, calls, longs, shorts, straddles," &c. Now, I will answer your question. What they sold for *use* amounted from July, 1879, to April 21, 1882, to 244,675,000 bushels; what they sold in options, futures, puts, calls, longs, shorts, straddles, &c., amounted to 1,154,267,000 bushels. During this same time, and in 1879, 1880, and 1881, there were not anywhere near that number of bushels surplus to sell.

Q. Then the fact was patent and perfectly manifest that while the contract was to deliver there was no ability to deliver?—A. No ability at all; the wheat did not exist.

Q. And hence you call it, for that reason, a gambling contract?—A. Yes, most decidedly, gambling.

Q. A mere game upon a thing that did not exist?—A. Simply that. The passing of a paper that falsely purports to represent wheat and other grains or pork or lard, cotton, &c., when there is no wheat and other grains or pork or lard to represent the contract of sale, neither is it expected by the party who buys it is false and fraudulent; in a word, it is gambling.

Q. How does that contract to deliver three hundred times beyond the ability to deliver affect the market price?—A. It increases the price.

Q. Well, then, the purchaser does not suffer?—A. The actual purchaser of these goods, the consumer, does suffer.

Q. It is only the parties to this contract that are the sufferers?—A. No; I am the sufferer, because it has increased the price of the flour and other grains, pork, lard, and cotton, 25 per cent. These poor women are the sufferers who get only $2.87 a week for their work, and have to pay 25 per cent. more for their flour and pork and such other necessaries of life that are gambled in. That is one of the reasons that they cannot live any better than they do, and the chief reason for strikes, prostitution, and suicides.

Q. The effect of this system or practice is to increase the price of the product to the consumer?—A. Yes.

Q. That is your objection to it?—A. Well, it is not my full objection to it. It is unprincipled and dreadfully demoralizing.

Q. I mean that is one of your objections.—A. It is one objection. But I want to call your attention to this list. This was taken from July, 1881, to April, 1882, and I wanted to compare so as to see whether these fictitious gambling dealings in produce in our country was increasing. For the month of June, 1883, the sales upon the Produce Exchange in New York City, "spot or cash," amounted to 2,547,200 bushels. During the same time there were sold in options, &c., gambled in, 86,602,000 bushels. Just see the difference between those two items; and that represents the tendency to increase this pernicious business of gambling on the New York Produce Exchange in the necessaries of life.

Q. Have you ever made any estimate of the number of people employed in the business of buying and selling under future contracts?—A. I do not know them all; but we have about 3,000 members of the New York Produce Exchange, and at least 2,000 of them are engaged in this gambling business.

Q. Two thousand of the members of the Produce Exchange you think engaged in that business?—A. Yes; and they control the Exchange and its report in their interest.

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Q. You have no idea of the number outside?—A. Oh, no; if you come into Moore street at 2 o'clock in the afternoon you can hardly get through on the sidewalk, there are so many men and boys there engaged in this gambling business who cannot afford to have a ticket to the Exchange. But these boys, that have not been educated in the duties of life, that I have spoken of, are there to see if they cannot put $5 or more into an option and make some money on it.

Q. What is the moral effect of this business?—A. It is terrible. I say that where a man descends to gambling in the necessaries of life, all humanity goes out of him every time; they all smoke hard, and most of them have to treat and rinse it down with brandy.

Q. What is the difference in the effect upon morals of that practice and betting or dealing in faro?—A. Not any; it is the same thing; these are the men that were educated to do nothing, and they are doing it. They get their living in these scheming, fraudulent ways.

Q. Now, that is the evil; what is the remedy?—A. The remedy is for you gentlemen to make a law of Congress that no person shall sell that which he has not got to deliver, and no person shall buy that which he does not intend to receive and pay for.

Q. Suppose the Supreme Court decides that you have not got the power to do that?—A. Then I say amend the Constitution until you have the power; and, if you do not do that, I fear for this country. If we have got to be ruled by this gambling influence, I fear for the country. Here is a man that we see by the papers to-day either committed suicide or shot himself accidentally; many on the Produce Exchange think he committed suicide, because he got into trouble in these dealings. There was a man in Chicago recently who failed for a very large sum because he had dealt in options in pork and lard.

Q. Some of the courts have decided that those contracts are illegal, have they not?—A. Yes.

Q. Now, suppose Congress had the power to pass a law of that sort; how could you prevent the practice; you could make it a penal offense and punishable by fines and imprisonment, declaring it gambling; is that your idea?—A. I would make a penalty in connection with it describing what it is, attempting to sell the necessaries of life when they have not got them to deliver.

Adjourned.

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NEW YORK, *September* 27, 1883.

The committee met at 10 a. m.

REUBEN CARROLL recalled and further examined.

### DEGRADING EFFECTS OF HIGH RATES OF INTEREST.

The WITNESS. Time will not suffice to point out all the evils resulting from usury. Their name is legion. Go to India or China where rates rule high, and have ruled high for ages, and read its demoralizing and debasing effects upon humanity in the degraded conditions of the masses of their people.

Yet there is one more very great evil in this country affecting our people, our political institutions, and our civilization, which should not be overlooked, and that is the utter disregard of law which usury presents. All men are positively forbidden in this State to take more than 6 per cent. The law of the United States forbids national banks to

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charge more than the legal rate in the State or Territory in which they do business, yet banks in this State violate these statutes with impunity. And so common has this practice become that scarce any one seems to think it wrong, overlooking its demoralizing effect. Reverence for law is society's only safeguard. Violation of law tends to weaken the only bond that holds society together. It comes with very bad grace from violators of law to rail at communists. It seems very absurd to punish labor-strikers for violating law when many of the lawmakers themselves are in the daily habit of violating it. A very able political economist of England says: "A certain 10 per cent. will insure the employment of capacity anywhere; 20 per cent. will beget greediness; 100 per cent will cause it to trample upon all human laws; 300 per cent., and there is not a crime which it will not run, even to the chance of its owner being hanged.".

OUR SYSTEM OF FINANCE DEVISED TO ENSLAVE LABOR.

Our whole system of finance is a fraud. It is copied from the English system—cunningly devised to enslave labor, to keep the masses in poverty and in subjection; and that this has been its results all English history attests. The present impoverished condition of laboring people of Great Britain attests this. The Government itself furnishes the most conclusive evidence of the evils of this system in its late appropriations to shift 50,000 families of its late pauperized subjects abroad. In adopting this system we have been putting new wine into old bottles.

But to conclude this branch of the subject. I quote from the report of the committee of Congress already referred to, of which Senator Jones was chairman, which I indorse as expressing my views fully. On page 57 they say:

"It is not against capital, but against our false financial system that permits the volume of money to either shrink or unduly increase that the hostility of society should be aroused. Let labor and capital be put on equal terms so that idle capital will be as unfruitful as idle labor, and the conflict between them will cease to be destructive."

ADVANTAGES OF THE ABOLITION OF DEBT.

But now for the remedy of the evils against which I protest. I would abolish debt by the abolition of all laws for the collection of debt. This would abolish usury, for debt is the occasion of usury. Debt was the trap set by old Shylock in which to catch the Merchant of Venice that he might cut out the pound of flesh nearest his heart, and debt is the trap set by usurists of the present in which to catch and rob the producers of wealth. It is just as true to-day as in the days of King Solomon: "The rich ruleth over the poor, and the borrower is a servant to the lender." The man with a mortgage on his property, which he cannot discharge is the serf of the man owning that mortgage, and must do his bidding or forfeit his means of livelihood; and he who eats his bread by the sufferance of another man is that other man's slave. Then, this power given to the lender often makes him a tyrant, so debt is equally demoralizing to both debtor and creditor, making a serf of the former and often a tyrant of the latter. Freedom cannot be perpetuated by a race of slaves, and this is why the Roman and Grecian republics failed. The masses were first robbed of their property through debt. The many were impoverished for the benefit of the few, and, as Solomon says, "The rich ruleth over the poor."

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The CHAIRMAN. That question of the abolition of debt is a question often suggested. The objection, of course, would be that a man having capital would not part with it; a man having articles of use essential to those who are without them, would not part with them without laws for the recovery of debts, and of personal chattels, &c., when their temporary possession is parted with. If you should pass laws by which the temporary possession would not be parted with at all, traffic would cease, and the inevitable interdependence of individuals upon each other, unless a remedy of this kind should be afforded, would result in the practical destruction of society. That is the way it looks to most people, because, then, intercourse would cease. Constructed as we are, who, in such a condition of law, would part with anything that he is perhaps even temporarily possessed of, when he would be glad to do so if he could take possession of the chattel for the capital with which he parts?

The WITNESS. Those matters I discuss further on, and at the winding up we may discuss them a little further.

The CHAIRMAN. Very well.

The WITNESS. First, this would prevent the recurrence of those fearful things called money panics. "Out of debt, out of danger."

Second. It would drive the capital now employed in discounting paper into productive industry. It would go into the construction of rolling-mills, cotton and woolen factories, &c., thus furnishing employment to labor.

Third. It would take fully 25 per cent. from the cost of all products, as it is estimated by economists that the credit system enhances all production to this extent.

Fourth. It would relieve the people from the payment of large sums of money now collected through taxes to support courts, juries, sheriffs, &c.

Fifth. It would make the United States the manufacturing mart of the world, for we could then manufacture and sell goods much below any nation employing the credit system.

Sixth. It would save to the people the expense and taxation of much litigation.

Seventh. It would force the drones who hang around courts, like carrion crows, fattening upon unfortunate debtors, into some honest, legitimate business.

I say nothing against lawyers as a class. That profession has furnished some of the noblest men that have ever blessed humanity. But I refer more particularly to those shysters who hang about courts seeking opportunities to reach litigants or to be paid upon juries.

There are many other benefits which I think the abolition of debt would confer upon society. Especially would it establish a higher order of manhood. To rob a man now is regarded by many as all right, if it be only done legally, but if all debts were debts of honor, they would be paid just as promptly as debts of honor are now paid. Many men who will not pay a tailor's bill, if they can help it, will yet pay what is esteemed a debt of honor. I would make all debts to be debts of honor. Besides, if John Doe trusts Richard Roe for a sum of money, it becomes his own business to see that he gets it back. What right has society to tax you and me to assist John Doe to recover it?

But I am aware that, in these investigations, we are dealing with grave problems—problems that have baffled the wisest in the past, and I do not assume that I have found the true solution of any of them, but simply hint at what I think would produce better conditions in society—would tend to the elevation of the race, and I beg for them careful consideration.

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DEBT HAS NO WARRANT IN NATURE.

With regard to the impossibility of getting loans if my system were adopted, I desire to say: Debt has no warrant in nature; you cannot get into debt to her; you must pay as you go. You cannot raise a crop of wheat on bond and mortgage. You must pay in honest labor before you get possession. So with all nature's treasures. She has stored them in her great laboratory and you must pay for them in the sweat of your face before you get them.

Of course, my theory would require a very great expansion of the volume of money. Money is kept within the limits that we are employing it in order that it may bring higher rates of interest of course, and if all laws for the collection of debts were abolished, the volume of money would, of course, have to be increased. And whether it would ever become necessary to borrow is another question—whether or no it is not the design of nature that every one should earn before he obtains. I admit that there is a problem there, but that seems to me to be the true view of the case. That was the point that you suggested, I believe.

OIL MONOPOLY—THE STANDARED OIL COMPANY.

The CHAIRMAN. Yes. You may now go on, if you please, with your testimony touching the production of oil, and, of course, the pertinency of the testimony is its bearing upon the increased cost, if there is any increased cost, of oil as an article of human consumption, by reason of any abuses or exactions or wrong things done by anybody.

The WITNESS. Well, after stating some general matters, I will then be subject to your questions in regard to the matter as you may see proper.

It is true that the Standard Oil Company is a giant monopoly; that it has the entire control of this product, and it is equally true that oil producers are its serfs. They have no control over the shipment or sale of their oil, nor the price at which they shall sell. In all these matters they are compelled to submit to the dictation of the Standard Oil Company. To give you a full understanding of this, I shall have to enter into some details.

The wells are bored by the producers, and by them the oil is taken from the ground and placed on the surface, but, when there, all real control of the product on the part of producers cease. The producer cannot get it to market except at such times and prices as the Standard Oil Company chooses; he is in fact a serf. Now, to understand what I have said it must be premised that the Standard Oil Company owns what are termed the pipe lines that carry the oil from the tanks of the producer to wherever it may be wanted, either to the railroad siding or to the cities, which, of course, the producers have no control over. Oil men are serfs, and yet in point of business capacity, enterprise, push, and general intelligence, they are not surpassed by any class of business men in the country. Now, when such men can be reduced to a species of serfdom, it becomes interesting to know the means whereby that end was accomplished—and thereby hangs a tale.

THE STANDARD OIL COMPANY AND THE RAILROADS.

In the frequent collisions heretofore between the Standard Oil Company and the producers investigations have been had as to their differences—the wrongs that were heaped upon the oil men. In one of

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these investigations Mr. Cassatt, who, I think, was then vice-president of the Pennsylvania Central Railroad, was called before one of those committees, and he testified that he, as pool agent for the four great trunk lines of railway (the New York Central, the Erie, the Pennsylvania Central, and the Baltimore and Ohio) had paid as rebate to the Standard Oil Company from these trunk lines for the carrying of oil between November, 1878, and March, 1879, a little over $10,000,000.

By the CHAIRMAN:

Q. Rebate on freight?—A. Yes, I think those were the dates.

Q. That would be only four months?—A. Only four months. It was a time of great activity; and yet it may have embraced some accounts prior to that time; that I don't know. I think, however, that those were the dates. I have his statement, but have not got it with me. I won't positively assert that those were the dates, but I think they were. Now, we have the key to the situation.

Q. Which railroad was it that paid this?—A. Mr. Cassatt paid it as agent for those four roads that I have mentioned. He was their "pool" agent. They "pooled their issues," as it were, and so much was charged no matter what road it went over, and rebates were paid proportionate to the amount of business that each road did. He testified that he paid a little more than $10,000,000.

Q. Do you know what proportion of the whole oil supply was furnished during that period by the Standard Oil Company?—A. They had entire control of the shipment. You see the rebate of 80 cents a barrel gave them entire control of the shipment, because no one could ship in competition with them.

Q. They pay in the first instance full freight?—A. Yes, full freight.

Q. And get it back afterwards?—A. They get back 80 cents a barrel as he testified. That is a good deal more than oil has been selling for recently.

Q. They pay back 80 cents a barrel?—A. Yes, a portion of that time at least. I don't know that he testified as to all the time.

Q. Do you know how much they retained?—A. Well, it was a very low rate. I don't remember now exactly the amount per barrel, but it was a very low rate. The managers of the railroads claim that it was not a paying rate—that they lost money in the shipment. It was so testified.

Q. Do you know what the price of oil was at that time—the rebate you say was 80 cents—of course it was not quite the whole amount of the freight?—A. Oh, no; oil was then higher, I think; perhaps in the vicinity of $2 a barrel.

Q. What was oil at that time worth in the hands of the shipper; not after it reached the market, but immediately after production?—A. You understand that the Standard Oil Company buys all the oil—you could not sell to any one else.

Q. Did they buy all the oil at that time?—A. Yes; and they pay certain rates, varying from day to day.

### THE OPERATION OF TRANSPORTATION REBATES.

Q. In what way, if they then bought all the oil, does it injure any other person—any other oil producer—that they get this rebate?—A. Why, were it not for that rebate you would have very many independent refineries here in New York City. These refineries could go there and buy the oil and ship it here and refine it themselves; but as it is, and as it has

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been with transportation in the hands of the Standard Oil Company, of course no competition is possible, with these rebates.

Q. At that time was the Standard Oil Company supplied with pipes of its own?—A. No; not as it is now. Then it depended upon the railroads for its shipments. Now they have pipe lines to the seaboard.

Q. Then with no competitor among the producers of oil at the wells, the Standard Oil Company having purchased the whole, and being the only shipper, and there being no pipe line, and the Standard Oil Company being obliged to depend upon railroads, what motive had the railroads for granting this rebate?—A. I will explain. We will say that I represent the Standard Oil Company; you are its agent. I am a refiner, say, having a refinery here in New York City. I am running that refinery, transacting my own business and managing it to suit myself. I go out to the oil regions and buy oil at, say, $2. You, as manager of the oil company, do the same thing. I ship my oil here and pay $1.20, which was the rate at that time, I think. You ship your oil and you pay 80 cents.

Q. I see. That is where there is another shipper, but at that time there was no other shipper.—A. There were a great many independent refiners besides the Standard Oil Company, for that company not only ships oil but refines it, and controls the product. At that time there were many independent refiners here and at Baltimore, but they were compelled to suspend and sell out to the Standard Oil Company at whatever price the Standard would pay them, and many of them did sell out at a quarter of the cost.

THE MOTIVE OF THE RAILROADS IN GIVING REBATES.

Q. I can see how that special favor extended to the oil company extinguished the other refiners, but the question I asked was what motive had the railroads as such for granting this rebate to the Standard Oil Company. You remember you stated that the Standard Company was then the only shipper.—A. Yes.

Q. For some reason these refineries had already been closed.—A. Not already.

Q. Or they had some idea of the crookedness of things?—A. Allow me to correct you. There were some already in existence in Pittsburgh, Baltimore, and I think some here.

Q. Then some of them were still existing?—A. Yes.

Q. But I still fail to see what interest the railroads as such had for granting the rebate to anybody, they having control of the entire transportation at that time, whether the oil came from the Standard Oil Company or through these independent refineries or from the local shippers.—A. An agreement had been entered into between the Standard Company and the presidents of these railroads. Of course, the Standard Oil Company being the greatest shipper, all these roads were anxious to have its patronage, and therefore they entered into this arrangement, and possibly some of the officers of the roads may have had an interest in this inside ring. Of course I can't say that, but it rather looks so to me.

Q. If anything of that kind existed it was in violation of their trust relations to the roads?—A. Yes.

Q. Was that charge of transportation by the roads (that is, the highest charge on which the rebate was granted) an extortionate charge at all, or was it a fair charge for the transportation?—A. The railroad officials claimed that it was simply a fair price. I think the schedule price

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at that time was about $1.20. Of course it must have been very remunerative, or they could not have made so great a rebate. Some of the managers of the roads were brought before the committee, and they claimed that the railroads had been losing money in transporting the oil.

Q. That is, at the rate of 40 cents a barrel?—Yes; at the reduction.

Q. Was it $1.20 a barrel?—A. I won't say that 80 cents was the steady rebate. I think that perhaps for one month or two that was the rebate granted, but I think some of the officials testified that they had shipped oil for something very much less than 40 cents—I think for 10 cents a barrel during a large portion of the time—that they lost money on it largely.

INJURY INFLICTED BY THE STANDARD OIL COMPANY.

Q. I would like you to explain how it is that the existing state of things is an injury to a local producer, the owner of the oil well who produces the product sold to the Standard Oil Company.

The WITNESS. How the present condition of affairs injures him?

The CHAIRMAN. Injures the present producer or owner of an oil well.

A. Well, if you could explain to me how, for instance, the taking control of the management of any man's business, dictating the price at which he is to sell his goods and when he shall sell them and to whom he shall sell them, then I can explain to you how it interferes with other men to have the Standard Oil Company do it.

Q. Won't you explain to me how it is that the Standard Oil Company takes control of the business of the independent oil producer. That is the precise point?—A. As I told you, after the purchaser gets his oil upon the surface of the ground he has no means to get it to market except through the Standard Oil Company.

Q. Can he not take the railroad, as he could before there was any Standard Oil Company?—A. He can take the railroad, but the cost of transportation by the railroad would far exceed what the Standard Oil Company could deliver the oil for at the end of the road, consequently he could not compete with them; in other words, he would lose.

Q. Then it comes from the fact that the Standard Oil Company owns the pipe lines?—A. Owns the pipe lines and the means of transportation.

Q. Are the pipe lines the means of transportation?—A. They are, principally. Between short points they ship a little yet by railroad, but the pipe lines are the principal means of transportation now, but you see in the inception of this thing it was the power of the roads over transportation that made serfs of the oil men, and they are now tied hand and foot.

Q. How many of these oil producers are there who work independent of the Standard Oil Company?—A. It is claimed that there are about a hundred thousand persons who are directly and indirectly connected with the production of oil.

Q. The men and their families.—A. The men and their families.

Q. I suppose that would be about twenty thousand heads of families?—A. Yes.

QUANTITY OF OIL PRODUCED IN PENNSYLVANIA.

Q. How large a proportion of the oil we have, or of the petroleum produced, is the work of these twenty thousand?—A. Outside of the Standard Oil Company, do you mean?

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The CHAIRMAN. Yes; take all that is produced in Pennsylvania and in that locality by the Standard Oil Company, and by the others—what proportion is it that the others produce, and what is produced by the Standard Oil Company?—A. It is pretty difficult to ascertain that. There are a great many companies—one called the Union Oil Company, one called the Hazlewood Company, and the other companies who are supposed and generally believed to be the Standard Oil Companies—although we have no definite information about that—they act independently and go along, yet it is generally believed that they are connected with the Standard. From my knowledge I should say that the Standard are now producing one-third of the petroleum produced.

Q. And the independent producers how much?—A. Two-thirds.

Q. And does that include the two companies whose position you think is doubtful?—A. I include them with the one-third that are probably Standard men.

Q. Then those that are well-known to be independent of the Standard Oil Company produce two-thirds of the oil?—A. I should say so.

Q. And they have to get their market through the Standard Oil Company?—A. Yes.

QUANTITY OF OIL PRODUCED IN AMERICA.

Q. What petroleum product is there in this country outside of that in this oil region that you represent?—A. It is estimated variously now from 60,000 to 75,000 barrels a day.

Q. Outside of that district, I say—I want to see what there is outside of that particular district, if any?

The WITNESS. You mean within the limits of the United States?

The CHAIRMAN. Yes.

A. Well, I estimate that outside of the immediate oil fields of Western Pennsylvania and New York there are not 10,000 barrels of oil produced.

Q. And about 70,000 produced there?—A. No; the estimate of the whole yield is from about 60,000 to 70,000 barrels. You know that producers, outside of the report of the Standard Oil Company have no means of ascertaining the production, because the Standard Oil Company are the only men who "tank" oil, consequently they are the only men who know what the real production is, but taking their reports, the entire production is about 62,000 or 63,000 barrels per day; but it is sometimes estimated at higher than that.

Q. What is that now worth per barrel; not in the market, but at the wells?—A. I think the market closed yesterday at $1.16

Q. The Standard Oil Company pays $1.16?—A. Yes.

Q. Then they transport it and refine it?—A. Yes.

Q. At what price is the same sold after transportation and refining?—A. I think it is reported at 8¼ cents a gallon.

Q. And the barrel is how many gallons?—A. I believe their barrels are estimated at 40 gallons.

Q. This refined petroleum is such as is used for lighting purposes?—A. Yes.

PRACTICABILITY OF OPPOSITION TO THE STANDARD OIL COMPANY.

Q. Two-thirds of the capital invested in the production of oil seems to be invested in wells not connected with the Standard Oil Company. Could not those other capitalists, by combination, establish an inde-



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pendent line of pipes, as the Standard Oil Company has done?—A. If they were to attempt it, it would be, on the one hand, a case of organized capital directed by a superior intelligence, and on the other hand, disorganization.

Q. But could they, I say, do this? You see that one real difficulty seems to be that the Standard Oil Company seems to own a cheaper means of transportation than the railroad transportation, and the others have no such means of transportation. Now the producer, the man who owns an oil well, ought not to be obliged to pay for this increased cost of transportation by rail, when he can have his oil at the reduction which results from its coming through the pipes. The consumer will find fault, and it would seem that he would have some right to do so, if he were compelled to pay this unnecessary cost of transportation, would he not?—A. Certainly.

Q. That being granted, what way is there for the producers of these other two-thirds of the oil but to obtain an equally cheap means of transportation?—A. That would imply on their part, in the first place, a capital equal to the Standard Oil Company's capital, which means many millions of dollars. It would require combination and tenacity of purpose to the same extent that the Standard Oil Company has manifested it. People have attempted that several times, but you see they are met with injunctions by the courts and with litigation at every turn, and in every way obstacles are thrown in their way until they are overruled. There is now in existence what is called the tide-water pipe-line, in opposition to the Standard; that is, it was organized by a number of heavy producers for the purpose of transporting their own oil. It, of course, was feeble in the beginning, and we don't know what influences may have been brought to bear by the Standard Company, but there is practically but little difference between the two. It is generally surmised that the Standard Company control the other. At any rate, there have been several companies attempted to be established, which the Standard Company have either bought out, or thrown obstacles in the way of, obstacles that have been insurmountable on the part of the others, so that they dwindled down and died.

Q. Are the heavy oil producers interested in this rival line?—A. Yes; they were heavy oil producers who organized it, but they organized to make money, and if they could make more money by selling, of course they would sell.

Q. That is analogous to the way in which the rival telegraph lines are absorbed, I suppose?—A. Yes.

### PROFITABLENESS OF OIL PRODUCTION.

Q. What is the fact as to the profitableness of oil production, even under these disadvantages?—A. Well, oil varies very much in price. I have sold a great deal of oil myself, and as low as 55 cents a barrel. Oil has been very much depressed for the past three or four years. I have sold frequently as low as 55 cents a barrel, but its production, even at its present price, say $1.16, is something of a lottery. If a man has territory that is rich and will yield largely, and if he is situated so as to develop it; if he has the machinery and means to develop it, he could make money at the present price of oil; but if he has to pay, say three-eighths of a cent or one-half a cent royalty, and has not the means of developing it, has to work at a disadvantage, has to pay high prices for money to develop it, of course fortune would turn against him. And, upon the whole, it is not a productive business

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at present. It is a business that the majority could not make a competence in.

Q. How long has this condition of the oil business existed?—A. Well, the Standard Oil Company was organized about 1870, I think. It was then called the South Improvement Company, and it commenced some of its extortions, and the oil producers got indignant, and it seemed as though there was going to be a revolution. They smashed tanks, and there were other demonstrations of violence, and it seemed for a time as if there was going to be a revolution. Then the managers seemed to have got scared and they dropped that organization and subsequently organized under the name of The Standard Oil Company. I think that reorganization took place about 1872 or 1873.

Q. And do you mean since that time, to the local producer, the business has been depressed and unprofitable?—A. Well, not to the same extent that now prevails. You see, of course, they had to gain their power step by step over the producer, because if they had commenced with the same despotic sway that they exercise now it would have created a revolution at once. The producers would not have stood it a minute.

Q. Is any oil of any consequence transported by rail at the present time?—A. No, sir; I think not. The railroads cannot compete at all with pipe-lines in transporting oil. It can be done very much more cheaply by pipe-lines than by railroad.

PIPE-LINES, THEIR EXTENT AND CAPACITY.

Q. Can you give some idea of the extent of that pipe-line system, and also of its cost and of its capacity?—A. Well, the lines of the Standard Oil Company, in the first place, extend throughout the entire oil region, they cross and recross in every direction, so that they may reach every tank of every producer. Of course they make many hundreds or thousands of miles, because the producing field now developed in extent is perhaps 200 or 250 miles in length, and it is perhaps in width an average of 2 to 3 miles, in some places more. Then, in addition to that, these lines are used to run the oil from the producer's tank to the tanks owned by the Standard Oil Company located in that region. They have large iron tanks usually holding about 35,000 barrels each.

Q. They have main lines extending to the seaboard?—A. Yes.

Q. That is how much farther?—A. From the region there to New York.

Q. Some 300 or 400 miles?—A. Yes; 300 or 400 miles.

Q. How much of the oil region itself, that which can be improved for producing oil and the establishment of wells, is owned or leased in such way as to control the production, by the Standard Oil Company?

The WITNESS. What proportion of the lands?

The CHAIRMAN. Of the capacity to produce, I mean.

The WITNESS. Yes; I know; that would be very much less proportionately than the number of producers connected with them. They would not own near one-third, because they are unable to monopolize the production of oil owing to the new fields originating, and owing to the fact that they don't know where to go to seek the best territory. The outside producers seek out the new fields; then the Standard Company, or its agents—these companies that I have been speaking of—are pretty sure to be on hand to secure the best portion of those fields when they are struck. Consequently the amount of land owned and leased by them would be less in proportion than the men engaged.

Q. Is it in such way that the men outside—the producers who are

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independent of the oil company—could by combination and by the withholding of production bring the company to terms at all, or could the company then enlarge its production and be independent of them?—A. The majority of the oil producers outside of the Standard must have their returns weekly, or nearly so, in order to meet their expenses. They are poor, consequently they are unable to withhold, and they are unable to tank, even if they could withhold it from the market. They have no pipe-line facilities, no method of connecting their tanks with any other tanks to hold their oil, consequently they could effect nothing in the way you indicate.

Q. You spoke of these small producers; about how much on an average do they produce daily; or perhaps you cannot strike an average, but can state the amounts that many of them produce daily?—A. You mean the owners of wells, what they produce daily from the wells?

DAILY PRODUCT OF SINGLE WELLS.

Q. You spoke of those people whom you called "serfs." How much oil does a serf produce in a day?—A. Well, it would be pretty difficult to strike an average, owing to the fact that wells vary so much and the ownership of them varies. One man may own one well and others a dozen wells, and others only an interest in a well, so that it would be very difficult to state an average.

Q. The production of wells varies very much, I suppose?—A. Yes; very much.

Q. Well, what do wells produce?—A. Sometimes very largely.

Q. How largely?—A. Three, four, five, six, seven, or eight hundred barrels sometimes, but I should say that the wells throughout the entire oil region now would not average beyond, say, six hundred barrels a day; but of course that is merely a rough estimate. I merely estimate from that portion of the field that I am most familiar with.

Q. Have you any impression as to whether this oil supply is likely to be lasting or not?—A. Well, my opinion is that it will last for ages. Of course wells run down in oil, but some of the first wells struck in the oil region are yielding to-day.

Q. Have there been any geological examinations which throw light upon the probable supply?—A. No, sir. There have been geological investigations, but geologists seem to differ, and there is nothing really to determine how long the yield may be; but the yield is sometimes so small that at the present price and at the prices that have been ruling for the past three or four years, the wells become unprofitable and are abandoned. Very many wells are abandoned on that account that are still producing.

Q. I suppose that when one well is abandoned on that account new ones are opened?—A. Oh, yes; new developments are constantly taking place, but my opinion is that if wells were carefully handled and the price would warrant oil could be gotten there for ages.

Q. Do you know anything of the prospective development of supplies elsewhere?—A. Well, somewhat. I have been looking at that a little.

Q. What is the prospect?—A. Well, there is quite a prospect of an oil field of considerable dimensions in California; in fact they are getting considerable oil there now.

OIL PRODUCTION IN RUSSIA AND INDIA.

They are getting oil in Russia in considerable quantities. It is an inferior article, however, to ours, and costs very much more to refine. It

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does not yield anything like the illumination proportionately that our oil does, so that I apprehend it can never come in competition with our oil in the European markets.

Q. Are there any supplies in other parts of the world that you know of?—A. Well, there is some oil in India. Oil has been extracted from certain districts there for ages, but they don't seem to know how to handle it. It is not brought into competition with our oil in the European markets.

Q. You do not anticipate that there will be any substantial competition with our oil for many years then?—A. No, sir.

Q. What should you say as to the price at which oil is furnished to the consumer now and has been furnished hitherto; I mean whether it is furnished to the consumer at a reasonable or at an extortionate rate?—A. Oh, it is at a very reasonale rate now. The gentlemen composing the Standard Oil Company are simply human beings. They are doing what others would do under the circumstances. They have secured the means to do what they are doing to enrich themselves, just as other men would do. I lay no particular fault at their doors, but I do find fault with the organization of law and of society that permits it.

REMEDY FOR OIL MONOPOLY.

Q. In what way would you remedy this evil?—A. Why, as I told you before, the power to control the transportation of petroleum was the means whereby the Standard Oil Company were able to build up their present fortune and to secure the control they now have over the producer and over the people. Instead of that being in private hands, in the hands of corporations that could make these contracts with the Standard Oil Company, it ought to be directed by the State, through some organization of the State; for inasmuch as the people are all interested in transportation it seems to me that they ought to have some voice in fixing the rates which that transportation should cost.

Q. Suppose that that was so, and that there were competing routes for the transportation of oil, or that the Government controlled the rate at which it should be transported through this one route, but, on the other hand, that those who control or own the oil region should combine and decide at what rate they would supply it for transportation, how would it be then? Suppose the producer should establish a standard oil *producing* company, and by a large capital spread themselves over a large producing region, should the Government interfere with that?—A. The law of supply and demand is soverign and will assert itself in the end. Therefore I can see no danger in any combination on the part of the owners or the men producing the oil. I can see no danger in their combining to raise the price upon outside consumers.

Q. Suppose the Standard Oil Company, then, owned the producing power as well as the transporting power *in toto*, you would think there would be no evil whatever? Would not then the question come between the Standard Company (owning production and transportation) and the consumer, and would not they hold the consumer by the throat?—A. The evil then would consist in permitting any one company or any dozen men or hundred men to monopolize a product that should be for the benefit of the whole people. There is where the trouble would come.

Q. Oil is no more necessary than wheat, is it?—A. No.

Q. Would not the interference of the Government, then, to control transportation in this case, if followed out logically, and so as to guard against any of the evils you speak of, involve the necessity of the Gov-

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ernment taking the control of all the substantial business interests of the company?—A. certainly not. Transportation enters into the cost of all production.

Q. But production enters into the cost of everything that is consumed?—A. To a certain extent.

Q. Except air and water, and such things as are common to all?—A. As I told you, in production the law of supply and demand, which is supreme, will govern; but in transportation there comes in another question altogether.

Q. If the transporter charges so high for his transportation that the producer cannot afford to take the oil from the ground he has nothing to transport.—A. But you see transporters are public carriers; transportation is for the public good. Therefore I urge that inasmuch as the public are all interested in that transportion they should have a voice in fixing it or saying when it was too high; or, in other words, that a few men should not have the power to tax the entire country undue and unjust rates for transportation. That is the position I assume.

Q. Have these men any exclusive power?

The WITNESS. These men who control the Standard Oil Company?

The CHAIRMAN. Yes.

A. The power they have they got, as I have told you, from the power of transportation.

Q. Yes; but they have no exclusive power of transportation. There is room for one hundred pipe lines if the public see fit to establish them, and there is perfect freedom for their establishment.—A. But the moment they attempt it the agents of the Standard Company come in with their litigation and injunctions and bother and perplex and trouble them.

Q. That is to say, the new combination is not strong enough to hold its own against the old combination?—A. That is it, exactly.

Q. That is the ordinary attrition between the forces that operate in society—masses of capital in collision with each other—in which case the weaker goes to the wall. That may be attended with hardship, and no doubt is; but in what way is it practicable for society, or for government, which is the agent of society, to prevent it?—A. Well, of course that is a problem, and quite a grave problem, which we individually should aid in solving.

Q. That is just what we want, because the analysis of this whole Standard Oil case brings us directly there, before we have reached any remedy, does it not?—A. Yes; it comes directly there.

Q. Then what suggestion can you offer as to the solution of that problem?—A. The only suggestion that I have now to make would be the one I have already made—that Government should interfere in transportation and take charge of it.

Q. You mean that Government should say at what rate the Standard Oil Company should transport the oil from the well to the seaboard?—A. I mean to say that there should be some power in the Government to see that undue rates are not charged for transportation.

Q. That is, that the Government should regulate the charge?—A. Yes; I think that should be done.

Q. I understood you to say that the Standard Oil Company, through its refiners, furnishes the article at reasonable prices to the consumer?—A. Well, yes, I think they do.

Q. Then if it does that, if the price to the consumer is a reasonable one, how can it be claimed that the Standard Oil Company is guilty of any abuse, either in what it pays or what it charges for transportation or for refining and perfecting?—A. The Standard Oil Company changes

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the price of both refined and crude oil to suit its own convenience, to make money itself, and thus grinds out of existence often men who have invested their means in refining and producing oil.

Q. It is not a thing that affects the consumer so much as the producer?

INTENTIONAL WASTE OF OIL IN ORDER TO KEEP UP PRICES.

A. Not so much, although the consumer is, of course, affected somewhat. For six or eight or ten months, perhaps, a very large quantity of oil went down the stream.

Q. It wasted?—A. It wasted, simply because the Standard Oil Company did not wish to take care of it. It did not wish to depress the price. It flowed off down the stream. Of course consumers are all interested in that matter. If that oil had all been garnered and taken care of it would affect the future price of oil.

Q. Why was it not taken care of? Why was it produced if it was not to be taken care of?—A. Because when a producer gets his well down, if there is gas enough, which there nearly always is, it throws it all out, and he cannot stop it without injuring or destroying his well.

Q. Had the Standard Oil Company the means of stowing this which was wasted?—A. Well, of course they could have got the means if they did not have it. They claimed that they did not have it, but they were not making any great effort. The truth is that they wanted to compel producers to suspend operations until the stock on hand was out.

Q. It was a case of alleged "overproduction?"—A. Yes; and of course in that matter consumers were interested with producers, because that oil was wasted to the world.

Q. I gather that the chief actual abuse or grievance to the producer comes from these frequent fluctuations in the price?—A. Yes; or from ruining men.

FLUCTUATIONS IN PRICE OF OIL.

Q. Please explain a little more fully what those fluctuations have been, how much and how frequent, and as nearly as you can just how they hurt.—A. Well, frequently the Standard Oil Company make contracts for the sale of oil three and six months in advance. They frequently make contracts for the delivery of refined oil in Europe three or six months in the future. Now, after having secured a large number of contracts of that kind, of course it would be to their interest to depress the price so that they could supply oil or fill their contracts at a lower price than the crude was ruling at at the time the contracts were made, and because Europeans understand the cost of refining, and the prices that they would agree to pay would depend upon the prices at which the crude was selling at the time. Now, then, suppose they had made large contracts, of course it would become their interest to buy the crude as low as they could to fill those contracts with, and inasmuch as they are the only buyers they can put the price to where they choose. Of course after a man has invested his money in the production of oil (for to sink those wells costs a great deal of money), when the price is let down on him he is ruined. That is often the case.

Q. And the prices that exist when he is making his investment, and which he reasonably expects to continue, are suddenly lowered?—A. Suddenly lowered often.

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COST OF SINKING OIL WELLS.

Q. How much time is necessary, ordinarily, in sinking a well?—A. Well, as a general rule, a well say 1,400 or 1,500 feet deep they put down in about eighteen or twenty days.

Q. What would be the cost?—A. Including machinery, probably about $2,500. It is very much cheaper now than formerly to sink wells. In, say, 1872–'73 and along there, I think the average cost of a well would be $5,000, but they have simplified it and made improvements in machinery, and it does not cost so much now. Machinery is cheap and the iron tubing, casing, &c., that they employ are very much cheaper than they were.

Q. When you speak of a well that has cost $2,500 with machinery, you mean by that the necessary apparatus for the production and caring for the oil until it is ready for sale—that is, the cost to the company?—A. Yes.

Q. A well all ready to produce oil?—A. Yes.

Q. Such a well, I suppose, may continue in operation a week, a month, or for years; how is that?—A. Yes, sir.

Now, if you have other witnesses waiting, I would like to withdraw for the present. I am not feeling very well. I can come again.

The CHAIRMAN. We have other witnesses and can relieve you temporarily. Before you leave, I would like to say that I wish you would go over in your mind this matter of the condition of the oil producers and make sure that, as their representative, you have stated all that you think the committee should know.

The WITNESS. You mean before I come on the stand again?

The CHAIRMAN. Yes; we would like to know what the difficulties of the producers are, and if you know any remedy that can be suggested, we would like you to suggest it. You have probably thought over it sufficiently to suggest something if anybody can.

The WITNESS. Well, I have felt the power of the oppression of the Standard Oil Company myself, and of course I am pretty familiar with it. I will think the matter over, and when I come on the stand again, perhaps I can suggest something.

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NEW YORK, *September* 27, 1883.

FRANK J. DONALDSON sworn and examined.

By the CHAIRMAN:

Question. What is your business?—Answer. I am a lithographer, of the firm of Donaldson Bros., lithographers, of this city.

Q. How extensive is your establishment?—A. It is one of the largest in the United States.

Q. Located here?—A. Yes; in New York City.

Q. At what place?—A. At Nos. 56, 58, and 60 Park street, commonly called the "Five Points."

Q. Please explain what your business is—what you do.—A. We make reproductions of pictures for advertising purposes—make show-cards, as they are called—banners, cards, and all sorts of things that go into printing for advertising purposes for various businesses.

Q. What do you print on?—A. On lithographing stone.

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THE LITHOGRAPHIC PROCESS.

Q. Give us a better idea of how that is done—what kind of a stone it is done upon, and how the stone is treated to produce the work.—A. The stone is magnesian limestone. It comes from the limestone quarries of Bavaria. It is imported into this country. These stones are of certain sizes and weights, and have prices proportioned to their size and quality. If a person wishes to have a show-card drawn, we take a stone of sufficient size to accommodate the number of square inches of work needed. The stone is then prepared by being ground and "grained," as it is called, to give it a surface analogous to that of drawing paper. The work is then drawn on this stone with a preparation called crayon, which is composed of lamp-black and soap and other articles in combination, which, when marked on the stone, leaves an indelible impression. The stone being sympathetic to anything of an oily, soapy, or fatty nature, retains the lines drawn with this crayon, and when the drawing is finished on the stone, it is prepared with a preparation of acid to fix the drawing so that it will not go beyond the places where the lines are drawn; otherwise it would spread in the process of printing. I suppose I could enlarge on this for half an hour, but it would only take up your time.

Q. That stone, then, is used as a printing surface?—A. Yes. Of course if a show-card is to be of ten or twelve colors, there are a certain number of offset impressions made from the original stone onto other stones, so that they may be registered in such manner that one color will fit upon the other. When all is done, it is then "proved," and is ready for printing.

Q. How extensive is that business in this country now?—A. I should think the profession during the past year would aggregate something like twenty-five to thirty millions of dollars throughout the United States.

Q. What number of men do you employ?—A. We have about 125 in our establishment—men and boys together.

Q. Have you had occasion to consider the relations between labor and capital somewhat, and the questions that come before the committee under the resolution of the Senate authorizing us to act?—A. Only in one way—I can hardly say a peculiar way—but we have always labored to make our employés feel that they had a home with us as long as they chose to stay.

SATURDAY HALF-HOLIDAY.

Eight years ago we commenced giving our men a Saturday afternoon holiday—working them up to 1 o'clock, and then allowing them to go home and enjoy themselves, and paying them as if they were working right along. We did that for four months right along, in June, July, August, and September, and we found that the advantages to the employés were so great that last year we concluded to carry it through the entire year, and now, and henceforth, from one year's end to another, our employés leave at 1 o'clock on Saturdays.

Our men had been so faithful and worked so hard during the past year and a half, it being necessary to work a great many hours of overtime, that we found it desirable, this past summer, that they should have a holiday—and ourselves too—so we concluded, as we had repairs and other things to make, and it would take about a week to do it, that we would give them a week's holiday and send them away with their

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pay. If you could see our men themselves and talk with them about it, you would see how pleased they are.

I have here a copy of a letter which our employés sent us after their week's holiday, which I will read, as showing the feeling of our men:

NEW YORK, *June* 30, 1883.

GENTLEMEN: At a meeting of your employés, held last evening, the undersigned were appointed a committee to convey to you their thanks for presenting them with a week's holiday with full pay. Please accept our earnest assurance that we fully appreciate your kind liberality, and besides recognizing in this a new proof of your interest in our welfare as fellow-strugglers in life's battle, permit us to thank you, for the first time in a formal way, for the Saturday afternoon holiday which we have so long enjoyed.

Please believe that we will endeavor to show appreciation of our obligations to you, by unremitting faithfulness to your interests in the prosecution of our work, and that we express the earnest and hearty sentiments of the entire force when we wish you, jointly and individually, the most abundant success in all your undertakings.

With great respect, we are yours, very truly,

WM. GILCHRIST.
W. F. COOK.
JAMES PRITCHETT.
M. B. FOY.
JOHN McLELLAN.

Messrs. DONALDSON BROTHERS.

Q. What are your usual hours of work?—A. From 7.30 in the morning to dinner-time—one hour being allowed for dinner—and then from that on until 6 in the evening; but on Saturday they get off at 1, making about 55 hours work in the week. They used to work 60 hours up to 5 o'clock on Saturday.

Q. How long have you been in business?—A. We started in 1872.

Q. Have you found any difficulty in getting along with your men?—A. None at all.

Q. Have there been any complaints about their pay?—A. No, sir.

Q. Or overwork?—A. No.

Q. Have you had any strikes?—A. No, sir.

Q. Nothing in that direction?—A. No; nothing of that kind.

Q. How do you explain the difference between your experience with your laboring people and the experience of so many other employers?—A. Well, in our particular business, we have no "vexed questions" which arise. We have always made it a point to begin with everybody at the foot of the ladder as well as we can. Of course when we first started, we had to engage men such as we could get, but after starting we made it a point never to engage if a man there was anybody in the place who could step into his position. Now, for ten or eleven years we engage boys to begin with, and we teach them the business and do it thoroughly, and show them that if they are steady they will ultimately rise to the best positions in the trade. Five or six of my best men began with me at $2.50 a week—men who are now earning $10 to $45 a week, and that is an inducement that we still continue to hold out.

Q. How is it as to your personal acquaintance with your men?—A. It is of the pleasantest character.

Q. Is there any such thing as personal intercourse between you?—A. Oh, yes; in a certain way. If they have a certain task given them and they do not understand it, they come to us to find out, and we are glad to show them.

Q. You are just working superintendent?—A. Yes.

Q. You superintend your men?—A. Yes; entirely.

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COMPENSATION OF LITHOGRAPHERS.

Q. If it is not a private matter, you might state the compensation of your employés.—A. Of course it varies. It runs all the way from $2.50 a week up to $45 or $50. One of the most important of our pressmen gets $45, another gets $40, another $35; then they go on down—$30, $20, and so on, per week.

Q. You say there are some beginners as low as $2.—A. That is the first step—they are boys.

Q. And as fast as they learn they are paid better?—A. Yes. There is no regular scale or standard of wages in our establishment. We pay everybody just what we think they are worth. I think they are pretty well satisfied.

Q. You have no difficulty with the trades unions?—A. No, sir; there is no difficulty now with the trades unions. In the old days of hand-presses, before the introduction of steam power, there was an association at that time that used to cause trouble to employers, but now there is no trouble from that society.

Q. From your observation, what are usually the causes of the difficulties and feeling of estrangement which seems frequently to exist between employés and employers? Can you make any suggestions to the committee on that subject?—A. Well, it is a very difficult thing to say. I am a very young man in business, and I have devoted myself to business and not to those questions. I believe the great trouble is that they expect the maximum of work for the minimum of pay, and that is a principle we do not go on.

Q. You mean that that is the expectation of the employer?—A. That is what I think it is.

SKILL AS AN ELEMENT IN WAGES.

Q. Do you think that, as a rule, the employés—the wage-workers I mean, in the various pursuits or occupations throughout the country—really have as much in the way of wages as they ought to have for the work performed?—A. It is only by comparison that I could answer that question.

Q. I will put the question in another form: Is there any just ground for this complaint of labor, that it lacks proper compensation in this country?—A. In a great measure it is, owing to the ground upon which labor stands. In most trades, or at least in a great many trades, the laboring men combine themselves together, and say that Smith, Brown, or Jones, or whatever their names may be, shall have a certain compensation for labor performed, without any regard to the ability of each of the several persons named to do that amount of labor, or without taking the ability of Smith, for instance, into account—he, perhaps, being able to do twice as much or earn twice as much as Brown or Jones. They set up an absolute standard and so drag up the poor miserable worker and drag down the intelligent worker. That, I think, is one of the principal causes of trouble—that the laboring men will combine themselves together and say that so-and-so must give each one of his employés a certain sum of money, without any regard to his ability to do the amount of work for it.

Q. The fixing of that rigid rule is done by the employers generally, is it not?—A. No, sir; I think not.

Q. Take the men, for instance, engaged in transportation—engineers, firemen, conductors, &c—are not fixed prices established by the corpora-

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tions themselves to which all conductors, &c., conform, regardless of the question of whether one is better or not so good?—A. I think not. I think you will find that conductors, engineers, and brakemen have a sliding scale of wages, and that some have greater wages than others, depending on the services they perform.

Q. It may be that the grades are classified among themselves—some conductors getting more than others; but the principle, as I understand you, gives to each man as nearly as it can be what he earns?—A. Yes; I pay what I think he is worth to me. I do not allow any combinations of men to say to me that Smith must receive the same amount as Jones.

Q. Do you think that employers, as employers, of labor, would find it practicable to discriminate between men individually; are they not obliged to classify them?—A. I am afraid that that is too deep for me. I only came here to testify to the present relation of labor with ourselves.

The CHAIRMAN. The example of a firm that gets along with its workmen in the pleasant way that you do is worth a great many theories, so that you must not think that your failure to express your views on a theory tells at all against the value of your testimony.

### MEN LOOKED UPON AS MERE MACHINES.

The WITNESS. Well, I think the laboring man is not generally consulted as he should be. He is looked upon as a mere machine. The fact that he is a human being may be thought a little sentimental, but I think a little sentiment pays in that sort of thing. We have got along very well with our men for the ten or twelve years that we have been in business.

Q. You think that your men can be relied on to see the reason of your actions?—A. Yes; and that the true economy is in liberality with your working force. That is our experience.

Q. You deal with your men as men and not as machines?—A. Yes.

Q. And you make a distinction between the man and the stone that he works on?—A. Precisely.

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NEW YORK, *September* 27, 1883.

CHARLES F. WINGATE sworn and examined.

By Mr. PUGH:

Question. Please state your residence and occupation.—Answer. My residence is in New York; I am a sanitary engineer by profession.

Q. State the opportunities you have had to acquire such information as would be of use to this committee under the resolution of the Senate empowering us to take testimony affecting the relations of capital and labor.—A. As I understand, this is an inquiry into the condition of the laboring classes, and it seems to me that the physical factor is a very important element, and that the sanitary conditions of their surroundings are matters of very deep import. I have been a professional sanitary engineer for some six or seven years, and before that time had very unusual advantages for studying this problem of the condition of the working classes, and I propose to state somewhat their condition, more particularly in this city, although what I have to say applies to nearly all the cities of the country—in fact, to all crowded communities where

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any manufacturing is carried on. I propose also to state some of the remedies which have been provided, both in this country and Europe, and some of the remedies which I myself may think desirable, and which others of better authority are recommending.

PREVENTABLE SICKNESS AMONG THE WORKING CLASSES.

In the first place, any person who looks into the condition of the workingmen, whether from the side of the philanthropist, the engineer, the statesman, or the employer, comes face to face with the fact of the enormous prevalence of sickness among them. I might mention a vast amount of data which I have collected, of which I have memoranda here, but I will state that if you eliminate this tremendous fact of the extent of sickness among the working classes—and when I say sickness, I say, as a sanitarian, *preventable* sickness—if you can diminish that preventable sickness, you have done an immense deal to diminish the trouble of labor. The Government report of England shows that 72 per cent. of the pauperism of Great Britain is caused by sickness. You will see the facts bear out my statement.

WORKINGMEN'S SOCIETIES: MILLIONS OF DOLLARS PAID ANNUALLY FOR SICK RELIEF.

Take any of the large trades unions in this country and abroad and you will find that one-half of their income is spent for sick relief. For example, 136 mutual aid associations in the United States, with a membership of nearly 70,000, have paid out in a single year between five and six million dollars for relief. That was in 1879. You find that after the yellow fever epidemic an order of united workmen paid out a quarter of a million of dollars. In the same time you find that trades unions, like carpenters and joiners, not subject to industrial diseases, spent a quarter of a million dollars for relief.

OTHER MILLIONS OF DOLLARS ANNUALLY LOST IN WAGES OF WORKINGMEN BY SICKNESS.

The reports of the Massachusetts labor bureau show that the average time lost in sickness by our workingmen is thirteen and a half days per annum, and the experience of the English friendly societies shows an average loss by sickness of very nearly two to two and a half weeks a year, and good authorities in England estimate that the total average loss to the working classes of Great Britain from this cause is $66,000,000. I think I am right, therefore, in saying that this is a tremendous fact, and a fact, which, strange to say, has never been brought before the public mind as it ought to be, nor before the workingmen themselves. I can hardly conceive how it is that, while spending a considerable share of their earnings in this direction, they have not taken some action on it. Some of their leaders, like Karl Marx in Germany, have had their attention called to it, and the action of Bismarck with reference to the insurance system shows that the seed has taken hold, and the question has been mooted whether it would not do to levy a special tax on every workman from the time of his birth to insure his support.

SICK RELIEF AFFORDED BY PUBLIC DISPENSARIES IN EUROPE AND AMERICA.

There are other statistics which I will not burden you with, but the reports of the public dispensaries in Great Britain and in this city are

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important. For instance, to quote a single item: In one year one and a quarter million persons sought advice and medicine from the free public hospitals in London, and in Liverpool the same figures were given. Since I was called on by this committee I saw a statement from one of the dispensaries in New York City that they annually relieved thirty thousand persons, requiring the aid of thirty physicians. Remember that these facts do not give the whole effect to be derived from them, because an immense number of people never get any medical attendance. There are millions of dollars spent annually for quack medicines, and large numbers of people are their own physicians. So that these figures combined with others show that the sanitary factor of the labor question is a very large one.

### DECREPITUDE AND PAUPERISM CAUSED BY SICKNESS.

There is another point which should be mentioned, that, as an effect of this sickness, a very large amount of decrepitude and misery is produced in hereditary form. For instance, one-third, it is stated, of the deaf and blind persons, and a large share of the insane and epileptic are due to certain forms of zymotic diseases, like scarlet fever, so that this hereditary taint produced by these diseases is something very important to be considered.

I might now speak of two or three effects of this condition of things. In the first place, I have shown that preventable sickness consumes a large share of the workingman's savings; next, it consumes his vitality, his health, which is his capital in life. But it also destroys the family life. The head of the family, if taken sick, is obliged to go to a hospital; that leads to the breaking up of the domestic circle. The children are thrown on the street; the woman has to seek some sort of existence, and when we come to analyze the conditions of crime, pauperism, and vice in general, we will find that it is very largely traced to the breaking up of the domestic circle, due to sickness and to the unsanitary conditions and surroundings of the people.

By Mr. PUGH:

Q. This sickness and these unsanitary conditions are due to their pursuits, are they?—A. Partly to their pursuits and partly to their homes. The question of industrial sickness is a very large one, which I should hardly like to go into, but it is more directly due to their homes, which I shall speak of now.

### EVIL EFFECTS OF TENEMENT-HOUSE LIFE IN CITIES.

I suppose a small library has been published on the subject of the tenement-house problem in New York City. I do not propose to talk mere sentiment on this matter, or to exaggerate its evils; I wish simply to state some facts, and rather to soften them down than to exaggerate them; and while I shall speak specifically of tenement houses in New York, I must repeat that these conditions are to be found in Boston, in Philadelphia to a less extent, in Savannah, Ga., which I lately visited, and even in the smaller places like, Newark, Paterson, and manufacturing towns generally where there is a large operative population.

Now, we start out with this fact: that although it is barely forty years since the first tenement house was built in New York City, there are at the present moment some 21,000 such houses there, with an estimated population of a half a million of people in them. In 1869 there were a

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little over 14,000 of those buildings, so that in fifteen years there has been an increase of 6,669, and there is a steady tendency toward their increase, and a steady tendency toward their increase in the same localities where they already exist, and that this concentration and massing of population, which I shall presently show is very large, is not rectifying itself in any way; that there is no remedy, as is the case with some evils, in the evil itself. For example, take some of the facts in regard to the growth of population. We find—

DENSITY OF POPULATION IN NEW YORK: 290,000 PEOPLE TO THE MILE.

That while in London the most densely populated locality has 175,000 people to the mile, in the Fourth ward of New York City there are 290,000 people to the mile. There are some single blocks in New York City which have at the rate of 750 persons to the acre, and this tendency toward accumulation keeps steadily onward. I suppose it is hardly necessary to describe the tenement houses of New York, because they are pretty well known to most people.

Mr. PUGH. We have had some descriptions of such houses.

The WITNESS. I presume you have. I would make this statement, that notwithstanding it may seem a paradox, yet from my experience the sickness and the death rate is not so much greater in many of the worst slums, as they are called, such as the quarters of the rag-pickers and the bone-gatherers, as it is in what would outwardly seem to be good tenements. I can show the committee a single block within half a mile of Murray Hill, of what would seem to be fair houses—not "double deckers" or barracks, yet where there is a death rate of six or seven every year in a population of only 70 or 80, which is three times the ordinary death rate of the city, and vastly greater than it ought to be.

By Mr. CALL:

Q. What do you attribute that to, in that locality?—A. Those buildings are occupied by Bohemian cigar-makers, and the trouble is, simply, concentrated foul air—the fact that they are massed together in that way and with bad air, and of course there is considerable sewer gas in the houses. But bad air (whether called "malarial taint" or "sewer gas") is the cause of the great trouble.

DEFECTIVE VENTILATION IN TENEMENT HOUSES.

There are one or two specific things to speak of, and I shall aim, all the time, in my criticisms of these buildings to say what can be cured. I assume at the outset that four-fifths of these troubles are preventable, and that they can be cured. For instance, it is impossible to ventilate the ordinary tenement house, because they call a ventilator a shaft which is open simply at the top. They build a skylight or light shaft and put an opening at the top, which is not always open, and then allow the tenants to close all the windows connected with it. Then the halls are closed in on all sides, so that there is no possibility of any fresh air getting in. Then there is always a "living room" for such families, which is an interior room, and it is impossible to secure a draft of air through it. Yet, by securing air below and having an opening at the top of the shaft, you would secure a great deal of air, and sufficient ventilation, or by making the shaft larger you would get more air.

Damp cellars are also a great trouble, yet that is entirely curable.

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It is nearly fifty years since cellar occupation was forbidden in this city, yet you see many people living in cellars to-day, and business carried on in them. It is perfectly feasible to have dry cellars, and if you had them you would win half the battle. From my experience I should say that damp cellars are the chief cause of sickness in cities.

### DEFECTIVE PLUMBING.

While a large number of the tenements of New York have plumbing in the house a large portion have not, and the people are compelled, if they are going to be cleanly or decent, to carry up all the water they use from a hydrant in the yard, which, in the winter time, is apt to be frozen. It is manifestly unjust to expect that with such labor anybody can be cleanly. The mere fact of carrying water up four or five stories for cooking purposes is as much as can be expected—if they have to carry all the waste water back, four or five stories.

### WATER CLOSETS IN TENEMENT HOUSES.

Furthermore, these four or five stories representing eighty or ninety persons, there is sometimes nothing in the way of sanitary conveniences except four or five or six water closets, or "privies," in the yard. Now, calculating the amount of time that a person requires to attend to the ordinary wants of nature, see how four water closets would supply eighty persons, and you can infer what a serious physical drawback it is. It is a great injury to the people in those houses; and when we consider the moral effect of massing those accommodations for the benefit of everybody, and allowing men, women, and children to go to these places, the evil is greater.

### FIRE ESCAPES.

You will find also that while fire escapes are usually provided in these buildings, they are generally filled up with lumber or something, and are of no possible utility in case of fire.

### INSUFFICIENCY OF LIVING ROOM.

Another evil is that the rooms of the poor are so contracted that they can do nothing. When a woman wants to do anything, or carry on any little occupation, there is no room in which to do it. If you can supply homes where the people can carry on labor, washing or sewing, or a little light manufacturing, you assist the tenants or workingmen very much. It is considered one of the great reasons of the prosperity of the workingmen of Philadelphia that they have small homes and can carry on such industries; and even in this city, as I notice in hot weather, when people leave their windows open, as you ride along the Third Avenue Elevated Road, you will see scores, if not hundreds, of places with one, two, or three mechanics at work at some small industry. One of the most remarkable features in this country is the number of petty industries that are carried on. I heard a statement made by a person of authority that in the construction of a walking cane, taking into consideration everything, such as the painting, varnishing, making the ferule, and putting it on, &c., sixty persons are occupied; and the more you can diversify the employments of the people the more benefit comes to the workingman.

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PUBLIC LAUNDRIES IN EUROPE.

Take the case of a poor woman; if you could have public laundries, as they have in Europe, they could be made to pay. A poor woman could go there and do her own washing, or could do some other washing as a means of existence, or of earning something. Now she has to do her washing in her room, and the result is, the day after washing-day all the children are down with the croup, and sometimes everybody is sick.

By Mr. CALL:

Q. What is the system you speak of in Europe?—A. In London, Liverpool, and other large cities of Europe, they have public laundries where a person can go and pay a small sum, not over 6 cents a day, and, I think, a less sum, for the privilege of having an abundance of hot water and soap, and in some cases a wringing machine and a drying room. These are combined with public hot baths.

Q. Provided by public authority?—A. They were started by benevolent enterprise; and a movement has been broached to do the same thing here.

PUBLIC HOT BATHS FOR WINTER—THEIR NECESSITY TO HEALTH.

While speaking of that, I will mention that there is nothing like a public bath in any city in this country except in the summer time, and from the consequent lack of personal cleanliness there has been an enormous growth of skin diseases. Within a year a new house for the treatment of skin diseases and cancer has had to be opened here.

Bathing is a matter of much importance to my mind. It seems to me that any person accustomed to bathing feels the need of it; and as a sanitary regulation, of course it is of the highest importance. Some of the highest authorities among the medical men of England emphatically say that the great trouble with the whole question of treating sickness is the difficulty of getting at people and teaching them how to take care of themselves. As Sir William Gull, the great English physician, says, it is not a question of drugs, but a question of getting people to be properly washed and fed, and half the battle is in seeing a man in his own home. The dispensaries are so crowded with people that they can hardly find physicians to attend to them. Statistics show that the dispensaries treat patients at the rate of one person to every minute and a half of time. They have just time to ask them "What is the matter? Stick out your tongue." Then they pound them on the chest, and then write a prescription. The whole thing is perfect child's play. In this city, one of the large charitable associations has undertaken to visit the poor in their homes, and give them this personal attention, and they state in their report the details of this work. For instance, they will say, "Case, typhoid fever; term, five weeks; cost of attendance, nursing, medicines, &c., $5 ($10 or $15)," as the case may be; "result, man saved from going to a hospital, and restored to his work." Take the case of a man coming out of a hospital, convalescent, but not strong enough to work. He is immediately thrown upon the poor relief societies.

We have heard much about "sordid landlords" and the "inexorable agents," and a great deal of these conditions are no doubt due to them. But still, landlords are anxious in many cases to correct these troubles, and if they can be shown where the trouble is, and how to correct it, I



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believe that they are willing to correct it. And, if the people generally can be shown what to do, I think they are willing to do it. The people themselves are anxious.

### THE DEATH-RATE IN CITIES.

If the health authorities could have more funds to prosecute their investigations, and compel the landlords who are not willing to do what is right, very much could be accomplished. Seventy-two per cent. of the deaths in this city are in tenement houses, and these are mostly of children under five years of age. That is, the greater part of the deaths in the tenement houses are of children under five. In the year 1878, 12,410 children died in the city of New York, which is 46 per cent. of the whole mortality.

By the CHAIRMAN:

Q. What is the whole number of deaths in the city?—A. I have not got the figures; but the children formed 46 per cent. of the whole morality in that year.

Q The total death-rate of the city would be about 30,000 then?—A. Just under 30,000.

There are some important facts which illustrate the growth of the city in two directions—the direction of the very rich and the direction of the very poor. These statistics were taken a year or two ago, and show that since 1845 the attendance in the Episcopal churches (which represent people of more than average means) has increased 216 per cent., and the attendance in the Roman Catholic churches (which represent the mass of the people) has increased 900 per cent.

These sanitary conditions do not affect merely the people who live in these houses, but they are a menace to the whole population. If such industries as the clothing manufacture, the cigar manufacture, and others are carried on so extensively in tenement houses, it is evident that the chance of contagious diseases being carried to the whole community is very great. But, still further, if we find, as we do, that the sections east and west of Murray Hill, which are occupied by a mass of residents—if we find this section gradually building up with tenement houses, and that through the sewer pipes there is direct communication from house to house, so that the millionaire living on Murray Hill is exposed to typhoid fever from the home of a poor laboring man living on Tenth avenue, that is, of itself, an interesting fact to the whole population, and it affects its most selfish interests. This is a very brief statement of the difficulties of the problem.

### NEGLECTED SANITARY CONDITIONS;—COMPLAINTS FROM TENANTS.

You have heard from the health authorities what has been done in the way of sanitary inspection and the correction of the existing evils.

The childrens' aid societies take the poor children who are left by those broken-up families, and they remove them to the West. There are summer excursions which take sick children out of town for a day or two. The New York Association for Improving the Condition of the Poor employs a special inspector to visit the houses of the poor. They first put an advertisement in the Daily News offering to examine any place having bad smells. But the poor tenant is afraid to make a complaint, even if he sees death staring him in the face, because of the fear of being turned out of his place. And when the inspectors go to these

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places—and they visit thousands of them frequently—it is with great difficulty that they can get information. People will point to the sink, and say, "There is where the smell is, but don't you mention my name." Some of the letters written by people on this subject are of the most pitiable character. I will read a few extracts from the thirty-eighth annual report of the board of health, in which some of these letters are quoted:

EXTRACT FROM REPORT OF NEW YORK BOARD OF HEALTH.

Without going into detail as to all sources of discomfort and disease which reveal themselves to an inspector, a few of the leading troubles may be alluded to:

Want of proper and adequate openings for ventilation in the roof at the top of the hall.

Want of traps to sinks and ventilation pipes to waste pipes.

Foul-smelling privies.

Foul, damp, dark, unventilated cellars, often reeking with excrement and garbage, and flooded with rain, tide-water, or leakage from leaders, waste and soil pipes.

Insufficient water-closet accommodation.

Noxious privies and defective plumbing are perhaps the most common of all the causes of sickness and of the wretchedness endured by the occupant of the average tenement. Premises where these antagonists to health and comfort exist are so numerous as to be, practically, beyond computation. Leaving out of the question the effect upon the death-rate created by these sources of stench, it cannot be doubted that an indirect deteriorating effect is made upon the moral condition of those scores of thousands who, sleeping and waking, have no other air to breathe.

The sanitary code provides for one privy for every twenty persons. More generous accommodation than this is seldom met with among tenements. The subject is a delicate one, but calls for attention; twenty persons using a closet, and consuming five minutes each will keep it occupied for one hour and forty minutes; under the most favorable circumstances some one has to suffer—but considering the prevalence of diarrheal diseases during the past summer much sickness of a painful nature must have been caused by this inadequacy of accommodation. Many houses lack even the meager number of closets which the sanitary code requires. At 561 Hudson street there is one closet for from forty to fifty persons, and at 304 W. Eleventh street there is but one closet for fourteen families—or from sixty-five to seventy persons.

Last spring the following advertisement was inserted in an evening newspaper—one which is read chiefly by the working classes:

"A notice sent to John Bowne, secretary of the New York Association for Improving the Condition of the Poor, 79 Fourth avenue, of any defect in a tenement house, will receive prompt attention. Communications confidential."

The above appeared for six weeks, and was responded to by complaints—chiefly anonymous—relating to upwards of two hundred houses, and indirectly to about one hundred more.

The complaints, in many instances, left the story only half told, generally referring to one particular nuisance, inspection revealing other defects.

A perusal of all the letters received would repay any one desirous of gaining a knowledge of tenement-house life, and of the struggle against adverse circumstances which render the lives of the poor of New York so pitiable.

The following quotations will serve to reflect truthfully, but only partially, a picture of the condition in which so many of our fellow-beings and near neighbors live:

"The privies of —— Forsyth street are in a horribly filthy condition."

"Will you please to try and do something to relieve the poor tenants of —— Tenth avenue; the stench to-day is beyond everything; it can be traced a block away; you will be doing an everlasting gratitude to the—(Poor People.)"

"Is there any remedy for a tenant to live in a stable, as I might call it, but is named a tenement house, where the yards and halls are reeking with filth.—(—— Washington street.)"

"The smell from the sewers is bad for the tenant's health; they were inspected a year ago, but it was hushed up.—(—— Avenue A.)"

"The water-closet * * * is disgraceful, and some one will fall through the rotten boards before long.—(—— Third avenue.)"

"The stench (privies) is something terrible.—(—— E. Fourteenth street.)"

"It would be an act of charity to look after the water-closets; the stench is dreadful and the closets are almost flowing over.—(Suffering Tenants, —— and —— E. Fourteenth street.)"

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"The housekeeper and her children create the most nuisance; they sit in the hallway as in a water closet.—(—— W. Thirty-first street.)"

"It would be a charity and a blessing for the tenants to have something done for them.—(—— W. Thirty-second street.)"

"The cellar is overrun by water; * * * it seems useless to talk to the agent; you can see through the flooring in the basement, and the children there are always sick with colds. (A Neighbor, —— W. Thirty-third street.)"

"The filth (of the privies) oozes out all over the yard, and the stench is intolerable. * * * The stench that was coming up through the front grating was horrible. (A Sufferer, —— W. Fortieth street.)"

"There is a terrible bad smell from the water-closets, * * * the yard flags are loose and the smell comes up * * * I see in the News you will help us poor men.—(—— E. Thirty-eight street.)"

"The smell (from sewers) that comes at times is terrible.—( Neighbors.—— Ninth avenu .)"

"The roof leaks and the water pours in streams; the house is damp, and we cannot get the owner to fix it.—(—— Cannon street.)"

"There have been three cases of typhus fever taken away yesterday; * * * the cellars are filthy.—(—— Sullivan street.)"

"There is a dreadful stench constantly coming out of the sink; there has been sickness all through the house —(—— Third avenue.)"

"* * * Manure is thrown into our yard every day; our children have no other place to play in.—(—— E. Sixteenth street.)"

"I was glad to see your advertisement. * * * I have reported to the board of health three or four times; * * * the sewer pipe is broken, it is making the people in the house sick.—(—— Roosevelt street.)"

"The privies are full to overflowing, the flooring is all broken, to give the odors better ventilation.—(—— Third avenue.)"

"The stink (from the cellar) is enough to knock you down. * * * If you will look after this the whole house will be greatly obliged to you.—(—— E. Seventy-fourth street.)"

"If this evil (foul smell from sewers) is removed and our safety secured by your means * * * you will have the thanks and prayers of all the neighbors.—(—— E. Seventy-seventh street.)"

"There is only one (water-closet) hole for fourteen families; * * * the smell from said closet is most offensive.—One of the victims in said house, (—— W. Eleventh street.)"

"* * * And also the stench pipe from which there is a fearful smell. * * * It requires the attention of your society, which is doing such good work to investigate this pest hole. (From a poor tenant, —— E. Twenty-first street.)"

"It is a shame how public officials neglect their duty. * * * In the cellar, below the sidewalk, people are dwelling just above the sewers; * * * the filth inside (the house) is quite comparable with that in the street.—(—— Ridge street.)"

"Look at the cellar and you will be surprised that all in that house are not sick; * * * there is not a bit of water in the yard; they (the tenants) are obliged to bring back the slop pail and wash it in the sink that is in their room. * * * There is an officer sometimes comes to inspect the cellar, but he never saw the inside of it yet. * * * We pay high rents and cannot use the stinking cellar. * * * Thank the good gentlemen that watch over the poor; only for that the greed of the house owners would let them die of stink.—(—— W. Forty-first street.)"

"* * * There has been in house No. — several deaths since last January of diphtheria, I myself lost two children this last month, and one death occurred last night in the same house * * * and others are sick in No. — with diphtheria; * * * you will receive the blessings of myself and others.—(——to —— Third avenue.)"

"See to leaky hydrant and water-closet that empties its filth into the cellar. * * * The house belongs to Trinity Church.—(——Washington street.)"

"We ask the agent for water, and he says we must move out or pay the rent, water or no water.—(—— Third avenue.)"

"* * * Am compelled to submit to a great many inconveniences, owing to the neglect of the landlord.—(—— Mott street.)"

"A tenant paid $9 a month, in March last, 'in a filthy house.' After a month, not dealing with the landlord, a high-priced grocer, the tenant found his rent raised to $10. On May 20th, he writes: 'Imagine my surprise this evening when he came to my door and told me, with an oath, if I did not move I would have to pay

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$12." The description of the house which follows, and the condition in which it was found to be, was of the worst.—(—— East Thirty-fifth street.)"

"* * * We are poor and dare not complain, or there would be a bill put up for our rooms and out we go. * * * There are only two water-closets for three houses, down in the cellar, for over one hundred people.— (—— East Twelfth street.)"

"* * * And the water-closets are in an awful condition * * * Please do not speak of this letter.—(——to —— Ninth avenue.)"

"The ceiling is all down and the rain comes in, and the waste-pipe runs through the room, so that when it rains we cannot stand the smell, and the roof and roof-stairs are in a terrible state; the roof had no door on all winter. We spoke to the landlady several times about it, and she paid no attention to it.—(—— Third avenue.)"

"* * * After reading your kind notice * * * visit the defective sinks in tenement house, No. —. The landlord does not seem to care. * * * Please do not say there is complaint made; if the landlord would know I am the person he would have me put out, therefore I will not give my name.—(—— Second avenue.)"

"A tenant writes complaining that he is evicted because it has been discovered that he made complaint to the board of health concerning the defective sewerage of his late residence Another tenant of the same house, who indorsed his fellow occupant's action, has also been ordered, with his family, to vacate his rooms. —(—— E. Thirtieth street.)"

"A visit would show you a state of filth. * * * We can get no redress from the landlord.—(—— Beach street.)"

"I pray you to receive this confidentially, as not wishing to have the landlord's enmity.—(—— Water street.)"

"I have had charge of two tenements * * * for about three years, and during that time have felt like a man that was committing murder."

This last letter is from a janitor, who felt that he did not dare correct the evils that he saw.

I have here a report on the tenement-house system of New York by a committee of gentlemen, at the head of which was Rev. Henry C. Potter, D. D., which I wish to submit:

## THE TENEMENT-HOUSE SYSTEM IN NEW YORK.

### ITS UNHEALTHINESS.

The estimated population of New York City July, 1878, was 1,097,563; or, allowing 48,960 for the Twenty-third and Twenty-fourth wards, 1,048,603 on Manhattan Island. The children under five years of age are estimated at 125,000. The total number of deaths in 1878 was 27,008, or 24¼ per 1,000, being 25 per cent. higher than in Philadelphia.

If, as is supposed, there are 28 cases of sickness to each death, this death rate represents the effects of want, ill clothing, neglect, physical debility, &c., in addition to 756,224 cases of sickness, of which 25 per cent. might probably be saved under other conditions of life.

The mortality of children under five years, there being no epidemic in 1878, was 12,410, or 46 per cent. of the whole number of deaths, and nearly 10 per cent. of the children of the city.

Of the deaths 70 per cent. (18,857) occurred in or in connection with tenement houses, the numbers being 4,313 in institutions, 14,354 in tenement houses, and 200 in the streets.

The whole population of tenement houses is estimated at about 500,000, not far from 50 per cent. of the whole.

The total number of tenement houses is estimated at 21,000.

In 1869, 14,494 such houses were visited and inspected, their population being 113,402 families, with 463,592 inmates. Since then 6,441 have been built. In the last ten years 7,041 tenement houses were erected, at a cost of $82,368,086, and last year 358 such houses were put up in this city.

### ITS OVERCROWDING.

The inhabitants of the city, estimated at 1,097,563, dwell in an area of about 24,860 acres; of these, 1,048,603 occupy Manhattan Island, with an acreage of 12,570. The Eleventh ward, with 64,000 inhabitants to 196 acres, has an average of 326 to the acre.

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The Seventeenth ward, with 101,000 inhabitants to 331 acres, has an average of 305 per acre.

These figures, while far in excess of the ratio in other cities, do not convey the whole measure of truth, as in one single block in the Eleventh ward there are to-day 52 tenement houses occupied by 589 families, representing 2,376 inmates, some of these containing 18 and 20 families each; and there are several such blocks with an average of some 750 to the acre.

In the Eleventh ward, during the last ten years, 257 new tenement houses and in the Seventeenth ward 427 such houses have been built.

UNHEALTHINESS AND OVERCROWDING AS CAUSES OF CRIME, VICE, AND PAUPERISM.

The total number of arrests made by the police in 1878 was 76,484, of which 30,373, or 19,538 males and 10,835 females, were for drunkenness, and 15,628 for disorderly conduct, chiefly the effect of drink. About 12,000 of these were made in the three crowded tenement-house wards, the Eleventh, Fourteenth, and Seventeenth.

Of the whole number of persons arrested for crimes other than drunkenness 90 per cent. are offenders against property, and of these 60 per cent., or more than half, are absolutely in the habit of crime. By the records of the prisons, house of refuge, reformatories, &c., these are traced directly to tenement-house influences.

The police records for the last quarter of 1878 show that 609 lost children were found; 999 persons taken to hospital from the streets; 16 women found in labor in the streets, besides dead and still-born infants to the number of 26. These cases mainly come from the crowded lower wards of the city. The younger criminals are traced almost exclusively to tenement houses. In fact they are the consequences and victims of low social conditions of life and unhealthy overcrowded lodgings, brought up in an atmosphere of actual darkness, moral and physical.

A letter from Professor Chandler is to the same effect: "The influence," he says, "of the tenement-house system upon the moral and physical welfare of our citizens is a matter of the utmost importance, not only to the half of the population actually residing in such houses, but to every family in the city. Through mechanics, tradesmen, servants, and others, there is a constant intercommunication, by which the influences which affect any considerable class are brought to bear upon every other class of our people. There is no way in which a family can so isolate itself as to avoid suffering in some way from the evils of our tenement houses. The system of crowding from four to twenty or more families into a single house makes them hotbeds of moral and physical contagion.

"While the health department devotes a large proportion of its labors to the tenement houses, and while under its system of inspection and the enforcement of the provisions of the sanitary code there has been a steady and decided improvement during the past twelve years, nevertheless much still remains which is bad. In fact, remedies have yet to be devised for many of the evils of the system.

"It is therefore of the greatest importance to call the attention of the public to the subject, as it is only by an enlightened public opinion that the most effective reforms can ever be secured."

Mr Charles L. Brace, of the Children's Aid Society, says: "After twenty-five years' experience among the children of the poor in this city, I can truly say that there is no one cause so fruitful of crime, vagrancy, and bad habits among them as the condition of the tenement houses. How they ever grow up to purity, honesty, and decency is a wonder when one knows how they live. The enormous number of vagrant children in this city, our lodging houses alone reaching some 15,000 different homeless boys and girls in the course of the year, arises from the influence of the tenement houses."

A citizen specially interested in the temperance movement writes: "The discomforts of close, gloomy quarters, and above all the discouragement from the sickness and consequent wretchedness sure to prevail in such dwellings, do more to fill the dram shops than any other material cause whatever. A mechanic who had nine children to bring up on about $800 a year told me that until he moved out of town he had paid $90 annually for doctor's bills and medicines; and this was no uncommon case. In the families of day laborers, whose wages average, say, $375 per annum, the loss of children is frightful." (See also the Thirty-second Report of the Prison Association.)

Another well-known advocate of law and order writes: "The tenement house and the grog-shop are mutual helpers. The misery of the one sends the man to the grog-shop, and the grog-shop makes him a drunkard and a pauper, so that he can never get into a better atmosphere than that of the tenement house."

It should be known that there are now 6,110 places in New York licensed to sell liquor to be drunk on the premises, and over 2,000 unlicensed places besides. It is needless to say in what parts of the city these most abound.

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### THE RECENT ORIGIN OF THE TENEMENT HOUSE.

Tenement houses may be considered as the result of a sudden influx of population into this city, and of the necessity of providing house room for them. The earliest tenement house appears to have been erected about forty years ago, when what was known as Gotham Court was built on the Wood estate in Cherry street. In 1850, the Baptist church in Mulberry street was sold and converted into tenement-house property. The returns were large and induced similar investments; so that soon all along Mulberry, Elizabeth, Baxter, and the neighboring streets private dwellings were changed into this class of property. Below Canal street many tenement houses have given place to stores, warehouses, and manufactories. Efforts have been made at different times to control and reduce the evil. In 1853–'54 investigations were made by the Association for Improving the Condition of the Poor, and a committee of the legislature reported on the subject. In 1865–'67 the labors of the Citizens' Committee of Hygiene obtained for New York the passage of the tenement-house act, and led to the establishment of the board of health. But still the evils of overcrowding exist.

### WHAT IS A TENEMENT HOUSE?

To understand this question it is necessary to determine what is meant by the name tenement house. The law defines it as "a house occupied by more than three families, living independently and doing their cooking on the premises; or by more than two families on a floor, so living and cooking, and having a common right in the halls, stairways, yards," &c.

This definition would include apartment houses and similar dwellings, but the only houses here referred to are those of the type recognized as the tenement house proper. This is generally a brick building, from four to six stories high on the street, frequently with a store on the first floor, which when used for the sale of liquor has a side opening for the benefit of the inmates and to evade the Sunday law; four families occupy each floor, and a set of rooms consists of one or two dark closets used as bedrooms, with a living room 12 feet by 10. The staircase is too often a dark well in the center of the house, and no direct through ventilation is possible, each family being separated by partitions. Frequently the rear of the lot is occupied by another building of three stories high, with two families on a floor.

It therefore happens that on one lot 25 feet by 100, there may be twenty to thirty families, with forty or fifty children, using one yard and the same hallways. (Dr. Harris found ninety-six children in one such house.)

The following is a condensed report of three tenement houses of the *average* condition, prepared by Dr. Richard H. Derby, after personal investigation, undertaken at the request of the State Charities Aid Association:

A. This building is six stories high. Its middle rooms throughout receive almost no daylight. In one room servant girls out of employment find board at 10 cents per night. On the fourth floor in a rear room lives a widow, who takes five boarders. On the sixth floor lives a laborer; has wife and four children. The husband and wife very often fight, and the children are all said to be ruptured from violence, either inflicted by parents or incurred through their neglect. In this house live 90 persons; of these 17 are men, 36 women, and 37 children.

B. The ground floor and cellar of this building is occupied by a distiller. There is no carpet in the house, and everywhere there are signs of penury. Every family is distinct from every other family, and nearly every set of rooms is occupied by one. Here are many children. Out of every ten children from five to fourteen years of age two are habitually absent from school, three attend the ward schools, one the Protestant Mission School, and eight the Catholic parochial schools. These people are on the lookout for "relief." They are familiar with all the regularly organized charities of New York. Sixty-nine people live in this house; of these 13 are men, 22 women, and 34 children.

C. This building is five stories high, in a sparsely-settled neighborhood in the northern part of Manhattan Island. Dependent for light from the front and rear, there are thirty-two rooms that receive light and ventilation from other rooms. The men who live here are mostly laborers, and frequently intemperate. The crime of wife-beating is common in this house. There are 92 occupants of the house; of these 19 are men, 22 women, and 51 children; of the children 22 went to school.

Here is a picture from life of three tenement houses of the *worst* class:

No. 1. Down in the basement, a resort for vagrants of the worst class, at midday were nine men and three women, all sodden with stale beer; the passageway was obstructed by a helpless wretch who had been ejected from the adjacent room. A little later this same man, after he had been revived by fresh air, was fiercely assaulted and beaten by a woman. In another room where rags and bones, not devoid of putrid flesh, were being sorted, the air was so vile the visitor could not remain. In this building but four closets were provided for the 182 inmates. An attic room here,

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lighted by one small window, is occupied by four men and four women, almost certainly not married, at a monthly rent of four dollars. In another room three men and four women live—all rag-pickers. Here was a young girl, who was represented as "stopping for a few days." She looked as if she might be saved, for she was obviously ashamed of herself and her friends. In this entire tenement were 182 persons; of these 122 were men, 37 women, and 23 children.

No. 2. A structure of the poorest class. A basement room was unfurnished except with a stove, a keg of stale beer, and boxes used for seats. Around the former were huddled four men and three women, four others being in the room. Humanity gets no lower than these people are, and they are looked down upon by the other denizens of the place. The proprietor of this room (which is 14½ by 10 feet in extent) takes from eight to twelve lodgers at night. Stale beer is sold at two cents a pint or three cents a quart. Another room, the darkest in the house, is occupied by two Italian men and three women. In only four rooms was there anything like a family organization. The police report the arrests for assault and battery in this house to average one a week. In this house are 14 rooms, occupied by 72 persons; of these 19 are men, 24 women, 12 children, and 17 lodgers.

No. 3. In the court are four closets, used by the 118 inhabitants of the house, all in a sickening state. The water leaks from the roof to the ground below through the two intervening floors. In one of the second-story rooms live one woman, six men, two large boys (18 or 20 years old). The woman is unmarried. On the third story in a small room live three men and three women, all unmarried Irish and Italians; 118 people live in this tenement; of these 87 are men, 18 women, 13 children.

Fair examples of two classes of tenement houses have been given here. In the one an almost entire absence of family organization, concubinage, drunkenness, and vagrancy are well illustrated. The better class of tenement, with its badly lighted and illy-ventilated middle rooms, its overcrowding, its neglected children, affords no overdrawn picture of the average New York tenement.

### REMEDIAL MEASURES SUGGESTED.

I. That it is possible to improve the condition of the inmates of even the worst class of tenement houses has been shown by some recent efforts in this direction.

Last year an old house in Park street, occupied by a very dissolute population, and condemned by the building department as unsafe, was rented by a lady who personally attended to the requirements of her lodgers, and by firm but gentle enforcement of simple rules has completely changed the character of the place. She has been encouraged by the success of this trial to extend her operations, which are the same as those employed by Miss Hill, of London. (See "Homes of the London Poor," Macmillan & Co.) Another experiment has been made with considerable success in connection with Ascension Church. Some houses had been built and turned over to the clergyman by a member of the congregation; and they have proved a valuable center of Christian work, while paying a good interest as an investment.

One source of mismanagement of tenement houses owned by wealthy and respectable landlords, is the employment of merely business agents who have no sympathy with the tenants. Some of these middlemen have been known to practice extortions of the most outrageous kind, and only maintain their positions by keeping the owner and tenant so separated that even the name of the former cannot be discovered. The tenement-house agency has thus become a most important and lucrative business in New York.

The change required is, not to do away with agents, for they will always be necessary, but to induce landlords (1) to select persons who are known to be humane and of correct moral character, and (2) to take more personal interest in the moral and social condition of their tenants.

II. The process of reforming and remodelling the present tenement houses is, of course, the first consideration, if it is possible. There is, however, no difficulty in constructing buildings in the future which combine all necessary sanitary and domestic conveniences.

The following letter from Mr. Alfred T. White, of Brooklyn, the pioneer in the way of tenement-house reform in this direction, points out the business feasibility of his plan:

"The property owned in Brooklyn by my friends and myself, on Hicks, Warren, and Baltic streets, now houses over 600 persons, and will soon contain over 1,000. Houses with eighty dwellings were opened in 1877; seventy more dwellings and fifteen stores were completed in 1878; seventy more dwellings will be ready May 1, next.

"Our apartments are generally of four rooms, a living room, a scullery, and two bedrooms. Such sets rent for from $6 to $10 per month, averaging $8.

"The apartments open by short halls upon slate balconies reached by slate staircases carried up in fire-proof towers open to the air. Each set is complete in itself,

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securing domestic privacy and family independence, things utterly impossible in any old-style tenement house.

"The sanitary arrangements prevent any foul-air diseases from originating within the buildings. (Such cases of contagious disease as have been communicated from without have, with a solitary exception, never proved fatal.)

"The low rents give a chance to the poorest laborer, while the complete privacy and the convenience of arrangement attract the well-to-do mechanic and tradesman. Thus the tenants are of all classes and of all nationalities. They respect their obligations and appreciate their homes.

"In the same neighborhood we have six-room brick houses at $17 and $18 per month, and nine-room houses at $22.

"Similar tenements and similar small houses could be erected to-day in New York with equal profit to tenant and landlord. All unselfish considerations combine with fair business inducements to make the provision of better homes for the working classes at once a good investment, an essential sanitary protection, and the best charity that can be done—a decent home at a fair price for every man who wishes one."

With respect to improved single tenement houses it is perhaps enough to say that in the recent prize competition for such a building, one hundred and eighty-eight designs have been submitted; proving that architects do not consider it impracticable to combine health, cleanliness, and sanitary improvements with business requirements.

III. Another great opportunity for solving the difficulty is presented by the improved modes of rapid transit, which practically extend the city limits, so as to allow a portion of our population the choice of living in the country at small expense.

There are other ways of minimizing the evils of overcrowding, each of which will find its own advocate. The Peabody Building Fund in London has been quoted by many as a success. But it is not in any sense as a *charity* that this movement is advocated. Benevolence and profit go hand in hand in this instance. There need be no risk of loss to any one embarking in a movement like this, which increases the happiness and welfare of his fellow-citizens, adds to his own and the general security, and enhances his income.

It may be stated that whenever from time to time improvements have been made in particularly bad quarters, and light and air freely admitted, the police records have shown a marked decrease of crime and arrests, and of destitution. In Glasgow, Scotland, where the property owners have recently expended $7,000,000 in destroying, cleansing, and reforming tenement dwellings, they have been rewarded by a diminution of more than 25 per cent. in the amount of crime. (See Ninth Annual Report of the State Board of Charities, page 139 *et s q.*)

But if all other means fail, there remains the right of appeal for legislative action to prevent overcrowding and overbuilding, to authorize the demolition of the vilest of these dwellings, and to enforce the observance of existing laws and regulations with respect to tenement houses. All citizens are interested in an abatement of the evils here described, for it must be remembered that disease, like crime, gains force in these houses and under these conditions of life; while it decimates the poor it does not spare the rich. All may see that it is a common interest to secure the benefits of decent, healthy homes to the wage-earners—male and female—of this city, who are able to pay for such accommodations, but who now seek for it in vain. All thoughtful persons must be anxious to retain here that part of the population who contribute so much to the industrial importance of this city, and to prevent them from drifting to other centers of industry where happy and healthful family life is a possibility. By a reform of the tenement-house system something may be done to strengthen the foundations of society among us—to strike a blow at one cause of crime and intemperance, and to open the doors to the extension of religious and moral influences.

HENRY C. POTTER, D. D.,
R. T. AUCHMUTY,
JAS. GALLATIN,
HENRY RICE,
CHAS. CONDERT, JR.,
CHAS. COLLINS,
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R. H. DERBY, M. D.,
STEPHEN SMITH, M. D.,
ROBERT GORDON,
R. HEBER NEWTON,
E. L. FANCHER, *Committee.*

NEW YORK, *February* 24, 1879.

### WHAT SANITARY INSPECTORS SAY: EXTRACT FROM THE REPORT OF THE BOARD OF HEALTH.

The discomfort and danger of living in tenement houses would be very much diminished if the halls and staircases were properly lighted by windows opening to the external air. I am sure I express the sentiment of every medical practitioner in the city when I protest against the further construction of buildings in which the stran-

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ger, entering from the glare of the street, has to grope his way from floor to floor in darkness, in fear of collision with other passengers, and in dread of contact with unseen filth. The unclean and unwholesome condition of many of the tenement houses in my district is largely due to failure to secure the cleaning of the streets. If the streets were cleaned the unpleasant and injurious results produced by the distribution of mud and dust would be entirely removed in the lower districts of the city, where the ground is completely occupied by buildings and covered up with pavements. (Page 187.) Of course where families are so huddled together, as we find in certain houses; where houses are so built that often there is not more than 12 feet intervening between front and rear houses, the most unceasing vigilance can accomplish but little good. While such conditions are allowed the death returns cannot be materially bettered. Where the most good may be done is not only by exercising a most careful espionage over the buildings already occupied, but by preventing the construction of new buildings unless all requirements are carried out. * * * Until house-refuse is removed regularly and thoroughly it will be out of the question to have clean streets. (Page 189.) The habits of the Germans render them much less susceptible to the insalubrious influence of the atmosphere which surrounds them, vitiated as it is by emanations from multitudes of human beings huddled together, from insufficiently drained houses, from thousands of privy vaults, from defective public sewers, from ill-paved and uncleanly streets, and from street gutters often filled with stagnant water. It is scarcely necessary to treat under separate heads of these various unhealthful conditions. They exist to a greater or less extent in all the tenement-house districts of the city, and require the constant watchfulness of the few officers to whom is intrusted the sanitary supervision of so extensive and populous a territory. (Page 191.) I again advise the propriety of the passage of a law compelling the owners of tenement houses to provide housekeepers in each house, whose duty and responsibility it shall be to attend to the cleanliness and good-keeping of the interiors, exteriors, and surroundings of such houses.

There are two great evils connected with tenement houses in this district which must exercise a very great influence upon the death record of the city. I refer to overcrowding and filth. The overcrowding in the portion of the city of which I have charge undoubtedly results chiefly from poverty. There are vacant rooms sprinkled in great numbers all over the district, quite sufficient I should judge to dilute the population to a more healthful degree of density; but from lack of means a family which, to obtain a sufficient supply of fresh air should occupy four rooms, is crowded into two at half the price. They cannot afford more roomy apartments, and so are as limited in their supply of oxygen as in the quality and quantity of their food, and pass their lives with physical wants only half supplied with what are real necessities, to say nothing of the almost total destruction of decent morals which results from a constant and unavoidable commingling of the sexes. If the sexual immorality of the tenement houses of New York could be laid bare by some Asmodeus, the community would be aghast at the revelation. (Page 200.) The question of the construction of a tenement house so that its occupants may enjoy the benefits of the many improvements of modern science without too great an increase of rent, is one of great importance. In answer to any questions on the subject of improving the standard of this class of property, almost all of the architects and landlords reply: "Oh, yes, we can put in all these things, but they cost so much that we cannot rent them for the price poor persons can afford to pay." This may be true to a certain extent, but there are a few rules from which no deviation should be made. Light, air, and cleanliness are three indispensable agents in the preservation of life and health, and should always be kept in view by architects in designing all kinds of tenement or apartment houses. The lighting and ventilation of halls by means of an open window at the end is a subject which has so often been dilated upon by writers on sanitary matters that it seems like tautology to again mention it; the more so as it is a direct requirement of the tenement-house law of the State; but, I am sorry to say, it is a dead letter in the eyes of those in charge of the construction of buildings. (Page 204.) The plumbing of tenement houses is found, upon careful examination, to be generally defective. In the investigation of many cases of diphtheria and typhoid fever I found, upon an examination of the house drainage in the majority of cases no stench-traps in the waste-pipes of the sinks, and, as a consequence, the sewer gases were allowed to escape into the interior of the dwelling. (Page 211.) Already the tenement houses of this locality (E. Forty-sixth and Forty-seventh streets) are in a most foul condition. The inmates seem to be slovenly, and certainly lack the neatness and thrift of people in other localities; for example, a door out of repair is suffered to remain so; a loose stone in the sidewalk trips people up, but they are too shiftless to repair it. The walls are smeared with filth and the gutters are filled with boots and straw. (Page 214.) In nearly every case of diphtheria and typhoid fever which I have been called upon to investigate in tenement houses I have remarked the absence of traps in the waste-pipes of the sinks and the proper ventilation of the soil-pipes. (Page 219.) The subject of sewer gas is a very grave one, affecting so widely the class referred to, and it suggests

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the necessity for an ordinance requiring that all soil and waste pipes be trapped and ventilated in the manner described; and further than this, that all sinks in tenement houses shall be located in ante-rooms and hallways; for, however effectual the above precautions may be for the purpose required, they do not obviate all the objections which may be raised to the presence of sinks in dwelling apartments. (Page 222.)

Many so-called improvements have been carried on and completed in this district (Seventh ward). Lots formerly vacant have been built upon, and many dilapidated old structures, once used as tenement and dwelling houses, have been destroyed, and in their place seemingly fair buildings have been erected. But to my thinking these buildings do not often constitute improvements. The pretentious high-stoop, brown-stone front tenement house may be fair to the eye, but in reality it is full of all unsoundness. The public health gains nothing by the erection of such buildings. (Page 230.)

Rear houses, in themselves a nuisance, give rise to so many others that a law to prevent the building of them would be a blessing to the poorer classes. Built solely to afford the greatest number of rooms in the smallest space, no attention whatever has been given to the means of lighting or ventilating them. Many of the rooms on the lower floors are never visited by sunshine, and the halls are so dark that at mid-day one is obliged to feel his way through them. Of this darkness dirt is a necessary attendant. Another evil connected with this plan of building is the ever-present vault situated in the narrow area between the two houses, and but three or four feet from the rooms in which the tenants live, eat, and in many cases sleep. The short, wooden shaft extending but a few feet above the roof of this building for a ventilator being entirely useless for that purpose, and the sewer connection being often obstructed, they become extremely offensive and prejudicial to the health of the tenants. (Page 227.)

CONDENSED EXTRACT FROM REPORT OF AMERICAN PUBLIC HEALTH ASSOCIATION (VOL. II, P. 115, ET SEQ.)

Foremost among the insidious causes of ill health is the want of a sufficient amount of air space. How is pure air possible in the pent-up quarters of tenement houses, when loaded with organic exhalations from the lungs and bodies of persons occupying these crowded apartments, and the innumerable other impurities inseparable from the average condition of tenement populations. These organic impurities adhere with peculiar tenacity to the walls of a room, to furniture, and clothing. What is known as the "tenement-house smell," indicates the commencement of that condition known as crowd-poison, with which typhus, ship, and jail fever are allied. Persons exposed year after year to the morbid influences arising from defective hygiene, must deteriorate in health and social standing. Hence prevailing diseases reap their greatest harvest in such localities.

Moreover, large numbers of tenement houses are built upon "made ground" formed by the filling of depressions, or by filling up low ground naturally covered with water. Another peculiar feature of tenement-house life is the too close proximity of sinks and cess-pools, which send their poisonous odors around to find entrance into the house by open doors and windows. In neglected tenements these vile odors are so offensive as to compel the inmates to live with windows closed day and night. The cheerless condition of such houses, the devitalized condition of the atmosphere, enfeeble the animal power and create a desire for stimulants, and hence disease, intemperance, and crime. Large numbers of tenement houses have their first floor occupied for the sale of liquor, which becomes a sort of club-room for the inmates. To carry water, coals, and heavy burdens up several flights of stairs is one feature of labor incidental to tenement-house life; how much of suffering and disease to females and young persons arise from such causes can easily be imagined. More air space, better ventilation, improved systems of house drainage, are self-evident necessities.

By Mr. PUGH:

Q. Is that a report made by the gentlemen whose names are given?—A. Yes.

Q. Who did they make it to?—A. It was prepared to be read at a meeting to be held in this city on the subject of tenement houses.

By the CHAIRMAN:

Q. Has this information which you have now been giving, and which is contained in that pamphlet, ever been brought to the attention of the city authorities?—A. It has, repeatedly.

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DEFECTIVE MUNICIPAL ADMINISTRATION IN NEW YORK.

Mr. PUGH. The sole power to remedy these evils is with the city authorities, and it is amazing to me that they have not been remedied. It seems most extraordinary.

The WITNESS. Let me answer that remark briefly. Our board of health is a good body. They have certain funds. They receive six thousand, or more, complaints in a year from all sorts of buildings, from the best to the worst. They send their inspector to examine the buildings. He comes back and makes a report, and a notice is sent to the landlord of the character of that report and of the difficulty existing at the house, with instructions to remedy the difficulty. The inspector goes there a second time, and reports again, and if the remedy is not applied another notice is sent to the landlord. The same thing is done again, and if the third notice is not attended to proceedings will be taken to sue the man. This requires a great deal of labor, and you cannot expect officials to do any more than they can.

By the CHAIRMAN:

Q. The remedy is in the destruction of these tenement houses?—A. The remedy is in rousing public sentiment, and allowing the board of health to do more and to have more money.

By Mr. PUGH:

Q. That is, in changing the character of the buildings in which these people live.—A. Precisely. I will come to that in one moment.

In Great Britain, where they have sovled these problems earlier than we have, they take sections of cities like Glasgow, London, Edinburgh, &c., declare the property uninhabitable and destroy it. They do that every day. It is the rarest thing for the New York board of health to condemn a building and to compel it to be torn down.

By the CHAIRMAN:

Q. Why is that? I do not understand that statement.

BUILDINGS UNFIT FOR HUMAN HABITATION.

A. I state it, then, as a fact, that buildings have existed in this city, held up by nothing but the elements, you may say; buildings notoriously unfit for human habitation, and only after months have they been condemned by the board.

Q. Why is it? What is the trouble? Have the people no courage to condemn such a thing, and remedy it?—A. The board of health was stated some years ago to have arbitrary power. It was stated, for example, as a joke, that the Shah of Persia was going to have a board of health like ours, established in his Government, to carry on the affairs of his Kingdom. They have ample power, but they cannot rise above public opinion. And, if they find $200,000,000 of capital invested in tenement houses to combat them and only half a dozen men to sustain them, what are they going to do?

Q. Can they not say that such a building is unfit for habitation?—A. Well, I do not wish to criticise the board of health, but I can take you to buildings which are unfit for human beings to enter, in which you could not cross the halls without having your feet covered with filth.

Q. Does anybody live in those buildings?—A. Yes.

Q. Where are they?—A. In this city.

Q. Where?—A. One in Fifty-fourth street.

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Q. When did you see it?—A. Two of my associates inspected it within thirty days, and reported it to the board of health. There are buildings in this city, of the better class, not tenement houses—where people paying as much rent as I pay myself—book-keepers and clerks and middle-class of people—in Yorkville and Harlem, "skin buildings," as they are called, without any party wall between the cellars, the houses supported by wooden braces, which are splitting with the weight of the buildings—in which the coping of the roof is built with mortar which has nothing but sand in it, and buildings where the sewer pipe has burst and its contents have come up into the room that a poor washerwoman lives in. These are facts. In fact, this whole city, from a sanitary point of view, is simply rotten.

Q. Do you mean to say that the board of health, knowing these facts, do not state them?—A. I mean to say that the board of health, from want of courage, or from some cause that I will not state too explicitly, is either ignorant of them, or has ignored them, or has delayed attending to them.

Q. So that the officials, you say, know these facts, and have not made them public?—A. The newspapers have made them public, but the officials in their reports have not made them public, because they issue no reports. We have not had a formal report in New York City for several years.

Q. Are they expected to report?—A. Yes; but they have not the funds to pay for the printing. The only medium they have for communicating with the public is the City Record and the daily papers.

Q. There does not seem to be anybody to blame then; it is very much like the verdict in the case of a railroad accident.—A. That I will not presume to say.

As I was going on to state, in London and elsewhere in England, they have first demolished a large portion of the buildings in a given territory, and compensated the owners for the value, after it was assessed, and they have then built a large number of model tenement houses. Under philanthropic direction—that of Miss Octavia Hill, assisted by Ruskin and others—they have taken houses, and beginning with one, and adding others by degrees, have reformed those houses by giving them personal attention. That same thing has been done in New York City, and has solved the problem, by showing that if landlords would take the trouble to clean their buildings and watch their tenants, they would secure a better class of tenants.

Miss Helen Collins, in this city, has some excellent tenement houses, paying a good interest on the investment, in the middle of old Cherry street, which used to be one of the worst parts of the city.

One of the great difficulties in the action of the board of health was that they could not find who was the landlord, so that frequently they would be thrown out of court.

The CHAIRMAN. Colonel Clark, the secretary of the board of health, testified about this matter, and said that there were difficulties; but he denied quite emphatically the existence of such facts as you testify to. I am sure those facts cannot be in the possession of the board of health.

### BUILDINGS CONDEMNED IN 1865 STILL TENANTED IN 1883.

The WITNESS. This very report that I have submitted to you has been in the hands of the board of health for a year or more. It is a notorious fact, which has been published broadcast, that buildings in New

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York City, which were condemned by the citizens' sanitary committee in 1865, for being in a bad sanitary condition, are in that same condition to-day.

Q. Then the report must be untrue?—A. They were reported as being in an unsanitary condition fifteen years ago, and I say they are so to-day.

Q. But you were speaking of this report of the existing condition of things?—A. Yes; the letters that I read are within the knowledge of the board of health.

The CHAIRMAN. I feel that I must dissent from that, because we have had evidence to the contrary from the board itself. There must be some misapprehension.

The WITNESS. The plan of condemning large sections of territory has not been attempted in this city, because we have not as yet reached the point of taking hold of that problem, but we have done a great deal in the matter of building model tenements. I have here some pictures of model tenements which have been constructed in Brooklyn and in this city, to which you have probably had your attention called. These buildings are all profitable, and pay a good return on the investment, and are a success. Some of them are in Brooklyn, and some are in New York. Here are some of the plans and photographs of the present tenement houses [showing them], just as they are at the present time.

Q. Are you sure that the inspectors in the different parts of the city make reports of these facts to the board of health? May not the difficulty come from some neglect in that direction?—A. I am sure of it.

By Mr. PUGH:

Q. You say that these facts which you have stated are open to the eyes of anybody who will go where they are?—A. They are.

Mr. PUGH. Then it seems to me they are physical facts, about which there can be no mistake, and the truth or falsehood of what the witness swears about them can be ascertained by ocular demonstration.

The WITNESS. That is so.

By the CHAIRMAN:

Q. You have seen them?—A. I have seen them; I can bring you column after column of description in the New York papers of the last two months—the Sun, the Post, and the Tribune—which are simply duplicates of things that have been published in the same papers every summer within my knowledge, till I got tired of reading them; they are facts. The reporters find them out and state them, and that is all the good it does. For instance, one reporter says, "I find a whole family of Jewish tailors living in a cellar, working ten or twelve hours a day, tumbling off their benches and going to sleep on the floor, and getting up and going to work again—in a cellar condemned by law, and unfit for any human being to live in." Another says he found "a woman who had lived in a cellar for twenty years, with a stable twenty feet away, and she said she was very healthy, and had a large family there." It is a question involving no dispute.

By Mr. PUGH:

Q. If the board of health had not this information they could easily get it, I suppose, the facts being in existence and open to the discovery of everybody?—A. Precisely; in fact, their own records show it.

Q. Well, then, for them to say that they had not the information would seem to be very remarkable, would it not?—A. It would. Of course I have my explanation of those things, but it is not proper that

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I should give them publicly. I appeal simply to the record. There are the facts, and they can be substantiated publicly, and I can duplicate those pictures in a hundred places in New York. The fourth remedy, which has been carried out and very successfully, has been the enlargement and amendment of the plumbing laws of the city, by which the board of health has absolute control of the plans of all new buildings, both to regulate the size of the building itself, so that it shall not cover more than 60 per cent. of the lot, and preventing the jambing up of buildings as before—controlling the ventilation by light-shafts; so that I am happy to say that all the new buildings since this law was passed are a great improvement in that respect. In these new buildings there are 30,000 people living at present, in comparatively decent homes, so that the remedy in the way of new buildings is being applied; but the board does not feel strong enough to assail existing buildings.

### LIGHT AND AIR IN CITIES—NECESSITY OF PUBLIC PARKS.

Now, next to the actual improvement of the buildings themselves, comes the question of their surroundings. All authorities agree that the great want in this city is of more lungs or breathing places. If you stand on the top of the pier of the East River Bridge, or any high place in the city, you will, on looking down, see nothing but bricks and mortar. It seems as if the health of the people had never entered into the consideration of anybody, for they have been filling up almost every inch of space. There are no children's play-grounds, or spaces for air or recreation—nothing but bricks and mortar everywhere. As you look down you see no possibility of air or sun-light. And in this respect the wealthiest men are no better off than others. I have been brought into the houses of men of large means, from Jay Gould down—hundreds of them—and I find that it is becoming a perfect mania to exclude light and air.

The public must be brought to the point of appreciating the necessity of having large areas in this city for the purposes of parks. The original intention of Central Park was that it should be put right in the midst of the thickest part of the city—about Fourteenth street—so that a mechanic would have to go through the park in coming from his work in the evening and in going to it again in the morning. Now, I understand, the workman is not allowed to pass through the park if he has his tools with him, and the people generally are very much restricted when they go there. I have seen children who have scarcely ever seen a tree and hardly know what a bird is. It is perfectly amazing what ignorance there is in New York City about matters belonging to the open air. It will come in time that we will find children like those of whom we read, who lived under the London bridge and had never heard the name of God, and didn't know who Queen Victoria was. Central Park, in fact, exists for the benefit of the rich, and not for the benefit of the poor; and it has not been of the least benefit to the poor people in the lower part of the city, for to get to it will cost them ten cents.

### HOMES FOR THE POOR WANTED.

We want in New York many thousand houses for the poor. We cannot get them in the city, as the land is so valuable that it is almost out of the question. At the same time many people do not go out to the suburbs, as in Westchester County, because the commutation is too high.

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Q. What do you mean by "the commutation?"—A. We call the railroad rates by the month or year commutation rates. They cannot go to Jersey, because the immediately available country is too high in value, and then workingmen are always pressed for time. In other words the mechanic cannot run the risk of fogs and delays of that kind. He cannot run the risk of anything which would prevent his arriving at his work at 7 o'clock in the morning. So that the only outlook may be said to be the suburbs of Brooklyn. And what can you do with a bridge that calls for 5 cents fare, and a city with no rapid transit? The only outlook, it seems to me, is across Ward's or Blackwell's Island, Mott Haven, and along there to Long Island.

By the CHAIRMAN:

Q. But won't that land be all taken before those improvements can be made and the people get to it?—A. Well, there are millions of acres on Long Island. Some men can go a little way out, and others not quite so far.

Q. If time is the objection would it not apply there?—A. Time, of course, would be something, but the principal thing needed is certainty in transit, so that there will not be delays of fogs and such things. Certainly something can be done.

Q. The land is not likely to be controlled in advance by speculative purchasers, is it?—A. Well, in the first place, speculation does not want that class of persons of whom we are speaking. They want people of the wealthy class. Then the wealthy people want to live in New York. So that the tendency is not in that direction. I do not think there is any reason to expect that the land will be taken up.

Q. When is the new bridge over Blackwell's Island to be built?—A. They have begun it.

Q. Will it take as long as the other?—A. Oh, no; it is comparatively an inexpensive structure.

Q. Can you get under it with a ship?—A. It is to be a suspension bridge, with piers on the island and on the shore, and at least the foundation of one of the piers is constructed. There are reports in the papers about it, and I understand it is fairly under way.

Q. How far up is that?—A. About between Forty-fifth and Fiftieth streets.

Q. These people down this way, how are they going to get up to the bridge; that will cost something?—A. They are not down this way. While there has been a tendency to growth in the largest districts, still the largest growth has been about Murray Hill.

Q. But there are a half million people on this side of Fiftieth street?—A. Well, there is a large number up town.

Q. And the evils are down here. People are worse off down here, are they not?—A. As soon as we have rapid transit in Brooklyn, that will work relief to this end of the city.

Q. The bridge, you say, costs 5 cents, and it costs something to get through Brooklyn?—A. The bridge fare must be reduced to a cent in order to amount to anything.

Q. Then that would be part of the remedy—a reduction of the bridge fare. What is the fare on the ferry?—A. One cent.

Q. They could walk over the bridge for 1 cent?—A. Yes; but they will not do it. It takes a considerable amount of time to walk over, and when men are very tired with a day's work they do not feel like walking very far.

Mr. PUGH. The solution is that they must stay here and die. That seems to be the only solution of it. They are dying now.

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### REMOVAL OF CITY FACTORIES.

Q. How is it about taking the factories out to the suburbs; would that help some?—A. I was coming to that. The workingman is going to live as near his work as possible, and if the factory is moved, why, that will give him relief. For instance, the Singer Sewing-Machine Company has gone out to Elizabethport, N. J. Others have gone to Bridgeport, Conn.

The Appletons have moved their bindery to Williamsburgh, and, to show the benefit of this course, they stated to me some time ago that they scarcely had any demands upon their sick fund, which is raised partly by contributions from the employés and partly by the firm; whereas, when they were in New York City the whole of the sick fund was consumed every year. There are any number of communities which have grown up around factories, as, for example, the clock works at Greenwood, N. J., and a large factory at Mott Haven. Ther is an interest also in binding the workman to his home, but there comes, on the other hand, the suspicion that the workman is only to be tied faster to his shop and that he cannot get away.

### NO RELIEF FROM THE ELEVATED RAILROADS.

The elevated railroads have, so far as I can learn, supplied no relief whatever to the tenement population of the city. They told me at a station at Fifty-ninth street that there were about 400 workingmen daily riding down town, and I know that from 5.30 to 6.30 p. m. trains going down town are about as full as trains going up town. Large numbers get out at stations in the central part of the city, around Houston and Grand streets, and many go to Brooklyn.

Q. Do you think the elevated railroads charge as much as they ought to for fare?—A. I think 5 cents fare is as much as they ought to charge.

Q. They charge 10 cents, do they not?—A. They charge 10 cents during the day.

Q. And only 5 cents during those hours that accommodate the laboring people to get to and from their work, is that it?—A. Yes. The reduced-rate hours are from 5 to 8.30 in the morning, and from 4.30 to 7.30 in the evening, during which hours the fare is 5 cents.

### MORE SANITARY INSPECTORS NEEDED.

When alluding to the necessity of baths and public laundries in the city I meant to have spoken of the necessity of another improvement, and that is that instead of spending all the money that we do spend on sanitary work, and in building hospitals, and supplying dispensaries for relief, we should spend money rather in the direction of visiting the poor in their own homes. Every summer we have a corps of fifty physicians specially appointed and paid for doing that very work, and they do it and are thus able to reduce the death rate very materially, which shows the benefits of their visitation to the people. It seems to me that it would be very easy to continue that corps all the year round.

Q. I suppose that in that way they give the people themselves a great deal of valuable instruction of a sanitary character?—A. They do. We want sanitary tracts to assist in that work.



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### TAINTED FOOD AND WATERED MILK.

Now, next to the factors of light, air, and water, comes the great factor of food. The physicians will tell you that more children die in the summer time from bad or tainted food than from any other cause; and I consider, therefore, that the laws passed in New Jersey regarding the adulteration of food and the stricter enforcement of the laws in regard to skimmed and adulterated milk are both steps in the right direction. Then, a very short time ago, a committee connected with a charitable association reported that the milk question seemed to them the most vital of all questions affecting the health of the poor. Even people who have a cool place in which to keep milk get very little nutrition from the milk if it is watered. A large and respectable milk-dealer in Brooklyn told me that the poor people would go to those who kept the poorest quality and cheapest kind of milk—half water—and buy that for three or four cents a quart, for their own use, and would at the same time come to him and buy a few cents worth of his milk for their children. We see the same disposition shown when people will pay the highest price for brandy, if it be ordered by a physician, or for anything else in the way of medicine, if they can pay the price, for then they feel that it is right for them to do so; in fact, I think there is quite as much intelligence among the poor in such matters as among the better class of people.

Q. What do you mean by the "better class"?—A. I mean the so-called intelligent class. I do not use the word "class" except relatively. I have no other term.

### LEGISLATIVE REMEDIES FOR COMPELLING SANITARY REFORM.

So, that as to the city of New York, in order to have complete or anything like complete sanitary arrangements, we must have more water for our poor people as well as more food, air, and light. I do not see why it should not be made obligatory upon the owners of tenement houses to supply water to their tenants, even though the water does not rise by natural pressure. I am not much of a believer in legislation in such matters, but——

Q. [Interposing.] How did you get rid of the cigar-making difficulty in the tenement houses?—A. Well, that was prevented by law, and yet the board of health has reported over and over again that the manufacture of cigars in tenement houses was not detrimental to health.

Q. You have a law now which prohibits it?—A. Yes.

Q. How can you say, then, that you do not believe in law for these things?—A. I had not finished my statement in that respect. I say I do not believe in a law that is not capable of being wisely enforced.

Q. Then it is not a law if it is not enforced?—A. Well, it is called a law. It is perfectly reasonable that landlords of tenement houses should have a tank in every building, and that there should be an abundant supply of water; that is one of the few things in the way of legislation that I should urge.

### NECESSITY OF LICENSING PLUMBERS.

The plumbing acts have accomplished a vast benefit in regard to new buildings, but they do not touch upon old buildings; and while, if you build a new house, you are sure that the plumbing will be under inspection and properly executed, yet you have no security that if you

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call a plumber in to do repairs, you will get a man competent or scrupulous, and, therefore, it seems to me that it is important, and I would urge it very strongly upon the committee, and emphasize it, that there should be a regulation of buildings in all parts of the country. They are doing it a great deal, in imitation of the New York law. Furthermore, the licensing—and the licensing after an examination—should be insisted upon, of all mechanics like plumbers, who deal with matters relating to life and death. I do not clearly understand the injustice, though it might seem an injustice, to say that a man who is in a business should be interfered with. It is said that if people are allowed to go into a business they should not be put under examination, but I do not see, on the other hand, why the life of a whole community should be jeoparded in order to allow a lot of ignorant and unscrupulous men to gain a livelihood at that for which they are entirely unfitted; therefore I think that they should be examined and licensed. They are now licensed, but without examination, and it is a mere matter of form. When you send after a man you have no security that you will get a plumber.

Q. The fact that they are licensed is taken as a sort of proof that they are competent; otherwise they would not have received a license.—A. It is a step in the way of progress, no doubt, even to give a license. If you go into a man's shop, however, and you see the words "Licensed plumber," you would naturally suppose that it means something, but it does not really mean anything. In many cases you will find that the bosses and men carrying on the business are not the best men; they are not picked men, but they are the men who failed as journeymen.

Q. They are licensed very much like men are who are permitted to sell liquor—licensed to do harm?—A. It is very much that way.

## TECHNICAL EDUCATION.

Having touched considerably on the subject of the sanitary conditions, I should now like to say something on the subject of technical education, but I will leave it to the committee to say whether I shall say anything on that subject. I have had some unusual opportunities of observation on the subject; I have had considerable to do with the question of technical education. I think I could get through in ten minutes.

Mr. PUGH. We would be glad to hear you, sir.

The CHAIRMAN. Take all the time you desire.

The WITNESS. Next to the question of health and its effect on the labor problem, it seems to me, from evidence that I have collected, that the want of practical training comes next. I remember asking a judge of the criminal court in Brooklyn, who has had as long an experience, I presume, as anybody, what, in his judgment, was the cause of so many boys and young men coming before him for punishment—expecting that he would give me for answer, "intemperance." On the contrary, he said that the cause of so many young men hanging around the corners and getting into trouble and getting arrested was the lack of some practical training for life; the lack of special capacity to do something or earn something. The Massachusetts Labor Bureau puts that in very much the same language. "The want of a proper occupation is undoubtedly the forerunner of pauperism, and an important cause of it."

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APPRENTICESHIP.

It is not necessary to go much into the question of apprenticeship. We find that many of the immigrants who come here are unskilled laborers, but they do not make the majority of paupers and beggars. The principal difficulty is with the rising generation. If you ask an employer he will say that the boys come and stay in his shop a few weeks; they have to have some pay in the beginning, and the moment they get so that they can earn a dollar or two more, they leave; so that in hundreds of cases employers have refused to take any apprentices. In some statistics lately published you will find that there are very few American boys going into trades. In fact the effect of our public school system is to train most boys to be lawyers, clerks, and messenger boys, such as you see in Wall street. I think if your committee would investigate the effect of that kind of life on boys it would very much open your eyes.

The CHAIRMAN. Suppose you state the facts and make such suggestions on the subject as you choose?

THE SPECULATIVE MANIA; ITS EFFECT ON BOYS.

The WITNESS. Well, if you go into a bank at this hour you will see fifteen or twenty boys around the paying teller's desk. They handle millions of dollars as if it were nothing but pennies; and they get the idea that everything in life depends on speculation; that every boy can become a Jay Gould or a Vanderbilt; that honest industry and steady labor is all foolishness; and in other words they begin to believe in "luck," and the whole effect of that sort of thing is utterly demoralizing; there are so many of these messenger boys and boys of that class now that they are becoming an important factor in the community. They are drawing boys away from the regular trades. A boy does not want to take a trade any more. I have asked a lot of boys in the public schools what occupation they were going to follow, and out of some fifty boys there were only two who had any idea what they were going to do for a livelihood. One was going to be a mechanic and the other a clergyman. The whole tendency of life here is to Wall street. A first-class mechanic whom I know has gone into a speculation in oil, and is now bankrupt and ruined for life. He is only thirty years of age, and he started out at sixteen as a plumber.

By the CHAIRMAN:

Q. Are you speaking of that man as a type, and will he not return to his former avocation and build up again?—A. I do not believe that he will. That man was one in a thousand. He did not drink. He "received his tools" as the saying is—that is, he finished his apprenticeship experience in a little over a year, while the usual time is three years. He is a first class mechanic; and he is now destroyed by this terrible influence of speculation.

I remember that at a meeting of Social Science Association I heard a lady who was a teacher in a Western city or town, who happened to be speaking on that subject, say "What can we do with our intelligent boys and girls in the way of an occupation; and if you should have a son who had the natural capacity of a Ferguson or a Faraday or a Watts or a Thurlow Weed, what would you do with him?" As things are that is a hard question to answer. A friend of mine who has a son that has a palsy of the hand and could not therefore go into a clerk's

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life, tried to get him into a silk mill or a hat factory, but he could not get him in.

Q. Why?—A. Because the trades unions kept him out. In the "trades school" in this city, Mr. Auchmuty's, they aim to train plumbers, brick-layers, and others. A man who was a steam-fitter came there in the evening and wanted to know a little about plumbing, so that he could do a little repairing occasionally. Immediately the boys refused to stay there, and said they would not stay with anybody but those who would become practical plumbers. The feeling has got about that "We don't want any more boys at all." I gave up all my interest in the thing; I felt it could not amount to anything.

### HOUSE BUILDING; EVIL EFFECTS OF THE CONTRACT SYSTEM.

Now what is the effect of these things and the others I have referred to? The effect is, that if you want a workman to build a house you cannot find him. The houses in this city and in London, as Carlyle described, are rotten dog-hutches. The term, "contract building" has come to mean a certain thing well understood. A man in this city who is building several thousand houses has been hauled up several times on account of sewer gas, and he has to build houses under other names, but there are the houses. I am told by a mechanic that out of ninety-six houses built in Harlem there was not one in twenty that he would live in. The president of the Exchange told me the same thing. And when Mr. Vanderbilt wanted carving done upon his house he had to send abroad. When you want good men to execute your orders you are entirely at a loss; you cannot stand over a man all the time and see that every movement of his hand is correctly made.

I will call your attention to a circular issued by the Bureau of Education on this subject of the benefit of education to the man. It mentions the item of cost to an employer in "putting a five-dollar man to watch a two-dollar man," and that item of loss from watching men is very considerable. I have got so that I do not care to examine work. My work is to examine buildings, but I will not undertake to stand over a man and see that every movement he makes is just right. I say life is too short for that kind of thing. This contract system is at the root of the trouble. A man with no capital and no honesty can go into the open market and compete with the best workmen that we have and get the work.

The CHAIRMAN. When the laboring people were putting in their testimony before this committee it seemed quite apparent that as much injury resulted from incompetent employers as from incompetent employés, and much of the failure and disorganization and trouble seems to grow out of the fact that men go into business who have no capital or competency to do the business as from any other cause whatever. You seem to have come in contact with that same difficulty.

The WITNESS. Yes; I remember that a plumber was sold out at auction in this city, and his total assets were 75 cents. Any man who can get an old broken basin and half a coil of lead pipe and an old carpet-bag, and can make it look as if he had tools in it, can start business in this city as a plumber, and can compete with the man of twenty years' experience who has thousands of dollars invested, and can compete successfully, too. And I find such ignoramuses as those in the finest houses in this city; men who cannot make even a joint well; they are trusted with the most important plumbing contracts.

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THE RIGHT OF GOVERNMENT TO REGULATE TRADES.

Q. If a body of men are going into the banking or insurance business they have to show that they have capital. Do you think that such men have any more to do with society than these contractors who erect the buildings and dwellings in which people live? Is there any more reason why society should regulate the one form of business than the other?—A. It should regulate such matters, I think. If we protect the deposits in a savings bank by having a public official to see that a bank is solvent, I think we should protect the householder in matters affecting life and health by seeing that the mechanic is competent to a reasonable extent.

Q. But there is the contractor, without whom the mechanic cannot get work at all.—A. Well, there comes in a question. If you license certain plumbers and eliminate those that are incompetent, then, by licensing, you give the competent plumber an advantage which he has not had heretofore. He has been handicapped in the race. Let me give an example. Here is a contract to be given out. A good, honest, capable plumber puts in a bid, say $1,800, to execute that work. That man had done, perhaps, twenty pieces of work just like this and knows exactly what it will cost. Two or three other men who are just as capable and honest put in bids of $1,300, $1,400, or $1,500. Another man puts in a bid of $1,100, and another $1,000; and the contract is given to the thousand-dollar man. How can that man do that work well at that price? He cannot do it. It is my misfortune to have to watch him in the attempt, and I feel that every minute of the time that I am away he is trying to cheat.

Q. Are there any inspectors of such work?—A. Yes; but you cannot get inspectors for $60 a month. It comes back to the question of whether you can get a man to do $100 worth of work by paying him $5. Those things, after all, are matters which you may say depend upon public enlightenment, but they depend also upon this licensing and regulating, so far as the public can deal with that.

When the English people came to discuss the factory question, the Duke of Argyle's book on the *Reign of Law* was looked into. It is a discussion of the question whether the Government had any right to interfere with the rights of men that way, and the people decided then that the Government had such a right; and we are more and more taking a larger interest in humanity and carrying out the principle of Jefferson, that human beings have the right to life as well as to liberty and the pursuit of happiness.

While I do not think it would be well to follow out what some people think on that subject, I think there could be more done than is being done now. It is the duty of the citizen to sustain the Government, to hold up its hands; and it is also his duty to criticise that Government, or its officials when they do not do their work. If I go to the board of health and ask them why they do not do this thing, "why," they say, "if we do anything more we will have all the politicians against us." Professor Chandler's life was made a burden to him for trying to do these things. We have in this city one or two other associations—private associations—sanitary reform associations, &c., consisting practically of a dozen gentlemen—men of weight in the community. If they come to the public and say that they think the board of health ought to have more money or more power, then the board of health gets it. If they say the board of health ought to have more law to protect them, they get it.

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We have now in the United States 170 such societies in little places with only 500 inhabitants. There is a very broad field of work in it, and my special interest just now is in trying to extend that work—trying to multiply these societies so that the officials shall have some power and public sentiment to back them up. Dr. Crosby has stated that question, I think, very forcibly. At the same time the theory of government in Europe is that the citizen has nothing to do but to obey the official. A policeman tells you to move on, and you move on. The theory in this country is that the official is the representative of the citizen and the official should be sustained by the citizen; and it seems to me that all over this country there is needed in this line of work the sort of co-operation displayed in Brooklyn in the "Young Men's Republican Club." Then, when we come to the legislature and say that we are backed by the citizens, the thing works.

To show you how it works, let me say that I had occasion to go myself as the representative of a small society in Brooklyn that has a half dozen active members. From the simple fact that I was there from an association, and with an officer of the board of health and the medical society, we got an appropriation of $2,500 to enforce a plumbing law that was passed without any money being allotted for it. Next to the association comes the individual.

### THE PRESS.

The press is always ready to help every good thing.

Q. What was the trouble with Professor Chandler, then?—A. I say the press is ready to sustain every good thing, but sometimes the press is supposed to be critical. They blamed Professor Chandler for the Hunter's Point smells——

Q. [Interposing.] You mean simply this: the press gives circulation to whatever is in the community?—A. More than that; the press will give extensive publicity to things which will in themselves seem very small, but which have a principle of growth. For instance; I have known a convention to be reported fully by the press when at the opening of the meeting there were only seven persons present. They have felt that it was a good movement and ought to be sustained. I am myself an ex-journalist of some years standing, and I think that any good work is apt to have the support of the press.

### TECHNICAL EDUCATION AND THE PUBLIC SCHOOLS.

There should be some modification of our public-school system of training, so that while there should not be a regular industrial course in the day school, yet that the subject of drawing, for example, should be taught just as much as writing, and that the evening schools should be turned into industrial schools. Cooper Institute is so crowded with applicants that they have to turn away thousands every year. That shows that there is a demand for that kind of education. The Evening High School, which gives some technical instruction in the line of book-keeping and languages, is a very great success. As an illustration of the demand for educated men, I was told by Mr. Packard that he could not supply the demand made by merchants for graduates from his school, and that if he had two hundred to-morrow, they would be taken up. You can get, by advertising, ten thousand men of fair intelligence to work for five or ten dollars a week, while his graduates can get immediate employment at ten or twelve dollars a week to begin with.

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### THE COOPER INSTITUTE.

I think the Cooper Institute ought to be publicly endowed. It is doing an immense deal of work. There is something that is not said of it that ought to be. The curator of the Cooper Union says that what is wanted for the public at large is not libraries, but simply large, warm, attractive reading-rooms, and this, by inference, may be applied to the question of the tenement-houses. The people want some place to go to; they have no place except the grog-shop, where they can find a comfortable room. It would be easy to multiply these places without much expense.

### TECHNICAL TRAINING IN BUSINESS ESTABLISHMENTS.

I have been asked to say something of the experiments in several large establishments to supply the lack of technical training. In Hoe's printing establishment they have some two hundred boys who are required to stay down two evenings in the week during the winter and receive regular instruction in reading, writing, drawing, and some other technical things. The firm pays the supper of the boys, but makes it compulsory on them to come. In Brewster's carriage factory they make an arrangement with every one of the public schools that every intelligent boy of the best class shall be sent to them when they graduate. In that way they get a number of bright boys who are put under the direction of a superintendent and get to earn something for themselves. The result is that the firm get much valuable service from them, and the boys earn much more than they otherwise could. They told me that a boy of seventeen or eighteen was the best carriage-cushion maker in America; and they ascribed the success of this largely to the intelligence of their superintendent.

I don't know whether the question was brought up in dealing with the subject of manufactures, but it does not seem right to expect that the employer should teach his employés, because he has no time for it, and perhaps he has not the capacity for it; so that it seems the business of the State to do it. You find the benefit of that course shown in England, which makes the mechanic feel that he is not disgraced by doing manual labor. A man told me that a respectable girl of his acquaintance would sooner marry a counter-jumper at $10 a week than a respectable mechanic who earned $18 a week; and that prejudice has much to do with persons going into the trades and staying in them.

The society of which Mr. Brace is at the head in this city—the Children's Aid Society—has fifteen schools for poor girls and boys, where education is largely industrial. That society finds that there is, through the instrumentality of the school, an immediate elevation in the condition of the boys and girls. A girl trained to sew and sweep is able to marry a man of much superior grade to those she would be apt to meet in her ordinary experience, and the boys get into a better class of occupations.

There is a great deal that might be said upon the questions of thrift, co-operation, machinery, &c. Those are largely matters of education, and workingmen are no more ignorant about them than anybody else. In fact I believe most of the savings in the savings banks come from the working classes, not from the professional men.

The CHAIRMAN. It is now a quarter past 1, and I wanted to have you state in a brief way the sanitary conditions which the builders of houses in new villages and new cities should apply. Perhaps you could return at 2 o'clock and state that to the committee in fifteen minutes,

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or should you rather do it now?—A. I could do it in five minutes; you don't want anything technical.

Q. Nothing technical, but suggestive and instructive matter to the minds of plain people who have things of that kind to do throughout the country. They are building new houses and starting new villages everywhere?—A. Well, it is rather difficult to separate the sanitary problem of communities from its relation to individuals.

The CHAIRMAN. I am speaking of the sanitary conditions of cities.

### SANITARY REQUIREMENTS FOR NEW COMMUNITIES.

The WITNESS. If you have not got sewers you must supply them; if you have not got a water supply you must get it. So that I would have at once to deal with the individual house. I think if I make a statement which would apply to the average small town and show what would have to be done there and show what is being done in hundreds of cases that probably would be of use. From that I can speak of what is being done in individual dwellings. I have had considerable experience in answering such inquiries.

In the first place, as a farming community, we will say, becomes settled, the moment you get more than three persons on an acre you find that the first problem to deal with is the problem of drainage; in other words that the soil becomes so polluted with human filth of all kinds that the question of its removal comes up; for, as the effect of this saturation of the soil, we find certain diseases like consumption, typhoid fever, &c. So that the first thing is to deal with the soil itself.

### CESS-POOLS.

The united experience of all observers is that you cannot use cess-pools in any community, except where there are very few people. The very instant your population thickens you must abolish cess-pools; that is a cardinal principal. The second is, that you must drain the soil itself of its excess of moisture. That is a comparatively easy problem, and it is an interesting fact that if a man drains his own lot or the ground immediately adjacent to his house, he in that way may secure himself from the malarial influences of the ground at some little distance away from him. Or if he puts up a "wind-break" of trees it will have the same effect.

### EARTH CLOSETS.

As a substitute for cess-pools we have heard a great deal about earth closets. These are well adapted for small communities, with proper care and caution as to the emptying of them. It is easy to use dry soil or ashes, and the material can be used for agricultural purposes. But the dry-earth system will not do in any large community because of the expense of transportation of the material.

Furthermore, contrary to the popular idea and in spite of the eloquence of Victor Hugo about the enormous waste of our great cities, it is the simple fact that sewage has no value agriculturally, and that people must pay to get rid of it. You must look, therefore, at this thing not as a matter of profit but of outlay.

### THE WATER SYSTEM.

The third direct method is the water system, which is always preferable to any other in thickly-settled communities, provided you can get

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a good point of outfall, provided the ground is not so very flat that you cannot get sufficient grade for your pipes to carry the matter off to a distance.

### THE IRRIGATION SYSTEM.

As an intermediate plan, where sewers cannot be used, there is for the householder what is called the irrigation system. That is simply as follows: Instead of depositing all the refuse from a house in one place, which gradually becomes polluted and has a tendency to soak through the soil and be carried by the ground currents of water and air so as to poison wells and pollute the atmosphere of cellars, instead of concentrating your poison in one place you diffuse it, you receive all the house drainage in a small receptacle called a flush-tank, with a grease trap to separate the grease from it, and then from this receptacle you carry small earthenware pipes about 3 inches in diameter, with open joints, and you diffuse these in the shape of a fan throughout your ground. These are carried so near the surface of the ground that the air to some extent penetrates down and oxydizes the material that oozes out. The roots of the grass soak up this material and the rest of it soaks away into the ground, so that there is no harm to anybody by this arrangement, and it takes care of itself. Once in two or three years it may be necessary to dig up these pipes, but they are very near the surface, and the ground need only be scratched away to get at them and remove all the grease or solid matter that is to be found in them. The pipes do not choke up anywhere, because the heat of the system keeps them from freezing and it has a very beneficial effect on the crops that grow over it. This system has been tried in a number of instances, and a piece of ground of half an acre or less—I have seen a piece no bigger than this room—will take care of the drainage of a single family.

### THE SEWAGE FARM.

In a community the same system could be tried by what is called a sewage farm—that is, instead of having irrigation for one family, have a sewer which will take off all and convey it to a farm beyond the town. That has been done at Princeton and at Pullman, a suburb of Chicago. It has been carried out very largely in England.

### THE CHEMICAL TREATMENT SYSTEM.

There is also what is called the chemical treatment system, in which the matter is treated with chemicals and deodorized, and the solids precipitated. That is not an expensive plan, but it is not settled as to how it is applicable to localities here.

The ashes and garbage of a community must be carried off somewhere and not mixed up with the sewage.

### STREET PAVING.

Where a community becomes thickly settled the streets must be paved so that the ground will not become polluted.

Provision should also be made for rain water.

### SEWERS SHOULD BE SMALL, NOT LARGE.

This covers about everything relating to the outside of the house. I might say, though, incidentally that where you have sewers, those sewers must be small, and not, as has been previously the practice, made big

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enough to drive a wagon or a hay cart through. They must be thoroughly laid, smooth inside, not rough stone, as in the lower part of New York City so that they stagnate and become elongated cess-pools or gasometers. They must be thorougly ventilated by open gratings every few hundred feet, and they must discharge at some point where they will not cause offense, not as in New York at the bulkheads of the docks, so as to fill up the docks with putrefying matter, but somewhere where it will be carried off to sea. One of the things that New York needs is to have a sewer which will do that very thing. Then, having secured a dry soil, abolished cess-pools, paved your streets, provided for the removal of your garbage, and having some kind of sewer system, you have pretty well covered your outside problem.

### DRAIN-PIPES, THEIR TRAPS, AND VENTILATION.

Now for indoors. You want first to cut yourself off from every source of contamination. If you have a cess-pool or a sewer, you want a trap between the house and that receptacle; you want all your drain-pipes to be of material which will stand. If outside the house, they can be made of glazed earthenware properly laid, and with a good fall and properly flushed. If inside the house, in this city we require them to be made of cast iron. Then every pipe should be ventilated by carrying them full size through the roof. If the pipe be 2 inches it should be 2 inches through the roof; if 4 inches, then 4 inches through the roof. In fact, we rather incline now to enlarge the pipe through the roof rather than to reduce it.

Then, to secure circulation of air through these pipes, which would not otherwise occur if we had simply the top end open and the lower end closed with a trap, we find it necessary to have two openings, so we place an opening in the pipe just inside the trap, which we call the "ventilator." In that case as the house becomes warmer by the stoves, &c., and as the pipes receive hot water and other matter somewhat heated, the air in the pipe is somewhat warmer than that out of doors, and the natural balance between the outer air and the air in the pipes causes a circulation of air out at the top.

Secondly, every fixture in the house should be trapped. We began in olden times by having a trap at the front wall, and nothing else; then a trap for the water-closet and basins connected with it. Now we insist on every basin having traps, and as the traps are liable to be emptied by siphonage—the suction exercised on them—we have them siphoned by a pipe, which should also be carried to the outer air. Then we insist that all water-closets shall have an independent supply of water, not having the water-pipe connected with a tank so that the drinking water may be contaminated. We insist that all tanks shall be kept free from connection with the soil-pipe, and not have overflows connected with the soil-pipe as formerly, and that all refrigerators shall be connected with the drain, not with the sewer.

In other words, we require five essentials: good material, good workmanship, an abundance of flushing, an abundance of ventilation, and to have everything exposed to view as much as possible.

It is perfectly feasible to have in a home good plumbing and good health; and a curious fact illustrating the decline of workmanship is, that when going into a house built previous to the war in this city, while it may be deficient in some respects, and not up to our latest notions as to ventilation, yet the workmanship itself is good, and in many cases better than we find done to-day. I might say, without the repor-

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ter putting down the names, that in Mr. Gould's house, at Irvington, and in the old Steven's mansion, at Steven's Point, two houses which are as old in point of plumbing as any we have, the work we found was better than in many of the best houses that have been built within the last few years.

CELLARS SHOULD BE DRY.

I should say that with these precautions with regard to plumbing, if cellars were made thoroughly dry by a cement foundation; if all sanitary fixtures were isolated from living rooms; if open windows were resorted to for ventilation; if people would have as little upholstering as possible, not too great an excess of curtains and carpets; and if they would provide some means of ventilation like open fire-places, a great deal would be accomplished.

FURNACE HEAT AND FOUL AIR.

I wish most emphatically to enter my protest against two of the most universal evils that I have met with; one is the manner of bringing air to furnaces; it is brought very often from the darkest, dampest, and vilest place that could be thought of; that is, usually from the areas in front of the cellar or from the cellar itself. The second is what I believe caused Herbert Spencer to say that we needed a new gospel of relaxation; that is, the pernicious practice of having steam-heating apparatus right in one's office or room, without any means of providing air, so that the same air is roasted over and over again, and the people with it. On that account I look on the general introduction of wholesale systems of steam heating as a very great risk to the community; and, in conclusion, if we do not have about thousand more sanitary missionaries to preach this new sanitary gospel, I don't know what will become of the community.

The CHAIRMAN. We will see that your sermon goes to a good many of the people.

The WITNESS. I have given this sermon a hundred times, perhaps five hundred times already.

By Mr. CALL:

Q. Speaking of steam heating; you say that there should be some access of fresh air into the same room?—A. Yes, precisely; and that can be provided, but I have not seen it provided; in fact, ventilation at any rate is one of the lost arts.

VENTILATION.

By the CHAIRMAN:

Q. Have you explained your ideas on systems of ventilation?—A. The most important method of ventilation in all houses is by the open fire-place, and the chief defect in most of the systems of ventilation is that the openings to allow the escape of four air are altogether too small; that the so-called flues are also too small, and have such rough surfaces as to impede the movement of the air; that there is not means of supplying heat to give an upward current to this air, and that in most cases there is an entire absence of a supply of pure air to take the place of the air that goes out, so that people either expect to blow air into the room as they would blow it into a bottle, without allowing it to escape, or they expect that the air in the room is going to lift itself and go up into the room without any means of its being replaced. So you often find that if you

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open the door of a room where a chimney is smoking that the chimney ceases to smoke, because there is air, and a draft is obtained.

Q. Where does impure air escape, at the top or at the bottom?—A. I prefer to ventilate from the top; but it depends upon circumstances. If you have got to depend merely upon the heat of the air itself, you must naturally take it from the top; but if you have any propelling force, such as is supplied by putting in a steam-coil flue, you could then take the air from the bottom of the room.

Q. Which is the heavier, pure air or carbonized air, after breathing?—A. That makes no difference.

Q. But which is the heavier, as matter of fact?—A. The air which is foul, which carries the emanation from the skin and lungs, and the carbonic acid gas may probably sink to the floor; but if you have occasion to hang a picture, you will soon find that the heated foul air will ascend to the top of the room. That is the air that we want to get rid of.

The most successful system of ventilation may be seen in a school-building at Bridgeport, Conn. It has been adopted with great care. In that case the air is admitted at about the height of a person's face, or less, back of the teacher's seat, and is taken out through holes in the platform. This is at the inner side of the building. It was contended that the air would sink to the floor direct, and not get into contact with the other air in the room; but as a fact the air rises immediately to the upper part of the room, and flows in the form of strata, as shown by filling it with a powder, and on reaching the other wall it becomes chilled and gradually sinks to the floor, and then goes out.

Q. That same principle operates in winter as in summer, I suppose, so that the air that comes in is colder than the air within the room?—A. It is warmed somewhat before introduction.

Q. Is it as warm as the air in the room?—A. I suppose less.

Q. Now, it being colder, and therefore heavier, it nevertheless rises and floats over the air in the room, then falls and forces the air already in the room down through these outlets in the platform?—A. Precisely.

Q. That demonstrates that the air in the room is heavier, it is carbonized, poisoned air, and is heavier than pure air of the same temperature. There are those facts that if made plain to people would enable them to apply ventilation in dwellings more intelligently than they apply it now.—A. Well, here is the difficulty that most people contend with: If a room is overheated, as this room for instance, people instantly lower the window at the top. The hot air does not go out, but the cold air comes in and falls to the floor and goes to the feet.

Q. The current coming in and the current going out at the same aperture—but take two currents of air, one pure and the other impure, and each of the same temperature, the pure air is the lighter air; the poisoned air falls to the ground, while the common impression is that the foul air goes upward. It does not, assuming the temperature to be the same.—A. Is not that largely neutralized by the fact that air leaks in at the door and everywhere?

Q. That only adds to the proof that you have a good system of ventilation, accompanied by the liability to catch a bad cold by the draft which is occasioned.—A. I should make this general criticism against all ventilating systems, that chimneys are apt to be too small. In the most expensive private houses often the chimneys will not flow at all. The common sense of it is, first, a big hole to let air in; second, in the winter, some means of warming it so that it will not chill you; and, third, a big hole to let it out. Ordinarily you will find a big hole to let it in and a small hole to let it out; and, therefore, you have drafts.

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Q. But the heavier air, which is the poisoned air, escapes at the lower point, as a rule, rather than at the upper one, and that idea should be understood.—A. Well, that depends upon the condition of things. I ought to say that an immense amount of relief might be found in ventilation by using the gas jets—by ventilating the gas jets.

Q. You mean by having a point of escape which is above the gas jet?—A. Yes; midway up by the ceiling.

Q. That is on the same principle as a fire in a fire-place?—A. Yes; only that it takes the air from a higher point.

Q. It creates a current, and the air goes with it?—A. Yes; the point I was going to make is this: there is a room in this city about as long as this railing, a basement room, and it is very difficult to get any air in it. In that room there is an average of two or three hundred visitors from the tenement houses—applicants for general relief. Those are striking examples of what you would call "the great unwashed," and the amount of human filth circulating in that air is beyond description. It is so bad that you may say that you are standing up to your neck in it; so bad is it that the people in charge of the place have to require the clerks to smoke. I removed all that by having a 2-inch pipe leading from the gas jet into the chimney breast. Only one of these gas jets usually is lighted, but no complaint has been made since it was done. The cost of that whole alteration has been only $13, and in a new building it might have been done for much less.

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NEW YORK, *September* 27, 1883.

DANFORD KNOWLTON examined.

By the CHAIRMAN:

Question. You are a resident of this city?—Answer. I am, sir.

Q. Where were you born?—A. In Connecticut.

Q. Are you a connection of the Revolutionary family of the name of Knowlton?—A. I am.

Q. State what has been your pursuit in life, where you have followed it, and your opportunity for observation and experience.—A. I remained on the farm of my father until I was twenty-one years of age; then I commenced a mercantile career in Hartford, Conn., and after ten years I came to New York, which gives me forty years' experience.

Q. Have you been in business alone, or in a firm?—A. Sometimes alone and sometimes with partners; more generally with partners.

Q. If you have seen the resolution under which we are conducting our investigation and understand its scope, will you make to the committee such suggestions as you think pertinent to the object of our inquiry, doing it in your own way and making your observations as full as you please?—A. I appear before the committee in obedience to the request of the chairman to offer some considerations which I trust may be found to be practical in connection with the subject of inquiry with which the committee is charged. I do not propose to bring before you any list of statistics, which are very apt to be confusing, and sometimes in the way they are offered misleading to the honest inquirer. I propose, therefore, to offer more general considerations from which perhaps may be deduced some points of interest in your examination.

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## WAGES BEST SETTLED BY ARRANGEMENT BETWEEN INDIVIDUAL EMPLOYERS AND EMPLOYÉS.

As a general remark I would say that the reward of labor is more satisfactorily determined between the employer and the employed by mutual agreement or arrangement between them than it can, in my opinion, be effected by legislation. The laborer has, and should always maintain, the right to sell his labor to the best advantage. And the employer has, and should always maintain, his right to employ labor as he pleases, under such agreements as he is able to make with the employed. Any combination of employers to depress the price of labor or combinations of laborers to increase beyond a proper limit the reward for their labor is fraught with injury to both parties, because it violates a general law on which society is based, namely, freedom of action, whether for employer or employed. There are periods, no doubt, of great prosperity, in which the laborer may not obtain the full reward of his labor, or the amount which the product he produces would warrant. There are, on the other hand, periods of great depression, in which the wages of the laborer may exceed his fair proportion of the value of the product which he turns out. And therefore it will be seen that any attempt by legislation to fix the price of labor is absurd and impracticable. The value, for instance, of cereals may be largely enhanced by a short crop; the value again may be very much depressed by a superabundant crop, and it would be just as absurd to attempt to regulate the prices of those cereals or other products of the earth by legislation as it would be to regulate the prices of the labor which produces them. Any class of laborers in this country who find the employment of the labor in which they are engaged unremunerative are at liberty to change to any other employment, or to seek homes on our vast territory presented to them by the Government for settlement, and make themselves happy homes there, so that no great hardship can come to the laborer from any misfortune in the circumstance of the times which reduces the price of labor for the moment.

Capital, we must all admit, gives great advantages to its possessor. It is generally the result of industry and economy—it may not always be—but these advantages inhere in ownership of capital. Now, when in addition to that you add to the power of capital by legislation in the creation of monopolies you are doing a very great injury to the laborer. Legislation should neither put the capitalist in a position to grind the face of the poor or the laborers in a position to overthrow all the just rights of the employers, and to thus disturb the regular course of business.

## SUPPLY AND DEMAND MUST GOVERN.

In other words, supply and demand is the unavoidable and inevitable rule which must govern all things in the end. You may throw things out of joint a little for the time being by legislation or by combinations of men as against capital in trades unions, &c., but ultimately you will come back to the fact that supply and demand must govern prices of products or of labor. So that if you are overburdened with products you must expect low prices. If you have for the time too much labor the price of the labor must suffer; but in this country there need be no great suffering, from the fact that I have before stated, that there are open to all men such varieties of employment and so much virgin soil on which to raise the necessaries of life. The power of capital being doubled, and sometimes more than doubled, by legislation, produces

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monopolies which are becoming very odious to the people of this country. When the laborer finds that those monopolies are exercised not only by the power of capital but by the power of legislation to his injury he becomes discouraged and disgusted, and perhaps may resort to brute force to overcome his oppressors. That is one point which, in our country, should not be forgotten.

### NO ANTAGONISM BETWEEN CAPITAL AND LABOR.

There is no real antagonism between capital and labor rightly understood. The capital cannot build a house or a ship without a laborer. The laborer cannot build a house or a ship without capital. They are interdependent upon each other, and that interdependence is the great safety-valve of our political affairs.

### THE LEGITIMATE FUNCTIONS OF GOVERNMENT

Let us inquire for a moment what are the proper functions of government, and how far, if at all, it may interfere with the natural laws governing commerce, manufactures, and agriculture. The legitimate functions of government I conceive to be to maintain domestic tranquillity, defend the people from invasion, and protect them when traveling abroad, or upon the ocean, the great highway of nations, to which may be added a few other functions of kindred nature, leaving the individual enterprise untrammeled. For that purpose we maintain an Army, Navy, and civil courts. When these general functions are exceeded the result is generally injurious to the Government. It is better always to leave individual enterprise to do most that is to be done in the country.

### THE TARIFF.

Let us now inquire what is the effect upon the country of the methods of raising revenue for the support of the Government by the system of duty on imports. A duty of 50 per cent. on an article of necessity, for instance on blankets, would raise the price of those things say from $3 to $4.50, plus the increased commission which the seller would have an opportunity to charge as his profit—a commission upon $15 instead of $10, or on $4.50 instead of on $3; a duty of 50 per cent. on an article of the value of $10 would make it $15, or on an article of $3 would make it $4.50. The consumer must pay the increased price. The question comes up who is to be benefited? You put that duty on a blanket of the poor laborer who has a large family and he has to pay a very large amount for the support of the Government.

### EFFECT OF DUTY ON RAILS, ETC.

Look at the effect of high duties on imported metals with our vast system of railroads, of which the last report gives the mileage at 113,000 miles. The duty on steel rails has been $28 per ton, but now is reduced a little. The quantity required for each mile is one hundred tons. The duty on that would be $2,800. Multiply this by 113,000 (that being the number of miles of railroad track in the United States at present) and you have the sum of $316,400,000 as the enhanced cost of railroads by reason of the duty alone. It is generally estimated by engineers that the duty on the finer metals entering into the composition of the engines and rolling stock of the roads is equal to the duty on the rails in the

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road-bed. So that we have to double the amount of enhanced cost on the mere rails, which make altogether an enhanced cost of $632,800,000 as the additional expense of rails, engines, and rolling stock over and above their cost if there were no duty on steel rails.

Add to this the enhanced cost by reason of the duty on the iron for the construction of bridges. Add this to the enhanced cost of grading the road by reason of the high duty on the imported articles used by the laborers, necessitating high wages, and you reach a result of nearly $1,000,000,000 as the enhanced cost of your railroads above what it would have been under a system of free trade, because the cost of the imported article, so long as any is imported, plus the duty, becomes the standard by which the domestic manufacturer regulates his price. There may be exceptions, and there probably are, as by depressed markets, or something of that kind; but it is the rule that the cost of importation, plus the duty, is the value which the competing manufacturer in our country establishes as the price of his product. This necessitates high freight and high passenger tariffs to give a fair return to the investors who have paid honest money for the construction of the road, and they are entitled to a fair return for their investment.

Nor does this enhanced capitalization rest where it begins, where it would only represent the loss of so much money; but the cost of the investment being unalterably fixed, it becomes a burden on the community, so far as we can see, to the latest possibility. Think of it a moment. We will suppose that these 113,000 miles of road have cost $50,000 a mile to construct. That capital is invested under the head of construction. If it has been invested under a false system, or a system by which too much labor or too much capital has been employed, we cannot change it now. It remains forever the capital of the road on which fair earnings must be made, and necessitating higher prices for freight, higher prices for passage, and everything connected with it must be graded on that same scale. Now, had these railroads instead of costing $50,000 per mile cost $25,000 per mile the investors of honest money in that same stock would receive a suitable compensation for their investment at rates of freight and passage one-third less.

### RIGHT OF USERS OF PUBLIC FRANCHISES TO IMPOSE OPPRESSIVE CHARGES.

Q. Do you think that the owners of any property, the foundation of which is a public franchise, are entitled forever to charge the public an annual income which will pay good dividends (under good management, of course) from the natural proceeds upon the actual original expenditure, and subsequent expenditures in the creation and the preservation of the property, or should the community have some advantage from the benefit of invention and improvement, and be able to get on by paying such charges as would be a fair remuneration upon the cost of replacing the road or other franchise at the given time?—A. I consider that an investment made under a franchise granted by the State is a partial or a moral agreement on the part of the State, an inducement on the part of the State to invest the capital in that plant for which the investors are legally and morally entitled to a fair remuneration. If the community have induced those capitalists to invest at any improper time or in an improper manner, so that the road has cost too much money, then the reason will hold good that they should be fairly remunerative, because they have been induced to put the capital there by the giving of the franchise by the State.



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Q. That is in the case where the capitalist has been induced to invest his capital by the public, but, on the other hand, where the public has been solicited by the capitalist to grant the franchise—the privilege of constructing the road and becoming a common carrier—do you think that then the public should for all time bear the losses of a bad investment, or an injudicious expenditure in the creation of the road, and also be deprived of the benefit of improvements, in the way of inventions and greater and cheaper capacity to construct in the future?—A. I judge that when a franchise is asked by corporators, the State considers it advantageous to the public good to grant the franchise asked for. Therefore, whether it is asked by the corporators, or whether the State asks the company to perform that labor, I think the obligation is the same, and that the honest money invested in that way is entitled to a fair remuneration.

The CHAIRMAN. I merely wished to get at your idea. Capital invested in private enterprises is liable to the contingencies that I have been speaking of.

The WITNESS. It is; and in this I only claim a moral obligation on the part of the grantors of the privilege.

Q. Would it follow from that that in case some new invention should come in now, so that the transportation could be accomplished without the railroad, or that some new form of railroad should come in, based on some new invention of motive force discovered in nature, which would be an advantageous substitute for existing means of transportation, the public should continue to pay indemnity for the use of capital that had been invested in railroads formerly?—A. I think it should not, because we must admit that new inventions are constantly being offered to us by which labor is saved. Therefore the State can grant the privilege of another railroad to be operated under this new and more economic system, granting greater advantages and facilities to the public. But it must be remembered that the investors in that have lost their money by investing it under the patronage and inducement held out by the State, and injustice still remains to those investors who have lost their money because they were prompted to that by the franchise granted.

By Mr. PUGH:

Q. Is not the franchise granted subject to the discovery of other and cheaper means of transportation?—A. I believe all those laws are subject to amendment.

Q. I mean that the grant is always given to these investors subject to the right of individuals to make a discovery of cheaper modes of transportation, and it does not affect the moral obligation of the State that the value of the new investment is impaired by these discoveries or inventions?—A. I believe there has been a railroad chartered through Canada called the "Canadian Pacific Railroad," in which they obligate themselves that no other railroad shall be built within thirty miles of theirs. There they were protecting the capitalists in their investment, giving them thirty years' privilege of earning money to repay themselves for it. But ordinarily, unless some specification of that kind is made, the investor of a railroad, under the present system of operating it, might be liable to lose his money the next year by a more economical mode of procedure, in a parallel road chartered alongside of it.

In my remarks on this point I have intended to show more particularly the misfortune which comes to us by making a plant and machinery—by making a railroad or building a shop too expensively—more

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expensively than could be done under any other system than that in which we now live.

That is the point I wanted to make before you. The system of taxes on the manufactures coming into our country increases prices on these manufactured articles, and the system in itself is contrary to the best principles of political economy, and should, in my opinion, in due time, be obliterated from our statute-books.

### THE RIGHT OF THE STATE TO RETAKE PUBLIC FRANCHISES.

Q. You know the courts have held that these grants of public franchise are always subject to the power of the State to grant to other persons if the grant can be exercised more beneficially to the public, and they give the power to the new inventor through the right of the State to seize this franchise or the public property that exists under it, and pay just compensation under the Constitution.—A. That seems to be right.

Q. But they cannot continue a monopoly in the use of a grant that is prejudicial to the public, because the State holds this grant in trust for the public, and the courts hold that the public can seize this property that has been created under the franchise and pay just compensation, and then allow the exercise of a similar grant for the public benefit.—A. That principle is recognized in the charters given to our ferry companies here. They contract, perhaps, for ten years, and if the contract be not renewed at the end of that time, the city has a right to take the property at a valuation. That seems to be right and just.

And now has the investor in a railroad costing $50,000 a mile any remedy of this kind when you charter another road which can be built for $25,000 a mile? I do not propose to push that question farther than you require me to do, but simply I desire to say that the reason for my bringing this point up is to show that under the protective system we are enhancing the price of everything we do in this country. We are enhancing the price of the manufactured goods that we are making. We want to send them abroad.

### OVER PRODUCTION.

We manufacture now more than the country requires. What is the result? Look at Massachusetts, during the summer shutting up her woolen mills and throwing her labor out of employment. No security or permanence is found for labor. The laborer is employed a few months in the year, and then the market becomes overstocked, and the mills shut down. Now, introduce your raw materials, more particularly, free of duty—but I would go further and say bring everything in free of duty—the raw materials, however, more urgently than anything else need to be brought in free of duty—materials that enter into the manufacture of goods—so as to give your manufacturers a chance to compete, and with Yankee ingenuity they will do it.

### REBATE OF DUTY ON IMPORTED MATERIAL IN ARTICLES INTENDED FOR EXPORT.

By the CHAIRMAN:

Q. Have you ever considered the principle which has been applied to some articles—that of granting a rebate on the raw material which enters into the manufacture of an article designed to be exported and

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sold in foreign markets, so that the manufacturers of that article in this country stand upon the same ground as the manufacturer of the same article in the foreign country where it has to be sold?—A. I have considered that principle.

Q. What would you think of a provision of law, if nothing else could be done, that should apply the same principle to all articles with which we might reasonably expect to compete in foreign countries?—A. If the principle is good in its application to one branch, it would be to all.

The CHAIRMAN. I made an effort last year to get an amendment of that kind to the tariff bill, which I think would have been adopted if it had been presented in time to receive consideration.

The WITNESS. I remember seeing that question agitated.

The CHAIRMAN. That only reaches the evil which keeps us from the foreign market; but in the existing condition of the markets and the necessities of a revenue it seems almost impossible to apply the principle of free trade to articles to be supplied in the home market. But it seems to me that it could be, and would be, easily applied to every article that we sell abroad.

The WITNESS. I say, so far so good, but it does not reach the point fully.

The CHAIRMAN. It does not reach the increased cost of things at home.

The WITNESS. I can see that the manufacturer would be placed nearer on a level with his competitors abroad; but I am thinking of the effect on the 50,000,000 of consumers at home.

The CHAIRMAN. I understand the effect of your idea upon the main tariff, but have called attention to this incidentally.

By Mr. PUGH:

Q. Are you opposed to raising revenue for the support of the Government by duties on imports?—A. I am.

Q. How would you raise a revenue for the support of the Government?—A. In a few moments I will reach that point. Before leaving this branch of the subject I would say that, notwithstanding the increased cost of materials, some of which enter into the manufactured goods that we produce in this country, our laborers, by skill and perseverance, have overcome those difficulties, so that we can send the cotton-gin, the sewing-machine, and various other articles, such as axes, &c. (which one of our companies supplies to nearly all the world), abroad, notwithstanding the higher cost of materials and labor which enter into their construction. Now, if we can do it on some articles, I think that by the abrogation of the tariff we can do it on all, because I contend, perhaps egotistically, that my country can do all that any other country in the world can do under similar circumstances.

## DUTY ON SUGAR.

For example, look at the article of sugar, of which we import about 1,000,000 tons. The consumer pays about 3 cents per pound more for his sugar than he would pay if it were admitted free of duty. A friend of mine recently returned from Europe who was a grocer in sugar. Passing by a grocery store in Glasgow he noticed some beautiful cubes of sugar in the window. From curiosity he stepped in and asked the price. The grocer said 3½ pence per pound—about 7 cents. He said, "Will you sell me a pound at that price?" The grocer said "Yes," and so

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my friend bought a pound of the sugar and brought it home to show people how, under free trade, the consumer of sugar would get it at 7 cents a pound, whereas under our present system he would pay 10 cents a pound. Now, who gets the benefit of that? Louisiana. Who gets the benefit of the increased duty on iron and steel? Pennsylvania and other favored localities. You are aware that very little revenue is produced from the importation of iron, notwithstanding the millions of tons required for our consumption—very little returns to the Government—but it enhances the price of all the iron consumed in this country by so much as the duty is that is placed on the iron. Who gets the benefit of it? We know that the farmer has to pay an enhanced price for every nail he drives in his barn and for every shoe he puts upon his horse. In consequence of that, is it right, is it just, that 50,000,000 of people should be taxed, first, to support a few manufacturers of iron in Pennsylvania and a few other places; and, second, to protect a few planters in Louisiana who happen to own the soil? Besides, Louisiana has not the soil or the climate to produce sugar to advantage. Every two years the planter there must plow up and replant his ground; whereas, in the tropics, sugar-cane once planted remain and grow from the same roots for fifteen or twenty years. I have myself seen beautiful cane fields that have been growing seventeen years from the same root.

Q. Was that in Cuba?—A. Yes. Look at the difference in producing the article in a soil and climate adapted to it and in one that is uncongenial. Besides, in Louisiana, as you are aware, the sugar crop is frequently reduced by frost. The planter has perhaps four to six weeks in which to grind his crop. In Cuba he may grind four months and is never afraid of frost. So that he applies his labor advantageously all the way along, while the Louisiana man must do it in a short time. You see that the economy of labor cannot be overcome except by legislation, and that we have got.

Q. The amount of revenue that these articles produce is but a small portion of what the consumer has to pay on account of the duty.—A. Undoubtedly.

By the CHAIRMAN:

Q. The revenue derived from sugar is about $40,000,000 to $50,000,000?—A. It is about one-third the revenue derived from customs.

Q. I suppose the duty is not over 40 per cent. of the cost to the consumer?—A. The duty is about 40 per cent., now, ad valorem; it has been as high as 60 to 65 per cent. The recent reduction brings it down to a little less than 40 per cent. Now, on this sugar imported the consumer has to pay the cost of production plus the duty on all that he consumes just to favor Louisiana in the production of less than 1,000 tons.

By Mr. CALL:

Q. How is that?—A. The price of the sugar of Louisiana is regulated by the cost of the importation of foreign sugar plus the duty; consequently, the consumer, in buying his sugar in Louisiana, has to pay the price which the foreign sugar costs with the duty added, and the benefit is all for that class of men.

By the CHAIRMAN:

Q. It is for the benefit of a class of men who manufacture about $5,000,000 worth of sugar, is it not?—A. Their crop before the war reached about 500,000 hogsheads.

Q. About $5,000,000 in actual value, is it not, now?

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THE LOUISIANA SUGAR CROP.

Mr. PUGH. The crop of last year in Louisiana was estimated, according to my recollection, at $22,000,000.

The WITNESS. I think that was an excessive estimate, but I am not prepared to say.

Mr. PUGH. The sugar and molasses from the crop of Louisiana I think you will find to have an estimated value of over $20,000,000. I think I can hardly be mistaken about that. Last year $22,000,000 was the market value of Louisiana's crop from the sugar-cane, and the duties collected on sugar are about $47,000,000 per annum—over double the entire value of the sugar crop.

The WITNESS. I have no doubt you are correct in your figures, but I have not statistics before me with which to give any information. It seems to me very unfortunate that with the vast extension of territory which the United States have, from the Gulf of Mexico to the Great Lakes, and from the Atlantic to the Pacific, we do not embrace any territory within the tropics. We have a belt of the earth which produces all those things easily that are produced in the temperate zone. We require other things. We require sugar, India rubber, cocoa, indigo, and various other products that I could name which we cannot produce in the United States. If we had tropical territory we should undoubtedly legislate so as to make the burdens of our community less odious and favor those people; but, inasmuch as we have not got that, and inasmuch as we have to depend upon a foreign market, is it not better for us to allow our people to supply that want without paying that enormous duty for the benefit of a few men in Louisiana?

The CHAIRMAN. Does it cover the whole case to put it in just that way? Do we not impose this for the primary purpose of revenue; and is it not necessary to get the revenue from some source; and is there any article that would bear the taxation with such slight general injury to the public as sugar—though I suppose of course you would say that there is.

The WITNESS. No doubt we must raise our revenue from something, and sugar is a very easy article to raise it upon, and perhaps as little objectionable to the consumer as to place the same tax upon something else.

Q. Is it quite clear either that if we should remove the tariff from sugar, the result might not be as when removed from tea and coffee—that we should pay substantially the same price and fill the pocket of the foreign producer?—A. I do not think that would be the case, because the consumption of sugar in the world is ample for the production, and at the same price that the British importer buys his sugar in Cuba we could buy it, or his coffee in Java we could buy it—or in South America or wherever else he could buy it we could buy it.

Q. That is so as to tea and coffee also, is it not? We can buy in the home market where those products are raised as cheaply as anybody can buy, and yet we found that as a result of taking off the duty from tea and coffee those articles maintained substantially the same price, and that the profit went to the foreign producer?—A. But I do not think that they do maintain the same price. Tea was never lower than it is to-day, and coffee is very low. One thing to offset the idea that you suggest is that when the duty was taken off by us (which was procured to be taken off, they say, by some influences from Brazil), the Brazilians immediately put an export duty on coffee, and they are the principal producers of coffee.

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By Mr. PUGH:

Q. The difference in the operation of the protective duties you mention upon iron and upon sugar is that in the case of iron the duty, by increasing the price of the whole consumption of this country, goes into the pocket of the manufacturer, and in the case of sugar it goes into the Treasury, with the exception of a small amount which goes into the pockets of the Louisiana planter?—A. Yes.

EFFECTS OF HOME COMPETITION IN REDUCING PRICES.

By the CHAIRMAN:

Q. Since this subject has been gone into, let me ask whether home competition arising from the manufacture of iron in this country, growing out of the fact that we have substantially a prohibitory tariff, has not resulted in iron and steel being furnished very much cheaper through that home competition than it would have been through foreign competition, or than it was furnished by foreign producers when they fed our market and we had no producers at home?—A. We could not have gone into the foreign markets if we had depended on them always for our supply; but we know, at present, that the value of iron in the market is largely, if not entirely, controlled by the cost of importation and the duty added to that.

Q. Are you quite safe in assuming that?—A. I think I am entirely safe.

Q. The home production finds great difficulty in getting a market, does it not?—A. Yes; as I once remarked during this conversation, at times of great depression prices fall below the cost of production.

Q. But is it not evident that this great depression results from the over-activity of the American producer of iron?—A. It does result from that.

Q. And that the American producer exists because the tariff enables him to gain a foothold?

FOREIGN MARKETS.

A. But if a manufacturer produces 1,000,000 tons of iron, and supplies 50,000,000 of people in this country, and then has 1,000,000 of surplus manufactured under free trade, he could ship it to any part of the world in competition with England, or any other country. That is the advantage. Some of our manufacturers begin to see this. I was talking a little while ago with a manufacturer in New England. He says we want foreign markets. We were very much pleased with the action of Secretary Evarts in endeavoring to open to us foreign markets. We want them because we over-produce for our own people, and there is a consequent stagnation and lowering of prices, and we are obliged to stop our mills, or run at a loss.

NEW ENGLAND AND THE TARIFF.

The CHAIRMAN. You are quite right in advancing the idea that so far as concerns the New England manufacturers by the protective tariff and the stimulation that they have heretofore received from it, their manufacturing systems have become localized and perfected, and they are now able to sell articles in the foreign market; but those sections of the country which are without manufactures will never be able to establish manufactures without this protection.

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The WITNESS. There is no reason why we could not manufacture cotton and send it to any market in the world.

The CHAIRMAN. But the difficulty is not in the manufacture after the plant has been got and the skilled labor has been trained, but to induce the capital originally into it—to construct the factory and furnish and train the labor, which is a matter of years. New England is now in a position where she can sell some of her products under the shadow of the British factory; but she could not have done that if for the last fifty years there had been no tariff.

The WITNESS. That is a matter of opinion which I do not propose to antagonize.

The CHAIRMAN. There is a common impression in the country that the New England manufacturers are the people who are in favor of a high tariff. But they are really in a position where they can hold their own in the home market and are beginning to strike out for the foreign market, so that the New Englander now wants cheap labor and material and wants to manufacture as cheaply as possible; but the man who works for him is not so anxious for a reduction of wages.

The WITNESS. The man who works for him would, with the buying power of these cheap wages, be just as well off.

## COTTON MANUFACTURE IN THE SOUTHERN STATES.

Mr. PUGH. You are aware that in the Southern States, where the raw material is produced, they are making cotton goods and taking possession of the manufacture from the New England manufacturer?

The WITNESS. I am aware of that. I have a friend who is a manufacturer in Columbia, S. C. He came here and went through the mills in Massachusetts, and they showed him the cost of a pound of yarn, and he assured me and showed me from statistics taken there, and from the statistics taken from the work of his own mill, that he could produce yarn 5 cents cheaper in his own mill. He had the raw material there, and had the labor there cheaper than it could be got elsewhere.

Mr. PUGH. I understand there are $3,000,000 invested in manufactures in one of the leading Southern States.

The WITNESS. I might adduce figures to show that the duty which we impose upon them was preventive of the extension of manufacture, or the increase of that branch of business in our country, but I think I have said enough on that subject; and with your permission I will consider for a few moments the question of taxation.

## DISASTROUS EFFECTS OF ARTIFICIAL STIMULATION.

I would say that if you find my conclusions on the subject correct we have reached the true solution of the question of political economy, to raise what we can raise best, taking into consideration soil and climate and other advantages. It would be considered very bad economy for me to attempt to raise cotton in New Hampshire, or to put up a hot-house and go to raising oranges in Canada. I could, perhaps, produce oranges in Canada by the use of artificial heat and by protecting them from the weather. The labor and expense to produce them would, however, make the cost of the oranges to me perhaps $1 apiece, while the Canadian finds that he can import them for 2 cents apiece. Now is not the 98 cents excess expended on the production of that orange so much labor lost to the world? The laborer in that establishment for the production of oranges could have earned the same wages at something else.

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He is employed by me to raise oranges under these disadvantages, and the 98 cents of loss to the world on each orange has accrued from attempting to produce an article out of its soil and climate. In other words, it is endeavoring to thwart the laws of Providence by human invention. That is the bottom line that we come to. Wherever you produce an article out of its proper sphere of production, where soil and climate do not favor it, you are wasting just so much soil and labor in its production as is the difference between its cost there and the cost in the most favored climate. I have no doubt that that point must have passed through your minds frequently. Raise things where you can raise them to most advantage. If I were to dispatch six sons to different parts of the world to settle—one to Canada, one to California, one to Louisiana, one, perhaps, to the West Indies, and one to South America, I would say to these boys on leaving home, "Wherever you locate, produce that which you can produce to the best advantage; don't waste your capital and your labor in endeavoring to force the production of a thing where nature says you shall not raise it." And on this point, if I am right, the true political economist will go for that result in all his calculations. Whenever, by legislation, you attempt to raise a thing out of its soil and climate you have injured the world; you have thrown away so much labor and capital.

A protective tariff proceeds on this principle: You want this thing; it is not produced here to advantage; you let it come in free of duty. There is another thing you can produce, and for which you have a competitor on the other side, and you put a duty on it. The result is that you encourage your people under this system to invest in the production of things which lose money to themselves and to the community.

Now, in any approach to the true principle of political economy we should at once remove the duty on all raw materials required for manufacture, and give our people a fair chance to compete with the world. That is the stepping-stone. If we must have a tariff on manufactured goods, let us exempt articles which enter into the composition of manufactured goods here.

### WHO SHOULD SUSTAIN THE BURDENS OF GOVERNMENT?

I am aware that we shall be met with the assertion that we must have revenue to defray the expenses of the Government and provide for the interest and the extinguishment of our national debt. Let us then consider for a moment the proper mode of taxation, and its effect upon labor and upon the various interests of the country.

As the legitimate province of the Government is to protect the persons and property of its people, it follows logically that the burden of sustaining government should be borne by that which is protected—or the thing protected should pay for its protection. If I wish to send a cargo of goods away on a trading voyage, I invest perhaps $50,000 in that cargo; I insure it; and I charge the premium of insurance to the venture—the venture must pay it. The thing protected, in other words, must pay for its protection. The laborer wants the protection of his person, and little more. The capitalist wants the protection of his person and his property. Now, then, the personal protection of the laborer should be paid by him, and no more. The protection of the capitalist should be paid for by him on both his person and property. The laborer in this city may perhaps have a family of twelve. He pays duty on the articles that himself and his family consume, that is, on sugar, clothing, &c., and that duty contributes to the support of the

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General Government. The millionaire living near by pays no more than the duty on the articles which he consumes, and (as in two or three notable cases in the hotel where I live) there are bachelors worth their millions upon millions of money, who pay nothing to the support of the General Government, except the duty on the things which they consume and wear. Now, their millions of property are protected by your Army, your Navy, and your civil courts. Are they paying their share for the protection of that property, and are they bearing their share of the burdens of taxation in the United States for the support of the Army, the Navy, and the courts? The Army and Navy should protect the property of Mr. Vanderbilt from invasion and from civil commotion, and Mr. Vanderbilt should pay for it. The laborer does not require the protection of millions of property. He only requires the protection of his person, and he should therefore pay only for the protection of his person; and, if you wish to equalize the burdens of the community, you must have some such system, because by collecting on the consumption of every man in the United States, the poor and laboring people bear all the burden, and the capitalist escapes free or nearly free.

### DIRECT TAXATION.

Consider, then, for a moment your State system of taxation. There are thirty-five or forty States, with an almost innumerable number of counties, cities, and towns, collecting revenues for the support of their respective governments, from direct taxation. Why not the General Government as well? Is there any reason why that system which has worked so beautifully and satisfactorily among the States, counties, and towns should be ignored by the General Government? There is no other reason for it except the underlying principle that "we must be protected." People come to you in Washington, and say, "We are producing goods, and these goods cost a little too much, and we cannot sell them in Europe, or in South America, and we need protection;" that is just what it amounts to.

### EFFECTS OF PROTECTION ON SHIP-BUILDING.

A few years ago I was requested by a gentleman in Havana to build him a steamship of iron. It was during the time of our war, if I remember right. I told him that I would be very happy to execute the order, but that the duty on iron was so much per ton, and if I built him a steamship here with the increased price of labor, consequent on our high system of duties, it would cost him from one-third to one-half more than it would cost him to build that steamship on the Clyde. The gentleman was satisfied with this reasoning, and he ordered his ship on the Clyde, and has since ordered many more.

Two or three years ago I received an order for materials for a railroad in Cuba. I was directed to buy a special manufacture of locomotive in Pennsylvania. I bought it. I was required to buy a certain amount of steel rails, implements for turn-outs, and such things as are needed on a railroad. I sent to England, imported those rails in bond, shipped them from here in bond, and the gentleman whom I served gained $28 per ton by getting them in that way. Now you will see how we are cut off from doing a business with foreign countries in consequence of the high cost of the production which we have around us.

The world requires things that we can produce. The world produces things that we want. We can exchange with them; but if we prohibit

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the introduction of their articles here, it is very natural that they should prohibit the introduction of our articles into their country.

The revenue of Government, so far as it is derived from customs, is contributed by consumers of the articles taxed. The poor laborer with his large family pays more than the millionaire—but I have already called your attention to those points, and I will not dwell upon them.

### CAPITALISTS ESCAPING TAXATION WHICH THE LABORER HAS TO PAY.

Now, is it right to continue a system of taxation which, if I am correct in what I have attempted to demonstrate before you, draws the support of the Government from the poor laborer of the soil and of the mill? Is it right that the capital of the country should escape taxation? It is true that principle was recognized during the war in an issue of bonds; but we know very well that the object to be attained was to give currency to the bonds to float them. The principle is unjust that Mr. Vanderbilt can own his $50,000,000 of Government bonds and escape taxation, while I own a small portion of other bonds, and I am subject to taxation in my State. However, the legislators of the time were in straits. They did not know what to do or how to get money. They adopted this system, and fortunately it has succeeded, and we have passed that crisis which made it necessary, and I hope that our legislators will never return to such a violation of principle, contrary to common right and justice.

### DECEIT INVOLVED IN INDIRECT TAXATION.

It will be claimed that the duty on imports is more easily collected and more cheerfully paid than the same amount of money could be collected by the direct taxation; that it, being unseen by the ordinary payer, is not objected to. This idea of taking a man's money because he does not know that you are taking it may be accepted by some, but I think no intelligent legislator will be influenced by such calculations. The result of my reflections on the subject of taxation leads me to the conclusion that the true system of taxation should be direct, and upon persons and property, the two things protected by the same Government which you pay to sustain. Abolish all taxes on imports, remove all custom-houses, revenue offices, &c., let the vast expense incident to collecting revenue from customs be saved. Let the corrupting influence exerted upon the politics of our country by that method of collecting duty be removed. Let the temptation to fraud and crime which to-day exists among our people, many of whom endeavor, by false invoices or by smuggling, to receive an article here which does not pay the Government duty, be removed. The Government is to a certain extent an educator of its people. Now, then, the Government holds out the inducement to people lacking, perhaps, the proper moral character, that if they can get a certain article in without the Government officers knowing the fact, they are going to save so much money. The captain of a vessel that I once had coming to this port emptied his water casks in a foreign port. He put into these water casks some rum. He would have got along very well but for a quarrel with his mate. Think of the inducement to that man to violate the law. The duty was $4 on spirits and the same on rum, and if he got nothing on the voyage he would still be well compensated. That is the inducement which you see is extended to people to do wrong. Every day you will notice announcements of

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the seizure of trunks from people traveling abroad. They buy things which they want to get in free, and the Government holds out to them the temptation. If I were to adopt that system in the instruction of my children, I would be considered to be a very bad man. If I should say to them, "By the violation of a certain rule which I will lay down, you will gain $5," I think that would be hard upon the children.

### ABOLITION OF CUSTOM-HOUSES.

By removing all custom-houses, and abolishing all duties on imports you have saved the expense of collection in that direction, and you have saved the corrupting influences exerted upon the politics of your country by that same system of duties on imports. You have set the temptation to people to smuggle and to endeavor to defeat your law in some way or other for the purpose of gaining money to put in their own pockets. Now, then, if there is any other way to raise that money equally economically, and with less injury to the public morals, it should be adopted. And that is what I call the necessity for direct taxation, in addition to the fact which I have illustrated, that the taxation we already have falls unequally upon the people of the country, and that the poor pay for the rich.

### TAXING THE RIGHT OF SUFFRAGE.

I would say, Put a tax on every man who exercises the privilege of voting, say, $10, if that is the right sum. Put all the rest of your taxes on property. This man who pays $10 for the privilege of voting feels that he is supporting the Government and feels some interest in it, and wants to see how the money is expended; and the man who will not pay for the protection of his person in the sum of $10 need not vote for the affairs of the General Government. The States may let him do what he likes; but for the purposes of the General Government, let him pay. The other man pays for the protection of his property, and he has an interest in seeing how the Government is carried on. You therefore interest the people in the acts of their representatives in the legislature to see that they honestly administer the Government, to see that the money which is contributed from their hard earnings is properly spent, and that the objects of Government are secured and maintained.

### LABOR IN ENGLAND AND AMERICA.

If we were freed from the enhanced price of materials in consequence of the tariff, and freed from the enhanced price of labor consequent on those duties, we could manufacture anything and everything as cheaply as any portion of the world. I have been told on good authority, and I believe the statement has not been contradicted, that the labor paid in England for the production of a thousand yards of cloth was equal to the labor paid in the United States for the same work. If that is so, you will see the immense advantages which the English laborer has over our laborer by the cheaper price of articles of necessity which he buys for the support of his family. For instance, he avoids a duty of 3 cents a pound on sugar, and he avoids a duty on the suit of clothes and on everything else that he wants. He is saved the difference which the laborer here has to pay in consequence of duty. You see the advantage he has over us. You see why the English manufacturer can send his products anywhere in the world; and you see how we are shut out.

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INJUSTICE OF ALL TARIFFS.

I consider that tariffs between countries are so many walls to prevent the free intercommunication of one nation with another. The separation of nations is either by ocean, by lake, by river, or by an imaginary line. The peoples on either side may be the same; they belong to the great brotherhood of men. Now, then, I would not, if I could, so legislate as to make every man in the United States a millionaire, and every man in other portions of the world a pauper, because once I learned from a good book this saying, "Do unto others as you would that others should do unto you." I cannot be satisfied to have these men legislate so as to make me a pauper, and I do not want them to legislate so as to make paupers of anybody else. So that below and underlying all the principles which I have advocated before you there remains the great Christian principle that you have no right so to legislate as to injure your neighbor.

I thank you, gentlemen, for the patience with which you have heard me in these disconnected remarks, and am very happy to have had the opportunity to say the few things that I have said, although I did not seek that opportunity, because I am not a public speaker. If you find my remarks worthy of consideration I shall feel amply repaid.

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NEW YORK, *September* 27, 1883.

WILLIAM STEINWAY examined.

By Mr. CALL:

Question. Have you seen the resolution under which the committee is conducting this examination?—Answer. Yes, sir.

Mr. CALL. The committee will be glad to hear from you any facts or opinions you may have to present on the several subjects mentioned in the resolution, first stating your residence and occupation and your connection with labor in this country and abroad.

The WITNESS. I was born in Brunswick, Germany, in 1836, and came to the city of New York in the spring of 1850, when fourteen years of age, with my father, mother, and the rest of our family. We worked for three years in the factories here, learning the language and the customs of the people, and in March, 1853, started the business of Steinway & Sons—my father, my two brothers, and myself—which has now become the most extensive establishment of its kind in existence. We have three distinct establishments, manufactories rather, our New York factory, at Fourth avenue and Fifty-second and Fifty-third streets; a large establishment at Astoria, N. Y., opposite One hundred and twentieth street, where we employ over 400 men, and where we have carried out our ideas of improving the condition of the workingmen by giving them light and air and good houses to live in, building them public baths, and laying out a public park, keeping up at our own expense in the public school a teacher who teaches German and music free of charge, and various other advantages. We employ about 1,000 workmen, a great majority of whom are skilled workmen. I will remark that in the first three years when I worked as an apprentice and journeyman, and in the first few years when our business was small, I had ample opportunities of studying the lot of the workingman by actual experience, also the way that workingmen worked, and I can say that skilled artisans to-day are far

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better off than they were a third of a century ago. At that time but very few people, even skilled laborers, were able to save money and put it in bank. To-day the skilled laborers, more especially in the piano-forte trade, and the wood-working establishments, have wages double what they were in those times; and from my experience also as director in savings banks, &c., I find that a great many skilled artisans, those blessed with health, have constituted a great portion of the depositors in banks. The wages in the piano-forte trade, that is to say, the skilled laborers, have averaged $20 per week (ranging from $15 to $30).

We ourselves have a branch establishment in Hamburg, and from my travels in Europe and my study of the condition of the workingmen in both hemispheres, especially in the piano-forte trade, I will say here that of my own personal knowledge the wages of skilled artisans in the piano-forte trade in the cities of New York, Boston, Baltimore, and Philadelphia, where they are most densely congregated, average precisely three times the amount that the skilled artisans of Europe do in the same trade.

The introduction of machinery in our business, and in the wood-working establishments, has been of great benefit by doing the hard work which formerly imperiled the health and lives of thes killed artisans. I will further state that of the about one hundred piano-forte manufacturers of the United States, which are chiefly concentrated in the four cities I have named, nearly all have been workingmen themselves.

## LABOR OUGHT TO ORGANIZE.

The relations between ourselves and our men have always been very good until lately disturbed by the entrance of the socialistic and the communistic element in the labor unions. I myself think that labor ought to organize, as it has organized. I am not opposed to labor unions, and any labor union that is carried on in a sensible way can do a great deal, not only toward bettering their own condition in the way of wages, but also in equalizing wages in the various cities, and in resisting in times of depression the great deterioration and fall of wages. We have gone through very hard strikes. We have been singled out. Our house being the strongest and largest, has been made the target of strikes. It is just about a year ago now that one of the most senseless strikes was inaugurated during my absence in Europe by the socialistic and communistic element inducing our men to strike against an honest, faithful bookkeeper, against whom they were unable to allege the slightest grievance, except that they did not want him, and that their union had so ordered. They were unsuccessful, however. The strike lasted over nine weeks, and inflicted a loss upon us of $75,000. Furthermore, of late years the labor union, especially the piano-forte maker's union, which claims three thousand members, in order to induce everybody to join strikes ordered by them, exercise over them a terror of the idea that unless they go with them they will be treated as "scabs" and be driven out of every shop in the city of New York, or in the United States. Many of our older men, who have, been with us twenty and twenty-five years, and quite a number of whom own houses, both in Astoria and New York, have come to me personally or written me letters about this terrorism exercised by members of the trades unions; but, as I said, with the exception of that, I am not opposed to labor unions; but on the contrary will here give it as my opinion that strikes are a necessity and should not be legislated against, and cannot be legislated against. The fierce competition of manufacturers, and especially in our trade, makes

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it impossible that any manufacturer could arbitrarily raise his price unless he is forced to do so by a strike for higher wages. It would be simply impossible for him, and he would be laughed at by his customers if he attempted to do so.

### MANUFACTURERS MISCALLED CAPITALISTS.

A great mistake is also made by the workingmen and the professional agitators, who foment strikes, by calling manufacturers capitalists. Of about 100 piano-forte manufacturers in the United States known throughout the world to make the best pianos in existence, and conceded so by musical talent and authority in Europe, there are but four wealthy houses—about 20 to 25 people of moderate means—and the rest, that is, 60 or 70 manufacturers in the piano-forte trade, just manage to eke out a hand-to-mouth existence. These are hard words, but they are literally true.

### THE HORRORS OF THE TENEMENT HOUSE SYSTEM.

I consider that, with my close relations with workingmen, and meeting and conversing with them of evenings in tenement houses and elsewhere, and, as executor, investing in a fiduciary capacity, money for the estates I have represented, I have seen a great deal of the lives of the working people, and have seen much of their houses. I consider one of the greatest evils under which workingmen live, especially in the city of New York, is the horrors of the tenement houses—the terrible rents that they have to pay. The average workingman's family has one room in which they cook, wash, iron, and live, and one or two, or possibly three, bed rooms, of which generally one or two are dark rooms, without any windows, or without admitting God's pure air. This is a terrible evil, which is, however, chiefly caused by the insular position of the city of New York, where, in winter, in times of ice and fog, it is impossible that workingmen should come long distances and be in time for their work.

The horrors of the tenement houses are having a very baneful effect upon the morals and character of the coming generation; in fact, I may say a terrible effect. But I do not see what legislation can do. Capitalists consider tenement houses a poor investment, paying poor returns. The only thing that I can imagine is to do as *we* have done, remove the very large factories requiring much room and many men from out of the city of New York into the suburbs.

### WANT OF AN APPRENTICE LAW.

A second great evil under which we are suffering, and it seems to me it is an evil that has been increasing from year to year, is, that in no country of the wide world, as I have found during my experience and my extensive travels, are there so many young men growing up without learning a trade or any particular calling, as in the United States. We have no apprentice law. In our own business, as well as the wood-working business, everybody is unwilling to take an apprentice, for the simple reason that it is a well known fact that the first year or two when a boy is learning a trade he will produce nothing, and will spoil a great deal, and will take up the time of a skilled man to teach him, and yet the moment he has learned one little branch of the trade he leaves,

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shifts for himself. He has not learned the business properly, and the consequence is that he is dependent, and, in times of great depression, cannot find employment. Hence we have no supply of skilled artisans growing up, and have to draw for our extra skilled labor on Europe. When I came to this country, in 1850, the majority, indeed I might say seven-eighths, of the journeymen piano makers were Americans, skilled workmen. Through our apprentice law, or rather through the total want of one, the entire native element has been thrown out of the piano business, and to-day seven-eighths of the workingmen in the piano shops, and over one-half in the New England States, are Germans.

By the CHAIRMAN:

Q. Is that for lack of an apprentice law as much as it is from the fact that skilled labor already trained has found its way here from abroad and has entered into competition, and made the employment of apprentices by employers a thing undesirable on their part?—A. No, sir; I attribute it entirely, or chiefly, to the lack of a proper apprentice law.

## INDUSTRIAL SCHOOLS.

The total want of industrial schools in this city is a very great evil. There ought to be industrial schools all over each city where boys can go and find for what business they have aptitude and talent. Then, under regular apprentice laws, under which a boy could be bound for, say, five years at rising wages, commencing at $3 a week for the first year, getting $3.50 the second year, $4 a week the third year, and so on, they would learn a trade well. During the last two or three years the employer could have the advantage, since during the first one or two years he lost.

Every now and then respectable men come to me—farmers, &c.—having boys of sixteen or seventeen years of age, and wanting them to learn the piano trade. We cannot take any apprentices, because the boy takes up the place of a man; but in smaller shops they could do so. Still, nobody will take the boy, because the moment he has learned one of the fifteen or eighteen branches of the trade, he shifts for himself. Although he has learned the business improperly, still he starts out, and thus it is that not only the piano trade, but most of the wood-work business is shut out from American boys. That is a great evil.

Q. Do the children of foreign parents, who are employed in the piano trade, learn the trade?—A. Yes; though not many of them. We sometimes take an apprentice to do a favor to our own skilled artisans, who wish their boys to learn the trade, and who are then allotted a place alongside of the father, and he teaches him. That, of course, sacrifices the bench place in the room; the father, however, teaches him, and he takes the first loss and trouble, and afterwards, of course, reaps the benefit; but that is only in a few isolated cases.

Q. When you first came here you found that seven-eighths of the piano-makers were Americans?—A. Yes.

Q. Was there an apprentice law then?—A. Yes; and I myself offered to bind myself for seven years in a factory, commencing at seventeen and rising yearly.

Q. That law has been abrogated?—A. Yes. After a few years I suddenly found nobody would take apprentices, and could not hold them if they did. That is a great evil. That is a subject on which I think legislation would do a great deal of good.

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COMPULSORY EDUCATION.

I would also advocate a law compelling every child between the ages of six and fourteen to go to school. I have found in my experience as an employer and executor, and as worker in benevolent enterprises in which I have been engaged, that there is a great deal more ignorance in reading and writing among young men and women growing up in this city—mostly children of foreigners—than anybody has any idea of. During the war we raised a fund to assist the wives of men that went to the war, and I found that one-half of those who had grown up in this country, or had come here when they were little children, were unable to sign their names. I never would have believed it possible if I had not myself experienced it. Hence I think that a compulsory law compelling every child between the ages of six and fourteen years to be sent to school should be enacted, and that parents should be punished if they did not enforce it.

I am also in favor of giving every possible advantage of education to talented children who are poor—in the industrial schools especially. The industrial schools themselves would not cost very much, and they would do a world of good. By finding out what the talents of boys of fourteen to sixteen are, and then, together with an apprentice law, to give them a chance to become skilled artisans, see how much good could be done.

INDEPENDENCE OF SKILLED ARTISANS.

Having gone through the panics of 1861, 1867, and 1873, I know that skilled artisans are absolutely independent of bad times, for a skilled workman will always find employment. It is so in the piano-forte trade and in the kindred trades in wood. I repeat that artisans, especially those in the wood-working trades, have been found to be absolutely independent of bad times, even in the panics of 1857, 1861, 1867, and 1873. I found that all the skilled piano forte manufacturers and those in the wood-working trades readily retained and found employment at remunerative wages; whereas the half skilled men who knew only one little branch of a trade were thrown out of employment. Hence the necessity of educating our young men who wish to learn trades to make them thorough skilled workingmen. In other words, do away with the curse of the American mechanics—young men learning only one portion of a skilled trade, and being then absolutely dependent upon that because they do not know anything else. That is about all I believe that I can say of my own observation on the resolution as I read it, but I am ready to answer any questions.

RAILROAD CHARGES IN EUROPE AND AMERICA.

By Mr. CALL:

Q. You have traveled extensively abroad and are familiar with the operation of foreign railroads and their rates of fare and transportation, as compared with those of the United States, and their effect upon the industries of the people in the two hemispheres. I would like you to give us any observations and conclusions you may have come to on that subject.—A. In the years 1868, 1871, 1880, and 1882, four times, I have spent from five to six months in England, France, Belgium, Holland, Germany, and Austria, and have traveled very extensively, and being a good judge and having paid special attention to that matter, and inasmuch as we also ship, not only over the United States to every



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little town and city, but also all over Europe, I must say that justice compels me to conclude that both the rates for freight and the rates for passengers are far lower in the United States than in any of those countries that I have traveled in. For instance, from Hamburg to Vienna, is a distance as far as from New York to Chicago. To ship a piano-forte from Hamburg to Vienna would cost at least three times as much as from New York to Chicago. There are classes over there for railroad passengers, first, second, and third class. They say there that the parties who travel in the first class are princes and fools; that the wealthy and cultivated classes use the second class, while the general public uses the third class. I found that rates of fare in the third class cars having cane seats, wooden seats, &c., are considerably dearer for the same distance than our American railroads. Upon the whole, the cost of travel is much greater there, and the rates of freight also.

RELATIVE CONDITION OF WORKINGMEN IN EUROPE AND AMERICA.

The CHAIRMAN. The resolution calls attention to the relative conditions of all working people abroad, and working people in America, specific and general classes. What is your observation in that respect?

A. I have paid a great deal of attention to the condition of the workingmen, and, as I before stated, in our own business and kindred trades I find that first-class skilled artisans in this country earn from double to three times as much as skilled artisans of the same rank do in Europe. In unskilled labor I find the proportion is not so favorable to the American laborer. It is true that they earn more money here, but the cost of living, especially rents, is so much enhanced that they are not much better off in a pecuniary way than the workingman in Europe. But their social position here is much higher than that in Europe, and they have a much better chance here to get along than they have in Europe where every thing is more limited. But the skilled artisans are far better off in this country; they wear better clothing, have better food, and have a chance to live better, move in better society, and in fact their condition is in every way far superior. Still there remains a great deal to be done, and a great deal could be done to improve their condition in this country in the way I have indicated.

Q. I should like to ask your observation in regard to other classes which you find abroad and in this country.

The WITNESS. In what way?

The CHAIRMAN. Well, have you observed the agricultural population?—A. Yes.

THE RELATIVE CONDITIONS OF THE AGRICULTURAL CLASSES IN EUROPE AND AMERICA.

Q. What would you say—what criticism would you pass upon the relative condition of the European agricultural population and the American agricultural population?—A. Our agricultural people are much better off than are the agricultural people of Europe. The wages there are less, and their hours of work much longer than those in America; and, setting aside times of depression, there is, in ordinary times, a much greater demand for agricultural laborers in this country than in the old country. Their condition is much better, from what I have observed. While I was in the German watering places in search of health I noticed, for weeks and weeks, how the people in the fields worked, and I made inquiries of the owners of large estates, &c., and I am also in intimate relations with my own friends here owning farms, &c., and

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from my own personal observation, I have no hesitation in saying that the condition of the agricultural laborers in America is far superior to that of the same class in Europe.

MERCHANTS, MANUFACTURERS, ETC.—THEIR RELATIVE CONDITIONS IN EUROPE AND AMERICA.

Q. How in regard to the relative condition of merchants, of manufacturers, of the ordinary class of business men on this side of the ocean and the corresponding class on the other side of the ocean—those who manage the business affairs of communities?—A. The manufacturers of Europe do not work nearly as hard as our Americans do, who are on their feet from morning to night, and on whom the rack and tear of business wears very fast. The manufacturers in Europe have this advantage: they have much cheaper money than manufacturers in America, who have to depend upon outside help, and who have to borrow money for that purpose. And I think that, as a general thing, the European manufacturers are just as well off as our own.

Q. How as to the accumulation of estates?

The WITNESS. In the way of manufacturers, do you mean?

The CHAIRMAN. Yes; I mean those same classes—manufacturers, merchants, and the like.—A. I found that in Europe there are a great many more manufacturing establishments where the business has been handed down from father to son—they are long-established trades—whereas, in this country, manufacturers have generally worked their own way up from nothing, through their own energy, and have, after awhile, accumulated a competence.

Q. So far as the necessaries and comforts of life are concerned, who live the best, this class in this country or in the other countries?—A. Well, in the way of taking recreation, I think the Europeans have decidedly the advantage. I found dozens of times when I went to call upon bankers, manufacturers, and business men, that they were not to be found at their offices from half past eleven to two o'clock—they were taking dinner or taking a nap. You will find nothing of that sort here. No business man would think of taking a nap here in the daytime.

Q. How is it as to their food and dress, and their habitations relatively?

The WITNESS. Do you speak of the manufacturer or of the workingmen?

The CHAIRMAN. I am speaking now of those classes that we referred to a moment ago—the men who do the business of the community.

The WITNESS. As to those points I think there is not much difference. In the smaller cities of Europe, of course, the houses of those people are comfortable. In the city of New York, in which I know most of the manufacturers, the houses are, of course, smaller, but, under perfect sewage, and the general introduction of water, gas, &c., I think that the houses of American manufacturers are fully equal to those of the Germans, and they live just as comfortably. In their business dress, of course, I have not found any particular difference.

By Mr. PUGH:

Q. Do you export pianos of your own make from this country?—A. We do, very largely.

Q. You say you pay skilled laborers, who make your pianos, about two to three times as much as similar laborers are paid in Europe?—A. We do.

Q. How are you able to do that?

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REPUTATION OF AMERICAN PIANOS.

A. Because our pianos are known all over Europe since the great exhibitions. The wealthy musical people buy them notwithstanding their comparatively high price.

Q. You are able to compete then with all the world in making your pianos, notwithstanding that you pay two or three times as much for your skilled labor?—A. We do compete with the first-class manufacturers of Europe.

OPERATIVE CLASSES—THEIR WAGES AND CONDITIONS IN EUROPE AND AMERICA CONTRASTED.

Q. Have you any general information as to the condition of the laboring classes employed in manufacturing—as to their food, and their dwelling places, as compared with the same classes in this country?—A. I made a special study of that. At Mulhausen, in Alsace, in the city of Crefeld, in Rhenish Prussia, a great silk center, and several other places, I found that they have wretched habitations, and are very poorly clad and ill-fed, not nearly so well as the operatives in this country.

Q. How is it as to the wages that those classes receive there and here?—A. From what I observed I found that the wages are considerably less in Europe than those paid here, even setting aside our own business.

Q. The skilled laborers are paid less there—how about the labor that is not so much skilled?—A. Unskilled labor is also paid less. In other words, it is very rare to see a workingman in Europe whose family can lay by anything, whereas here thrifty, skilled mechanics, blessed with health, and not meeting with sickness or other misfortune, have a chance to save money and do save money.

Q. Then you say that in this country the laborer is much better off in his social and pecuniary conditions, and in the means of enjoying the comforts of life?—A. Undoubtedly.

Mr. PUGH. That is one great reason why there is so much immigration to this country, I suppose.

The WITNESS. Certainly. I have been called upon while in Europe, my name being so well known, and my arrival being mentioned in the newspapers, by dozens of mechanics who wanted to come to America, and who would have done so if they had had the money. Of course there is great dissatisfaction with their condition there, especially in the industrial districts of Westphalia, Saxony, and Silicia.

EDUCATION OF THE WORKING CLASSES IN EUROPE AND AMERICA.

By the CHAIRMAN:

Q. How do they compare with our own working people in the matter of education?—A. In Germany, where, since 1818, school attendance has been compulsory, there is hardly a person to be found who cannot read and write. Every child between the age of five and fourteen must attend school, and if not attending school the parents would be punished. The result is, that a person unable to read and write, unless they are very old people, is unknown.

By Mr. CALL:

Q. That is true throughout Germany generally, is it?—A. Yes. In France and England it is not so favorable, nor in Belgium, because up to a few years ago there was no law compelling children to go to school.

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By the CHAIRMAN:

Q. Do you think that education is improving the condition of the laboring people in those countries?—A. It undoubtedly has done so. It has given them greater intelligence and better knowledge of their trades.

INDUSTRIAL SCHOOLS IN GERMANY.

By Mr. CALL:

Q. How about industrial schools there?—Are they extensive?—A. Yes; they are. I have seen several myself.

Q. People are taught their trades in the public schools, are they?—A. Yes; boys of fourteen to fifteen years of age are taken, and it is ascertained what trades they have aptitudes for, thus preparing them for learning their trades. One of the greatest boons that education could bestow upon boys here would be to give them a similar opportunity.

Q. For that reason you find skilled labor far more abundant there than here?—A. Yes. Here, in good times, there is a great want of skilled labor, and there there is always a greater supply than demand. Hence the great immigration of skilled artisans to this country.

PURCHASING POWER OF MONEY, RELATIVELY, IN EUROPE AND AMERICA.

Q. How about the purchasing power of money in respect to the necessaries of life and general means of comfortable subsistence in England and on the continent of Europe, as compared with the United States?—A. I would say that rents and everything except provisions and meat are much cheaper in Europe than here. Meat goes from America to Europe, and it must be a little dearer there. But clothing, furniture, cooking apparatus, and all other things are much cheaper there than here.

Q. Have you any idea of the specific difference—about?—A. That I could not say without bringing my imagination to bear, which I do not wish to do.

Q. I understood you to say that you worked as a journeyman yourself in this country?—A. Yes.

Q. Had you greater opportunities outside your own knowledge and capacity for building up the vast business that you have built up—greater opportunities than many others who were your contemporaries?—A. To be just, I think that, being father and sons, we were possessed of some greater advantages when we came here—we had great advantages over one single individual. I am modest enough to say that I personally could not have done so but for the harmony and good management that prevailed in our firm by reason of our relationship.

Q. Any other family with the same advantages would have had the same results?—A. Yes.

Q. The point I wanted to get at was that it was not due to any adventitious aid of capital, but to yourselves as workingmen and economists?—A. Yes.

Q. You do not consider that you owe this success to anything outside of yourselves, do you?—A. No; I think not. But it was simply because we were all skilled artisans and had learned the trade thoroughly, and had special talents. We had no outside help at all. We worked our way up, and I know dozens of others who have done the same thing.

Q. Do you know anything in the relations of capital, as it is called (as a general name for an economical cause), anything in the relations of

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capital and labor unfriendly to the success of the workingman in becoming a director of labor, and of a great combination of labor in this country?—A. Not at all. I think, under the institutions of our country, if an individual has the talent, the energy, and the industry he has as good a chance to-day as ever to work himself up.

LEGISLATIVE MEASURES; CHILD LABOR; INDUSTRIAL SCHOOLS, ETC.

Q. Is there anything in the shape of public legislation or voluntary action that you would suggest that will improve that opportunity?—A. I think that is one of the greatest problems, and I do not see that legislation can do much more than it has done now, with the exception of what I have indicated. There should be an apprentice law and a stringent law against child-labor, so as to give the children of the poor people a chance to perfect their education, and the industrial schools could be established and every effort made toward giving artisans and laboring people healthy, happy homes.

Q. With those things supplied, either by public law or voluntary action, would you consider the relations now existing under our institutions as favorable as they could be made?—A. As favorable as it is possible to make them, in my opinion. Anything further would simply help one class in opposition to another. In this country it must be left to individual talent and industry. I think in this country a young man has a better chance to work up in the world than anywhere else that I have seen.

REMOVAL OF CITY FACTORIES.

By Mr. PUGH:

Q. I understood you to condemn the presence of those large manufacturing establishments in our cities, and to charge the discomfort of the operatives in them to the fact largely of the presence of such establishments in cities?—A. Yes; I think every effort ought to be directed to having the large establishments go out to the suburbs of the city, in order to give the workingmen a change to live as human beings ought to live.

Q. What wages could a man live on in this city and pay the rents that he has to pay and meet the expenses of life in cities? Would improvement in the wages relieve him from these troubles and difficulties?—A. The improvements in wages have of course given a great many skilled artisans an opportunity to live in larger and better apartments, and in newer tenements where there is a through draft. I have been myself in dozens of tenement houses which were in fact fit for anybody to live in; and I have seen others where several were dwelling in the same room and with no lights in the bed-rooms, and that is a very baneful influence upon the health as well as the morals of the rising generation.

Q. How do the wages you pay to your employés compare with the wages paid by other industries of the country, if you are informed on that subject?—A. I am somewhat informed, and find that in all skilled trades, requiring years to learn, they are paying nearly the wages that we do—not quite, but still averaging pretty near—say between $15 and $30 a week.

Q. How are the unskilled laborers, who are employed in the manufacturing industries, paid as compared with those you employ?—A. I think they are not quite as well paid as in our employ. We have a great many men who of course are not skilled laborers, and require no special skill, who are being paid, say on an average, $12 a week—$12 to $14;

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but they have the advantage of having steady work year in and year out; while in other trades, for instance, the building trades, they are dependent on the weather and the seasons; and, taking it all together, they probably have work only for about eight months in the year, which is a very sad state of affairs.

By Mr. CALL:

Q. How many hands do you employ in your factories?—A. About 1,000.

Q. Your factory, I understand you to say, is removed from New York?—A. We still have a large factory, which we call our "finishing" factory, in New York. It is the case-making factory. The iron and steel works for making the hardware, &c., has been removed over to Astoria, and one department after another has been added thereto, and within a few years the entire establishment will be removed from New York to Astoria.

Q. Do your artisans there live in rented houses?—A. Some of our artisans have already acquired homes of their own, but others of them live in rented houses, and not more than two families in one house, where they have gas, water, free baths, free schools, and every advantage. We have upwards of four hundred men there.

Q. At Astoria?—A. At Astoria.

Q. And you have found them able to improve their condition there?—A. Oh, yes; very much so. There is no sickness or anything of that kind there, and they are all feeling comfortable and happy, and I think the large wealthy manufacturers should also remove their factories from the cities and establish them somewhere in the suburbs, and do something for their workingmen in that way.

Q. You think that that would be a solution of a great part of the trouble arising between labor and capital?—A. Certainly a solution of the tenement-house trouble.

Q. And that, you think, is a large part of the cause of distress and dissatisfaction among the people?—A. Yes; I think it is a great cause of dissatisfaction among the workingmen—the bad places that they have to live in, and the high rents they have to pay. Yet tenement houses are considered a very poor investment by capitalists.

Q. If there is anything else that you would like to submit, we would be very glad to hear it.

THE TARIFF—ITS NECESSITY TO MANUFACTURING DEVELOPMENT.

A. If you wish to have my opinion on the tariff, I would say, in opposition to Mr. Knowlton, who has spoken before me (and who thinks that a total abolition of the tariff would improve the condition of the workingmen), that my experience and observation of upwards of a third of a century are directly the contrary of his. I think that we ought to have a reasonable protective tariff to make it possible for our manufacturers to live and pay their men the wages that they do—for our Americans will never be content to live on the starvation wages of Europe. It is an impossibility. A great many industries have been rendered possible only by the existence of a protective tariff. Take our silk business for example. Fifteen or twenty years ago nobody thought that the silk business of America would amount to anything; now it is a great industry. Take the duty off foreign silk to-morrow, and every silk factory in America would be closed. I do not speak from selfish motives in this matter, for no European pianos will ever be imported into America, because they cannot stand our climate. All first-class piano manufacturers in this country export pianos.

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### RELATIVE COST OF PIANOS IN EUROPE AND AMERICA.

Q. What is the difference between the cost of European pianos and those which you manufacture?—A. You may say that ours are one-third higher, and that is all labor. Our material—American wood—is the best in the world. It is being largely exported to European manufacturers now. Material here is just as cheap, if not cheaper, than in Europe. The difference is caused by the enormous difference in the rate of wages paid. In the first-rate piano factories two-thirds of the cost of a piano-forte are wages.

Q. If you were to carry out your system, and establish those industrial schools, and have the same superfluity of skilled labor that you have in Europe, how would it be then in respect to the cost of labor?—A. I think our own trade is still in its infancy, and capable of expansion; and from the higher excellence of American first-class pianos, and their being able to stand any climate, dry or moist, I think there is a great deal of room for new manufacture, and for skilled artisans to be created in this country without any evil effects upon the trade itself.

Q. You say there is a very great field for demand yet?—A. Undoubtedly.

### OVERPRODUCTION.

By Mr. PUGH:

Q. What do you propose to do—have you thought on that subject—with the overproduction of several of our manufacturing industries—more than the market can consume—more than they can sell in the American market? For example, we have too many woolen goods, and the woolen manufacturers are failing; and we have too many cotton goods; we have too much iron; we have an overstock of many things; there is more produced than our markets will consume; what would be the effect of those over-productions upon the laborer?—A I think the present over production is due to extraneous and temporary causes. We have had three very good years, and there is a natural reaction now. I think the over production will be but temporary. Of course, America is the greatest market of the world from the fact of its greater wealth and recuperative power, and all those manufacturers who over-produce now ought to try to stock foreign markets. They are open to all the world, and, as I said before, I consider the present depression only temporary.

Q. How can they compete in the foreign market with other manufacturers?—A. They must endeavor to do so by greater excellence of goods.

Q. So as to command a higher price?—A. Yes; they cannot do it in cheapness. It is just like American piano-fortes. We can compete with the world, not because our piano-fortes are cheaper, but because they are better.

### REED-ORGANS.

Look at American reed-organs. Thousands and thousands are sent from America all over the world, and that business has been created within the last few years; and in that business the export is still greater than in the piano trade. Wherever you go in large cities, everywhere in the world, American pianos are advertised and sold; but they are higher priced than European pianos. They are of a better tone and greater durability.

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By Mr. CALL:

Q. To what do you attribute that fact, while in Germany there is so much more skilled labor—what permanent causes are there for the superior excellence of American pianos?—A. It is largely due to the inventive skill of the American manufacturers. They have patented their improvements, and have thereby created a demand, and have the greater excellence. This reed-organ business that has especially grown to such enormous proportions has been built up within the last few years.

Q. Is that founded upon patents?—A. Yes.

Q. American patents?—A. Yes; and those improvements are also patented in Europe in the large countries; but it is less the patented features than the greater excellence of American reed organs that sells them.

INDUSTRIAL SCHOOLS AND OVERSTOCK OF SKILLED LABOR.

By Mr. PUGH:

Q. What about the supply of skilled labor in Europe, as compared with this country? You say there is a much greater supply in Europe, and you attribute that to the systems of industrial schools?—A. Yes.

Q. Then is there any overstock of skilled labor in Europe?—A. I think there is.

Q. Is there nothing due to that fact in the cheaper labor of Europe than this country?—A. I think not. The wages are handed down from year to year; and the way the people live there, and the cheapness of the ordinary articles of living, except provisions and meat, makes labor cheaper.

Q. You think, then, that the training of our people in industrial schools will not produce an overstock of skilled labor in this country, and reduce the wages of labor?—A. I think it will not. I think the country is taking such strides in population and wealth that the addition of the skilled laborer, who would become such by the establishment of apprentice laws and industrial schools, would simply go on without making any perceptible effect. But the principal thing is that our American boys, as they grow up, ought to be taught to learn a profession or trade, and be independent. That is what I find nowhere in the wide world so much neglected as here, nowhere are there so many young men who have not learned anything in particular as there are in this country, and yet they are the most intelligent in the world.

Q. You think the demand for that sort of labor in this country will keep up with the supply?—A. Undoubtedly; especially now where a great many trades and specimens of our art industry and handiwork have achieved and retained such a reputation in Europe. For instance, take our agricultural implements. They are readily bought in Europe. First-class pianos, reed organs, India-rubber shoes; I found to my astonishment that everywhere these American goods were sold and readily bought.

By Mr. CALL:

Q. Do you think there is any difference in the natural capacity of a German and an American? You do not think the Americans have any more natural aptitude and capacity, do you?—A. Well, without drawing any comparison, I think the American young men are as capable and as intelligent as the most favored nations; there is no doubt about that, and they have a great inventive genius, a natural aptitude for inventions.

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Q. Greater than the Germans, you think?—A. Well, I cannot say greater than the Germans. I have been here since my childhood, and from my investigations during my travels I have found that it is at least equal to that of any other people.

THE PATENT LAWS OF GERMANY AND THE UNITED STATES.

Q. What is the difference in the patent laws of the two countries? Are you advised on that subject?—A. Yes. The patent laws of all European countries are wretchedly defective compared with our American patent laws, which, with a few trifling exceptions, are the best in the world, because they secure to the inventor the advantages of his invention. The patent law of Germany imposes a tax from year to year on the patents, which makes it impossible for the patentee to hold his patents, whereas the American law secures him for seventeen years.

Q. Well, how much of the success of the American inventive genius do you attribute to that good feature of our law and the bad feature of theirs?—A. I am decidedly of the opinion that industry has been greatly fostered by our wise American patent laws. I have no doubt of it at all.

Q. Do you think that if they had had the same laws there it would have been correspondingly so?—A. That is a hard question to answer.

Q. Have you any patents on you your manufactures?—A. We have as many as thirty United States patents.

Q. Do you not attribute something of your success to the superior excellence of your patents?—A. Certainly; but if it had not been for the wise patent laws, we would not have perfected these things and made them articles of trade, whereas now we have done so.

Q. They are your own inventions?—A. Yes.

PIANO-FORTE EXPORTATIONS.

By the CHAIRMAN:

Q. Have you any objection to stating the importance of this foreign trade in musical instruments by its amount?—A. Not at all. As I said before, the export of American reed organs is one of the most gratifying features of the business of this country, and is increasing from year to year. The piano-forte business is still in its infancy, but it is growing from year to year. We are ourselves exporting from 300 to 400 pianos annually, our capacity being 3,000 per annum.

By Mr. CALL:

Q. Have you much trade with Cuba in your pianos?—A. Not very much; the buying capacity seems to be pretty much extinguished there; but we sell a great deal to South America, and also to Canada.

Q. What countries of South America?—A. Buenos Ayres, Brazil, Valparaiso; in fact, everywhere.

Q. Do you sell to Mexico?—A. A great many to Mexico; yes.

Q. The Mexicans are a musical people?—A. Very.

Q. I should suppose you would have had very considerable trade with Cuba?—A. We have not had very much for several years. The duty is enormous there, and the money is depreciating.

Q. The duty is very large on American pianos?—A. Very large.

Q. How much?—A. I do not know how much it is, but I know it is prohibitory.

Q. That accounts for it, I suppose?—A. Yes; but it is also the depreciation of their money which acts very much against it.

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### THE "TRUCK" SYSTEM OF PAY.

In my testimony relating to the state of affairs in 1850 and to-day, I omitted to say that it was at that time the general system in vogue in manufactories instead of paying wages in money, to give orders on grocers, on clothing firms, &c.—the so-called "truck" system in which, of course, the men were cheated—and they always paid their workmen a great deal in "wild-cat" money on which the men had to stand 5, 10 or 15 per cent. discount. All this has been done away with by the wise money system of the United States, on which there is no loss and no trouble, and the "truck" system has, to my knowledge, been entirely abandoned for a number of years.

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NEW YORK, *September* 27, 1883.

REUBEN CARROLL recalled and further examined.

### REMEDY FOR OIL MONOPOLY.

The WITNESS. As regards the Standard Oil Company, you asked me what I would suggest as the remedy. I would suggest that the Government should intervene and say to the Standard people, "Hands off. You shall not throttle the men engaged in this industry. All shall have equal chance in the race of life; none shall be handicapped." This might be done by the institution of a suit by the Government. At least, whether successful or not, the facts might be revealed in this manner, and then if our laws are not adequate to deal with the matter others could be framed. The great difficulty in the way is that we are such short-sighted and selfish beings that we overlook the wrongs done our fellows. Could all realize that the great interests of humanity are identical, and that wrongs done to any portion of our people are wrongs done to all, then the wrongs done the oil men by the Standard Oil Company would raise a storm of indignation that would sweep that company out of existence. So with the oppression of other industries; so with the oppression of labor.

### SOCIAL SCIENCE IN SCHOOLS.

Then, to eradicate this short-sightedness and selfishness, I would have social science taught in our schools. Our young men, instead of wasting their time and wearing themselves out pouring over musty dead languages, learning the disgusting stories of the mythical gods, and all the barbarous stuff of the dead past, would be better engaged in having their attention directed to solving the problems of the living present, and they would be led to see and understand that their own happiness and welfare are inseparably joined to and identical with the happiness and welfare of their fellows. Then a Standard Oil Company would be impossible.

We must not pour our vials of wrath upon the managers of this Standard Oil Company. "How oft the sight of means to do ill deeds make ill deeds done." There men are simply using the means within their reach to enrich themselves. They are the result of false conditions. Let us not rail at them, but let us change conditions, so as to make Standard Oil Companies impossible.

What further questions have you to suggest with reference to the Standard Oil Company? I am sorry that I had not prepared myself a little more fully on that point, and persuaded others to come and testify.

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There are some gentlemen of my acquaintance who have had considerable litigation with the company in endeavoring to obtain their rights through the law, and their testimony would be of great benefit to you. I have no doubt I could persuade them to come if the committee were going to sit long enough.

The CHAIRMAN. We could not at the present time sit longer. There may be an opportunity to take testimony in Washington in the early part of the session, and I am desirous of saving the Government all I can. Perhaps some of them may be there on business.

The WITNESS. Will you be so kind as to let me know if an opportunity of that kind is afforded, because I know a number that will undoubtedly willingly go.

The CHAIRMAN. I think that you can assume that before our report is made, we will hear some others. We should not care for a large number—two or three men could just as well state it all—or if *you* had the information I would as willingly take it from your testimony.

The WITNESS. I have many facts in my papers at home.

NATIONAL LEGISLATION FOR OIL MONOPOLY.

The CHAIRMAN. It is very difficult to see what national legislation could be devised. I suppose the remedy must be largely in the hands of the State; and yet it seems to me that the obvious difficulty is that the Standard Oil Company now has more capital concentrated and is in possession, and that nothing can bring about competition except the investment of something like a corresponding amount of capital, and that is attended, of course, with a great deal of delay and a great deal of difficulty, by reason of the Standard Oil Company being an obstacle in the way of a new line which did not exist when it was itself established.

The WITNESS. They have made a great deal of money. They have millions at their command, and it is simply nonsense for a few individuals to fight them. The only remedy is the strong arm of the Government. There is no doubt about that.

By the CHAIRMAN:

Q. What could the Government do?—A. I apprehend that the Attorney-General might institute a suit.

Q. The Attorney-General of the United States or of Pennsylvania, which?—A. Of the United States.

Q. This company and its operations are in more States than one?—A. Its operations are in all States.

Q. And its pipe lines lie in two States, do they not, New York and Pennsylvania?—A. Yes, and in New Jersey, too.

Q. Then they lie in three States.—A. Yes, and I am inclined to think that they are also in Maryland.

Q. Do you think the company can afford to transport the oil much cheaper than it does? Suppose it had fair pay for the transportation of the oil——

The WITNESS. [Interposing.] Allow me to say that the Standard Oil Company does not transport oil for others, except at a ruinous price.

Q. Has it facilities for any more than it needs itself?—A. Certainly.

Q. It is a common carrier that refuses to carry?—A. It does not refuse to carry.

Q. But it has control of the only practical means of transporting this oil to the factory?—A. Certainly.

Q. Because it has a cheaper method than any other?—A. Yes.

Q. And it refuses to transport for anybody but itself?—A. Except at an exorbitant price.

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Q. It is a practical refusal?—A. Yes.

Q. You can see an analogy between what that company does and the course of a common carrier in possession of the field, who refuses to carry except at an exorbitant charge, because it owns the only method of conveyance that there is—or what is practically such by reason of its being so much cheaper than any other—and yet, having facilities for increased carriage beyond its own uses, it refuses to accommodate the public at a reasonable rate.—A. Yes.

Q. Is it an incorporated institution?—A. Yes, sir.

Q. Under what State law?—A. Under the laws of Ohio.

The CHAIRMAN. Right there is the point where the National Government or the State government would hook upon it, if anywhere—by the right to regulate common carriers in the matter of transportation. It is interstate commerce, and your remedy is in that direction, in my opinion, and I do not see any practical remedy in any other direction.

The WITNESS. You asked me before whether they were affording the refined article within reasonably moderate prices to the public. I told you they were. But under present conditions, there being a great deal of surplus oil above ground—oil being plenty—it makes it necessary for them to sell cheap in order to have sales. Supply and demand come in there. But we have no assurance that they will continue any great length of time, and of course the Standard Oil Company will take advantage of circumstances, and there is no telling when; whenever they can make money by it in their sales.

Q. What other light is there that can compete at all with kerosene?—A. There is not any that can compete with it in cheapness.

Q. Do you imagine that the electric light will ever develop into that?—A. No; the electric light costs more than gas.

Q. It does now, but is there not a prospective development of the electric light?—A. No; I do not think it is possible to bring it at all to bear so as to compete with petroleum, allowing that the crude oil should be sold within, say, $8 or $10 a barrel, whereas it is now selling at $1.16.

Q. You have not much hope in the direction of the development of oil wells elsewhere?—A. Well, I think not; no. I do not believe that outside of the United States or indeed outside of the present oil region much will be found. Although great efforts have been made, they do not seem to find very much oil elsewhere. They find it in limited quantities.

OIL REFINING AND REFINERIES.

Q. Would it be possible to establish refineries at the wells, and then transport the refined oil?—A. Certainly.

Q. The refined oil is, of course, of very much greater value in the same bulk?—A. Yes.

Q. How much does refining add to the value of a barrel?—A. A barrel of refined oil is worth a little over $4 at the present rate.

Q. That is, at wholesale?—A. Yes.

Q. That is adding about threefold to its value at the well? This transportation and refining give it three-quarters of its salable value at wholesale?—A. Yes; the residuum that is taken from the oil is now being very much employed in dyeing woolens and silks. The finest colors that we have now come from the residuum of petroleum, and is very extensively used. Consequently the cost of refining is not so great. This residuum sells at a pretty high rate, and therefore makes up for the shrinkage to a large extent.

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The CHAIRMAN. It strikes me that such a figure as a dollar a barrel must be very high for transportation, when the transportation consists in letting the oil run down hill.

The WITNESS. Yes. There is no method that can compare with the pipe line.

Q. The cost of oil after it leaves the wells is simply the cost of transportation and refining, is not that all?—A. Yes; that is all.

Q. What, do you imagine, taking into account the value of the residuum, is the net cost of the refining?—A. I am not practical in that line.

Q. Do you know what refiners formerly obtained for their work?—A. Well, I think I can estimate pretty closely, but I have never been engaged in refining. The refining has been all taken pretty much from that section of country. Cleveland is a large refining center now.

Q. Do the Standard Oil pipes run to Cleveland?—A. Yes.

Q. And to the Atlantic seaboard?—A. Yes.

Q. What are the principal refining points?—A. New York is a pretty heavy refining place, so is Philadelphia. There is some refining done in Baltimore, but not so much as in Philadelphia. Pittsburgh is a pretty heavy refining place.

Q. Does the Standard Oil Company have pipes running to Baltimore?—A. Yes. Cleveland, I think, is the heaviest refining point.

Q. Pipes extend to all these great cities?—A. Yes.

Q. How large are these pipes? They are iron pipes, are they not?—A. Yes, they are iron pipes; 6 and 8 inches diameter.

Q. The expenditure in laying them is very large, I suppose, is it not?—A. Yes, it costs a good deal to lay a pipe line; but it costs comparatively a trifle to run oil to it after you have it laid.

Q. They will not sell oil to refiners at these various points?—A. Oh, a man may go there to the oil region—a man outside of the Standard—and he may get them to transport it, but the cost will eat up all his profits. They have so arranged that.

Q. How many buy it of them?—A. Why, they are absolutely the only dealers in oil there.

Q. But I mean can the refiner at Pittsburgh, Cleveland, Baltimore, Philadelphia or New York buy his oil so as to leave it at these various places where his refinery is?—A. No, sir; they have crushed out pretty much all independent refineries. There were some very heavy refiners engaged in Philadelphia, New York, Cleveland, and all around, in fact, but they have been crushed out and compelled to sell to the Standard at their own prices. They could not compete. The Standard Company has ruined a great many men in that way. Some of my friends have been ruined in that way.

Q. If they had had transportation as cheap as it is to the Standard Company, could they have lived?—A. Certainly they could have lived, and made money. The point was in the transportation.

The CHAIRMAN. If the Government can regulate fares and freights of railroads, or regulate the charges of the Western Union Telegraph Company, which Mr. Gould says they can do, I do not see any reason or principle why it could not regulate the transportation of oil through those lines.

The WITNESS. Most assuredly, I think they can.

The CHAIRMAN. It is an article of interstate commerce, and the lines themselves pass through several States.

The WITNESS. Yes.

Q. Is there anything further you wish to state?

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GOVERNMENT REGULATION OF TRANSPORTATION AND TELEGRAPHY.

A. There is one little point here that I was going to notice. I notice the statement by some one made before your committee that Government control in telegraphy is contrary to the genius of our institutions. This is certainly true, if by our institutions is meant our great monopolies, but inasmuch as transportation and the transmission of all intelligence enters into the cost of the production of the country and must be paid by the people consuming that production, it certainly is just that the whole people through their Government should have the right to fix the prices or at least be consulted as to the prices they should pay.

PUBLIC PERIL FROM LARGE MONOPOLIES.

But the great cost of our present monopolistic system of railroads and telegraphs is not their worst evil. The power to oppress, ruin, and rob all who oppose their grasping avarice, the power to control elections, to dictate terms to politicians and political parties, is even greater. And that these things are done we have the testimony of living witnesses. Then, saying nothing about the cost, why should the people give away for nothing franchises worth billions of dollars? What have the great railroad magnates done for the people that they should have for nothing that which would sell for countless millions in open market? Competent experts assure us that the plant of the Western Union could be doubled for twenty or twenty-five million dollars, yet you have evidence before you showing that the plant and franchises of the Western Union are worth over a hundred millions. Then the franchises are worth over seventy-five millions. Why should the people give this for nothing?

The Government should exercise the right of eminent domain, and take these franchises from the corporations who abuse them. The public good is supreme; there can be no vested rights contravening the public welfare. There can be no vested rights in wrong.

It is said by somebody that the raising of wheat is something in which all are interested, and that therefore, if the Government should take control of railroads and telegraphs, it should also take control of the raising of wheat. This is false logic, and misleading. The cases are not parallel. In the first place the Government grants franchises for transportation and the transmission of intelligence for the public good, and therefore they should guard those franchises. This makes it a party in interest. They are creatures of the Government's creation, and the Government is responsible for their conduct. But it gives no franchise to the producers of wheat, and is not a party in interest. In the next place, the growers of wheat are scattered over the whole country and could not by any possibility assess a tax upon the whole product as railroad managers can do and have done. The cases are not analogous. But I will not trouble you any more this evening. If I do not get away to-morrow, there are other matters that I would like to be heard on.

The CHAIRMAN. There may be opportunity to-morrow. There are several witnesses that are to be here to-morrow, and if you do not get away, drop in.

Q. Has the Standard Oil Company any patent on its method of transportation?—A. Yes, it has innumerable patents. It has a patent on almost everything, and in fact almost patents on its men.

Adjourned.

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NEW YORK, *September* 28, 1883.

The committee met at 10 a. m.

JOHN W. BRITTON sworn and examined.

By Mr. PUGH:

Question. You reside in this city?—Answer. Yes.

Q. You understand the subjects of inquiry before this committee, do you?—A. Yes, sir.

Q. We have called you before us to get your information and opinions on the subjects embraced in the resolution of the Senate under which we are acting. You have read the resolution, I suppose?—A. Yes.

Q. Please state what opportunities you have had to acquire information and to form your opinions.—A. If you ask me any questions on which I don't happen to know anything I want to have the privilege of expressing my ignorance; I do not want to talk about anything that I do not understand.

Mr. PUGH. Make such statement as you think proper, taking your own time, and doing it without regard to questions from the committee, at least for the present. Give us such information as is in your possession.

The WITNESS. I will say that I have been a worker for forty-eight years. I have been an employer for thirty-five years. I am a carriage-maker, and a member of the firm of Brewster & Co., Broadway and Forty-seventh street. In that connection I will also state that I am president of a savings bank. That only bears upon the question as showing the fact that I come in contact with a different class of labor from that employed in my own establishment. Having been a worker myself, I have mixed with working people, and I know them pretty thoroughly. The mechanical classes, however, I am better acquainted with, because all through my mature life I have been in constant communication with them, chiefly, however, as an employer. The common laboring classes, except through my observation at my bank and in other positions, I know very little about. We employ over five hundred hands, of whom perhaps four hundred may be called skilled workmen; the remainder may be safely put down as laborers. The four hundred are about, I fancy, of the average intelligence of the mechanical classes throughout the country engaged in the various industries. I would like to say that, while I do not believe that the laboring classes can be largely benefited by any legislation, I believe that this investigation is in the right direction. I believe that the time has arrived when the attention of the employing classes must be drawn to the condition of the laboring and mechanical classes. Public opinion, in my estimation, alone can reach this subject.

### EFFORTS TO HARMONIZE CAPITAL AND LABOR—AN INDUSTRIAL ASSOCIATION.

About a dozen years ago my attention was attracted by the efforts made in England to harmonize capital and labor, and I read up all the current literature relating to that subject. And it seemed to me that I had discovered the reason why these industrial associations, which are a species of co operation, were not successful, and I conceived the idea of trying it in our establishment. That was, I think, in 1868. I called

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delegates from the different branches of our business and held several meetings, and discussed the propriety of adopting an industrial plan by which every man and boy in our business could share in some degree the profits of the firm.

When I found the proper committee I appointed them to meet me. We organized, and they elected me chairman. We spent the winter of 1868–'69 in devising a plan by which our business could be carried on with the assistance of our employés; that is, the hearty co-operation which always comes when a man is working for himself. In order to reach all the information that we could, a subcommittee was appointed to correspond with the leading men of England in this particular effort to harmonize labor and capital—among others, Mr. John Bright, Mr. John Stuart Mill, Mr. Thomas Hughes, Mr. Ludlow, and all the advanced men. Mr. John Bright wrote us a very interesting letter—very valuable in that it convinced me that he was all wrong and that that was the reason why the English efforts had failed of success. Unfortunately he marked the letter "private," but that letter would have done a great deal of good had it been published broadcast, because Mr. John Bright has a popularity in this country that is something marvelous. We finally treated all the letters as confidential, inasmuch as Mr. Bright had marked his letter "private." The committee had given him the idea of our plan, and Mr. Bright said that it was worthy of commendation except in one particular, and that was that we shared with the men before we gave to capital its fair interest. I think the English mind runs to that more than to any other notion—the matter of interest; that capital has some special right to be paid before anybody else. There was one other point that he criticised unfavorably; that is, that the firm were to do their work without salary, they taking their profits, and the interest on their capital after the men had shared in the net profits of the business. He said that skilled men and men who had the power of management and of conducting affairs should receive liberal salaries before the rank and file had received theirs—these men being owners of the capital.

We discussed that matter in committee; and I will tell you here, gentlemen, that a half dozen men from a force at that time numbering less than four hundred—a half dozen men picked out from the various branches of a business like ours will show you an amount of wisdom and intelligence that will surprise most employers. The difficulty is, that employers look upon men who work for their daily wages as inferior people. I have in my employ men who can teach me.

By the CHAIRMAN:

Q. What in?—A. In general knowledge of affairs, not in the particular business, but in the proper treatment of social questions—as to what a man working for a living is entitled to, and what he is not entitled to, &c.—men who study the subject—men of good habits, who spend their leisure hours in reading and study.

Q. Do you mean that they have a good understanding of the duties that appertain to an American citizen, generally?—A. Yes, sir, excellent. We have men in our establishment that can make themselves interesting to lovers of art, for example—who take up the subject of art and study it. We have men who have studied chemistry, who have studied physics, who have studied all branches which tend to make up an intelligent and useful man. These are, of course, among the better class. That is the class that I came in contact with in this committee,



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and we formed a constitution and embodied in it what I believe was the very essential thing in order to make our scheme a success where the English had failed—that was, that capital should not receive its reward until the men had received their share of the profits of the business; let capital take its chances with the remaining portion; providing, of course, that the men did not get too large a share—that the chances for capital were fair and good.

I argued that people who received a share of their daily earnings above their labor would naturally take a greater interest in the affairs and success of the firm. I found that to be absolutely the fact. I found also, that in making a very liberal constitution to govern this association, no advantages were taken, in the three years of its existence, of these liberal provisions. I believe that men who have power given to them voluntarily—a power that is not given under threats of strikes and other things of that sort, would not, even among the mechanical classes, take advantage of the power placed in their hands. I believe that the average workman is striving harder for the thing that is hard to get than the thing that is easier to get, and that when he finds power placed in his hands he is satisfied to exercise it in a reasonable manner, but when he has to fight for it and gets it as the result of a fight, he is perhaps as dangerous then as are the higher classes when they get power. When this constitution was published in several of the papers of the city of New York and throughout the country we received letters from the capitalists and others, saying to us: "You are spoiling the working people; you are putting ideas into their heads that will make them hard to manage." Some of our customers ventured to come in and remonstrate with us. They said, "This is a danger to capital." We kept on, however, for three years, until June, 1872, when, if I remember aright, we had a great strike in New York, with a demand for eight hours as a day's labor. My partners were absent from the city, and I was president of this industrial association. I was lying on my back, unable to sit up even in bed, and the men were without leaders. They were crazed by the excitement out-of-doors. They finally held a meeting and appointed a committee, asking me to agree to make eight hours a day's work. I said to them, "Go back and vote eight hours a day and that will make it legal. I cannot make it eight hours a day, because I put these questions into your hand." They went back and would not take advantage of the position to vote eight hours a day. I stated to this committee my objections to it and that I did not believe in it. I was waited on by this committee three times in twenty-four hours, and finally they said that they could not prevent a strike unless the eight hours were given; that if not given there would be sure to be a strike. I said to them on the last of these occasions, "Your dividend, which will be $10,000, will be due within thirty days, and if there is a strike that dividend will be confiscated." They said, "We have considered it, and to-morrow the shop will strike." Four-fifths of them did strike, and were out four weeks. They then came back, having lost $9,000 in wages and forfeited their dividend, which, it was afterwards ascertained, would have given them $11,000—the dividend alone. That was after three years' experience in this industrial association. We had paid each year a little more; we had increased the profits of the business, and we had found in that three years' experience that there was hardly a decent man in our place who did not take hold and do his best to advance the interests of the firm. There was no power given to them that they abused; and it convinced me that the mechanical classes are just as reliable as any class of our citizens, no matter what

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their social condition may be. I leave with the committee a copy of this constitution of the association. It is as follows:

*Constitution of the Brewster & Co. Industrial Association.*

Whereas Messrs. Brewster & Co., of Broome street, New York City, carriage builders, have proposed to their employés that at the end of each fiscal year, viz, on the 1st day of July, said firm will divide a sum of money equal to 10 per cent. of their net profits in their Broome street factory and Fifth avenue warerooms, during the year then ending, among certain of their employés, in proportion to the wages earned by them respectively, and in addition to such wages (the persons so to share in said sum to be determined by the employés of said firm); and have also proposed that, in determining the amount to be thus divided, the members of said firm shall make no charge for their services, nor for interest upon the capital invested in their business, and that the business of each year shall stand by itself and be independent of that of any other year.

And whereas the next fiscal year of said firm does not begin until July 1, 1870, but said firm have proposed to inaugurate the above plan as of the date of January 1, 1870, and in July, 1870, to divide a sum of money equal to 10 per cent. of their net profits in their said Broome street factory and Fifth avenue warerooms (to be determined as above mentioned), for the year then ending:

Now, we, the delegates elected by said employés to confer with the members of said firm, with a view to adopting measures suited to the above proposals and calculated to promote the general interests of said employés, and to insure greater harmony among them, do, on behalf of said employés, ordain and establish this constitution for the—

BREWSTER & CO. INDUSTRIAL ASSOCIATION.

ARTICLE I. There shall be a board of governors for the shop at large, and a board of control for each department.

ART. II. Said employés shall be divided into seven departments, as follows, viz:

Department No. 1 shall consist of the heavy smiths, light smiths, and finishers, each calling to be represented by one of its own members in the board of control.

Department No. 2 shall consist of wheelwrights and carriage-makers, each to be represented by at least one of its own members in the board of control.

Department No. 3 shall consist of the jobbers, cleaners-off, filers, and platers, and the first and second floors shall have two representatives, and the third and fourth floors one representative in the board of control.

Department No. 4 shall consist of the heavy trimmers, light trimmers, and stitchers, and each shall be represented by one of its own members in the board of control.

Department No. 5 shall consist of heavy body-makers and light body-makers, and each shall be represented by at least one of its own members in the board of control.

Department No. 6 shall comprise the body-painters alone.

Department No. 7 shall comprise the carriage-part painters alone.

ART. III. The boards of control shall have three members each, who shall be chosen by the members of their respective departments, one of whom shall be designated by the president of the association as chairman, who shall serve one year (but the persons who shall serve as chairmen of the several boards of control and as *ex officio* members of the board of governors for the year beginning on January 1, 1870, shall be designated by the chairman of the delegates who have ordained and established this constitution); the remaining members of the board of control shall determine by lot the duration of their respective terms of office; one shall serve three months and the other six months. In case of a vacancy, an election for the unexpired term shall be held within a week after its occurrence, on the order of the chairman of the board of governors.

ART. IV. The boards of control shall carry out and enforce in their respective departments all rules and regulations made by the board of governors; and at each monthly meeting of the latter the chairmen of the boards of control shall report in writing the working condition of their respective departments.

ART. V. The board of governors shall be composed of the chairmen of the boards of control and the representative of the shop at large, in article VIII mentioned, and, within one week after the board of governors have been designated, as provided for in article III, they shall elect one of their number as their chairman, who shall serve six months as such, and, while acting as chairman, shall have no vote except in case of a tie, and they shall choose their other officers, whose term of office shall be six months; also a chairman *pro tempore*, in the absence of their chairman. They shall also, within one week after their organization, elect a president of the association from among the members of the firm of Brewster & Co., and he shall serve one year until his successor is chosen.

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ART. VI. The board of governors shall assemble once in each month, or oftener, if the president of the association or its chairman shall so direct or a majority of its members request it. Five shall constitute a quorum for the transaction of business. The secretary of the board shall receive a salary, the amount of which shall be fixed by the president and by him be paid quarterly.

ART. VII. The board of governors shall have power to make rules and regulations for the shop.

Every resolution or measure of any kind which shall have passed the board shall, before it becomes binding upon the association, be presented to the president; if he approve he shall sign it, if not he shall return it with his objections in writing, or with a verbal statement to the board at its next monthly meeting, and the board shall then proceed to reconsider it; if, after such reconsideration, two-thirds of all its members shall vote to pass it, it shall become binding notwithstanding the objections of the president; but in all such cases the vote shall be determined by yeas and nays, and the names of the members voting for as well as those voting against it shall be recorded in the journal.

ART. VIII. The board of governors shall, within one week after its organization, elect as a representative of the shop at large, a member of the association having a general knowledge of the business of the several departments, who shall serve six months as a member of the board, and have all the rights and privileges of any other member of the board.

ART. IX. All persons employed in the factory shall have the right to vote, except clerks, salesmen, boys, porters, apprentices, cartmen, and persons under instruction in any of the departments, and all questions as to the *status* of any person or persons not directly employed in mechanical labor, shall be referred to the firm of Brewster & Co., whose decision shall be binding on the association, and on all the boards.

ART. X. A member of the association to be eligible to any office therein must be twenty-one years old, a skilled mechanic, and have worked in the factory not less than six months; and any question as to whether an employé shall be ranked as a skilled mechanic, or a laborer shall be decided by Brewster & Co.

ART. XI. Neither this association nor any member thereof other than its president shall have any voice or authority in the management of the business of Brewster & Co., nor shall this association, nor any member thereof, have the right to bring suit against the firm of Brewster & Co., or any member of said firm, in any court of law or equity, to determine or recover the amount of any share or shares in the moneys mentioned in the preamble of this constitution; and it is expressly understood that the wages agreed to be paid by Brewster & Co. shall be a full compensation for all services rendered by any member of this association while an employé of Brewster & Co.

ART. XII. Any member who shall voluntarily leave the employment of Brewster & Co. (when full employment is offered by them), before the close of any fiscal year, without the written consent of said Brewster & Co., shall receive no share or portion of the moneys mentioned in the preamble of this constitution, but the share of such moneys proportioned to the wages earned by said member during said fiscal year shall be paid into the treasury of the benevolent fund, to be hereafter established by the members of this association.

ART. XIII. Any member who may be discharged from the employment of the firm shall, notwithstanding such discharge, at the end of the fiscal year, receive the share of the moneys, in said preamble mentioned, proportioned to the wages earned by him during said fiscal year, provided such wages amount to the sum of $200; and all shares in the moneys in said preamble mentioned, not called for within six months after they are declared shall be forfeited, and paid over to the benevolent fund.

ART. XIV. This association may be dissolved at the close of the fiscal year, after July, 1870, or within 30 days after such close, either by Brewster & Co. or by a two-thirds vote of the members thereof, taken by tellers appointed by the board of governors.

ART. XV. All persons employed in the factory and salesrooms of Messrs. Brewster & Co. shall share in the moneys mentioned in said preamble ratably, in proportion to the wages earned by them respectively, except heads of departments and contractors who realize a profit on other labor than their own, and such other persons as shall have an interest in their business through private contract with the firm, but these exceptions do not include smiths, who employ helpers and finishers to aid in the work of one fire; in such cases, the wages earned by their employés shall be deducted from the amount paid to them by the firm, and the balance shall be considered the wages of their individual labor.

ART. XVI. All fines imposed and collected under the by-laws of this association shall be paid over to the benevolent fund, in Article XII mentioned.

ART. XVII. All complaints against the working management of any department shall be made by the president to the chairman of its board of control; and, if such complaints are not properly heeded and a remedy applied, he shall then report the matter in writing to the board of governors for action.

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ART. XVIII. All charges against officers of this association (except the president), of neglect of duty, or violation of any of the laws or regulations, must be made in writing to the president, who shall lay them before the board of governors, and within ten days thereafter (unless a regular meeting is to take place within fifteen days); the chairman shall order a special meeting of the board to investigate the charges, and the accused shall be summoned to appear before them in his defense. If adjudged guilty the board may remove him from office, or inflict such a fine as in their opinion would be just.

ART. XIX. Any member of this association, other than officers, who may violate any of the laws or regulations of the shop shall be complained of to the chairman of the board of control of his department, who shall investigate and report the facts as ascertained to the president, who shall take such action as the case may seem to demand or refer it to the board of governors, as he may elect.

ART. XX. Any member of this association who shall make a false and malicious charge against a fellow member affecting his standing as an employé of Brewster & Co. shall, upon good and sufficient proof, be fined or dismissed from employment by a vote of the board of governors.

ART. XXI. The terms of office of those first elected as officers either of this association or of any of its boards, and the official terms of the members of said boards, shall be deemed as beginning on the first day of January, one thousand eight hundred and seventy, and all officers and members of the board of governors and of the several boards of control, shall hold over and continue to serve as such officers and members until their successors are respectively appointed or chosen.

ART. XXII. The foremen shall exercise authority in their respective departments, in behalf of the firm, when no member of the firm is personally present.

ART. XXIII. A proposition to amend this constitution must be presented by the board of governors to the president; and, if he approves, a copy of the proposed article or articles shall be posted in each department for a period of ten days, after which the board shall proceed to vote upon it; if two-thirds of all the members thereof shall vote in favor of it, it shall then become a part of this instrument.

| | |
|---|---|
| JOHN D. GRIBBON. | THOS. SEDGEWICK. |
| ALPHEUS E. FERRIS. | SAMUEL LYON. |
| EDWARD ROWE. | HENRY S. WHITNEY. |
| JOSEPH F. SCANLON. | RICHARD COLEMAN. |
| JAMES HAGGERTY. | JACOB KRUMMENAUER. |

The WITNESS. By their own act the men broke up this association. They believed that we would eventually reinstate it; but we have never done so. If a large body of our men should ask for it we would do so, but having confiscated the money to redeem our losses, and having told them frankly in advance what we would do, it would not be becoming in us to offer the plan again. Of course there is no plan that, tried as that was for the first time, might not be improved upon. There may have been little weaknesses in the plan of organization which could be avoided in another. But I believe to-day that with the experience and observation had here and abroad, while ordinary co-operation is a failure, this species of co-operation, giving the management of the business entirely to the employer, but giving the shop-management up to the men, is one of the plans which, one of these days, will be adopted for harmonizing the interests between the shop and the office.

### MUTUAL BENEVOLENT ASSOCIATION.

After this we established a benevolent association, somewhat after the plan of a gentleman who was before you the other day, Mr. Storm, in order that the men might have some reliance in case of calamity—as of sickness or death. That association has been in existence for twelve years. The firm gave it, as a capital, $1,000, and they agreed to give to the association one dollar for every dollar that was put into the treasury of the association, in the shape of dues, by the men. I cannot say just how much balance there is to-day in the treasury, but I fancy that the amount is somewhere between $2,000 and $2,500. It has been a perfect success for a dozen years.

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## THE CONDITION OF THE MECHANICAL CLASSES.

The condition of the mechanical classes is a subject which has received much attention and created much interest here. They are called the laboring class, generally, but I make a distinction between the mere laborer and the skilled mechanic.

By Mr. PUGH:

Q. Do you mean the skilled mechanic employed in your business, or do you mean the skilled mechanic generally?—A. I mean the skilled mechanic generally, but of course you understand that I have a better acquaintance with those in my own business than with other mechanics, but I have a general acquaintance with the condition of mechanics in other trades.

## RUM AND TOBACCO AS FACTORS IN THE LABOR PROBLEM.

A gentleman here within a few days has attributed most of the misery attending the life of the laborer in this country to rum and tobacco. While I think there can be no question that rum and tobacco are very serious detriments to the laboring and mechanical classes, it must also be said that they are detriments to the higher classes. In reading the testimony given before you it would be generally supposed that the only people who drink are the laboring and mechanical classes; and there has been an enormous sum named as the probable consumption.

Mr. PUGH. Four hundred millions of dollars per annum.

The WITNESS. Yes. When a man gets as deep in figures as that he is liable to make a mistake of a few cents. I do not believe that this is the prime and only cause. We have about five hundred men, and I do not think—although drunkenness is a crime in our place—that we discharge three men in a year for drunkenness, and I do not know that our force is of a better class than those in our trade generally. I think that, perhaps, it is a little above the average of the entire mechanical class as I have known it; but it is of fair average quality with our trade in this city and other cities. I think that that is some positive evidence to show that rum-drinking and tobacco-chewing is not a universal evil. Perhaps the employer can aid somewhat in inducing temperate habits among his men; he can give preference to the temperate man when he is hiring his men, and he can have such rules in his shop as will prevent constant drinking in working-hours. There is only one concession that we make in regard to drinking. The Germans are perhaps one-third of our force, and, with their meals, the Germans must have their beer. They have been brought up to regard it as a part of their food, and so we allow them in the noon hour to bring beer into the shops in kettles. But at no time are spirits allowed to be brought in, and to bring spirits in is a violation of rule which affords reason for discharge. I can remember twenty or twenty-five years ago when, in our trade, even in our shop, there was a constant sending out for beer and spirits, and it was universally permitted. There is a better plan now among employers. A great many men now look upon that as a great evil and have stopped it. We stopped it many years ago because in our minds it proved a great evil.

## THE DOMESTIC RELATIONS OF THE WORKING CLASSES.

Leaving out the question of rum, and it is debatable whether they do drink as much as Mr. Medill says they do, one of the chief reasons for

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the misery of the working classes, both the mechanic and the laboring man, is the domestic relation. I have lived in New York and supported a family on a dollar a day; though, of course, a dollar then was equal to two dollars to-day. I know that a man on two dollars a day, if his family is not too large, and if he has a wife worthy to be a wife, can live decently; he cannot live luxuriously, but he can live decently on his income. But my observation is, that the poorer the man is the poorer the wife he gets, so far as her capacity is concerned as to her influence as a wife and mother; the poorer the man the poorer the wife, that follows almost as a general rule. Look at the mechanical and laboring men of to-day; and, under the condition of our social affairs, what sort of wife can he get? If he is a good mechanic he wants for a wife a woman that is not a servant. If he is an American he would like to marry a girl of American parentage, or at least one born here. As a class, however, among the American poor, when girls are twelve years of age they go to work in factories and in places where they are used as helpers and where they learn book-binding and tailoring and various other trades.

WANT OF TRAINING OF GIRLS FOR THEIR FUTURE DUTIES.

They have no opportunity whatever to have any domestic training, and when they are seventeen or eighteen years of age they marry some young mechanic and go to live in a tenement house, where they have but a very few rooms. She is utterly ignorant of all the duties of a wife, let alone the duties of a mother; and I do not care how good the tenement house is, that class of wife will destroy a home at any time; she is slovenly as a rule, she understands nothing of domestic economy. If her husband gets good wages, and she receives them on Saturday night, they are all spent by Tuesday or Wednesday then they have to get a little credit at the grocery store. If she has been to a public school in New York she is taught nothing that is really useful. If the teacher has influence enough she will get a piano and teach the girl music, and that girl leaves the school knowing just enough to read and write; that is, knowing enough to read dime novels and to write letters to beaux, that is all the education she gets; she then goes into a factory, and in five years after she leaves school she becomes a wife and perhaps a mother.

I can tell the condition of the majority of our workmen by standing at the door and seeing them come in on Monday morning; I can tell what their homes are by their general appearance. I can show you good workmen that will leave the shop on Saturday night and bring back with them on Monday morning upon their clothes and upon their persons the dirt they took away on Saturday night. I can tell, without seeing the wife, that the wife of such a man is a slatternly, shiftless woman. She is perhaps a very good woman, but she does not know what the duties of a wife and mother are, and the consequence is that she drags her husband down. Once in a while a woman will come to me on Monday morning and say: "John wants me to come and tell you that he cannot come to work to-day; he is sick." I can see exactly the relation between that woman and her husband. She is a slattern, and he is getting to be so more and more. They both get into the same rut; and the consequence is, misery. The remedy for that it seems to me comes in our school days; let us have less piano and more practical education of women and girls. Let a girl be taught—at the public expense if you please—how to darn a stocking and how to sew on a but-

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ton; very few of them know how to do that. Let them learn to cook and to scrub—and to do those things well. The unskilled laborer is satisfied to marry a servant out of somebody's kitchen, who was perhaps a peasant's daughter in her own country, and who, after coming here, becomes a servant, and sees a large amount of food wasted every day. Of course, if she ever knew anything of economy she soon loses what she knew; she does not know how to economize food and consequently she makes a very poor wife. She has been in the kitchen all the time. She knows nothing of housekeeping or of sewing; she knows only how to waste food, and she knows that thoroughly. Such women I have had opportunity of observing for twenty years, and I know that they can destroy a great deal of good food, and that, if left to themselves, they will even destroy a good stomach. I know that I am now paying the penalty for bad cooks, yet I have an intelligent wife, too, who has watched over that department as well as others in our household. Who has this poor laboring man to watch the pot when it boils in his house, to see that it is not made destructive to his stomach? That is one of the most prolific sources from which misery comes.

We have nobody in this country to train our girls in these important matters of household economy. In London they are taking that subject up seriously, and are attaching to their public schools cooking schools and sewing schools, so that girls may have some knowledge of the duties of wives and mothers when they marry. I do not know how otherwise it is possible to make the homes of working people better than they are. Unless you can begin at the foundation you cannot make them better. I have known men that have had decent homes which a couple of years of this sort of house-keeping have destroyed. If girls have no early training themselves they do not know how to train their children. That is one of the most serious evils in all communities like large cities.

### THE GERMAN GIRLS.

The German is better off. The man who comes over here with a young German wife has, I think, a pretty big capital to start with as a workingman. She has learned economy from the beginning of her life; her earliest recollections of infancy are of the economies of the household. She grows up with intuitions of economy, and her disposition to save lasts all through her life. I can see people of that class come into the bank of which I am an officer, to make deposits of their savings, instead of their husbands coming there, and losing their time in order to do it. These women come in looking cleanly and tidy, wearing plain but wholesome clothing, and often bringing a baby in their arms. I regard the German women of this country with the highest respect. If they have opportunity they teach our women what the duties of a wife and mother are. And when I have wanted to take boys into my office I have almost invariably taken them from German parents, for they are brought up with respect, first for their parents, then with a respect for property; and they learn habits of economy and prudence, and are faithful in the discharge of their duties. I think all the boys that I have got in my office, and that I have taken from the public schools, are German-Americans. They have been well brought up, and are industrious and useful. I have one such now, a lad not over sixteen, I think, who, after three years' experience, does the work of a $1,200 clerk, and does it better and more reliably, and he is from what, I suppose, would be called the lower German class. His parents have done their duty toward that boy.

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APPRENTICES.

Let me, right here, say a word of the difficulty we have in getting apprentices. The American is getting to look upon mechanical labor as somewhat detrimental to his liberty, and that spirit has made serious progress within the last ten years. If a boy has any ability, and is particularly bright, he looks upon a trade as so much lost time. He wants to be a merchant, a broker, a banker, or a railway man. The example of that class of men has been set before the boy for the last ten years, and it has set our working classes crazy.

Q. They want "rapid transit" to a fortune?—A. Yes; they won't wait.

One of the great troubles with the boys is their education. I was educated in a public school, and finished my education at twelve.

NEW YORK PUBLIC SCHOOLS.

By the CHAIRMAN:

Q. In the public schools of this city?—A. Yes; I was born within seven miles of New York and came here when I was nine years old, and what I learned I learned at the public school at the expense of the taxpayers.

By Mr. PUGH:

Q. Did you leave school at twelve years of age?—A. At twelve years of age. I was born in 1823 and went to business in 1835. Now, it is hardly modest in me to say it, but the fact is I knew more at twelve—I mean I had a better knowledge of my studies at that age—than the boy of to-day has at fifteen. Every distinguished foreigner that comes to this country is paraded around among our public schools, and we talk to these foreigners in fine English about the beauties of our schools, and we give "taffy" to our school principals, and everything looks glorious, but the fact is that it is disgusting to a man that knows anything about it. I am now talking of the city of New York.

The CHAIRMAN. The same thing is true of all the schools throughout the country. The common schools in my State were very much better thirty-five years ago than they are now. The teaching was better. A boy of fifteen then knew more than a boy does now at eighteen; and boys would remain at school until they were twenty-one, twenty-two, or twenty-three years old. Many boys from the "back woods" left school then knowing something of algebra and geometry and the higher and more difficult portions of arithmetic, and often with some knowledge of the languages. But that is all done away with now; the common school of the rural district is nothing compared with what it was years ago. The self-conceit and vanity of our Northern people over their common-school system, which is a sham as compared with what it was twenty years ago, is one of the most alarming features of the situation throughout the northern part of this country.

The WITNESS. I quite agree with you.

The CHAIRMAN. And the proposition to extend national aid to the public schools deserves serious consideration; for the North really needs it as well as the South. Unless there is some waking up among the Northern people, the schools of the South will, in ten years, surpass in usefulness those of the North.

The WITNESS. I have one son, and I educated him at the public school, believing that what was good enough for me was good enough for him; and at fifteen he did not know as much as I did at twelve.

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THE COLLEGE OF THE CITY OF NEW YORK.

On looking into the matter I found that the chief of the school had a pride in stuffing a hundred boys just enough to enable them to pass an examination for entrance to the free college of the city of New York, an institution which is a curse to the city. Whatever else he might be ignorant of, a boy must know enough of certain particular branches to enable him to pass an examination for that college. Fortunately he failed to pass the examination, or else I should have been without a son—there would have been nothing of him by the time he passed through the New York College. He is a member of my firm now, and got most of his education in the office. He left school at fifteen. I gave him three more years schooling than I had, but he did not know as much when he left school as I did when I left at twelve. Yet this was the noted school of the city of New York, for every year it sends more students to the New York College than any other school in the city; it generally sends up about a hundred. The gentleman who managed that school is to-day at the head of the Normal School for Girls in the city of New York, a man of the highest intelligence and of the highest character, and yet, I am sorry to say that I believe he has never understood public education.

I know a public school in the central portion of the city where the principal had political influence enough to keep himself there ten years after he became a drunkard. It is true he was not drunk in his school, but he went to bed drunk at least five nights in a week. The assistant teacher was a man of extraordinary ability, and I suppose the only reason why he stayed there was, that he hoped this fellow would die in one of his debauches. But no one could remove him. Parents begged for his removal, but it was of no use; they couldn't touch him, he had so much political influence. That is a wretched state of affairs. There was a time when, if I wanted boys for my office, I could go to the public school and state my wants to a man that I had faith in, and ask him to pick me out a boy, and I could get one, but I can't do that any more. I can't get such boys; I have tried, and it wouldn't work.

DEMORALIZATION CAUSED BY FALSE EDUCATIONAL METHODS.

If they have any brightness in them they go to the New York College, and want to be lawyers and doctors and merchants and bankers and brokers. They want to live a life of elegant leisure. I know mechanics and others who have strained every nerve to educate their boys in the New York College, so that in their old age they might have some one to lean upon; but when these boys had been educated by the charity of their city and the kindness of their parents, and when they had graduated at the college they did not know their parents any longer, speaking figuratively. They were educated away from their parents, and had lost all sympathy with them. I know a woman who made great sacrifices to educate her girl at the Normal College. She was educated out of sight, and was lost to her parents and to her friends forever. These are serious things, Mr. Chairman. A man who is in active life and mixing with the people in a great city sees every day things that shock him.

With regard to these colleges in the city of New York, the college for boys, as well as the Normal College for Girls; I suppose it takes four or five years to graduate boys and girls out of them. The poor tax-payer who is willing to contribute every year a part of his property to sustain these institutions cannot avail himself, unless he happens to have but one child, of the advantages of the free college; while there are rich

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people whom I know who send their boy for a year to a public school (which it is necessary to do), in order to entitle them to get a free education from the City College for five years. I think the law contemplates that in public education the children of the poor should receive sufficient education to make them intelligent citizens, to give them a starting-point in life. They should learn to read and write and know what is going on in the world; but to give them a classical education at the expense of the tax-payers is an outrage. I would make a free college a technical school, and I would graduate from that school, after proper instruction, all bright boys who showed an aptitude for mechanics or for useful scientific pursuits. I would have in New York City such a school as the Stevens' Institute, of Hoboken, N J. That is the kind of free college we want here. Then we would produce men prepared for useful callings, and would not be filling the already overcrowded professions; making consumers and not producers. But I suppose it will be the next generation before that can be accomplished.

And if it is necessary to prepare female teachers in our normal college, I would give them that education that is so much wanted, a practical one, so that they can take their places in the public schools of New York, and teach the girls of those schools useful things; things which will fit them to better perform the duties of wives and mothers of our mechanics.

## TECHNICAL EDUCATION.

While on the subject of education I would state that I was chairman of a committee appointed by the Carriage Builders' National Association of the United States, in 1882, on the subject of apprenticeships, and among the duties of that committee was the preparation of an address to the officials having connection with public free education in the United States. That address was issued in large numbers to these officials. With the permission of the committee I will read it:

*To officials and official bodies in the United States having the supervision of public education:*

The Carriage Builders' National Association of the United States, in behalf of the industry represented by them and of other mechanical industries of our country, beg leave to call your attention to the necessity of some change in the course of study in our public schools that will prepare those who intend to become apprentices in trades and mechanical pursuits requiring a high standard of taste and skill.

This association, having recently established in New York City a school for the advancement of technical knowledge among the apprentices and young mechanics of our trade, have at the outset been met with the serious obstacle that very few of the pupils, although they may have attended the public schools of this and other cities, have had any instruction in free-hand drawing and geometry, so necessary to all who wish to engage in the higher mechanical pursuits.

We are well aware that the studies above referred to are included in the ordinary school course in many of the cities and towns, but we beg leave to call your attention to the fact that boys intending to learn trades leave school earlier than those intending to follow the professions and other pursuits, and usually before reaching that part of the school course in which free-hand drawing and geometry are taught. Thus they are deprived of the very studies which they specially need to make them skilled and intelligent mechanics.

Your attention is further called to the fact that the advance already made in the mechanical arts in this country calls for a higher standard of taste and skill than heretofore, and there is every evidence that a still greater demand for skilled workmen will arise from year to year in order that in our rapidly increasing production we may successfully compete in the markets of the world with the manufacturers of other countries. At present we are dependent in a great measure upon artisans educated in their trades abroad; but the number of this class seeking our shores for employment is lessening every year, and has almost entirely ceased in many of the

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trades calling for the highest skill. The lack, too, of any well established apprenticeship system in this country precludes any relief in the near future from that source.

We therefore deem it highly important to reinforce the ranks of the mechanics by a system of public-school education which shall earlier fit boys to enter into trades, with some assurance that their preparatory studies are likely to assist in making them intelligent and skilled workmen.

WILLIAM D. RODGERS, *Pennsylvania.*
CHAUNCEY THOMAS, *Massachusetts.*
LOWE EMERSON, *Ohio.*
W. N. FITZGERALD, *New Jersey.*
WILDER H. PRAY, *New York.*
GEO. W. W. HOUGHTON, *New York.*
JOHN W. BRITTON, *Chairman.*

*Committee of the Carriage Builders' Association on Technical Education,*
1581 *Broadway, New York City, March,* 1883.

That was the circular issued by this committee appointed by the Carriage Builders' Association, an association which has existed for some years. As I have remarked, a large number of these circulars were issued and addressed to people having charge of the educational interests of the country, and who ought to be interested in the subject-matter of the circular, because they are paid for their services as teachers; but we received, I think, only six or eight responses. No one seemed to take the slighest interest in the subject. It would probably have been very different if we had issued a prospectus of a new gold mine or a new railroad to be bonded for four times its value.

We have also issued circulars requesting information as to the laws of the several States and the customs in different parts of the country respecting apprentices. To these I think there were perhaps ten responses. There is one carriage-making center to which we wrote for information on this subject of apprentices—and I am only pointing out now the inattention of the employing class—from which a most intelligent manufacturer wrote us an answer saying, "We have no apprentice system in this State; we have no apprentices; if we want mechanics we draw them from other places." Yet in that very place they are building up a town devoted exclusively to carriage-making; at least, that is the chief industry of the town. The employers are indifferent to their future interests; as long as they are making money now, and for the present time, they are satisfied. I am engaged just now in writing a report on this apprenticeship system, to be presented to a convention that will meet next week in New Haven. I may devote a whole week to the preparation of such a report, and after presenting it, every man goes home and does nothing. You might have a Divine revelation to the effect that that paper contains wise and good suggestions for a law on that subject, but it would not have the slightest effect. The trouble is that we are becoming demoralized. I remember that in the early part of the war many good people were saying, when the men were marching to the front, "What shall we do when all these soldiers come home; they will be so demoralized in the army?" The fact was, however, that it was the people who remained at home that got demoralized. We had men from our shops who went into the army who came home infinitely better than when they went; common soldiers, too They had learned—what the average American needs more than anything else—they had learned discipline.

Our schools need discipline. We are the great American nation, but we don't seem to profit by what other people have learned and practiced for centuries.

When I want boys of peculiar skill of whom to make draftsmen, I have to go to a public school at College Point, Long Island, which is

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under German teachers. These German boys have had, perhaps from their infancy, some ideas of art given to them in a rude way, and at this school in College Point they get free instruction under German teachers. Why, in the kindargarten school at that place, as soon as little children are able to toddle a slate and pencil are put into their hands, and they are taught the rudiments of drawing, and when a child—or, for that matter, a man—learns to draw a line of beauty he has elevated himself, and has more respect for himself. I know some mechanics—good mechanics, too—men who work well with their hands but have never learned to use their brains, have never learned to draw—who cannot take up a drawing and work from it in their own trade. Not having been taught drawing, they cannot understand it. I know a gentleman who built an elegant country house within 40 miles of New York City; he wanted a fire-place, to be built of brick, and he had working drawings for it, but he could not find a man in the county who could understand the drawing. They had never been taught even the simplest rudiments of that important branch of a mechanic's trade. I would make every boy and girl that received a public education learn to draw. In this country the mechanic is the superior in working power of the mechanic abroad. But compare him with the Frenchman. The Frenchman is instinctively an artist. He may only be a laborer, but he has the intuitions of an artist. Why is it that Paris supplies the world with things of beauty? Because for fifty years the French Government have seen that the people get the sort of education that will make them more efficient, and will make them earn more for themselves and for the nation. Of course, under our form of government we cannot do that, but what the Government do in France the people should do here. London is now waking up and following Paris. New York is doing but very little in that direction.

I know a technical school here that is now higgling as to whether they will pay $2 or $2.50 a night for the employment of a competent teacher, because they have not the money in their treasury. Yet New York is full of millionaires whose property is here and who have the highest interests in educating the masses of the people and making them feel better and more contented. They stand aloof and do not come to the aid of such institutions. When a subscription paper is presented with a request for a subscription, one man will say, "Certainly I will give you $25," instead of saying "$2,500." That would be enlightened self-interest, for these things enhance the value of men's property. But we have made money so rapidly—at least we think we have—that there is an indifference to everything but money-making. We have no parental government, of course, and so, when the citizen lets things go as they will, there is no help for it. In Germany the Government believe that it is under a moral obligation to look after the interests of the workingmen. In the absence of that spirit in government—and I do not want to see that sort of government established here—the citizens must be awakened, and every man must do his duty. At this public school at College Point they have a room set apart called the mechanical classroom, where, every day, boys learn the principles of drawing and of geometry. Why, if a boy understands something of the principles of geometry and has done something at free-hand drawing—even in a rude way—when he comes into our wood-shop to learn a trade it is equivalent to two years' experience to him. I can bring a hundred people of experience and intelligence who would be willing to come on the stand and tell you the same thing.

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## CLASSICAL EDUCATION.

The kind of education our boys want is not classical education. I believe that the average boy who is sent to acquire a classical education is ruined by the time he gets through with it. If he has any good horse-sense in him it is educated out of him. If he is a boy of great genius, of course you can't educate him to death; he will grow under the pressure; but if he is an ordinary boy, "good-bye" to him. Look at the colleges all over the country. Whenever I find a rich man dying and leaving a large amount of money to found a college, I say to myself, "It is a pity he had not died while he was poor." When young men have applied to me for a situation, saying that they were educated at this or that college, I have had to say to them, "I don't want you, young man; you don't know anything." And when a man thinks that he immortalizes himself by leaving money enough at his death to build a dormitory or a wing to a college, he makes a mistake, for all the fools send their boys there—to their ruin. Of course, I would not destroy all the colleges. I would simply make them better.

By the CHAIRMAN:

Q. You would turn them to some useful purpose?—A. Yes; I would make them better than they are. The best of them now are doing better. Yale and Harvard are recognizing that there is something besides the classics that boys ought to know. When all the colleges recognize that there are modern things which boys should learn in order to fit them for life, the colleges will then be a blessing.

## TECHNICAL SCHOOL FOR THE CARRIAGE TRADE.

In the carriage builders' trade we have been doing something to meet the want of technical education among our young people. We have established a technical school for our own trade, which has been in operation for three years. I worked for several years at every convention of our carriage builders to awaken interest in that subject. Finally we got to Chicago; and I tell you that is the place to start, if you want to raise anything. There is something in the air there that lifts men right up out of their selfishness. As soon as I got on the platform and pleaded for the establishment of a technical school, we raised $7,000 or $8,000 right on the spot, and we started our school. But I will tell you what our trouble is now. There are just two or three people that have undertaken to look after it, and they are obliged to do it. They do their duty as far as they can, but the entire trade forgets that there is such a place. Over and over again we have asked they should send models to us. We send circulars to large manufacturers, saying that our school is established and that we want models for the purpose of teaching our young men by means of practical demonstration; and they put the circular in the waste basket, and we hear nothing more of it. That is the rule. To this, however, there are few notable exceptions. I only mention these facts to show you that we are all a little too indifferent as to our duties; we seem to be satisfied if we can put up a new wing to our shop every year, and increase our business so as to sell each year a little more than we sold last year, and so keep on making money.

Q. How much more intelligent are these men themselves? Do they understand these scientific matters?—A. Well, sir, it will hardly do for me on this stand to criticize my calling, with all these reporters here. I lack this scientific knowledge myself.

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Q. But what makes this great difference between your attitude on this subject and the attitude of the others?—A. I cannot say that.

Q. What is the reason of the indifference of these men?—A. I cannot say that, without implying that I deserve more credit than others. I do not say that the entire trade is that way, but the great majority of them are; most men are interested first in making money. I am naturally proud of the advancement of my trade. I can remember when a carriage-maker did not amount to much. I can remember that within twenty years a small money-broker with whom I had been in the habit of trading moved into a house across the street from mine, and he was very cool for fear that he would have to associate with me and my family. The small money-broker, with one-quarter of the capital that we employ, feels himself much better than a carriage-maker, and the public recognizes that fact. I can remember that when on one occasion a carriage-maker was elected to a noted club founded by the "blue-bloods"—I don't know how he got in there—it was a matter of the greatest astonishment how he did get in.

ADVANTAGES OF ASSOCIATION.

Now you can understand why I am anxious that my trade should work up into a good condition. I worked for years to establish a national association. I know that in union there is strength. I know that when we established a national association representing seventeen States, and some of us went as a committee representing that association at Washington, the doors were open for us. Formerly when we protested against an injustice which had existed for twenty-five years in New York, our petition and protest was looked upon as nothing, but it was different when we went to Washington representing an important organization taking in the membership of seventeen States. And although the Treasury Department was very busy and could not see us when we went there individually, they managed to see us immediately when we went as representatives of this association. And when we called at the Patent Office, after 3 o'clock in the afternoon, and the office was closed, it made no difference; we went in and were accorded a respectful hearing; and not only that, but one of the committee got a patent on an application that had been rejected by all the former examiners before whom it had come. The examiner of that day, after hearing an examination, gave him a patent, so that the trip was advantageous to that committeeman in more ways than one. That is why I am anxious that our trade should occupy a first-class position. This position cannot be reached by "gas." There must be some good foundation for it. The people who are to come after us in our business—those who are to be the colleagues of my son, who is my partner—must be educated up to the point where they will thoroughly understand and appreciate their business.

CARRIAGE MAKING IN ENGLAND.

Why, the coach-makers of London had the export trade of the world until their heads grew so big that they thought there was nobody else coming, and they have lost that trade now. I was talking once with an intelligent man who sold supplies to the carriage trade of London. He went to the continent on one occasion, and on his return one of the London carriage-makers said to him: "You have seen the great carriage houses of the continent; now, what does London need?" And he said, "a few first-class funerals." Those old people who are stand-

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ing on the heads of the younger ones, who won't do anything themselves, and won't let the young people do anything, let them get out of the way. When they are out there will not be so many prejudices to overcome. When an American wheel was presented to an English coach-maker, he said, "What do you claim for it?" and on being told "it will last twice as long as your wheel," he simply replied, "I don't want it." So London has lost its trade; France, with her technical schools, has taken it all away from them, because the carriage-makers of Paris are alive to the situation.

Speaking of the apprentice system: If we find an intelligent boy that wants to learn a trade, and he comes to arrange the matter with an employer, the chances are that the boy's mother will come along and say, "We don't get our breakfast until half-past seven, and you must make an exception in James' case." Well, we let her down easy, and simply say "no." A young fellow came into our office some time ago, and said he wanted a place. He was seventeen or eighteen years of age and well educated, and I was surprised to think that he was so willing to go into a mechanical pursuit. I told him he would have to work hard, and be on hand at 7 o'clock in the morning. He said: "I understand that; I will be here early. My mother is well enough off to keep a servant, and keeps one, and I will make the servant get my breakfast in time." He said he had been looking about in Wall street, and had got discouraged, trying to get into a broker's office. He worked with us until Friday night, and then left a polite message to say that he would not be able to come again, as the broker in Wall street who had promised that if he ever wanted a boy he would take him, had sent for him. That is a fair sample of the way things are going.

## HOURS OF LABOR.

I understand that one witness here has stated that the hours of labor should be shortened. I do not think that there is any need of shortening the hours of labor in any of the ordinary occupations of the mechanical classes. There are trades and callings that are very hard work, and exhausting work, and men are at their best when they first go into them, and deteriorate constantly while in them. If ten hours is a fair day's work for ordinary occupations, these men ought not to work over seven or eight. But I think that the general idea that men work too long is fallacious and has no foundation in fact.

Q. How many hour's work constitute a day's labor in your establishment?—A. Ten hours. We have made some voluntary concessions; for instance, on Saturday night we let the men off a little earlier, and in the extreme hot weather we give them a little longer time than usual at noons. That is done voluntarily.

## STRIKES.

Now I should like to say a few words on the subject of strikes. My observation proves that strikes originate generally in large shops and among large bodies of workmen. The question that naturally suggests itself is, why? I have looked into that subject and my answer is, that the man who employs twenty-five or fifty men becomes personally acquainted with them, and if a man in his employ has a grievance he comes to the employer directly and states his grievance. In large shops one man doesn't count, so the men organize a committee, and the committee come to the office. I went through this eight-hour strike in 1872. I was treasurer

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then of the only employers' association that I ever joined, and the last; and I had an opportunity of getting a pretty thorough knowledge of the workingmen, as well as of the "bosses." And when Anna Dickenson came to me and said, "I want to talk to you about this strike, and you can talk to me freely, because I am on the side of the employers," I simply told her, "Well, I am on the side of the men." I saw the utmost selfishness displayed by the employers in that strike, and I saw workingmen in it that made the greatest of sacrifices for their fellows; and whether they were right or wrong, we must admire the spirit of sacrifice. We burnt gas for six weeks and issued documents by the barrel, and brought leading manufacturers to this end of the country; we had men come in there who used our gas, our paper, and our printing material, and when we assessed them $20 apiece I had to give a man $3.50 a day to collect the money. I was treasurer. Each member of the association was assessed $20 to pay expenses; some of them represented millions of money, and I came short on the collections about $200, which I had to pay out of my own pocket. Yet, another man collected $2,500 to prosecute the strikers. I don't believe that employers, taken as a class, are any better than mechanics.

HOW TO TREAT WORKINGMEN.

I have learned to respect working people, because I have seen so much in them which the people who only look at their dirty clothes do not see at all. I come in contact with the people. I do not hesitate to say to my men, as I did say to them last October, "We have never had but one strike in this shop and we will never have another. I would rather suffer any loss than have a strike. You may make demands on me that are unjust. If I cannot talk you out of them, show you that you are working in the wrong direction, and are killing the goose that lays the golden egg, I will yield rather than have a strike. I won't embitter the shop against the office for the sake of a few thousand dollars." I have a rule in my shop to the effect that if a man has a grievance he comes in and tells me of it, and I do not receive him as if I were the biggest Indian in the world and as if he were of no earthly account. The moment you take away a man's self-respect, he is hard to deal with. You will succeed very much better if you treat him as a man and an equal. In this country all men are equal before the law, and if a man comes to you about your own business, or any other business, for that matter, even if he is a little dirty, he is entitled to fair treatment. I am not in politics, and am not giving the working people any "taffy." I have practiced what I preach.

I can give you an instance of how things should be between employer and employé. Two years ago we were working all piece-work, and we were debating about the future, and so failed to give out the work, and some of the men were waiting for it a month or six weeks. The first thing I knew, we heard that the shop was agitated; that this delay was considered a plan to bring about a reduction of wages. I considered that a great misfortune. Perhaps some employers would say, "That is a good thing; they ought to be frightened once in awhile." I went right up to my men and said, "I have heard the rumor that is about, and I feel very much aggrieved by it. I supposed that the relation between the office and the shop was such that you would not think we would descend to a trick in order to lower wages. When we want to lower wages we will come to you and tell you the reason why we ask for the reduction. Don't ever believe that we are trying to fix things in the office so as to deceive our men." You must always carry out your promise to



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men; even if you are foolish enough to make a thraet, carry it out; but you must give your men confidence in your honor and integrity; you must have proper relations with them. When there is one man on one side of the fence and five hundred on the other, and the one man has all the money and the others little or none, there is no use going around in grand style, making a loud noise, and getting their ill will. In the first place it is not right, and in the second place it is not profitable. I am not afraid to say publicly here, that I am not afraid of my men, nor afraid of ever having a strike in my shop. I believe in the justice of the workingmen if they are shown that their employer is not going to take any advantage of them.

There are some people who will come to men and tell them that they will have to take less wages or go, and the man says to himself, "I can't afford to be idle; and I will have to take it." We don't do that. There has been no change in the wages of our men since the spring of 1880–'81. Then trade was prosperous, and we raised wages 10 to 12 per cent. without their asking for it. That is the right way to raise wages. I have no doubt that when trade was dull and there was a general disposition throughout the country in our branch of business to stop production, our men have been ready to hear from the office as to a reduction of wages. But I said, "These men didn't take advantage of us when we were doing well; they must have seen that we were making money, and did not take advantage of it nor take snap judgment on us. They have treated us well and we will treat them well." That is perhaps a little bit of sentiment, but sentiment has its important place in any scheme for the harmonizing of capital and labor.

### TRADES UNIONS.

I tell my men I don't object to their joining trades unions. I do not believe in trades unions; I do not believe in giving up to any irresponsible man my right of private judgment. That is the reason I belong to no association. I would not join an employers' association under any conditions. If any among them is fool enough to quarrel with his men I am not going to help him. Let every tub stand on its own bottom. I say to a man that he can join any trade union or association or church or school that he pleases. It is his business.

Some time ago, at Newcastle-on-Tyne, the manufacturing business was prosperous and the workingmen were satisfied with their condition. They had no organization, however. The employers had an organization headed by Sir William Armstrong, the great manufacturer of guns. Ten miles off there was a competitive industry, the chief industry of both places being iron work. The men at the competing point had organized and asked that nine hours be made a day's labor. Their request was granted. When the news came to Newcastle the men there said, "We had better organize and ask our employers for the nine hours." So they appointed a committee and wrote an address to the employers' association, directed to "Sir William Armstrong, chairman." It was couched in respectful language, calling attention to the fact that in a neighboring city the employers had granted to the men the nine-hour regulation, and presenting their argument on the subject and asking that the employers' association would meet a committee of the men. They waited two or three days and then got a letter from the attorneys of the association, who wrote, that by order of Sir William Armstrong, chairman of the association of the employers, they begged to say that the association did not and would not recognize any organization of

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employés. The men were astonished, and addressed another note beseeching them to grant them at least a hearing, but no answer came to that. Then they struck, and I should have hated every one of them if they hadn't struck. They were out on that strike for twenty-five weeks, until all of the other interests in the town took the matter in hand, and went to the employers' association and said to them, "You must do something to stop this strike; we are all going to ruin." After a good deal of delay and perturbation the employers yielded and met a committee of the men. Now, can you imagine any possible event that could have a worse influence than that upon workingmen? There was a large number of intelligent employers so stupid as to deny the right of their men to organize and do just what these employers had been doing undisturbed for years. That is what causes strikes.

### THE KIND OF EMPLOYER THAT CAUSES STRIKES.

In a strike that took place in 1872, an employer in the brown-stone business stood up in a meeting of the employers and told what indignities he had suffered from his men—and they certainly were great indignities. He and his partner were themselves practical stone-cutters. They had a contract which they were obliged to have completed by a certain day, and they could not get skill enough, in their estimation, to complete the contract in time; so one of the employers took his coat off and went to work with his own hands. Every man in the yard stopped work at once. They said it was taking the bread out of the poor men's mouths. It is hard for an employer to stand that. Another man at this meeting stood up and said that it was a terrible state of affairs, but that it was the employer's own fault to allow that sort of tyranny to grow up in his place. "If a man comes to my office" he said, "and says, 'I want 25 cents more a day,' I tell him, 'The first thing you do is to take off your hat,' he takes it off. The next thing I tell him is, 'Now, you leave; I don't propose to have any man talk to me like that.'" That, to my notion, is the kind of employer that causes strikes. I can show you some of the best employers in New York City who have had strikes in their establishments, but it is owing to the influence of other employers who have oppressed their men and forced them to combine. The just employers have had to pay the penalty of the bad work done by others.

### DISADVANTAGE OF DEALING WITH COMMITTEES OF WORKMEN.

One of the practical difficulties which I have seen in my intercourse with men is, that the business between the workshop and the office is generally done by a committee. That is a most unfortunate thing. The shop has a grievance; the men hold a meeting; it is all debated and rehearsed; a committee is appointed to wait on the "bosses" and protest against it and ask for a change of programme. This committee is naturally selected from among those who believe with the men and favor them. They go down to the office and it is debated there, *pro* and *con*.

Now, I do not care how correct and just the position of that employer may be, when that committee returns and reports to the full meeting what has been done in the interview with the employer, the committee have to garble the account. If they take up the side of the employer, there is a suspicion that they have been bought, and the question perhaps is asked, "How much did you get?" They have got to distort

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the argument of the boss, whatever it may be. They cannot, and dare not, tell the whole truth. There is no man bold enough to stand up in a shop of 500 men and be under the suspicion of selling out the interest of his fellow men. That is a position that I have never seen any man bold enough to stand. And they are very careful that such a suspicion shall not be aroused. They would rather lie than be supposed to be false to the interests of their fellow men. When we had the strike of 1872, and saw the results, I made up my mind that I would never under any circumstances, make a reply to a committee on any important subject. If it were a question of general advance of wages, or of shorter hours, or or any question of similar supreme importance to both the men and ourselves, I should weigh every word of argument presented by the committee, and I should give it fair consideration, and then I should report direct to the men themselves, so that my position should be thoroughly understood, and not garbled.

By Mr. PUGH:

Q. You spoke of the skilled mechanics in your service who had reached a degree of knowledge and skill in their business that was surprising and exceptional.—A. Yes, sir.

Q. I would like to understand what sort of beginning those men made in your service from which they have reached the position that they now occupy?—A. Well, sometimes these men never advance; while they have an extraordinary intelligence, they are not ambitious; they are rather students, but their influence is good in a shop.

Q. How did they commence in your service—in what capacity?—A. One of the most intelligent men in our shop came first as a helper at a forge. He came from Richmond, Va.—although he was born in the North—and worked in the Tredegar Works. When the foreman in that department of our shop became dissatisfied with the business and left, I immediately put this man into his place; although he was not a full-fledged smith but only a helper. Some of our men left in consequence—because I had promoted this man. If they had all left, it would have made no difference. That man has been foreman of our smith-shop for a number of years; he is a man without any early education, but a good man. He studied some of the sciences and is a man of great intelligence. He attends strictly to seeing that the apprentices in his department get their lessons every day. In the smiths' department the boys are generally without education. The educated "pretty" boy does not want to be dirty. But I think the smith's work is one of the noblest of all occupations. No stupid or dull man can ever make a first-class smith, because a smith has largely to work from his own instincts, and with his eyes. He has not an exact pattern, as other mechanics have, to work by. There is a gentleman in this room listening to this testimony, who has been with us many years, and I think he was one of the committee that formed this industrial association. He was a journeyman before he came with us, and for some time afterward. He became superintendent by our promoting him from the bench, and he is now the chief of our technical school, and has been such for three years. That man has never had any of the advantages that people in a different position in life get from contact with higher classes of persons. He has been a steady worker, and is a natural gentleman, with all the instincts of a gentleman.

Q. What is the general condition of those persons who work for you, in respect to the houses they live in, the food they eat, and the clothing they wear—their general comforts in life?—A. Well, careless, indifferent people drop out from us; they do not become fixed. When business

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slacks up and dull times come, the dull men drop out and go somewhere else; but our steady force—the men that have been with us for years—are comfortable. When they come to the shop in the morning they show that they are comfortable, and I have been to the living places of many of them, and I know that their condition is very good.

WAGES OF CARRIAGE MAKERS.

Q. Upon what rate of wages have they been able to live in that condition?—A. Well, a man can live in good condition for $3 a day. We have men that earn twice that—very fast and very skillful men, who work by the piece.

Q. Is the labor you employ graded or classified in any way?—A. Oh, yes; in the paint shop it is graded, but rather by ourselves than by the men. There is one branch in which all men are treated alike; it is an error and an evil, but we have never been able to rectify it. It came with us in our organization and it is with us yet. That is, that all body-makers get the same price for their work. I know men who are so conscientious that they are only making one-half what a faster man will make. He is not a better workman perhaps, but he takes great care not to slight anything, and he cannot therefore earn more than half wages. By reason of this man's reliability and steadiness I would give him willingly more than I would give to others; but once I offered to give such a man in the shop 25 per cent. more, but the men objected. They want all to be graded alike. There are a good many singular things that have popularity among workingmen that you cannot very well explain. The man who is entitled, by reason of the excellence of his work, to 25 per cent. more, never makes any effort to make up for his loss in a department like that; he is satisfied to put in his work at the same price as the inferior man. It is a marvel to me, and I have discussed the matter with the men, but they say it has been so long in vogue that it won't do to change.

Q. Do your men work by the piece?—A. Largely by the piece. I think that is the best way. I think that the man who works for himself and has no one to watch him to see whether he does a day's work in a day, or an hour's work in an hour, is a more manly man.

Q. What is the average pay per day of the workingmen in your establishment?—A. We employ men in the paint shop that are hardly more than laborers; they are "rubbers." I suppose the average of the fair mechanic is about $2.75 per day.

Q. Is that any higher or lower than other industries requiring the same grade of skill?—A. No; I think that in the mechanical trades similar ability gets about the same compensation.

Q. I have been so impressed by the extent of the knowledge which you have displayed to the committee, that if you have no objection to tell the committee how you acquired that knowledge I should be glad to know it, inasmuch as you say that you left school at twelve years of age. I am curious to know how you acquired so much information?—A. Well, sir, it was not a rare thing, when I was twelve years of age, for a boy of that age to know a little something. I can remember that there were three hundred scholars in public school No. 7, in Christie street; that was considered a large school in those days, and I was either second or third in ability in the writing class of that school at twelve. Nowadays a boy at twelve in the public school is hardly out of pot-hooks. I do not get a boy from the public school nowadays at fourteen who is much of a writer.

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Q. A boy at fourteen to eighteen is not in a very mature condition intellectually. You must have acquired a vast amount of information after you left school; and I should like to inquire, therefore, what have been your habits in respect to reading books, and what has been your application to the work of gathering the thoughts of other people?—A. I have never been a student of books; I have taken it right from the fountain head. I have mixed with people, and talked with them and have been a constant reader of newspapers. My first experience with newspapers was with the old Courier, of James Watson Webb. I had an opportunity of reading that paper by accident, after the parties who had it were done with it. I read it faithfully, and I have read faithfully the newspapers of the country since. I have spent very little time upon books, but I devour newspapers. I have a general knowledge of literature, but I do not get it from reading books; I have not had time. I read all the criticisms. I have read the criticisms in the New York Tribune ever since it was published. I thus get a general knowledge of what is going on in New York.

Q. You endeavor to get a knowledge of the daily events of current history?—A. Yes. I would have the newspaper read in every public school if I were "boss" of it.

Q. You have acquired, then, your knowledge by association and personal observation and by reading of the newspapers?—A. Yes, by friction. I like to interest myself in anything that is going on near me.

Q. Could not a young man that had naturally the right sort of qualities make himself, as you have made yourself, without the aid of industrial schools?—A. Well, that is assuming that all men are about alike, but they are not.

Q. You think there is a great difference in men?—A. There is a great difference among men. One man may be without as much power of observation as another man. There are some men even of mature age who cannot cipher a man out in advance of their business with him. They have to wait until the end of the transaction to find out what he is. They cannot look at a man and cipher him up in advance, as other men can.

## SELF-MADE MEN.

Q. Are not our most successful merchants and traders and financial and manufacturing men, and even men in the professions, largely men who made themselves?—A. Yes, sir; I think there is hardly a question of the truth of that.

Q. The self-made men are the leading men in all these pursuits and industries?—A. In a country like this I think that follows generally; but you must understand that we are not now trying to elevate the leading men, it is the rank and file we are talking of. As I said to you, the boy that is taught to make a beautiful curved line is elevated by even that simple thing.

The CHAIRMAN. We are not trying to make the leading men, but common men?

The WITNESS. Yes.

Mr. PUGH. I mean by "leading" men the men that move the world; that give direction to the thought and energy of the country. I do not mean "bosses."

The WITNESS. I understand that. This is certainly a glorious country for opportunity. A man has no stone upon his head here unless he carries it voluntarily. He has a clear road if he wants to go up.

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TRADES UNIONS.

I should like to say a few words more on the subject of trades unions. A man once asked me this question: "Do you think that trades unions have been a necessity in England?" I said, "Yes." "Well, why do you think they are not a necessity here?" "Well," I said, "the great choice of occupations in this country will prevent any class from becoming oppressed for any length of time. A man here may be a common day laborer, but if he has the right material in him there is no reason why he should not occupy the best place in the nation. My father was originally a shoemaker, and afterwards a public cartman in the city of New York. That was no reason why I should be a cartman or a shoemaker. But, if I had lived in England and my father had been a cartman or a shoemaker, the chances are that I would be one. When great bodies of men are born and brought up in cities and have not had any opportunities for outside observation, and employers combine to regulate the hours and prices of labor, I tell you that these men are justified in organizing against the employer. But in this country I do not see the necessity. The right is unquestionable, but the necessity does not exist. If a man is oppressed in one occupation, this whole wide country is open to him and he can change his occupation."

By the CHAIRMAN:

Q. The right, then, to so organize being conceded as unquestionable, if you were a legislator and were applied to by those who claim a chance to exercise that right and who ask the same privileges of co-operation that other men have in other directions, you would give them that legislation, would you not?—A. Yes, I would give them the right, certainly. I would not legislate against the right to combine, within the common law. Of course, these trades unions have done things that are illegal and encroach upon the rights of others.

Q. But the business corporations of the country have frequently done, and do, illegal things?—A. Yes.

Q. You would not for that reason deprive individuals of the right of organization on that account, having extended the right to corporations?—A. No, certainly not.

By Mr. CALL:

Q. I understood you to say that there were three hundred boys in the school with you when you were twelve years old?—A. Yes.

Q. How many of those boys have reached the same point of success that you have?—A. As I never reached the highest class of my school, I did not know them all, and I have lost sight of the smaller boys; but I know that some years ago there was a call for a meeting to form an association of the highest class of my school in my day, and I was astonished at the number of men that reached success in life who went to school at the same time that I did, and who were in the higher class.

Q. What was the number; was it very large?—A. Well, the period covered by the call would be perhaps eight or ten years, and would include graduates of the highest class for that number of years. I believe the association was about a hundred; of men in good positions in life.

Q. In a position of life equal to your own?—A. Well, yes; some away above mine. I believe there were some brokers among them.

Q. Do you consider a broker a better man than you?—A. Well, no; "hardly;" but we have had some discussion upon that subject and I have expressed my mind on it.

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Q. How many of those men that you speak of have built up large businesses?—A. I do not know one that has reached an extraordinary success. I guess that school contained only the dead-levels.

Q. Out of three hundred then, you are the only one that has attained your degree of success?—A. Oh, no. I know one graduate of that school, for example, that is at the head of his business and has a large fortune to back it.

Q. He has a large business?—A. Yes.

Q. This fortune of his was made by him in his legitimate business, was it?—A. Yes, partially in manufacturing, or by skill in the management of his business.

Q. That is one. Do you know of others?—A. Well, I do not know of others that have become of great prominence.

Q. The same degree of success as your own?—A. Oh, I don't want to give these gentlemen of the committee, or the gentlemen of the press who are present, the idea that I am here as a leader. I am here as a worker and a business man. I have a moderately good appreciation of myself, I admit. I suppose you may call me a successful man in the sense that I try to know my own business, and think I know it.

Q. Of those two hundred or three hundred who were at school with you, they all had the same opportunities of reading the newspapers that you had?—A. Possibly not. Mine came, I think, by accident.

Mr. CALL. That is a pretty hard statement.

The WITNESS. Well, my early love for newspapers was gratified, I think, by accident. As a very young boy I was a natural reader, and found this newspaper, and it attracted me.

Q. Which have you learned the most from, from observation (the use of your own faculties) or what you read of other men's sayings in newspapers?—A. Well, I get my suggestions from newspapers.

Q. You do not accept them as established facts?—A. No, sir; I can't agree with the paper that I have taken from the day of its publication, but I can't do without it.

Q. You use your own faculties after reading the newspaper?—A. Oh, yes, of course.

### NEWSPAPERS IN THE PUBLIC SCHOOLS.

In public schools, if I had my way, I would use the daily newspaper as a text-book. The principal should use such parts as are proper, and should read them to the school, and then he should discuss the topic briefly, and if he sees any error in the treatment of the subject he should point that out to the pupils. I think there is no such educator as the press of this country, although I know all its short-comings and wish they were fewer, but there is so much good in the press that I put it very high up.

Q. In the word "press" you mean to include the publication or republication of the best thought and opinion of the world?—A. Yes.

By the CHAIRMAN:

Q. I suppose you recognize that the main objects of inquiries like this should be to fit the mass of men to earn a livelihood by the labor of their hands, and not to become employers and conductors of business on an extensive scale?—A. Yes.

Q. You think that class of men will make their way at all events?—A. Yes; the point is, to better the condition of the working classes of the people.

Q. It is an impossible state of society that the workers should be em-

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ployers?—A. Yes. For example, one man said to me, "Why do you want a technical school?" I said, "because if I want a draftsman or foreman I want a well-equipped man, and I can't get him in the ordinary workman, unless he has had some opportunities of acquiring knowledge that he cannot get in a shop." "Well, is that the only reason? You could send abroad and get all that in men who have been trained in technical schools already established." But I said, "No; I want the example here. If you turn out from a school a thoroughly-equipped man he elevates the trade. He makes the trade more profitable and important; and the journeyman, the common man, must of necessity share in the general success, because it creates a demand for the goods which he produces by his labor."

AMBITION AS A SPUR TO WORK.

By Mr. PUGH:

Q. There are very few men that have not the ambition to become employers; that is a great incentive to the general worker, is it not, the ambition to become an employer?—A. Yes; when he ceases to have his ambition he is not so good a workman, as a rule. Now, the opening up of new communities—the enlargement, for instance, of our trade—drains us of a lot of our best people. They see opportunities to go into new communities where they will get more rapid advancement. The journeyman that leaves us and goes to a growing Western city is apt to come back four or five years hence as the head of a great establishment. Out there, I think, they rate a man a little differently from here. In a Western city it is not the quality of his clothes, or even the amount of money that he has, that they measure him by. If he is an industrious, pushing man, there is somebody there who will take hold of him. I remember presiding at the convention held in Chicago in 1880, and one of the liveliest debaters on the floor, who gave more real entertainment to the debate than any one else, was a young fellow whose countenance was familiar to me, but I didn't know his name. He was from Oshkosh. After the meeting was over he introduced himself to me and said, "You don't remember me; I used to work for you four years ago." He had gone out there, and having more than average ability was taken right hold of. That is the advantage that new settlements have for ambitious young men. A man goes out there who is a little better equipped than his fellows and he soon goes to the top. There are so many at the top here that there is no opportunity.

Q. The top is very much the bottom here?—A. Yes.

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NEW YORK, *September* 28, 1883.

JOHN D. GRIBBON examined.

By the CHAIRMAN:

Question. You are in the employ of the firm of Brewster & Co., of Forty-seventh street, New York, with which the gentleman who has just testified—Mr. Britton—is connected?—Answer. I am employed in the technical school.

THE CARRIAGE-MAKERS' TECHNICAL SCHOOL.

Q. I would like to have you give the committee a description of that organization and of the character of the instruction and the practical methods pursued in that school; what you do, who the students are,

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and in what way you make the institution beneficial to them, and what are its relations to the general work of the firm?—A. The school was established by the Carriage-makers' Association of the United States.

Q. Where is it located?—A. In Thirty-fourth street, near Third avenue, in the school of the Metropolitan Museum of Art. It is in one of the apartments of that association. We instruct young men—apprentices chiefly, it is intended for, but any workman is eligible to be received there. We only charge them $5 entrance fee. They supply their own drawing instruments and drawing boards, and I instruct them in the method of making a working drawing or plan of a carriage with a mode of construction. Generally some young men will be enabled to make a drawing of a carriage complete in perhaps two terms, the term lasting from October until the end of May. Then we exhibit the drawings of those young men at the convention of the carriage manufacturers once a year. We generally have about forty to forty-five students. They come from different States in the Union; Massachusetts, Connecticut, and others. We have one from Wisconsin, a young blacksmith, and one from Dubuque, Iowa. We find that we have made quite a success of the school as far as those young men are concerned.

Q. It is carried on in connection with the business of Brewster & Co., is it?—A. No; it is perfectly independent.

Q. Do you make a carriage?—A. No; we only make the drawings of a carriage; we teach the boys how to make the plans of a carriage.

Q. Like the work of an architect?—A. Yes.

Q. You do not teach the manual use of tools at all?—A. No.

Q. Have the pupils been instructed in that respect at all before you receive them?—A. They must come from a workshop—they must be either apprentices or journeymen.

Q. For how long a time must they have worked in a shop?—A. We receive them after they are eighteen years old. They are generally there for a year or two before they come to the school.

Q. Do you think it better to begin practically at first or theoretically?—A. Well, we can begin with them theoretically at first, and it makes them more intelligent in the use of the tools.

Q. But you do not begin with them until they are actually employed in a shop?—A. Not until they are apprentices.

Q. How many have you there?—A. Forty-four this term.

Q. How long has the school existed?—A. About three years.

Q. Are its numbers increasing?—A. Yes; we first had eighteen, and it is increasing every year and is becoming more interesting.

Q. Do you find any growing inclination among practical employers of workingmen to encourage this sort of education?—A. Yes; they feel the want of it very much, and are very anxious now that I should hurry up these young men in this sort of instruction so that they may take charge of their factories.

Q. I mean any other persons in the country.—A. Yes, sir.

Q. You find a waenking up of employers generally?—A. Yes; all over the country.

Q. How expensive is your school?—A. It pays $1,200 a year, I think, for the use of the room and teachers, and there are certain other expenses that I can't enumerate just now.

Q. One or two thousand dollars, then, enables you to support a school of that kind, I suppose, in the city of New York, having forty-four students?—A. Yes, sir.

Q. It would be a very easy thing to establish schools of that kind throughout the country, would it not?—A. Oh, yes.

Q. There is no intricacy or mystery about it?—A. No, sir.

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Q. How long did it take you to get your school in good operation?—A. Well, the second year we had it in good operation. We were getting some models and drawings.

Q. You could undoubtedly be useful in the way of suggestion and perhaps in other ways to those who would establish schools elsewhere?—A. Yes, I think so.

Q. Would not these pupils of yours be better utilized in the establishment of like schools than in their employment of actual business?—A. Yes; decidedly.

Q. Is there not, then, an opportunity for them to be so employed—as teachers?—A. I think so.

Q. They may become the nuclei of a diffused instruction of that kind?—A. Yes, sir; one of these young men at his home in Massachusetts is talking of opening a school this winter. From the instruction he has received he feels competent to teach.

Q. Would you not think that in this way industrial schools for the teaching of occupations might be more wisely established than by a public system?—A. Yes; decidedly. I prefer this system.

Q. Each trade feels its necessity?—A. Yes, sir; and each trade could establish its own schools for its own wants.

Q. I suppose if the public proposed to contribute a little it would do no harm?—A. No.

Q. Your teaching is with special reference to the architectural features of carriage building?—A. Yes; the mode of construction.

Q. You do not give special instruction to a man who wishes to be a carpenter, for instance?—A. No, sir; but it would tend to that, because it is instruction that may be said to be common to all such trades—the making of geometrical designs, &c. In fact we have to expect them to understand something of solid geometry in order to enable them to make drawings of carriages.

Q. In what occupations could institutions of this kind be established to advantage?—A. In the carpenters, engineers, and cabinet-makers' trades particularly—trades requiring some nice drawings to work with in order to compete with European work. In the ship-builders' trade, too, it would be particularly useful. I believe that Mr. Scott Russell, of England, was the first who thought of these schools originally. He found the great want of his men was a knowledge which such schools could supply, and previously to that time he had been obliged to send to Germany for all his draftsmen. Since then the Kensington people have taken up the subject, and apprentices in several trades have got their instruction in drawing there.

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NEW YORK, *September* 28, 1883.

EDWARD H. AMMIDOWN examined.

By the CHAIRMAN:

Question. Please state your residence, business, and the name of the firm with which you are connected.—Answer. I reside in New York City; my business is that of a commission merchant in dry goods, and I am interested in the manufacture of goods.

Q. I suppose you have a general idea of the subject-matter of our inquiry here. We would be glad if you would state to us such views and make such suggestions as you may think useful to the committee or to the country upon the subjects which we have under investigation, giving such items of fact from your experience and observation as you

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think proper. I will first inquire how large a number of workingmen you have in your employ?—A. I have directly in my employ about five-hundred, and indirectly I have twice as many more, perhaps.

Q. You have been in business about how many years?—A. About thirty years. With regard to the special subjects which the committee have for consideration, I would say—

WHO IS A CAPITALIST—WHO A LABORER?

The expressions "relation between labor and capital" and "between capitalists and laborers," used in the resolution, implies the existence in this country of two classes of persons hostile to each other, and whose relations it is important to harmonize. I doubt whether such classes can be defined by any lines sufficiently marked to permit of legislation concerning them. The laborer is the man who works for daily wages, not subject to or dependent on fluctuations of the value of the product of his labor. The capitalist is the man who employs others to work, and depends for his own living upon the profit he may realize from the results of the labor of others combined with his own. It is evident that these distinctions are not fixed or regular, and that they are more hypothetical than real. The man who employs is himself often employed by others. He is the laborer who by experience or skill is able to combine the inexperienced and less skillful, so as to secure the effect of combination; or who by prudence and intelligence through a series of years has accumulated means to acquire the tools or machines with which he supplies the younger and less intelligent men, to enable them to perform the work for which he desires their service.

The man who receives daily wages may often himself be a proprietor in other enterprises as well as in the business from which he receives his wages. He is then as well a capitalist as a laborer. He may to-day be an owner of the implements of labor and an employer of others, and to-morrow, by accident or preference, be a laborer and work for daily wages. The men assumed to be to-day in one class are to-morrow in the other, and they pass so freely from one to the other, and their relations are so constantly changing that any classification of them seems too uncertain and indefinite to form a ground for practical legislation.

The men of this country may be said to be all laborers, differing in the degree of success which has attended their labors. They are a homogeneous mass with one purpose, advancement in the power to have the pleasures and comforts of life, and security against the distresses of poverty, sickness, and age. For this purpose, and rightly, the laborer who is an employer seeks to employ his men at such wages and under such conditions as will enable him to earn his own living and his industry to prosper. If he fails to do this the men who work for him must soon suffer the loss of employment. The man who is employed, on the other hand, rightly strives to secure the highest rate of wages which his personal qualities and services will command, to enable him not only to get his living, but to advance himself and his family to a higher condition and eventually to secure the advantages which may come from the combination of men under his own direction as an employer.

WHAT REGULATES WAGES.

As the conditions under which this mass of laborers work are constantly changing, as well as their relations to each other, and as the personal qualities of the individuals in the mass differ widely, I do not see how any *direct* legislation can be had respecting wages and the hours of labor which would do more than trammel and hinder the free action of each individual who is best qualified to judge and to protect

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his own interests under the circumstances in which he may be at any special time. It may be of vital importance that a man should work ten, twelve, or twenty hours per day to keep his family from starvation and pay doctor's bills, or that an employer should seek to keep his men at their work beyond the usual hours for a time to save his business from ruin and the men themselves from the consequences of loss of employment. It is possible that excessive competition will compel the employer to lower the rate of wages, or discharge his men, or on the other hand that the demand for labor in any occupation or at some particular time will enable the men to get increased wages. The more thrifty men may themselves desire to work longer hours if thereby they may avail themselves of the opportunity so afforded for increasing their earnings and achieving a higher position. Direct legislation to determine wages or limit the hours of labor would only prevent the industrious and intelligent from reaping the rewards justly due to their industry and intelligence, and thereby encourage idleness and ignorance. The law, if one could be framed, must be general. It could not be applicable to the infinitely varied conditions of labor and qualities of men, and therefore would inevitably be injurious, and would augment rather than diminish the evils it is brought to remove.

### WAGES IN EUROPE AND AMERICA CONTRASTED.

Respecting the condition of the laboring classes of the United States and their wages as compared with those of other countries, the testimony is accumulating daily and seems conclusive to the effect that on the average the wages here are about twice those of Europe, while the cost of living here—in a corresponding style—is not materially higher. In an intelligent report from one of our consuls in Germany it is stated that in that country "four persons are expected to get a month's food supply for $9.50," and he adds, "the chances of the workingman saving any part of his earnings in this country are very limited indeed." It will not be denied that the American workman who should limit his food supply to $2.38 per month, and his other expenses in the same proportion, would save more than two-thirds his wages. The truth is, the people of this country earn more, spend more for personal comfort and education, and save more than any other people in the world. To deny this is to disregard positive and indisputable testimony from all directions, at home and abroad. Witness the deposits in our saving institutions; but what is even more emphatic, the testimony of our own eyes as we go among the people everywhere about us and contrast their wholesome and contented look and comfortable dress with what you see everywhere in Europe. In England especially we find the greatest distress. Her own writers admit that one in thirty-five of her people is a pauper. The discontent and despair of the workmen is evinced by the continual occurrence of strikes, more than three thousand having occurred since 1870, as compared with three hundred in this country in the same time. Bonamy Price, an eminent authority, tells the workingmen their troubles arise from overproduction. Frederic Harrison, another eminent English authority, says, "What do we all gain if in covering our land with factories and steam engines we are also covering it with want and wretchedness?" The testimony from the continental countries of Europe has been of similar tenor, though of late it is evident that the condition of the people is improving—in other words, that the rate of earnings as compared with the cost of living is increasing. The workingmen of England attribute their growing miseries to free trade. "The signs of a dark and difficult future for England," says an intelligent English writer, "are too numerous and too apparent to be ignored.

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The sooner we return to protection the sooner England will see her working people once more fully employed." The working people of Germany, on the other hand, attribute the recent improvements in their condition to the policy of protection which has, within a few years, been adopted by the German Government. In this view the greater number of German economists concur.

LEGISLATION CANNOT REGULATE THE DIVISION OF JOINT PRODUCT.

It is difficult to see how legislation can be fairly and effectively applied to determine the division of the products of labor among those who have shared in creating them. It is the same problem as that of regulating wages. The circumstances surrounding production are so diverse and so unstable that a rule for the distribution of the product which would be good to-day would be bad or impracticable to-morrow. At one time an employer might be earning large profits; at another and for long periods together he would earn little or nothing. It is impossible to foresee the results of any business, and the workman cannot wait for results. It has been found that laws fixing the rate of interest are of no advantage to borrowers, and are a disadvantage to the community in which they exist. In the most intelligent communities such laws have been repealed or so modified as practically to leave the rate to be determined by the parties concerned. If, in so plain a matter as this, legislation has been found impracticable, how can we hope to apply it to the infinitely complicated relations of labor and capital, or, I should say, the employer and the employed. We are met by the infinite diversity of human qualities, and this is multiplied by the infinite variety of the conditions under which the employer and the employed are brought together. No direct legislation can reach and cover these conditions or this diversity of qualities.

STRIKES.

"Strikes" have, as regards both their frequency and importance, been very much exaggerated. During an experience of many years, in the employment of labor, in Delaware, Pennsylvania, New Jersey, New York, and New England, I have never had any serious trouble or annoyance from strikes. Sometimes, though very rarely, a group of operative has combined to demand higher wages, but such combinations have always been met by frank investigation of the merits of the demand, and the difficulty usually adjusted without delay and to the satisfaction of all. Occasionally, but not more than three or four times, within my experience, have the combinations been resisted as unjust and unwarranted; but in these cases the strikes were only of a day or two duration, and terminated by the return of the operatives, generally with an expression of regret and the statement that they had been misled.

Strikes would be of very rare occurence but for the mischievous influence of certain discontented persons who are never satisfied themselves, and have pleasure in making their associates dissatisfied. They are of the class known as agitators and demagogues, and are to be found in every community. Their importance and self-satisfaction depend on the extent of their following, regardless of the justice of their cause or the consequences to their followers. In my experience these strike-leaders have almost always been Englishmen, who have left their own country for their country's good, and hoped to thrive here in an occupation in which they had had too much competition at home. They have uniformly been bad workmen, and upon their discharge the disturbances which had previously occurred have ceased. I have found no serious difficulty with fair-minded and intelligent workingmen, or

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with those who seemed to be willing or able to understand their own interests, or to consider their future as well as their present advantage. From the intercourse I have had with workmen and their representative men I believe they are coming to the conclusion that strikes are, in this country, of no advantage, and that in the long run the interest of the employed is identical with that of their employers, and is not promoted by interruptions of work. I do not therefore believe that any special legislation is needed to prevent or control strikes, and am confident that the existing laws protecting "individual rights," with such amendments as time will suggest, are all that are required to meet every probable emergency growing out of disagreements between employers and the employed.

Strikes, trades unions, and all similar combinations among the employed to raise their wages or dictate to their employers, on the average, do no good, and do not accomplish the purpose proposed. They do not increase wages. They encourage idleness. They also tend to level down the workmen to uniform grades, thereby removing incentives to effort and the rewards of superior skill and talent.

There is rarely any reason in this country for combinations of this kind, either on the part of employers or employed. The natural law of supply and demand will inevitably regulate wages, and no amount of combination will prevent the operation of this law.

As a substitute for such combinations, it would be practicable and much better for workmen and others to combine for the purpose of overcoming the consequences of poor crops, high prices, undue profits of middlemen, and high rents, thereby avoiding unfavorable changes in the cost of living and promoting the comfort and security of their families. The money lost and unprofitably spent in strikes or trades unions might, if wisely directed, do much good in alleviating distress growing out of a temporary rise in prices of provisions, and in securing better lodgings and lower rents.

But the greatest obstacle to the success of such combinations is their tendency to fall under the control of the worst men of the class they are intended to serve—men generally worthless in their business, and conspicuous only for their skill with the tongue. There seems to be no way to avoid this, and so long as it cannot be avoided the usefulness of labor associations is problematical.

## EDUCATION.

In conclusion, I believe that all we require, by way of legislation, to improve the condition of the industrial classes of the United States is the adoption of such measures as will promote the increase of intelligence among them. With increasing knowledge the difficulties and disagreements between employers and employed would be greatly lessened. Their extent is now, I am convinced, much exaggerated, but to hope by any process to remove them altogether is Utopian. The highest authority has said, "The poor ye have always with you." And with extreme poverty often comes, unfortunately, all the long train of human distresses and perversities which all deplore.

The law may provide facilities for education, but how will it make those avail of it who will not? The law may remove obstacles, but many will refuse to improve themselves, though even a penalty were attached to their refusal. The differences in human nature, which begin to appear at the earliest periods of life, will, in spite of legislation and opportunity, continue to exist, and produce the same results as they have always produced; modified, it is true, but never wholly removed by the influences of education, example, and public opinion.

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### THE FUNCTION OF LEGISLATION.

The success of any legislation to promote the improvement of our industrial classes will largely, if not wholly, depend on the encouragement to improve afforded by the certainty that intelligence and worth will have their reward in the esteem of men, and in augmented comforts of life. So long as men feel that by energy, persistency, skill, probity, knowledge, faithful service, no special advantage is to be had; no more of the pleasures of life, no greater security against the perils of age; no more luxuries and enjoyments for their wives and children, no higher social esteem than those may have who have never exerted these qualities, or never denied themselves the present pleasure for the future good, you cannot look for improvement in any quarter. Legislation, then, must not only facilitate education and remove the obstacles to it, but it must so far as possible make certain the advantages of it. To this end it should discountenance the endless variety of communistic schemes by which a few impracticable and many vicious and idle men seek to appropriate the rewards of the provident and industrious. And as the distresses of extreme poverty dominate all the laborer's physical and mental power, and are an insurmountable obstacle to education, legislation should aim to remove the causes of poverty by encouraging industrial pursuits, and affording to all men an opportunity to use their special talents to the best advantage for themselves and the whole community. It is no more practicable to prevent poverty than to prevent sickness; but legislation may aid in either increasing or diminishing it and thus in diminishing or increasing the general intelligence and well-being of a people.

This it has to some extent done in the patent laws. Our laws in defense of individual rights to property answer the same purpose. These laws protect the deserving against mischievous assaults within our own borders. Men generally concur in the wisdom of such legislation, and while in theory advocating the greatest freedom of thought and action, admit that it must be limited by due respect for the rights of individuals and the public welfare.

### PROTECTION NECESSARY TO THE AMERICAN STANDARD OF WAGES.

But in regard to the protection of our national industries against competition from people in foreign countries working under widely different and inferior conditions, there is a difference of opinion. It seems to me, however, that the most effectual way to promote the improvement of our industrial classes is by so legislating that the American standard of wages may be maintained, and, so far as possible, its superiority increased. That such legislation will unfairly favor the few is disproved by the experience of the past. The advantages of it accrue to labor. Competition at home will limit the profits of every product and prevent monopolies.

The opponents of such legislation object that, by maintaining a high rate of wages, a high cost of product is also maintained, so that American products cannot be exported, and our markets are thereby limited, with overproduction as a necessary consequence. With respect to the difficulty of overproduction the condition of England to-day shows that free access to the world's markets does not prevent it. This objection need not therefore receive further consideration. That a high rate of wages does not necessarily involve greater cost of the product is proved by comparing the cost of labor and products now with the cost of labor and products twenty-five years ago. Labor is now about twice as high

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and the product costs considerably less. The fact is that highly-paid labor develops higher intelligence in the laborer, permits his education, and stimulates his ambition by offering a chance for improvement. The consequence is the application of greater ingenuity and effort to increase the product and cheapen its cost, so as to secure a greater reward for the work done. The ultimate effect of this application of intelligence to labor is the reduction of the cost of product to a point were it can compete with the product of uneducated labor.

An illustration of this truth is seen in cost of producing cotton cloth in this country, as compared with the cost in England. The plant of machinery and buildings cost more here, but labor per yard costs less, although the wages of labor here are largely in excess of labor in England. The committee of English manufacturers who examined this question a short time since, reported this result, stating that while the English weaver, for instance, tended three to four looms, the American weaver tended twice the number with corresponding increase of product.

Similar illustrations may be found in the watch manufacture, in cutlery, and, if you will refer to the list of our exports, you will find many others, all illustrating the effect of high wages in stimulating the laborer, leading to cheaper processes of production, and thereby enabling the product to compete in foreign markets with corresponding articles made with cheap labor. The cost of labor is every year becoming a less important factor in the cost of the product, and the intelligence of the laborer becoming more important.

During the past one hundred years the labor of civilized man has increased in productive power through the introduction and improvements of machinery probably twenty-fold. Comparisons of the products of labor at different periods show this, and we may fairly conclude that with the application of greater intelligence to the discovery of new and better methods, labor will become more productive and continually diminish in importance as a part of the cost of production. Past experience proves that as labor is more productive its value rises. This is natural, as it yields greater results, but this rise in the value of labor is expressed not only in increased wages, but also in their enlarged purchasing power, due to the decreasing cost of all products in which it is employed.

There is nothing, then, inconsistent in the assertion that wages may continue to advance and the cost of production diminish at the same time, in all those products, whether agricultural, mechanical, mining, or manufacturing, in which mechanical appliances or the inventions of men have any part. And who shall venture to limit the sphere within which the ingenuity of man shall have its effect, or predict what form of industry it will never benefit? We may then find here a field for legislation to improve the condition of our industrial classes. By protecting their pursuits, sustaining the wages of their labor, permitting them the enjoyment of an intelligent existence, and to devote their thoughts to something beyond the earning of daily bread, legislation will enable the workmen of America to apply their intelligence and ingenuity to still further inventions, until the superiority of their methods will be seen not only in cotton, watches, cutlery, and agricultural implements, already exported to lands of cheap labor, but in every other variety of the products of human skill and ingenuity.

That our progress is rapid in this direction, is manifest on an inspection of the tables of our annual exports in manufactures as well as agricultural products. In both the element of labor as part of cost has rapidly diminished. In both, scientific and mechanical appliances are in-



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creasing the product of labor and diminishing the cost of the product. Witness the growing exports of flour instead of wheat, and, in other manufactures, the steadily increasing list of exports shows that we are gradually approaching in all descriptions of products the point of cost at which we can successfully compete with the products of low-paid labor.

## EXPORTS OF MANUFACTURED ARTICLES INCREASING.

The impression is sometimes conveyed that our manufactures are not holding their own with agricultural products in the list of exports.

That this is incorrect is known by the tables of annual exports since 1850. Of our total exports, the average proportion for thirty years of manufactures exported was 25 per cent., and, in spite of the vast increase of our agricultural exports the proportion in 1882 was still 25 per cent. This fact is substantiated by the detailed tables of exports, in which it appears that our export of manufactured products has been increasing during the past three years at the rate of over 25 per cent. per annum.

Here is a list of fifty of the most important manufactured articles exported in 1881 and 1882. You will note an increase in nearly all.

| Exports. | 1881. | 1882. |
|---|---|---|
| Agricultural implements | $2,400,000 | $2,976,000 |
| Bells and bronze metal | 25,000 | 26,000 |
| Billiard tables | 17,000 | 42,000 |
| Blacking | 180,000 | 187,000 |
| Books, pamphlets, &c | 890,000 | 831,000 |
| Brass, manufactures of | 216,000 | 322,000 |
| Bricks | 27,000 | 50,000 |
| Brooms | 153,000 | 241,000 |
| Candles | 210,000 | 226,000 |
| Carriages | 1,013,000 | 1,439,000 |
| Cars, railroad | 544,000 | 1,393,000 |
| Clocks | 1,147,000 | 1,402,000 |
| Coal | 2,800,000 | 3,700,000 |
| Cordage | 422,000 | 629,000 |
| Cotton, manufactures of | 13,571,000 | 13,213,000 |
| Drugs, &c | 3,045,000 | 3,517,000 |
| Dye stuffs | 627,000 | 921,000 |
| Earthen ware | 123,000 | 181,000 |
| Fancy articles | 653,000 | 852,000 |
| Glass and ware | 756,000 | 864,000 |
| Cables (hemp) | 125,000 | 191,000 |
| Hides and skins | 903,000 | 1,449,000 |
| Rubber articles | 363,000 | 433,000 |
| Manufactures of iron | 11,370,000 | 14,732,000 |
| Manufactures of steel | 2,800,000 | 2,818,000 |
| Jewelry | 279,000 | 393,000 |
| Lamps | 280,000 | 350,000 |
| Lead, and manufactures of | 40,000 | 179,000 |
| Leather, and manufactures of | 8,090,000 | 9,000,000 |
| Lime and cement | 83,000 | 100,000 |
| Substances used as manure | 583,000 | 997,000 |
| Manufactures of marble | 409,000 | 433,000 |
| Matches | 112,000 | 161,000 |
| Mathematical and philosophical instruments | 154,000 | 599,000 |
| Musical instruments | 974,000 | 1,267,000 |
| Naval stores | 2,639,000 | 3,369,000 |
| Mineral oils (manufactured) | 37,065,000 | 47,889,000 |
| Paints and colors | 287,000 | 425,000 |
| Paintings and engravings | 254,000 | 406,000 |
| Paper and stationery | 1,348,000 | 1,619,000 |
| Plated ware | 310,000 | 396,000 |
| Printing presses and type | 185,000 | 211,000 |
| Scales and balances | 263,000 | 304,000 |
| Sewing machines | 1,982,000 | 2,647,000 |
| Varnish | 156,000 | 187,000 |
| Spirits turpentine | 3,798,000 | 3,798,000 |
| Watches and parts of | 100,000 | 121,000 |
| Wearing apparel | 534,000 | 605,000 |
| Wood, and manufactures of | 18,600,000 | 24,011,000 |
| Wool, manufactures of | 321,000 | 408,000 |
| | 121,642,000 | 152,560,000 |

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But no stronger proof of the effect of intelligent labor in reducing the cost of production can be had than is furnished by the growth and success of American agriculture. The products of high-paid labor in the field and on the farm are transported thousands of miles over roads built and equipped by high-priced labor, and sold at a profit in Europe in competition with the products of low-priced labor.

It is, then, not inconsistent with the general welfare to legislate so as to maintain high wages as a means to improve the condition of our workmen, thereby enabling them to go forward in their prosperous career, and though high wages and cheap production ultimately secure the permanent control of the commerce of the world, it will be the triumph of *intelligence* and *high wages* over low wages and ignorance.

### IMPORTANCE OF THE HOME MARKET.

The value of foreign markets as compared with our own as fields for successful business for our manufacturers is vastly overestimated. Our 50,000,000 people consume more than 500,000,000 of the semi-barbarian nations with which it is so much sought to open trade, at the sacrifice of our own. No doubt European manufacturers would gladly give us the whole field would we permit them a foothold in ours. But we shall win their fields and still hold ours, and if our legislators will wisely study our national advantages and protect our people in their enjoyment this result will soon be realized.

### THE SURPLUS REVENUE.

The disposal of the revenue which is now collected upon imports is a subject which alarms some persons, and leads them to urge a reduction of the duties so as to reduce the revenue. It is evident, however, that any other than an extreme reduction of duties will only increase the amount collected, in consequence of the increased amount of imports. An extreme reduction would ruin our industries and degrade our people. The only way to reduce our revenue is to gradually increase the duty on such things as we can produce advantageously here, until the home demand shall be supplied by the home product and the import ceases. In connection with this let the duties be removed from such articles as we do not or may not produce with advantage, and you will gradually reduce the revenue, without injury to our people, and with the additional effect of increasing our productions, advancing the national power and wealth, and promoting the welfare and improving the condition of our industrial classes.

To resume: The condition of the industrial classes of the United States may be improved—

First. By legislation which will secure to the greatest possible degree to the individual the results of his talents and labor, and protect him and his family in their enjoyment. Under this head, I include such legislation as will protect and diversify our national industries and thereby maintain the American standard of wages.

The effect of such legislation will be to give leisure for thought and self-improvement, and encourage personal effort to improve.

Second, by legislation which will afford facilities and opportunities for free education in every part of the country, limited to those branches of education which fit men for the duties of American citizenship, *i. e.*, teach them to think wisely, and live soberly, industriously, and healthfully.

Under this head I include such legislation as will secure to all children the benefits of primary education.

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By the CHAIRMAN:

Q. I do not wish to be understood as controverting your position, but the result of what you state with reference to the revenue is that it cannot be reduced essentially—that our revenues must continue substantially as they are—unless there should be some action taken in reference to internal revenue. Assuming that to remain—which it may, probably—in what way would you recommend the expenditure of that surplus beyond the necessary and ordinary expenditures of the Government?—A. I think you do not state my point in regard to the revenue correctly. My idea in regard to that is that the revenue should be rather reduced by increasing the rate of duty and permitting the production of articles here—that in proportion as we increase the rate of duty, we do exclude foreign products, and we do reduce the revenue by keeping the article out and stimulating production here.

Q. I did not understand you to really recommend an increase of the tariff—though I have long thought that that was the most sensible way of reaching the reduction of the revenue and at the same time promoting the industrial interests of the country, but there is a pretty strong sentiment averse to the increase of the tariff, as you are aware.—A. Yes.

Q. And it would seem quite probable, whatever may occur theoretically, that the tariff will not be increased essentially, and, therefore, that the public revenues will remain as large as or larger than at present, unless diminished by the removal of internal taxation. If that is to continue, and the revenue from customs to continue the same, or to increase, as it would be increased by the reduction of the tariff, in what way would you suggest, if you have given thought to it, the expenditure by the nation of this surplus income?—A. I think that there is a very singular view taken by most people of the effect of the increase of the revenue or of our having a very large revenue. I do not quite understand why the government which has a very large revenue is not more fortunate than the government which has a very small revenue, and why the law and principle are not the same with the government as with the individual.

Q. Now, if an individual receives a large revenue, he is enabled thereby to secure to himself and to his children and family very great advantages over those who have not had a large revenue. I cannot comprehend why a government that is in the receipt of a large revenue should not expend it for the advantage of those over which this government presides—the people. And it is only on the assumption that the administrators of government are corrupt that an excessive or very large revenue can be assumed to be injurious. But, yet, if the revenue were obtained by a process not itself beneficial or productive, if it was merely taxation in the ordinary sense of the term, it might be bad, for the government would then have what would otherwise have remained in the hands of individuals for private and general expenditure among the people at large, might it not?—A. Very possibly.

Q. But your position is that the process which keeps the revenue as it now is, or increases it, will be beneficial to the country, and therefore it is not taxation in the sense which diminishes the wealth of the people.—A. On the contrary, it rapidly increases it.

Q. Now, assuming that we have the revenue, and that it is well that we should have the revenue, in what way would you suggest the expenditure of the surplus? If any methods of its expenditure occur to you, we would like to have your suggestions—in what way should this be expended for the good of the "family?"

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INTERNAL IMPROVEMENTS.

A. I have a very clear idea about that, although my view would not, perhaps, commend itself to people generally, but that is that the surplus of the government should be invested so as to produce permanent advantages to the people. A farmer having a surplus revenue, ditches his farm, fences it, and otherwise improves his place and its buildings. He puts up better barns, buys good horses, cattle, &c. The government similarly situated should devote itself to the improvement of facilities among its people—anything which improves the general condition of the country, supplies better facilities for intercourse between the different parts of the country, and binds the people together into a more harmonious people.

Q. You look on this as a new farm, and the people as a new tenant?—A. We have only begun to realize the advantages of what are popularly termed internal improvements.

Q. You would do something for the great water courses of the country?—A. Yes.

Q. For example, the Mississippi River?—A. Yes.

Q. You would construct canals wherever they would offer cheaper means of communication between the important sections of the country?—A. I would spend the money so as to develop the resources of the country in every way, and I think money spent by the Government that way would redound to the advantage of the people.

Q. Do you not think that the country is likely to overlook the fact that there is a vast difference in the amount spent in this country compared to the amount spent in public improvements in the older countries?—A. Yes.

Q. Will it not require many generations of large expenditures to make this continent such as the European continent has become in that regard?—A. I think it is very striking to one who travels in Europe to contrast the way of getting around there compared to what we have here – the manner of constructing their railroads, for example, is so very different, and so much more substantial than ours that it excites wonder in an American; but there are other ways in which a surplus revenue might be expended.

The CHAIRMAN. Mention some.

NATIONAL AID TO EDUCATION.

The WITNESS. I think there should be some general system of education of a very simple character, but it should secure, under the control of the General Government, a simple system of education for everybody. I do not think that uniformity of education, which is so desirable in this country, can be depended upon in the several States. Some seem to entirely neglect the education of children as well as of those more advanced, while others do their utmost to educate all their people. But to make it equal, I think the Government should insist upon some degree of education for all.

Q. If the citizen who is a citizen of the State is also a citizen of the United States, why is there not an obligation as well on the nation as on the State to see that the individual is educated?—A. I think the nation should be responsible for a certain degree of education.

Q. Is there any other way in which the nation can secure to itself a republican form of government, let alone the guaranteeing of it to the several States?—A. I think the neglect of education up to a certain

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degree is one of the most dangerous things that exists in this country, and the nation is bound to see to it.

Q. I suppose you would hold that this duty is doubly imperative in the Territories, because there are already laws about it in the different States?—A. Well, it seems to me that the laws are so different in that respect among the States that the General Government should have general supervision over the education of all the States. Every citizen is subject to the operation of general laws and held by the Government to certain duties, and I do not see why the Government should not see that that citizen was qualified to perform these duties and render that service.

Q. If, however, there were an efficient and sufficient school system maintained in any locality by the local power, so that the necessary education was actually received, you would not think it then incumbent upon the Government actively to interfere, I suppose?—A. No, sir; I should simply consider that the Government should exercise a supervision.

Q. And should know whether it was done or not?—A. Yes, and if not done, or properly done, to see that it was.

Q. You would make appropriations, then, from this surplus in the direction of education?—A. Yes.

Q. If now you were to attack the evil of illiteracy as a national evil, upon what basis would you make your appropriation—that of numbers, or would you direct it where the evil is greatest, as a commander disposes of his military forces, sending them where the enemy is?—A. I think the principle of spending money for education should be to spend it in proportion to illiteracy. I think that is the correct principle.

Q. Have you had occasion to examine the figures of the census or to examine the subject in any other way with reference to education in our Northern cities, or the larger cities of the North, and of the illiteracy in those cities?—A. I have read whatever has come before me on that subject.

The CHAIRMAN. I think there is a very general misapprehension among the Northern people themselves with regard to the extent of this evil.

The WITNESS. I have no doubt of it.

The CHAIRMAN. And when we consider that the principal Northern States are practically controlled by the populations of the large cities that may be in those States, I think the danger from illiteracy is much greater in the North than is reasonably apprehended, and not the large cities alone, but extending even to smaller places.

### THE DANGER FROM ILLITERACY.

The WITNESS. The greatest danger from illiteracy arises in the most thickly-settled communities, where people are so congregated that there is no sense of responsibility. As you go into a country town with a limited population, every individual is to a certain degree under the inspection of his neighbors and the whole community, and he cannot hide either his qualities or conduct from public criticism. So that in smaller communities education to a degree takes care of itself. But go into a community like this in New York. Men may there live side by side and not know one another; one may not know what his neighbor is about or whether he is doing his duty as a citizen or as a private individual. He is under no inspection whatever, so that ignorance may increase and become a most malignant poison in such a community, and

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yet the community may be wholly unaware of it until its effects show themselves in political agitation or otherwise, so that it seems to me that some of the surplus money should be distributed where the evil is most apparent, in large communities like this.

The CHAIRMAN. That is a very valuable idea.

The WITNESS. Another idea is that in consequence of the fact that persons are not under the inspection of the community in the large cities, all those persons who have qualities or characteristics which they wish concealed avoid small places and congregate in large places. Of course everybody has observed the fact that the greater amount of crime and misery is to be found in the large cities, and I do not think that that is simply because they are large cities or that large numbers of people live together, but that people who wish their qualities concealed leave the little places and come to the large cities, where there are greater numbers.

Q. You believe in turning on the light?—A. Yes; my method would be to bring the light to bear upon all the people. That would be the best thing, I think.

The CHAIRMAN. In the same direction as your thought, it is a fact that the lights of the great cities have reformed the cities.

The WITNESS. No doubt of it.

The CHAIRMAN. And the electric light probably is going to do a great deal in the way of moral reform?

The WITNESS. I have no doubt of it. Every man is susceptible to a desire to be well thought of, or if he is doing anything that he is ashamed of he desires to have it concealed, and there can be no greater corrector of morals and character than to have the life and character of every man open to the people. If you could secure that you would secure a virtuous community right away.

## THE NATIONAL DEBT.

Q. There is another point upon which I would like your opinion. I would like to know whether you look upon a national debt as "a national blessing," to use a common expression, or whether you think that nations, like individuals, should get out of debt as soon as they reasonably can?—A. There are ways in which our national debt is a national blessing.

Q. Are those ways so important, in your judgment, as to justify the nation remaining permanently in debt? Take, for instance, the security of the national banking currency——. A. (Interposing.) There are two ways in which I think the national debt is a national blessing. One is peculiar to this country, in the fact that the currency is based on the security of the Government bond, and that there does not seem to be anything as good as a Government bond as a basis of currency. The other is that the distribution of obligations among the people has a tendency, perhaps, to make the people more interested in their own Government, and keep themselves familiar with what is doing and what has been done.

## SUBSTITUTE FOR GOVERNMENT BONDS AS A BASIS FOR BANK CIRCULATION.

Q. Assuming that some time we are to pay that debt, of course in that case the national bonds can remain only temporarily as a security for the currency, do you think that the application of that surplus

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revenue to the payment of the debt should be materially delayed for the sake of giving security to that currency of the national banks? Why not, in other words, if another form of securing a national currency must sooner or later be adopted, as it must be if the debts are to be paid, why not let the surplus go as it reasonably may upon the national debt, and immediately begin to find some form of State security—bonds of States, or otherwise, known to the national Government, and which may be, if necessary, guaranteed by it, and set about paying the debt and placing the currency upon the basis of some other security immediately, because we have got this surplus already?—A. This question is evidently coming forward, and the point will soon be what is to be substituted for the national debt as security for the currency. If you remove it altogether you will remove that security which comes to the Government from having its debt held by the people.

Q. But there are, throughout the country, bonds and other forms of security of many of the States, which are entirely above suspicion, and an inspection of them could be required by the general Government so that nothing should be permitted to be made the basis of banking which was not as secure as the everlasting hills. If that is ever to be done, why not apply this surplus to so much of the national debt as is now within reach, being the greenback, for instance, and perhaps establishing a sinking fund (now that we have this surplus), which might wipe out the balance of that debt when it becomes due in 1907, or about there?—A. I don't see why a substitute for the national debt could not be found in the State debts, particularly if guaranteed by the nation. That would make our currency as secure as it is by the national debt.

The CHAIRMAN. I only ask this not with the view of discussing the question of the national currency, but with the view of asking your idea of the application of this surplus which we are inevitably to have, and while we have this surplus, letting other portions of it go in the direction of education and internal improvements also.

The WITNESS. It is inevitable, of course, that we have a surplus income and that it must be applied somewhere, and after applying all that the people require for education and internal improvements, the surplus must be applied to the payment of the debt.

The CHAIRMAN. Yes, it is evident that the increasing surplus in the Treasury must in time become a great evil unless its proper application be provided for.

The WITNESS. I meet that at the outset by the idea that we should go to work to reduce the revenue.

Q. By an increase of the tariff?—A. By preventing imports and stimulating the products of our own people.

Q. But as I understand you, you would rather lessen the tariff on whatever we cannot produce with advantage—that is, raw material?—A. I would take off the duty on products which we do not or may not produce with advantage and raise it upon articles that we may produce and which perhaps we do not produce to-day, and stimulate it by putting enough duty on it until we do produce it.

### THE TARIFF—HOW IT AFFECTS WAGES.

By Mr. PUGH:

Q. You say that the wages paid to operatives in manufacturing industries is about double here what they are in England?—A. In Europe, I believe, I said.

Q. Of the higher wages paid to the American operatives over the

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European operatives, what per cent. is due to a protective tariff, in your judgment, if you have had any occasion to make an estimate?—A. I think nearly the whole of it.

Q. Nearly the 100 per cent.?—A. Yes.

Q. They get 100 per cent. more on account of the tariff than what they would get without the protection?—A. I think they do.

Q. Then you say that this 100 per cent. increase in the price of labor paid by the manufacturer is not added to the manufactured product?—A. No, sir; I don't say that quite. If you will allow me, I will give you my ideas about that.

Q. Just state what portion of the 100 per cent. increase of wages in this country is added to the manufactured article.—A. The value of labor, speaking now of textile manufactures, is perhaps about 25 per cent. of the cost—the labor that is directly employed—at the point of completing the manufactured article. There has been labor employed in the making of the brick that goes into the factory perhaps, and so you can go away back to the cutting of the timber, &c., so that the cost of the plant itself has been enhanced by this increase of labor, and the interest upon investment is thereby enhanced and made nearly double what it would be if the plant and machinery therein had been constructed at a place where labor was at half the price; but the cost of labor in ordinary manufactured articles or textile fabrics where the final process is gone through with, is about 25 per cent. of the total cost.

Q. And half of that is added on account of the increased wages to the American operatives?—A. Whatever the labor costs in this country is of course a part of the product, and therefore whatever the price of labor is here as compared with the price of labor on the other side, is included in the cost of the fabric; but the point I make is that by greater intelligence, though we pay twice as much, the cost of production is not proportionately enhanced.

Q. Not incorporated in the manufactured article?—A. No, because the greater degree of intelligence——

The CHAIRMAN. And the use of the machinery which is also the result of that increased intelligence.

The WITNESS. [Continuing.] Make the result of labor that much more, so that while making the wages double, it does not involve a proportionate increase in the cost of the fabric.

Q. Then the increased price of labor is not added to the manufactured article?

The CHAIRMAN. In the form of a better quality of article.

Mr. PUGH. Let the witness answer.

The WITNESS. Let me try to illustrate what I mean. If the labor is $10 a week here and $5 a week in another country, of course whatever is paid by the manufacturer here goes to make up an element of the cost of his fabric, whatever that is, but it does not enhance the cost of his fabric in the same proportion, because the product of the labor is so much greater.

Q. Then the cost of it is reduced by the superior intelligence and the use of the machinery?—A. Precisely; yes.

### EFFECT OF THE TARIFF ON PRICES OF GOODS.

Q. Now, what is the difference in European markets in the price of these protected articles of manufacture—what is the difference in the market price in Europe and in America?—A. There is a wide diversity of articles.

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Q. I know that, but I am asking only for a general estimate?—A. In the article of cotton cloth, for instance, the prices here and there are about the same.

Q. Well, in woolens?—A. In woolens, prices are materially higher here, but not as much higher as would be involved by the difference in the price of labor, from the fact that we turn out our goods by cheaper processes. In Europe there still prevails to a large extent the system of working on hand looms, as it is called, where an operative takes the yarn to his house, and at odd hours weaves, &c., so that by that crude method of manufacture the article costs more than if woven here in a power loom and with all the facilities of a mill.

Q. How much does the protective tariff add to the price in the American markets of the protected article?—A. It does not add any fixed ratio. The price does not depend at all upon the tariff.

Q. The price to the manufacturer does not depend at all upon it?—A. No.

Q. He is not affected by it?—A. Well, he is removed from the effects of competition with the other side and left to compete with his own people at home, and then his price depends on the severity of the competition at home.

Q. I understand you to say that the American manufacturer exports 25 per cent. per annum to European markets, and that that proportion is on the increase?—A. Yes; to foreign markets.

Q. Well, how are you able to go to foreign markets and compete with the cheap labor that you have described which is employed by European manufacturers?—A. We are able to export in consequence of the very thing that I have been endeavoring to explain to you—the greater result of labor in this country in consequence of its superior intelligence. Within a few days I have seen the manufacture of what is known as the "vulcanite emery wheel." A combination of emery is imported, and a combination of rubber is also imported, and they are put together by American skill combined with American machinery—I have seen that sent to Glasgow, where the manufacture of vulcanite emery wheels was first started, and where the business of such manufacture has been the most important; and there in Glasgow has been found the best market for the American article, notwithstanding the fact that the American workmen are paid double what the English workmen are paid. You see we can make that vulcanite emery wheel and transport it to Glasgow and sell it under the eaves of the factory which was the first to begin to make that very article.

Q. What is the price you get for these exports in European markets? Do you get any higher price than the same article manufactured in the European market brings? Does not the European article sell in the European market for about the same as yours?—A. It does as a general thing, but of late years there has been a growing partiality for American products all over the world.

Q. The price, you say, is generally about the same?—A. About the same. All over the world for the past fifteen or twenty years there has been an increasing partiality for the American products, on the ground that they are believed to be the best article of the kind. That is, I believe, another result of the superior intelligence of our people.

INDUCEMENT TO EXPORT MANUFACTURED ARTICLES.

Q. Then, owing to the superior intelligence of our people, of the labor of this country, and the use of machinery, you are able to export 25 per cent. of the manufactured articles and sell them abroad at the same rate as European manufactured articles?—A. Yes.

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Q. What is the inducement that the American manufacturer has to go to foreign markets and get only the same price that he could have received at home? Why do you ship this 25 per cent. of our manufactures to European markets when you only get the same price that those European manufacturers get for the same articles?—A. I suppose there is very rarely a time when a manufacturer has not goods to sell. He very rarely is sold out, so that he has not goods to spare, and if a consumer comes along, whether from Europe or from America, it is immaterial to the manufacturer provided he gets his price for the goods.

Q. That export of 25 per cent. of our manufactured articles is in excess of the American demand when you do not get any better price in Europe than you do here. Why do you sell there if you could sell them all at home?—A. Well, there may be reasons that do not involve an insufficiency of American demand. For instance, we have our seasons in trade, and during a dull season we might be glad to avail ourselves of European demand, and if we diminished our stock we would increase our product to correspond.

Q. If you are able to ship 25 per cent. to European markets, and compete with European cheap labor as to 25 per cent. of the whole manufacture, what prevents you from doing it as to the whole 100 per cent.?—A. Nothing but the farther development of American skill. We have got to overcome the fact of higher wages, and we overcome that by improved processes and greater intelligence, and as rapidly as we can overcome the effects of higher wages we are enabled to compete with the products of lower wages abroad.

Q. If you can do it with the superior intelligence of our labor, and the fact that it produces more by reason of this intelligence, and of the machinery employed in the product, what benefit do you derive from a protective tariff?

EFFECT OF THE TARIFF IN SECURING THE HOME MARKET.

A. It is necessary as a preliminary step to success in foreign markets that we should be protected in our own. In other words, it is necessary that we should develop our processes of manufacture and so improve them that we can consistently with the payment of American wages compete with foreign wages. Of course, it would be perfectly practicable to remove the tariff altogether, and reduce the rate of American wages to the rate of European wages, and the manufacturer would then compete on the same level—on the level of cheap labor and nothing else, and we would then interchange our articles—European with American, and *vice versa*—all on the basis of cheap labor. But it seems to me that that is not the American system. The American people will never be satisfied to get down to the basis of European labor. They are not accustomed to living as European workmen are, and they never will consent to do it, and the moment the pressure begins, which would be involved by removing the tariff, that moment you will find the American people rise up and protest against it and insist upon the tariff being put back.

THE TARIFF DOES NOT ADD TO THE PRICE OF COMMODITIES.

Q. I understand your opinions on that subject, but I inquire how is it that if the price of labor is not added to the fabric, and if you can export the fabric to European markets and compete in those markets with the European fabric, what benefit is the protective tariff to the employer?—A. Let me now return to the illustration of the production of cotton cloths. The wages we pay the operative are double what are

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paid in England. The manufacturer, of course, includes his wages as part of the cost of the product, but his production is so much greater that, divided into the amount he pays for wages, the actual cost per yard of cloth is no greater than is paid at the other side; therefore it is not necessary that we should add anything.

Q. Suppose the tariff were removed, how would that affect the ability of the manufacturer to continue this rate of wages when it is not added to the cost and does not interfere with your shipping abroad?—A. If the tariff were removed, the first thing that would happen would be that this country would be flooded with foreign goods.

Q. How is that, when you take possession of the foreign markets to the extent of 25 per cent. of your manufactures, and pay the cost of transportation from here to Europe?

THE HOME MARKET BETTER THAN ALL THE MARKETS OF THE WORLD.

A. The success of the American manufacturer depends upon his being limited to competition at home. If you give permission to the foreign manufacturer to compete with us, we lose the benefit of our home market. Our home market is better than all the markets of the world, and upon our own market depends the prosperity of the people. You open the doors and let other people come in and share with us—although perhaps in the manufacture of cotton cloth we could hold our own in this country (in respect to some articles of it which we export)—still we should have to divide the markets of this country with the people and give them the cloth as low as it could be got anywhere else, and we are at the same time maintaining a high rate of wages.

But cotton cloth is not the only thing. There are articles which we cannot produce at present as cheaply as it can be done abroad. In respect to those articles, the business of this country would be ruined by free trade. Now, you are aware how it is that we could not maintain the high rate of wages, though we are able to export many of those articles to foreign countries. The reason is this: that by reason of the ruin or overthrow of the industries in which two-thirds of our people, perhaps, are employed, or even one-fourth of our people, the number of people finding employment in this country would be greatly diminished, and, by competition among people seeking work, the rate of wages in this country would be inevitably lowered to the lowest point consistent with existence. For instance, if I have a factory of 500 people, and it is the only factory in the town, and the town has a population of 5,000, and I am obliged in consequence of the importation of articles which I manufacture to shut down and close my factory, I tell the men, "I cannot employ you any longer." They seek employment elsewhere, and in proportion as that kind of operation is broadened, there results, first, greater competition among those in the same trade or employment; that is, they compete with one another; then they compete with agriculturists, and so on. The final result is the grinding down of everything until the people can barely subsist. Then the manufacturer can open his factory again, because he can open it at low wages—as low as anywhere in the world.

Q. What difference is there in the price here of articles imported from abroad and the same class of articles manufactured here?—A. Many articles are produced and sold here as cheaply as they are produced abroad.

Q. How are you affected by the importation from abroad, if you can sell all you can make here and ship 25 per cent. of your product abroad?

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THE TARIFF NOT MATERIAL TO THE MANUFACTURER, BUT TO THE LABORER.

A. Speaking as a manufacturer, I do not think the tariff is material to the manufacturers, but to the people it is, and to them it goes.

Q. The tariff is of no value to the manufacturer?—A. Well, I state that perhaps a little too broadly. The first effect, of course, of the tariff would be the closing of the mills until the rate of wages here would fall to the low rate of other countries, and then they would start again.

Q. I understand you to say that the law of supply and demand regulates labor and everything else, in which I fully agree; we cannot control, against natural laws and their operations, this matter of supply and demand. Tariffs cannot affect that law, can they?—A. The only effect of a tariff, and the only value to the effect of it, is to limit competition to our own people, who are working under corresponding or similar conditions. That is the only effect, and the only legitimate effect, of a tariff.

Q. How do you explain in these prosperous times, when the crops and the currency are good, and have been so for some time—we have had many years of fine crops, and have had no complaint of the currency—how do you explain the failures of these manufacturing industries under the operation of a protective tariff?—A. Well, the usual explanation is overproduction, but in that I do not agree. I think that the present condition of things is not, after all, very serious. It appears, perhaps, to be serious from the fact that all the more important difficulties become very prominent.

In point of fact, the industries of this country are in a healthy state to-day, and although there are here and there disasters, yet as compared with the aggregate business of the country they are insignificant. As I said before, the disasters which occur and the apparent stagnation of things which has existed recently is not, in my opinion, due to overproduction, but to a change in the methods of distribution of merchandise which has taken place since last fall. Before that, merchants in all parts of the country were in the habit of buying freely, in anticipation of their wants, and carrying considerable stock on their shelves. When the agitation of the tariff question began last summer, and continued through the fall, there was a spirit of hesitation as to the continued prosperity of the country manifested in every quarter, and the dealers and distributers of merchandise became very conservative. Each man said, "Well, I don't know what will be done with these things; perhaps the duties on merchandise will be cut down, and I had better get out." So that every man in the country was trying to see how little he could buy and how low a stock he could carry. The consequence was an accumulation of stock in "first hands" as we say—the hands to whom it first comes from the manufacturers, the primary distributers. That condition of things existed through the winter, the owners of goods found their stocks accumulating, and their warehouses filling up and overflowing. The first effect of that was an urgency on the part of owners and manufacturers to sell. They went among the buyers of goods and sought to dispose of their products and were very urgent. The natural result of it was to make these buyers draw back in the hope that this would result favorably for them, as in fact it did until within a very short time. I think within three weeks there has been a turn in the tide; in other words the consumption of the country has reached a point where the distributers of goods have been obliged to

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come to market and buy. In consequence, the goods in the cities have been moving very rapidly during the last three weeks. I do not think there has been a better business in New York City for many years, if ever, than there has been during the last three or four weeks.

By the CHAIRMAN:

Q. You think it is a healthy change?—A. Yes; a healthy, natural demand for goods that had accumulated here. It appeared to me that there was a retardation of consumption, as I would say—that the distributers all over the country had held back.

EFFECT OF A PROHIBITORY TARIFF.

Q. What do you think would be the effect upon the manufacturing industries of this country of a tariff that prohibited, or had the effect of preventing, foreign imports from coming into our markets; in other words, what you call a prohibitory tariff? Would the effect of it be to confine the manufacturing industries of this country to American markets?—A. I think that an absolute prohibitory tariff of such things as we do not produce in sufficient amount to meet the wants of the people would be bad. I would not favor anything of that kind.

By Mr. PUGH:

Q. Of silks, for instance; we manufacture about one third of the quantity that we consume while about two-thirds of it comes from abroad.—A. We manufacture now a little more than one-third, I think. The duties on silk goods, I think, might be increased without any disadvantage to the people, and for this reason, that while an increase of the duties on silk goods would enhance the prices to the American people for fine goods, such as go into the consumption of the wealthy and luxurious, it would not enhance the prices of the cheaper goods, because those goods are produced in the country already to such an extent as to be sold here now at as low price as they can be produced under our system of production and labor. There is very little profit at the present day in the manufacture of silk goods in this country.

DUTY ON WOOLEN GOODS.

Q. Then we could increase the tariff on silks and lessen it upon woolen goods, could we not?—A. Well, on woolen goods at the present time there is very little profit. On fine goods manufacturers are making some money in this country at the present time. On low goods and medium goods, such as the people generally use, manufacturers are making little or no profit—I mean woolens. The profits of manufacture of woolens that go into wide general distribution to-day are about nothing, and this is in consequence of the competition among sellers and stagnation among buyers, as I say. The woolen mills of the country are not making any money.

Q. What is the reason of that, in your judgment?—A. There are several reasons, one of which is the backwardness among buyers in taking the goods off the market; the other is a change which has been taking place lately, or within a year or two, in favor of finer fabrics. That is, for a number of years prior to 1882 there was a great demand for fabrics made of coarse wools. Since that time—and perhaps the movement began a little before—there has been an increased demand for fabrics made of finer wools—not that those fabrics made of finer wools would cost any more—because finer wools, in consequence of the great demand for coarser wools, had been selling down in this country at the same

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price about as coarse goods; but the change of fashion has now brought about the wearing here of finer woolens, and that throws back the fabrics made of coarse materials, although coarse materials have been the fashion, you may say, for a number of years. A large number of American mills are engaged on that sort of fabric, and until they can get on to finer classes they will not make much profit.

Q. These finer goods will be used by the classes that are able to buy?—A. No, sir; they do not cost any more.

Q. Not necessarily?—A. No.

Q. Why? Is it because the price of the raw material of the fine wool and coarse wool is about the same?—A. Yes; in consequence of the greater demand for coarser wools. Coarser wools are about as high as other wools.

Q. Do we not make about as much wool in this country as we want?—A. We produce in this country all kinds of wool required for the manufacture of woolens in this country, except certain carpet woolens, such as Angora goods, &c., which may be produced in Asia and elsewhere. With that exception, there is no other country that can raise any better wool than America.

Mr. PUGH. I was up at Woonsocket the other day, and they said there that the American wool was stronger than the foreign wool, but that the foreign was finer, and that they had to import the foreign to work up with the American.

The WITNESS. We raise all the fine wools in this country, but in consequence of the greater demand for coarse woolens, the business in the finer wools has been rather neglected; but in some parts of Pennsylvania and West Virginia we are raising fine wool.

Q. And in Illinois?—A. Well, the wool-growers say there is no profit in that; but there is now a better demand; the coarse wools that I have spoken of are used for carpets, &c., and do not go into clothing at all; those are not produced in this country at all.

Q. What reasons would you give for the change from the coarser to the finer wool?—A. Well, I don't know that there is any more reason for it than there is for a woman wearing a big bonnet this year and a small one next year. Everybody a few years ago wore broadcloth. After that came a time when men wore fancy fabrics of all sorts, or mixed goods—goods with a great variety of fabrics in them all of the broadcloth pattern; but now we seem to be getting back to the fashion of wearing fine-face goods, for no special reason except that people want to change. That change is going to involve an increase in the price of American fine wools, because, instead of being neglected, as they have been for a number of years, they will be sought for, and the result of that will be that in a few years you will see the common American fleece wools, say, 15½ cents below the price of fine wools, whereas for a number of years they have been about on a par. That would permit the growth of fine wools for which some of our Western Territories seem to me to be well adapted. And I have never seen any better wools than are brought here from the northern part of Texas. They will rival the wools of any part of the world.

Q. In the price of the coarser woolens made in this country and Europe, what is the difference in the cost—how much is added to the price of the coarser woolens in this country on account of the tariff—on account of the duties upon wool?—A. I think at the present time the wools in this country are selling lower than foreign wools of corresponding quality can be imported and duty paid, and, as I said, we are not producing as many fine wools, perhaps, as the demand requires. For that reason some foreign wools are imported.

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NEW YORK, *September* 28, 1883.

CHARLES SIEDLER examined.

By Mr. CALL:

Question. What is your occupation?—Answer. I am a tobacco manufacturer, a member of the firm of P. Lorillard & Co., whose factory is at Jersey City.

Q. You have been largely engaged in the manufacture of tobacco?—A. My firm is one of the largest of the kind in the United States. We are employing in the neighborhood of four thousand people directly. I have not enumerated them lately, but I judge that that number is pretty nearly correct.

Q. You pay a very large internal-revenue tax to the Government, I suppose?—A. Yes; the largest of any house in our line. During the present year our tax will amount to about two millions and a half of dollars. In former years, when the rate of tax was higher than it is at present, of course our payment was very much larger.

Q. What is the highest amount you have paid?—A. About $4,000,000 for a year.

Q. What do you make in the tobacco trade?—A. Everything in the nature of smoking tobacco, chewing tobacco, and snuff. Cigars or cigarettes we do not manufacture or deal in.

Mr. CALL. We would be glad to hear from you any facts or suggestions which you may have to present to the committee with regard to the relations between labor and capital.

The WITNESS. I do not know that I have anything new to offer to your committee under the head of labor. Labor questions have not given us a great deal of trouble in connection with our works. While we employ a very large number of people, yet peace and quietness exists with us from one end of the year to the other, usually. Our people are paid very excellent wages, and the piece system prevails almost exclusively; that is to say, the people are paid in accordance with the amount of work performed by them; consequently we find that in various departments the wages for men will range from $10 a week, which is about the lowest, to as high as $30 and even $40 a week. They usually have an allotted task assigned them. Those who see fit to do more than their task are paid in proportion; consequently we have no strikes among them.

The principle we work on is "no work, no pay." Our girls, of which we have a very large number, earn from $4, which is about the very lowest, to as high as $15, and in some exceptional cases $20 per week. Those who are the most diligent, the most energetic, and the most skillful receive the largest wages. Then we endeavor, in all our intercourse with our work-people, to treat them as human beings—with kindness; and consequently it is very seldom indeed that we ever have any labor disturbances. The latest instance of the kind happened about one year ago, when in one of the departments one morning I found that the girls refused to work. Upon investigating the cause I found that the superintendent of the factory had dismissed an incompetent foreman, who proved, however, to have been a great favorite with the working girls—perhaps because he was lax for his employer's interest—and in consequence of his removal the girls concluded that they would go on strike and insist on his being reinstated. I told the superintendent to go and talk to the girls and state the case to them plainly, and endeavor to reason with them. It was useless, however. They insisted on calling for their late foreman, and they would not have anybody

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else. I waited a little while, thinking that time would bring them to their senses, but finding that they did not resume work, I called them together in the factory and spoke with them myself; told them that if they had any grievances at any time we were always prepared to listen to them, and to remedy them if they were just. They appointed a committee, but that committee, before they waited upon us, had received an ultimatum from their numbers that they would not have any one to preside over them except their favorite foreman. Finding that they were obstinate and obdurate, I immediately set about to accomplish their work without their help. That I did by telegraphing instructions to the far West to have the work performed there. As soon as that information leaked out, they were very glad to come back into the factory and resume their places.

On one or two other occasions we have had slight irregularities in certain of the departments, but they were quickly overcome by our substitution of new workmen. In one particular branch the men struck in a body, because the superintendent endeavored to carry out what he considered fair treatment towards the workmen in another department by shifting the labor from one place to another. The men in charge of department No. 1 were receiving, in the opinion of the superintendent, too large an amount of money for weekly wages, while those in No. 2 were not earning quite as much, and the work was about the same. He endeavored to equalize matters by shifting the men. One department of the men struck in a body and refused to work and threatened to waylay all those who would not do as they did. We telegraphed to Virginia for a large number of men to take their places, and as they came up in a body the strikers did not molest them.

A few years ago we had a number of foreign workmen, they were chiefly Bohemians, Russians, Austrians, and Polish Jews, who had been engaged to make cigarettes. They were very fractious and unruly and would not submit to discipline; they insisted on doing their work in their own way and according to their own wishes, coming and going as they pleased, and we told them that they had to submit to our orders, otherwise their places would be vacant. The result was that they went out; and having mentioned that case, I think I have named about all the strikes that we have encountered.

As a rule we have no trouble with our working people; the firm treats them, as I stated before, with kindness and forbearance. We frequently give them a holiday or an excursion at the expense of the firm, we provide them with medical attendance free of charge, and the senior member of the firm has lately given instructions to engage a suitable and competent building for a library, and to supply it with a large number of volumes for the benefit of the factory hands without any cost to them. He has also under contemplation the propriety of giving them the benefit of free schools at night, or at some time in the evening, if they wish to become better educated.

By Mr. CALL:

Q. Their rate of wages is sufficient to enable them to live comfortably?—A. Yes, they cannot only live comfortably, but they can save a very considerable sum every year. But unfortunately our labor is drawn from the masses, and the greater number are improvident, they lay by nothing, and whenever we have any period of dullness, as for instance, the dullness caused in consequence of the tax agitation before Congress, which is almost an annual affair in its recurrence, then these poor working people having work only about half-time, sometimes even



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less, and having saved nothing during the time of plenty, it follows often that they are subject to great inconvenience and sometimes are obliged to look for work elsewhere.

Q. You say your rate of wages ranges from $10 to $40 a week for workmen?—A. Yes.

Q. What class of persons do you pay $40 a week to; for what kind of work is that price paid?—A. They are skilled workmen who are engaged in the press room. Their work involves considerable rapidity, dexterity, and some considerable muscle, for they have more or less heavy machinery to manage.

Q. What proportion of your working people are women or girls?—A. About 40 per cent.

Q. What kind of work are they engaged in?—A. At "stemming" tobacco; also in making the lumps; also in weighing and adjusting them each to a uniform size and weight, and putting upon them the ultimate wrappers; and the various other details connected with the manufacture.

Q. Is the work in your factory such as requires any great degree of skill or previous experience?—A. No, sir. Our system is such that the labor is subdivided, and each branch can readily be taught to a person of any ordinary intelligence within a few hours. There are certain departments which involve a greater or less amount of technical knowledge, but the number of people employed in those departments is comparatively limited. They are chiefly men of a superior order of intelligence.

Q. What proportion of your workmen would you say received $10 a week—girls and boys, or people of that description?—A. When I speak of workmen receiving from $10 to $40 a week, I refer, of course, to men. We have another class—boys—and their wages will range from $5 to $10 per week. The men's wages will range from $10 to $40. The women's and girls' will range from $5 to $15, and in some exceptional cases $20 a week.

Q. In which class would be the larger number; in the class of $10, or the class of $20, or the class of $40; the forties, I suppose, comprising only a few very skilled workmen?—A. No, sir; there are a considerable number who will run up to that figure. I have not enumerated, of course, superintendents, foremen, or subforemen.

Q. Your enumeration is confined to workmen entirely?—A. Yes.

Q. That is a considerably higher rate of wages than is usually paid in other employments, is it not?—A. Yes, sir; I believe it is, and I think the wages paid in our factory are higher than they are in tobacco factories generally, particularly Southern tobacco factories. Nevertheless our labor is performed at about as low a figure as any other factories where the rate of wages paid is less, for the reason that by our system of piece-work, each person having an allotted task, it is considered the equivalent of a day's wages, and each having the privilege of working faster, or doing more than a task in a day, they are thus enabled to increase their wages.

Q. What is the average number of working hours in your place?—A. From 7 in the morning until 12 noon; then we give fifty minutes for dinner; then they commence work at 10 minutes of 1 and work until 6. The ten minutes saved each day at noon is given to them at the end of the week on Saturday when they stop work at 5. That gives them an opportunity to go home early on Saturday and clean up and do their chores and marketing for Sunday.

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Q. It is ten hours a day for work?—A. Ten hours is a regular day's work—with ten minutes over each day to make up for Saturday.

Q. The piece is such as they can accomplish in less than that time?—A. Very much less than that time. Everything in the factory is reduced to piece-work that it is possible to reduce. Of course there is still a large number of hands that are employed by the day or week.

Q. And a large portion of that ten hours or some portion of it, I suppose, men are working in their own time for extra wages?—A. Yes.

Q. The general condition of your working people then is that of contentment and comparative comfort?—A. yes.

Q. Where are your factories located?—A. In Jersey City.

Q. In respect to rents, what kind of houses and what sort of rents have they to pay?—A. Rents in Jersey City are very much cheaper than they are in New York. It would be very difficult to make a comparison between them. A small neat brick tenement of three stories in height can be had in Jersey City for $30 to $40 a month, while in New York City a house of equal quality would cost in some sections twice as much, and in others three or four times a much.

Q. Do your workmen occupy generally houses rented by themselves, or do they live in tenement houses?—A. Most of them unfortunately live in tenement houses. As before stated, they are improvident. They are not apt to save their money. There are many exceptional cases of course among the large number of people that we employ, but the rule is to spend about as much as they earn. They rarely have anything laid by in the saving banks or otherwise.

Q. Do the workmen in the tobacco factories generally approximate the condition of those in yours, or are the workmen in your factory in a better condition than those in others? I think you said that yours are better paid.—A. Yes; I think that is the case. I come in contact with manufacturers in all parts of the United States, and have visited their factories, and looked into the condition of the laboring people in factories in Virginia and North Carolina as well as in Ohio, Kentucky, Missouri, and other places, and I have always observed by comparison that our people earned a great deal more money than the people did in other factories.

Q. What is the number of laboring people who are engaged in the manufacture of tobacco in the same forms in which you manufacture it?—A. Commissioner Raum's annual report for the fiscal year ending June 30, 1882, sets forth that there are eight hundred and twenty-four tobacco factories in the United States. Of course very many of them are small factories in interior country places that do a comparatively limited business. The number of laborers engaged in the business I am unable to state positively, but reference to the Commissioner's report or a letter addressed to Mr. Kimball of the Internal Revenue Department will give you the figures exactly.

Q. Does it state the number of persons?—A. Yes; also the number of pounds of tobacco of each kind manufactured in the United States. I think it shows that the annual consumption of plug tobacco in this country is about 80,000,000 pounds, while that of snuff is about 4,000,000 pounds. Fine cut chewing tobacco about 18,000,000 pounds.

Q. Have you given much thought to the means for improving the condition of the laboring people in respect to education, and in respect to their domestic economies, and the improvement of the kind of dwellings they occupy?—A. I have given it but very little thought, Senator, for the reason that I cannot see any practical means at my disposal whereby I might help them. I have given the matter, perhaps, some

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little thought, but unfortunately no way or avenue beyond those I have mentioned that are under contemplation by the firm has suggested itself to me.

COMPULSORY EDUCATION.

I am of the opinion that compulsory education is eminently desirable. The State of New Jersey, at the last session of its legislature, passed an act preventing the employment of children under fourteen years of age in factories, and another act obliging attendance upon schools. The law, however, is a new one and has not been thoroughly enforced yet, but I think that both measures are eminently wise.

Q. Are there any suggestions which occur to you which would be beneficial in the shape of legislative remedies, in the relations of the employer to the employed, or capital to labor?—A. No, sir; I have no suggestions to offer. That is a very troublesome problem, and requires the best thought of the best minds we have, if any legislation on the subject is desirable.

SUBDIVISION OF LABOR REDUCES DEMAND FOR SKILL.

Q. I understand from your statement that in your business the necessity for skilled and trained labor does not exist to so great an extent as in others, that unskilled labor will answer your purposes with a comparatively small amount of training?—A. Yes.

Q. That question, therefore, does not embarrass you so much as it does other departments of business?—A. That is owing to our subdivision of labor. In former years, a greater amount of skill was necessary, but by dividing the process of manufacture into a number of different branches, and teaching each individual that simple, separate, particular branch, it follows that very little skill, very little thought, very little ingenuity on the part of the laborer is required. Then, again, the perfection of labor-saving machinery of various kinds as adjuncts of our business has simplified the business in some respects very much.

INDUSTRIAL EDUCATION.

Q. In the schools which you are proposing to establish, have you given any consideration to the subject that has been discussed here so much, the subject of industrial education? What do you think of that as a public measure, schools for training boys in different arts and trades, and fitting them for the mechanical employments of life? That subject is one that has been presented here and discussed very largely.—A. I have not given the matter sufficient thought to entitle my opinion to any weight or respect. I have turned the matter over in my mind on a number of occasions for a good many years. I am heartily in favor of industrial schools. The technical school founded by Peter Cooper, in my opinion, has been one of the greatest blessings that has ever been conferred upon the youth of both sexes who can avail themselves of its benefits and privileges. My only regret is that we have not a thousand benefactors such as Peter Cooper proved himself to be in the establishment of that one school. Industrial schools for the purpose of imparting knowledge relating to the various industries and sciences would be among the very best aids and helps that our young people could have. Nothing, I think, would tend to advance our people so much as that. We are suffering in this country from a lack of proper stimulus to the youth to induce them to enter the mechanical arts. If we should

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look among our large manufactories, we should find that very few young men of the present day, especially those who have come within my range of observation, have any desire to learn a trade. They prefer to go into offices or salesrooms, or engage in some light cleanly occupation which seems advantageous in their eyes.

TRADES UNIONS.

Furthermore, perhaps a large part of the fault lies with the workpeople in the factories. In very many lines of business we have trades unions. They prohibit and limit the number of apprentices that shall be employed. That is a tendency also to keep young men out of mechanical arts, and if that condition of things continues to grow, unless something is done to arrest it, it will be very bad for the next generation. We may be able to pass over the crisis during the remainder of our brief histories, but it portends trouble for the future, in my opinion.

Q. You think, then, that such a system of public education would be a great benefit to the country?—A. Undoubtedly.

Q. Do you understand that there is a general opinion among the people interested in labor and the employment of labor favorable to some public action on the part of the General Government in that direction in the shape of aid in money to assist in the establishment of institutions of learning of that and other character?—A. I think so.

Mr. CALL. If you have any further suggestions, we would be glad to hear them.

The WITNESS. I have no suggestions, sir. I think there is an abundance of people in the city of New York far better informed than I am and more capable of giving an opinion and information.

Mr. CALL. We want to hear from laboring men and employers of labor.

The WITNESS. We have done quite a good deal for the working people, but our intention is to do a great deal more. We have been busily occupied with a great many matters since we have removed to Jersey City. In former years our factories were located either in South Brooklyn, Westchester County, or New York City. We had factories in each of those places, and within the last six or seven years we have established our works across the river for the sake of the economic questions involved, and we have been very busily engaged in erecting works and making additions, changes, and alterations—systematizing our work—and consequently have not been able perhaps to give that amount of time and attention to the special questions involved that we would like to, but our intentions in that respect are good.

HUMANITARIAN DUTY OF EMPLOYERS.

Q. You recognize the fact that the better the condition of labor, the more profitable the work is to the employer as well as the employé?—A. Yes, and then we think that from humanitarian reasons, the employer who profits from the labor of his employés should return them a *quid pro quo* if he can afford to do so, in addition to the wages that he pays them. He recognizes that justice is due those people, and motives of humanity should induce him to ameliorate their condition to the extent of his power.

Q. In the shape of improved houses, lower rents, and provision for sickness or against accident, I suppose you mean?—A. Yes, sir. We provide for all accidents and all cases of sickness. They are always treated free of charge by us.

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Q. Do you understand that practice and feeling to be growing among the employers of labor in the country?—A. I think so. I hear more and more of it every day, not only with reference to our own factory but others. I might say a good deal more in that direction but will forbear lest I might be accused of egotism, but I hear that in various large factories in the vicinity of New York employers are continually improving the condition of their people. They are constantly on the alert to aid and befriend them, to make better work people of them. Instances are coming to my knowledge constantly of manufacturers who look after the general welfare of their people.

### PROBABLE EFFECTS OF INDUSTRIAL EDUCATION.

By the CHAIRMAN:

Q I see that you have thought much more on this matter of industrial education than the modest way in which you express yourself would lead one to imagine. You have established the principle yourselves—at least applied it to a considerable extent—but in regard to the establishment of such schools by the public, do you think that the effect of the establishment of such schools would be to lessen the competition for employment in mechanical pursuits, or would it simply qualify a much larger number for employment in them so that the competition and the reduced wages resulting therefrom might be increased by the increase of qualification to undertake such labor; and, further, might not the result of it be to still further drain the agricultural population in the direction of mechanical pursuits?—A. I think there is no danger in that direction for the reason that our country youth as it is gravitate toward the cities.

### ANTIPATHY OF BOYS TO FARMING AND MECHANICAL PURSUITS.

Very many of our young lads, in contemplating the future and making choice of an occupation for life, look upon farm work as toilsome drudgery—that once a farmer always a farmer. They observe and they read through the popular literature of the day that very many of the self-made men were born on farms, stayed there for a few years, and then went to the city and, perhaps, engaged in merchandising, or in the law, or clerking in a bank, or otherwise occupied themselves in some genteel employment, and thereafter readily rose to positions of affluence. Such glittering pictures lead the boys into the large cities. Consequently, if you insert an advertisement in one of our daily papers asking for a lad or a young man, you will find that you will have anywhere from one hundred and fifty to two hundred and fifty answers. That class of labor is always superabundant in this city. I can at any time hire such people in endless quantity. But on the other hand, if I advertise in a paper that I want boys to work in a tobacco factory, the result will be that the applicants will consist almost entirely of the children of the poor from the tenement-house population, who are glad to get any kind of work at any kind of a price. The boys who rush to the cities because they do not like the toil and drudgery of a farm desire to wear nice clothes, and they want to occupy nice, easy positions as clerks, and want to engage in some kind of occupation or profession which they imagine will lead to quick and rapid advancement.

The establishment of industrial schools, whether generally under the patronage of the Government or by private benefaction, would not, in my opinion, have a tendency to interfere with the working people al-

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ready engaged in those branches to their prejudice or interest, by a reduction of their wages. There is no danger that in a country like ours too many of them would rush into those schools to the detriment of our people generally. We must recognize the fact that we are living in a Republic where all men are born equal, as Jefferson says; that in this country we have no caste system; that it does not follow because a lad here has been born the son of a shoemaker he must necessarily remain a shoemaker all his life-time, as is the case to a greater or less extent in the Old World. Every young man here knows that he has an opportunity to rise, and ambition shows and develops itself in our youth to a greater extent perhaps than we find it abroad. The strict social lines that divide the people of Europe into classes, as they have their railroad cars divided into compartments of first, second, third, fourth, and even fifth, are not found in this country, and consequently our young people are not fond of engaging in the industrial branches. I mean particularly the mechanical branches. They neglect them. They prefer merchandising as a rule, or professions, such as law, physic, or science.

Q. As to those of our youth who now have this tendency to what they think is a higher sort of life, such as the life of clerks, lawyers, and professional men, and I suppose some of the enjoyments of political life—do you think that that class of youth having this tendency, if instructed in the principles of industrial education, would be more likely to resort to mechanical pursuits—in other words, would it do that class any benefit to be educated in industrial schools?—A. I think it would, sir; and I think that many excellent reasons can be shown why it would. I mentioned awhile ago that there is a tendency on the part of mechanics, especially of union men, to exclude apprentices from the workshops. It is a comparatively difficult matter for a young man who desires to learn the trade of machinist, for instance, to obtain work or employment in the machine shop. He may be unsuccessful after making application to many places, and when he does succeed and enters a shop, there is a constant tendency on the part of the workmen engaged there to make his lot as hard and as difficult as possible by throwing hindrances and obstacles in his way and making him do all sorts of menial work. Instead of making the occupation or trade an attractive one for him, they make it as repulsive as possible.

### MAKING TRADES ATTRACTIVE TO BOYS.

If industrial schools were established and every facility afforded to young men to learn trades, and it were endeavored to make those trades as pleasant and agreeable as possible, there would be far less desire on the part of young men either to escape farm work on the one hand, or to bridge over the difficulty by leaping into the large cities and endeavoring to get positions as clerks, &c. I think that the easier we make it for our youth to acquire trades and callings the greater will be the tendency to draw them in that direction. It is undeniable that the establishment of the Cooper Union school has been the means of educating thousands of our young people in the arts and sciences there taught who, but for that school, never would have had the facilities.

Q. You speak of the facility of acquiring a trade being an inducement to a great many to make it a means of livelihood. What would be your opinion as to the effect upon our coming laboring population, of that sort of instruction that you speak of, by reason of its giving them a sort of intellectual pastime—on the principle that one who understands the scientific basis on which his occupation rests becomes more interested

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than he otherwise would, because of the effort of his intellect—that pleasing action of the mental powers which is a source of satisfaction to all who exercise the mind, especially in connection with their ordinary avocations? In that way, may it not induce those more intellectually inclined among our youth to find occupation for their powers in the ordinary mechanical pursuits?—A. I think there can be no doubt about it. I think that your assertion is equivalent to a truism.

SCIENTIFIC INSTRUCTION IN AGRICULTURE.

Q. Then what would be your idea of the effect of better instruction than they now have—instruction, for example, as to the principles underlying the farming occupation itself—as to the chemistry of the soil and of the crops, so that in addition to the practical knowledge necessary for farming, the farmer's boy would understand the scientific foundation of his business and so find his avocation elevated?—A. If the science of chemistry in its relation to the soil were taught in something like an agricultural school where competent instructors were employed, and if every facility were afforded boys for acquiring the requisite scientific knowledge to improve their farms—such an industrial school would unquestionably make the profession of farming very much more attractive, as well as more lucrative to the farming masses.

By Mr. CALL:

Q. It would put practical farming on an elevated scientific basis?—A. Yes, sir.

By the CHAIRMAN:

Q. Perhaps it might be found that the most practical farming was the most intelligent farming, might it not?—A. There is no question about it, in my opinion.

The CHAIRMAN. I imagine that much of the tendency of these farming boys to go to the cities grows out of the fact that so little is known of the true science of farming itself?

The WITNESS. That is true.

The CHAIRMAN. I think an intellectual person can find all the occupation for his intellect that he can want on a farm if he knows how to occupy his intellect with the science underlying his work.

The WITNESS. Unfortunately, many of the farmers of the country have received little education, and, like the products of their farm, they vegetate; they do not live. Perhaps the children have been sent a little to school, and the youth learns more than his father ever knew. The result is that when the youth contemplates leading a life such as his father led before him, he is repulsed by his observation of the barrenness of the farmer's life, as he has seen it, and he is apt to look down upon that class of work with disdain. Hence that tendency of which I spoke a little while ago.

HOW FAR SHOULD THE MASSES BE EDUCATED.

Speaking of the extent to which the masses might be educated, I think there is much room for a difference of opinion. Very many of our people think that the Government should afford every possible facility for the masses, not only in the rudimentary, but also in the superficial—the elegant branches, as they call them—of a high education. If my opinion were asked in that respect, I should say that I think that compulsory

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education should be the law of the land, but whether it is possible to bring that about through the General Government is, of course, a constitutional question which only a lawyer could answer. It would be eminently wise, I think, on the part of each and every one of the States to enforce education upon the masses so as to wipe out illiteracy altogether—the same as prevails in Prussia, for instance. But I think that the education which is to be furnished by the State should be limited to the rudimentary branches. Even if the parent has the means of giving his child a still better education, I think it to be the duty of that parent to stand the expense involved rather than to ask his neighbors to share that expense with him.

Q. Does not that become quite evident when we reflect that such education—the education of what we call a liberal sort—can never be extended to the large masses of the people?—A. In the first place, they are not prepared, intellectually, to receive it in a very large number of cases. It is undeniable, I think, that the great mass of mankind must, necessarily, be hewers of wood and drawers of water; that it is impossible to take and make a Daniel Webster or a Rufus Choate out of every poor boy that walks the street. Consequently, expensive education might be wasted. A great deal of money might be spent training youth, or attempting to train them, beyond what they were able to bear intellectually, or beyond the station in life for which they are evidently fitted.

Q. And, also, in the nature of things, I suppose there is no use for many Daniel Websters in this world. Somebody must dig the earth, must they not?—A. That is true, sir.

Adjourned.

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NEW YORK, *October* 1, 1883.

The committee met at 10 a. m.

CHARLES PARTRIDGE recalled and further examined.

EDUCATION.

The WITNESS. I should like to add a few words under the head of education.

I have spoken about the deficiency of education relative to the duties and work of life among the people. I wish now to say that I think there is much lack of duty among those who assume to teach—I mean the ministers in the pulpits. They seem to entertain their audiences with such minute particulars, intentions, and acts of Moses and the prophets that it would seem as if they lived and slept with them and had not yet opened their eyes to the great world in which they are now existing and the increasing sins and sinners who are members and contributers to their churches.

This thought brings to my mind an incident of my own early childhood. The minister came to see my father, and said to him, "Deacon Partridge, I see that you are interesting yourself in this temperance question." The temperance question was then comparatively new. My father said, "Yes;" he thought that the drinking of liquor was doing much harm, and that it ought to be limited or stopped." The minister replied, "I fear your taking an active interest that way will be injurious to our church. You know Deacon Wyman has his toddy in haytime, and Deacon Stone and Colonel Lee sell liquor, and they are large

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contributers to our church." I fear there is too much of that spirit still among the ministers—not so much perhaps with regard to temperance as to other subjects. If gamblers and other sinners pay well, nothing is said about their sins.

### CHICAGO CHURCHES AND LIQUOR SALOONS.

I cut from a paper recently an item which shows the sources of education in comparison with the sources of sin and misery. It says:

Chicago has 300 churches against 5,242 liquor saloons; 400 clergymen, evangelists and lay-leaders, and 5,500 bar-tenders; only half a dozen art galleries, and 350 variety theaters. Out of 100,000 buildings 8,000 are used for immoral purposes; $1,500,000 are spent for schools, and $15,000,000 for liquor; $800,000 (perhaps $1,000,000) for religious worship, and $15,000,000 for that which destroys both soul and body. Yet that city is no worse than other cities, and not so bad as some. Let religionists expend their zeal in moral reform at home rather than in the pretense of saving the heathen from hell.

They should preach upon the sins and sinners before them and urge the young to acquire knowledge of the work of life. I consider that one of the greatest evils in society now is that our young men and women are not being instructed in any of the duties and work of life. Consequently they seek methods of living without labor—rendering themselves useless to society and the boys float as a consequence into these gambling saloons, pool-rooms, billiard-rooms, and the business of gambling in the necessaries of life, the products of our country, in our produce exchanges all over the United States. It is a system by which those engaged in it are enabled to charge the expenses of their useless lives to the necessaries of life.

### GAMBLING IN THE NECESSARIES OF LIFE.

I wish to give some indication of the extent to which gambling is carried on in the New York Produce Exchange. I am a member of that exchange, and there is not done there one-twentieth, I suppose, of the amount of gambling done in Chicago, and there are besides these the exchanges of Milwaukee, Cincinnati, Toledo, Saint Louis, and other markets.

In the New York Produce Exchange this gambling in the necessaries of life is done in this way: They sell what they call "futures," options, &c. Now, a sale "future" may be proper and right. If a farmer wants to sell his grain, and it is not yet thrashed, let him sell it. That is not improper. But of these sales of futures and options on the Produce Exchange, ninety-nine out of every hundred of them are simply pieces of paper which men of little or no responsibility make, purporting to sell, say, 8,000 bushels of wheat. The first man sells it to the second, and the second to a third, and so it goes on through ten or hundred hands, and one delivery settles the whole. But each person through whose hands it has passed has paid a brokerage and commission, and the person who buys expects to make something. If he does make anything, that broker's commission and what he makes is charged to the article not sold, but represented to be sold; it is charged to the price of actual wheat. There is so much of this thing done that it is alarming. The tendency of it is to keep our wheat market from 10 to 50 cents a bushel higher than the laws of supply and demand would make it, and that difference is to pay these brokers and these gamblers, and it has to be paid by the consumer. For instance, in Keene's corners, when the wheat went up

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from $1.09 to $1.65 in this city, it could be bought in Liverpool a good deal cheaper, but we could not bring wheat from Liverpool. We had to pay the price charged here or starve. That is the manner in which every corner is carried on, whether in wheat or anything else. They buy up the article and hold it at an arbitrary price out of the market to squeeze the "shorts," and in this manner rob the consumer. The language of the corner is, "pay the price or starve;" and the language of these futures and of this gambling in wheat and other articles is, "pay us this extra 10 or 15 cents a bushel, or we hold it and you starve."

By the CHAIRMAN:

Q. What does the flour cost to the consumer by the bushel—what do the laboring people have to pay for it?—A. It depends upon the price per bushel.

Q. I want to know something of what it costs when it gets here. The point is whether the laboring people actually pay, by reason of the speculation here, more than they would have paid otherwise?—A. Why, yes; and the speculation is all over the country; and whatever is put on to it in any section, increases the price all over the country.

Q. Does it come back to the farmer himself?—A. The farmer does not get the benefit of it, because most of them want to sell before they have thrashed their wheat or soon after so as to pay off their debts, and they do it; and that is the lowest price for wheat in the season, when it is being gathered and comes into the market.

Q. Can you give instances showing what the farmer got, and what the consumer paid?—A. No; I could not give any specific instances. The farmer gets the price of wheat in Chicago or New York, less freight and expenses.

Q. But is it not necessary to show that the farmers are injured by those intermediate processes?—A. The farmer is injured by their getting his wheat at a low price without his knowing of the intended corner. I can show you on this point the evidence taken before the senate committee of the State of New York.

Q. You have made an abstract of that evidence, have you?—A. Yes; and I can show you by sixty or more witnesses the facts in this matter; and they are the dealers and know all about it.

The CHAIRMAN. Well, if it is so we can be made to see all about it.

## EFFECTS OF "CORNERS" ON PRICES.

The WITNESS. I will suppose a case. Suppose I buy wheat of a farmer for 75 cents a bushel, and I sell it to these people that are making a corner. It has cost them we will say $1 here in New York, including freight. Now, if it is a corner, they hold it out of the market; if not, it is substantially the same thing, because there are "shorts" sold against it, and they are able to put on anywhere from 10 to 40 cents a bushel right here in New York, because of these differences in contracts for "futures" which have to be filled, or the price of the wheat paid. When there is a corner the clique arbitrarily dictate the price. They will sell to go out of the market at less price than they will sell to the "shorts" to fill their contracts or for use in this country; their purpose is to squeeze the "shorts," and they do it; and not only the "shorts," but the consumers all over the country—hence wheat is sometimes lower in Liverpool than in New York.

Q. Even if there is no corner?—A. As I say, options and futures put anywhere from 10 to 40 cents a bushel on wheat; and if it does that,

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and it take 5 bushels to make a barrel of flour, it makes the flour considerably more expensive (50 cents to $2 per barrel).

Q. I suppose the profit depends on the number of times the contract has been transferred from one party to another, does it not?—A. This system raises the price without much regard to the number of hands it goes through. The price is arbitrarily made by the "corners" or the gamblers.

Q. If those futures were not assigned at all, then there would be no harm?—A. No; and there would not be one hundredth part of the futures that there are now, and consequently less harm.

Q. Then the number of times that assignments are made determines the extent of the evil, does it?—A. Yes, largely; but the cornering clique can arbitrarily put up the price any day 5, 10, 15 or more cents per bushel above what supply and demand would warrant. Everybody knows it. Millers all over the country are seriously injured by it, and I have a petition here signed by something like a thousand farmers and millers in the country, all objecting to this system of cornering and gambling in wheat and other produce.

Q. You say you have arranged the testimony on this subject that was taken before the New York legislative committee, have you not?—A. Somewhat, though not as much as I would like to.

The CHAIRMAN. Go on then with any further explanation you desire to make of the evil itself.

### MARGINS ON NEW YORK PRODUCE EXCHANGE.

The WITNESS. Grading is essential to this gambling in grain, as it signifies the quality. For instance, if I buy 8,000 bushels of No. 2 wheat of you to be delivered one, two, or three months in the future we are required to go to the margin desk in the Produce Exchange and put up a margin, each of us, of 10 per cent. perhaps. If it goes lower in price the Exchange calls on me for further margin, and if it goes higher you must put up further margin to secure the payment of the difference in the price of wheat at maturity of the contract. The amount of the margins put up in the New York Produce Exchange on this class of business in 1876 was $271,776; in 1877 it was $673,925; in 1878 it was $726,007; in 1878 (the Keene corner), $2,783,854; in 1880 it was $6,652,360. These are simply the margins on these fictitious sales. I wish to explain now how that is, so that you will understand it. For instance, a regular dealer here, say David Dow or men of known means that deal regularly, do not have to put up a margin. It is only these men of small means that go in there to get a living by this method that have to put up a margin. In 1881 the amount of margins put up was $10,716,838; in 1882 it was $17,120,887.50; and for the first six months of 1883 it has been $5,827,730.

Q. What becomes of these margins?—A. These margins are paid into the Produce Exchange, which is the stakeholder for the gamblers.

Q. These are moneys paid on deposit with the Exchange?—A. They are so paid as margins into the Produce Exchange, and are held subject to a settlement of the deal. On the maturity of the contract, the margin of the losing party is paid by the Produce Exchange to the gaining party to the extent of the difference between the contract price and the then selling price, and the balance of either margin to the party it belongs to.

Q. Now, on the same transaction, which has been a great many times assigned, with the market going up and down, many margins have been

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put up, and all that is lost in the end is the difference?—A. Each person who sells or purchases the contract puts up margins, as above stated, and is settled with as above stated.

Q. Is there a settlement every time the contract is assigned from one to another?—A. No; all margins are kept for final settlement and are then paid over to the party to whom they should go.

Q. The last year, you say, the margins were $17,000,000 and over. Who got that $17,000,000?—A. The "bulls" and "bears," so called; sometimes one side and sometimes the other.

Q. The whole $17,000,000 was not lost to any one?—A. The whole was lost and the whole was gained.

Q. Now, in what way has the farmer lost in that transaction, or in what way has the consumer of the wheat lost?—A. The consumers have lost the $17,000,000, which is shown to be the fictitious price put on the wheat, which they were obliged to pay or starve, and the farmers who sold early or at harvesting time certainly received no benefit, and the farmers who held their wheat did so to realize the $2 or $2.50 per bushel which they were deceived into expecting, and when the corner broke they sold at about the price of the early sellers.

Q. But these fluctuations on the Produce Exchange from day to day cannot possibly be repeated from day to day in the retail market, can they?—A. Not from day to day. For instance, I am in the flour business, and if there is a fluctuation of half a cent per bushel higher on wheat, it does not change the price of flour that day, but if it continues it is reported that flour is stronger, or the price is higher, and the price gradually goes higher.

Q. The retail dealer takes advantage of it, does he?—A. Yes.

Q. He is the man that makes the money?—A. No; for he often gets caught. There is no possibility of telling what the price of wheat will be to-morrow any more than you can tell which way the wind is going to blow, or whether the weather will be cloudy or otherwise. It is in the hands of these gamblers who control it, and they can turn it up or down at will at any hour of the day. If you go on the Produce Exchange you will find them calling, and during that call the man whose interest it is to have it go up or down will put in a bid to make it go up or down, and then operate on it. It is a monstrous evil. You can hardly estimate the amount that the consumers of this country have to pay to support this horde of gamblers. They do support them, and they are of no use to the community.

Q. How many of these gamblers are there?—A. Well, we have three thousand members in the Produce Exchange, and two thousand of them, at least, or more, deal in this class of business. And not only that, but when they get out at 2 o'clock they can hardly get through Moore street because of the crowds of the outside gamblers who cannot afford to be members of the exchange, and who are dealers outside in this very same business, which is not reported.

ARTICLES AFFECTED BY CORNERS.

Q. This speculation goes on with wheat and corn?—A. Yes; wheat and other grains, petroleum and pork, cotton, lard and other products.

Q. Those are the special articles which form the basis of that class of speculation?—A. Yes.

Q. Is the price of cotton enhanced in the same way?—A. Yes. Now take pork. The commission on a sale of pork is, I think, 25 cents per barrel, 12½ cents to each party, the purchaser and the seller. That is added to the price, of course, in every sale.

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Q. Whether they collect it or not depends on the state of the market, does it?—A. No; this has to be paid when the contract is signed; these dealers have to pay that at once.

Q. They get it out of the speculators?—A. Yes; and so with grain. They have to put up the commission and the brokerage every time.

### THE LAW OF SUPPLY AND DEMAND AS RELATED TO PRICES OF FOOD PRODUCTS.

Q. Take the full year together, do you not think that the natural relations between the law of supply and demand actually control the average price for the year?—A. Not one hour in the year.

The CHAIRMAN. I do not mean any particular hour, but taking the year together.—A. No; they do not.

Q. Do you mean that those prices, taking the average price for the year through, are higher than they would naturally be?—A. I do; and I mean to say that the law of supply and demand has nothing whatever to do with the prices. Certain men in the market can put it up or down a half a cent or more in one minute.

Q. But suppose he does, there will come some other minute in the year when it will go down another half cent?—A. It may be, but he will make his money out of it.

Q. But, taking the whole year together, how will it be?—A. Taking the whole year together, this illegitimate trade in the commodity keeps it advanced fictitiously.

Q. You mean this uncertainty of what the price will be from day to day operates like the uncertainty of railroad rates—they being frequently changed?—A. Yes; just like the uncertainty of a game at cards or a game of pool.

Q. There is an effort to obtain an assurance against uncertainties and fluctuations in price; the increase comes in the way of the effort of the general public or the dealers to assure themselves against loss by fluctuation, just as a man insures his life against accident?—A. Yes. Now, for instance, when I was getting signers to this petition I went to a man in Milwaukee and asked him to sign it. He is one of the largest millers and one of the largest speculators there. "Why," said he, "I can't sign that petition." I said, "Why not?" "Why," said he, "I do more than all the rest of them here in that line." I said to him, "Why do you do it?" He said, "The trade puts me in a position where I have to do it. The prices are changed every day and I have to hedge." I said, "Sign this and if the petition accomplishes what it calls for it will help you to get rid of that trouble;" and he did sign it. The millers all signed it.

### CROP REPORTS.

Q. Is not the effect of this felt in wheat and corn and other crops in the matter of the amount? Is not the effect of it to stimulate a large number of men who collect the most accurate and reliable information so that the general public comes to comprehend the real supply much more readily and accurately than it otherwise would?—A. Well, reports as to what the crops are in the country are gathered in Washington and they publish them every little while. They send out inquiries to all parts of the country, but not as to the crops in foreign countries.

Q. Yes, I know there are the returns of the Agricultural Department; but is there not a system organized by these speculators or general dealers that perhaps would not exist but for this gambling performance

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that you speak of?—A. There is, and they organize it for the purpose of gambling and make it promote their schemes and interest whether for higher or lower prices.

Q. Suppose that may be their purpose; but the information that each man is seeking is the truth.—A. He seeks to get the truth and thinks he has it, and he may have it, but if he is a cornerer or gambler he will not inform the seller; he will use it for his own purposes.

Q. But there are two classes, the bulls and the bears, and the falsehood of one must be exposed by the other, and it is, is it not?—A. Well, the "bulls" agree with the "bears" when they are buying wheat to control the market, and then they defy the bears.

Q. And it may be that they do each other a great deal of damage.—A. Well, what one loses in money another makes; but then you might ask how it is sustained. I will tell you, for I have had a little experience. A young man in Lewis County, whose father died, had a large sum of money which had been left to him by his father. Previous to his father's death the young man was made acquainted with all his business. He was a clerk and did the business for his father——

The CHAIRMAN. [Interposing.] We would be willing to concede—because we know it is so—that these men ruin each other and carry a great deal of misery to honest people, and that the system by which they work is a great evil as among themselves; but the real point involved is whether the masses of the people suffer so much from it—at least that is what I am trying to get at. I know you say that wheat averages 20 or 25 cents a bushel more by reason of this speculation—this gambling in wheat.

The WITNESS. It does.

The CHAIRMAN. Well, now, whether that is so is the question in my mind.

The WITNESS. That is what I want to convince you of. I have given my testimony.

The CHAIRMAN. It would not convince me a particle if five hundred men swore to it, unless they could explain it to me so that I could see how it is done, because that is a problem which must certainly be capable of demonstration, if the assertion is true. The uncertainty as to what the supply may be I can see would be a very great evil; and if that uncertainty can be dissipated in the general public mind in any way, no matter whether by fair or foul means, if the result is that that uncertainty *is* dissipated, and honest dealers—buyers and sellers—all over the country come to know just what the supply is, then they are able to understand (knowing what the demand is likely to be) what they can afford to give and how they can afford to sell. They get their information by reason of the attrition of the bulls and bears plus the information coming from the Agricultural Department, which comes from an honest source. Now, it seems to me that what the general public wants is the truth, and the truth surely can be evolved from the efforts of these speculators pitted against each other to ascertain it, and honest people can take advantage of the truth when ascertained.

The WITNESS. The Agricultural Department under the law reports what they get and what they believe to be true, and it is as accurate probably as can be got. We have two reporters who have been on the Produce Exchange several years, and they report what the supply and the demand are, but they do not agree, or they seldom agree, and when one of them is elected by the Produce Exchange as the official reporter, he is elected by these gamblers and they own him in a certain sense.

Q. I do not suppose it can be claimed that this speculation that you speak of makes things any cheaper?—A. No, it makes them always dearer, and the consumers have to pay the fictitious price.

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Q. Nobody has ever claimed that this dealing in futures did any good?—A. No, and the testimony on that point from all the millers and the people is the same thing; they all admit that it makes the goods dearer; all admit that the consumer has to pay the extra price, and all admit that it is an evil to society and breaks up legitimate trade. That is the universal testimony of men that know anything about it. It is a demoralizing system. Why, a man that will resort to that for a living, how can he have any morals?

Q. How is it about the remedy now?—A. Well, I think that this petition——

The CHAIRMAN. [Interposing.] You may give us your idea of it now in a few words. You can file the petition afterward.

LEGISLATIVE PROHIBITION OF "CORNERS."

The WITNESS. I would make it a penal offense for anybody to sell that which he does not own or control; and I would make it a penal offense for anybody to buy up any of the necessaries of life and hold them out of use for the purpose of extorting a fictitious price, punishable with fine and imprisonment. If he holds the necessaries of life at a price above the natural price of supply and demand with the intent of forcing the people to pay a fictitious price, I would have him adjudged a conspirator against life and have the laws of theft applied to him and punished as a thief.

Q. That is, you would prohibit the organization, of corners?—A. I would most decidedly prohibit them.

Q. You would aim directly at that evil?—A. Yes.

Q. You would make a provision that would prevent this speculation in futures—that is, this hurtful speculation in futures?—A. Yes.

Q. But futures are sold a great deal when there is no corner?—A. Yes.

Q. You would make a specific provision against the organization of corners in the necessaries of life?—A. Yes.

Q. Then you are speaking of dealing in these futures fictitiously?—A. Yes.

Q. Not for honest purposes, but for gambling?—A. Yes.

Q. Could you frame such a provision in language that would be apt to reach the evil without going too far and preventing beneficial and honest dealings?—A. I think so.

Q. How would it be in a case where the farmer pledges his crop?—A. I would make that an exception; he has it and owns it, and it is his right to sell.

INSUFFICIENCY OF STATE LAWS AGAINST "CORNERS."

Q. Cannot those provisions of law, whatever they may be, be enacted by the State authorities as well as by the national authorities?—A. No; and I will tell you why; which is the reason why nothing was done by our legislature, after collecting such a mass of testimony of this great evil. They say that if you stop these things in New York, they will be carried on in Jersey City; and some of these gamblers will go to Baltimore or some other place and carry on the business there, and that it will curtail or demolish our commerce; gamblers have the impudence to call gambling commerce.

Q. Under what power of the General Government do you think it could legislate on the subject at all?—A. The General Government, as I under-

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stand it, has authority to regulate commerce between the States, and between this country and foreign countries. When I testified about the grain corner, I showed you how much the country lost by holding grain over. They could have got $1.50 a bushel; they held for $2, while it went down to $1 a bushel, and the difference was lost to the country. I do not mean to say that it would go into the Treasury of the United States, but it would have come into the hands of the citizens of the country, and the country therefore lost what I have previously stated.

Q. Would you apply such a national law to any provisions which might have been raised in a given State, and the speculation in which should be conducted within the limits of that State? Do you think the nation would have a right to assert its power over commodities raised in a certain State and speculated upon in the same State? Suppose these men should confine their operations to wheat grown in the State of New York?—A. Different States produce different articles of the necessities of life and no State should be permitted to withhold its product from the people or enter into a conspiracy to starve them; besides, since the United States made war on the States which attempted to establish a government for themselves it would seem that the United States would have equal right to protect the *lives* of the people against a State which should conspire to withhold any necessary of life from the people.

Q. Is there anything else relating to this subject that you would suggest? You have suggested a law strking at corners and at gambling and speculation by dealing in futures, and at the effect upon commodities by the influence of corners, so as to make it impossible to transfer the speculation from one State to another, or from one State to a foreign country. Is there anything else?—A. I want to present to you this petition, and in the manner which it will be considered by Congress, and to add something of the Keene "corner" and the "ringing out" process, so called.

## PETITION AGAINST "CORNERS" AND GAMBLING IN FOOD PRODUCTS.

*Iniquities of commerce! Speculators in human suffering.*

It is customary in the month of September for experts to make up from the most reliable data the surplus and deficiency of wheat in the several countries, and the result in September, 1879, was as follows:

SURPLUS.

| | | |
|---|---|---|
| Russia | 35,000,000 | |
| Austria-Hungary | 12,000,000 | |
| Chili | 4,000,000 | |
| Canada and Manitoba | 13,000,000 | |
| British India | 8,000,000 | |
| Egypt | 2,000,000 | |
| Australia | 8,000,000 | |
| United States | 185,000,000 | |
| | | 267,000,000 |

DEFICIENCIES.

| | | |
|---|---|---|
| Switzerland, Spain, and Portugal | 8,000,000 | |
| Italy | 12,000,000 | |
| Germany, Holland, and Belgium | 18,000,000 | |
| England | 137,000,000 | |
| France | 55,000,000 | |
| | | 230,000,000 |
| Surplus | | 37,000,000 |



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This showing drew together moneyed men (some of whom had never dealt in wheat or flour) to form a syndicate for the purpose of securing to themselves a profit of 50 cents per bushel on our immense wheat crop. To accomplish this purpose they sent out agents into all the grain-growing States to buy wheat, and they continued this business until their purchases had raised the price of wheat 65 cents per bushel, and exhausted the storage capacity in the interior and Atlantic markets, and had pressed into this service numerous lake boats in the West, and hundreds of canal boats in New York and other Atlantic markets. The railroads were compelled to order their agents west not to accept grain consigned for storage, as there was no room for further deposits. Thus a complete blockade of the grain crop of the United States was formed early in January, 1880.

It was estimated then that 120,000,000 bushels of the crop of wheat remained in the farmers' hands, and the syndicate owned and controlled 60,000,000 bushels, which they held during January and February 12 cents per bushel above the price at which the deficient foreign countries were obtaining their supplies from Russia, Hungary, Australia, and elsewhere, which materially diminished exports.

The syndicate found they could not put down the price and sell freely for export without carrying down prices of wheat in all the markets of the world. Hence they arbitrarily held their wheat at high prices, in the faith that the surplus in other countries would be used up, and the necessities of the people would aid their purpose to extort their tribute of 50 cents per bushel.

In this dilemma the syndicate commenced coining money by demanding high prices, and reporting fictitious sales of wheat among themselves, or otherwise, for export, future, long, short, &c., at fabulous figures, for the purpose of inveigling novices into buying or selling wheat, whereupon the old sinners at the crank turned prices in the opposite direction, creating what are called "corners," and thus swindling the unwary out of their money. They abrogated the laws of supply and demand, and disregarded the relative prices of wheat in the different States and in all the markets of the world.

For example, they created a "corner" in Chicago, whereupon this gambling ring arbitrarily put the price of wheat in that city 12 cents per bushel higher relatively than in New York, and 5 cents per bushel higher than in Milwaukee, at which place legitimate trade prices are the same as at Chicago, showing that the absolute control of prices was possessed and exercised by the syndicate to swindle the victims of their duplicity, and to break up legitimate trade.

The millers throughout the country have been obliged to pay gamblers' prices for wheat to grind. They have consigned their flour to the interior and Atlantic markets, and drawn advances on the same, with instructions generally to have the flour stored, unless the cost price of it could be obtained. The quantity so shipped and stored exceeded the requirements of the people by 2,000,000 barrels, which has been held at $2 per barrel above its real value, which $2 our people are obliged to pay for permitting gambling in wheat. This flour cannot be sold to foreign countries in need of it without a loss of $2 per barrel, which has already ruined many millers, and has seriously injured all of them; and it is now—the 1st of April, 1880—estimated that three-fourths of the mills have remained idle two months, and must so remain until this nefarious syndicate is deprived of its power for mischief.

The same estimate of the surplus and deficiences of wheat in the several countries, in September last—which inspired our rich men to combine for the purpose of preventing people, at home and abroad, from getting bread without paying tribute to them—naturally inspired honest and generous men to bring their ships to our shores to take away our surplus products to the countries which need them, and the result was 500 ships laid at the New York docks for months, the owners pleading for wheat even at ruinously low freights—2 and 3 pence per bushel, and some even as ballast; but the greedy gamblers, steeled against every plea, all human sympathy and honorable dealing, sent the ships away empty—the owners declaring they would not bring ships to our markets so long as unprincipled gamblers are permitted to arbitrarily control the products of the country.

It has been expected that the opening of the lakes and canals, with the usual reduction in prices of freights, would enable farmers and merchants not connected with the ring to get their products to the Atlantic and foreign markets, and realize cost; but it is made known that the trunk lines of railroads have united with the ring to keep up freights and save the gamblers. To effect this they have chartered and otherwise got control of the steamboats and other grain-carrying vessels on the lakes.

The New York Central and Erie have lines to Buffalo, and the Pennsylvania to Erie; the Baltimore and Ohio to Sandusky, and the Wabash from Toledo to Buffalo. And now, having obtained control of lake, canal, and rail freights, of the products of our country, we may expect they will exercise it in their combined interest, irrespective of either the people's needs or rights.

The end of this nefarious business is foreshadowed by the failure of the ring clique in Grand Rapids, Mich. involving the banks in the sum of $300,000. Thus it is shown that the institutions which the people have chartered—banks and railroads—

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for the people's benefit, are combined and organized in this most wicked scheme to extort money from all consumers, and to starve the poorer classes of our people. It is estimated that the Jim Keene syndicate, so called, has caused a loss to the United States by not selling wheat to foreign countries before prices declined, and to those whom they have inveigled into dealing with them—the millers, the shipping interest, legitimate dealers and consumers of flour in the United States—which amounts to $300,000,000. They have abrogated the laws of trade—supply and demand—and the relative prices in different markets, and interdicted commerce between the States and foreign countries; they have broken up legitimate trade, and generally demoralized a most important branch of commerce, thus bringing sorrow and suffering upon our people.

We are in favor of enacting laws by Congress, and in all the States, making it a penal offense, punishable by fine and imprisonment, for any person to sell that which they do not possess, or to purchase merchandise which they do not expect to receive and pay for. All contracts which are to be settled by the one paying and the other receiving the difference between the contract price and the value of the article at some future day, and all species of luck or chance trade, dealing or gambling, of whatever description, should be declared illegitimate, and punishable under the law.

Persons receiving this circular will confer a favor on the undersigned and the public by circulating the petition for signatures, and then forwarding the same to the member of Congress from your district, or others, within one month. It will be appreciated if your local newspaper will publish the substance of this, or otherwise say something in furtherance of the object, which I shall be pleased to see.

Please inform me the number of signatures, and oblige, yours, respectfully,

CHARLES PARTRIDGE,
129 *Broad street, New York.*

*To the honorable the Senate and House of Representatives of the United States, in Congress assembled:*

Your petitioners beg leave respectfully to call the attention of your honorable body to a serious and widespread evil, which has long been allowed to exist in the community over which the law-making power of Congress extends, an evil whose ill consequences are felt by all classes in this and other countries.

Your petitioners have especial reference to the accumulation of immense quantities of the cereal products of the soil in the hands of a few capitalists, combining for objects of speculation.

It is the custom for these speculators to form pools or syndicates for the purpose of buying and storing grain and flour in such large quantities as to arbitrarily dictate prices and control sales, without regard to the natural laws of trade, which regulate values in the ratio of supply and demand.

As only men of large means or extensive credit are capable of engaging in these enterprises, they become essentially an array of capital against the industrial classes, wherein the banks and moneyed institutions are almost invariably drawn to the support of the former against the latter, and are measurably dependent upon the success of their schemes.

Some of the more prominent evils resulting from these combined operations may be briefly summarized as follows:

1. An unhealthy and feverish state in the produce market, wherein quoted rates furnish no criterion of actual values.

2. The utter paralyzation of one of the leading industries of the land, in the instance of very many of our great flouring mills, in which large amounts of capital are employed.

3. The almost utter suspension, for indefinite periods, of cereal exports, which give employment to our shipping, and meet at fair rates the demands of foreign nations, more or less dependent upon ours for the necessities of life.

4. The imposition of heavy and unnecessary burdens upon a numerous class of our citizens, whose immediate necessities compel them to accede to the exorbitant demands of venal and selfish monopolists.

To illustrate what has been said, we subjoin the following carefully prepared estimate of surplus and deficiency in the single article of wheat in some of the leading countries:

SURPLUS.

| | | |
|---|---|---|
| Russia | 35,000,000 | |
| Austria-Hungary | 12,000,000 | |
| Chili | 4,000,000 | |
| Canada and Manitoba | 13,000,000 | |
| British India | 8,000,000 | |
| Egypt | 2,000,000 | |
| Australia | 8,000,000 | |
| United States | 185,000,000 | |
| | | 267,000,000 |

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| | DEFICIENCY. | |
|---|---|---|
| Switzerland, Spain, and Portugal | 8,000,000 | |
| Italy | 12,000,000 | |
| Germany, Holland, and Belgium | 18,000,000 | |
| England | 137,000,000 | |
| France | 55,000,000 | |
| | | 230,000 000 |
| Surplus over all | | 37,000,000 |

It is concluded by a fair estimate that a single one of the so-called syndicates has owned and controlled, since September last, upwards of 70,000,000 bushels of wheat, hoarded and held at prices above the rates at which foreign markets are able to obtain their supplies from other countries.

Hence it is that foreign shipments are arrested, and the gold which would naturally flow into our treasury is diverted to others. Nor is this all. The "break" which is sure to follow comes too late, and the commodity which was refused at fair rates to other markets becomes a glut in ours, to the detriment of the producing districts, over which the back-setting wave spreads and stagnates.

Your petitioners therefore pray that your honorable body may see fit to devise some means, not inconsistent with the utmost freedom of legitimate trade, to effectually put an end to the evils herein complained of."

## ENORMOUS LANDED ESTATES IN AMERICA.

The WITNESS. On another point I desire to say I think it is a wrong against our country and especially to laborers, that our country is selling large quantities of lands to persons who do not intend to use them, but for mere speculation. I hold that no person should be allowed to own more land than he cultivates and uses.

The CHAIRMAN. We have had that matter brought to our attention by others also.

The WITNESS. I have a paragraph here, which I cut from a newspaper, on the subject.

The CHAIRMAN. We have had that same paragraph which has been quoted in the newspapers.

The WITNESS. This is in relation to Sir Edward Reed, a member of the British Parliament, and others, owning enormous quantities of our lands, Sir Edward Reed owning 2,000,000 acres in this country.

Q. Do you know where that information comes from?—A. Yes; from the New York Evening Telegram, under date of the 3d of September of this year, 1883. The items are as follsws:

Sir Edward Reed, M. P., owns no less than 2,000,000 acres in America; the Duke of Sutherland, 400,000; Lord Dunmore 100,000, and Lord Dunraven, 60,000 acres. Messrs. Phillips, Marshall & Co. own a farm of 1,300,000 acres; the heirs of Colonel Murphy, 1,100,000 acres, H. Diston, 12,000,000 and the Standard Oil Company, 1,000,000 acres. It appears that nine men own a territory equal to that of New Hampshire, Massachusetts, and Rhode Island combined. Then there are the great railroad corporations whose free gifts of land from lavish Congresses amount to upwards of 200,000,000 acres. Eleven of these corporations have received 120,000,000 acres. The Northern Pacific road had grants amounting to 47,000,000 acres, and other grants made ranged from 1,000,000 acres upwards.

Q. Have you got that abstract of the testimony of the New York legislative investigation?—A. I have not got it quite completed, but will have it in a few days.

The CHAIRMAN. You may transmit it to us, and you can incorporate with it such observations as may be pertinent.

## EXORBITANT RAILROAD AND TELEGRAPH RATES.

The WITNESS. I wish to say, regarding railroad and telegraph rates of charge (to pay dividends on fraudulent and watered stock), and the

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increased price of commodities created by gambling in the necessaries of life, that such increase amounts, in my opinion, to 25 per cent. of the present cost of the necessaries of life. This is paid by the consumer, and becomes a part of the burden of labor and is one of the things that produces strikes and causes thefts, and brings much suffering to the poor people, sometimes resulting in death, either by suicide or otherwise.

### THE "KEENE" CORNER.

In or about September, 1879, Mr. Keene, in connection with other moneyed men in Chicago, Milwaukee, New York, and elsewhere, combined to "corner" the crop of wheat in the United States, and for this purpose sent agents into the cities, villages, milling points, and where ever there was an elevator or storage house for wheat, to buy the wheat offered, and also contract for sale of wheat for future delivery. They commenced buying wheat at $1 to $1.09 per bushel, less freight and expenses to New York. Prices improved slowly until they had filled the elevators and ships in Chicago, and the elevators and canal boats in New York, and the Atlantic markets, so as to blockade further shipments and to cause the railroads to decline to take wheat from the West because there was no place to store it. At this juncture the controlling combination circulated statements that the wheat crop in Europe was a failure, and that American wheat would probably go up in price to $2 or $2.50 per bushel, which induced the farmers who had not sold to hold it, expecting these extreme prices; and in December they had arbitrarily run the price of wheat up to $1.65 per bushel and kept the price from 10 to 40 cents per bushel above that which foreign countries would pay, but they squeezed the "shorts" (those who had contracts for future delivery) out of the difference between the price named in the contracts and the arbitrary price they put upon wheat at the time of maturity of contracts, and in this way scooped money into their pockets. These futures, options, &c., together with actual sales, probably amount to our whole annual crop of wheat every week in the year. Notwithstanding that these gambling contracts call for the delivery of the article mentioned, it is perfectly understood by the seller and purchaser that the property is not to be delivered, but the difference between the price named in the contract and the price made at the call and bid for the article on change the day of maturity of contract is to be paid in settlement.

### "RINGING OUT" CONTRACTS.

Connected with this gambling business is what they call the "ringing out of contracts," as follows:

Each day, about 9 a. m., the managers of our Produce Exchange inclose with a chain a portion of the first floor, with a door opening from the street into this kennel, through which the bulls and bears are let in. The chain prevents them from reaching, goring, and devouring the human beings outside. Here we see every day from fifty to one hundred young cubs, from fifteen to twenty-two years of age, representing the old "bulls" and "bears," holding these future contracts on which the names are written of the seller and each purchaser (generally numbering from six to sixty), with the price paid by each, showing that what one makes another loses. These are called together and a memorandum

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showing who has lost and who has gained, and if the losers pay the gainers, the parties indorse the contract "settled." Then it is taken to the margin clerk, and each receives the margin belonging to him, and the contract is thus ended and torn up. The large dealers generally employ one clerk to attend to each article dealt in, and it is said that David Dows & Co. employ eighteen clerks, Franklin Edson a larger number; Lane & Son, Husted, Hazeltine & Co., and others employ large numbers of clerks. I here give a blank used for grain contracts.

"SOLD" CONTRACT.

NEW YORK PRODUCE EXCHANGE.

*Grain contract.*

NEW YORK, ———, 188—.

In consideration of one dollar in hand paid, the receipt of which is hereby acknowledged, —— have this day sold to ——— ———, ——— bushels of ———, New York inspection, at ——— cents per bushel, deliverable at seller's option during ———, 188—.

This contract is made in view of, and in all respects subject to, the by-laws and rules established by the New York Produce Exchange in force at this date.

——— ———.

"BOUGHT" CONTRACT.

NEW YORK PRODUCE EXCHANGE.

*Grain contract.*

NEW YORK, ———, 188—.

In consideration of one dollar in hand paid, the receipt of which is hereby acknowledged, —— have this day bought from———————, ——— bushels of ———, New York inspection, at ——— cents per bushel, deliverable at seller's option during ———, 188—.

This contract is made in view of, and in all respects subject to, the by-laws and rules established by the New York Produce Exchange in force at this date.

——— ———.

CALL OF MARGINS.

The following is a blank form used for the call of margins:

NEW YORK, ——— 188—, — o'clock — m.

M———:

You are hereby notified to send to the superintendent of the New York Produce Exchange your certified check for $———, drawn to the order of the Central Trust Company of New York, or the Fourth National Bank, or the Corn Exchange Bank, or the New York Produce Exchange Bank (the depositories designated by the finance committee of the exchange), being margin on our contract dated ———, 188—, for ———, in accordance with the rules regulating the deposit of margins among members of the New York Produce Exchange.

——— ———.

The following are copies of profits and losses for ringing out contracts, which contracts mature one, two, or three months future, and are thus rung out some one, two, three or more days after their birth, which explains the gamblers, meaning of the *right* to call for the actual delivery of the property named, and also explains how our whole annual crop of wheat is sold as often as every week in the year, and how such fraudulent sales and contracts are settled.

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*ies of statements for wringing out contracts.*

8 M, ⅛ 2 red, Feb'y.

Smith & Co.

| Loss. | Profit. |
|---|---|
| 1¾c. Johnson & E., 116. | |
| Lea & Son, 114½ | 2⅜c. |
| Smith & Co., 117. | |
| 1 | |
| 2⅜ | 2⅜ |
| Johnson pays Lea | 1⅜ |
| Smith " " | 1 |
| | 2⅜ |

8,000 Feb'y wheat.

| | |
|---|---|
| Jas. B.— | |
| Edson, 14½ | ⅝ |
| Lane, 15⅛ | 1⅛ |
| C. & A., 16¼ 2 | |
| Jas. B, 14¼ | ¼ |
| 2 | 2 |
| C. & A. pays Edson | ⅝ |
| " " Lane | 1⅛ |
| " " Jas. B | ¼ |
| | 2 |

8,000 Feb'y red.

Moore to—
Coleman, 114⅛.
Lane, 114½.
Fiske, 114¼.
Moore, 114⅜.

| | |
|---|---|
| Lane p'd Fiske | ⅛ |
| " " Moore | ⅛ |

## THE DAMAGE OF THE KEENE CORNERS TO THE PEOPLE OF THE UNITED STATES.

The wheat crop of the United States in 1879, which was cornered by the gambling clique, amounted to 448,756,630 bushels. Reserved for seed, 56,926,065 bushels. Leaving a balance of 391,830,565 to dispose of. Consumed by our people during ten months of the corner, 186,000,000, which, at the fictitious amount of at least 25 cents per bushel put on the price of wheat by the cornering clique, amounts to a loss to the people of $46,500,000. Farmers held back 150,000,000 bushels wheat to realise the price indicated by the false reports circulated by the clique ($2 or $2.50 per bushel) until the corner collapsed, when they sold it for 25 cents per bushel less than they could have sold for if the corner had not existed. Loss, $37,500,000.

The amount which the cornering clique is reported to have lost by holding wheat at fictitious prices when it was wanted, and having finally to ship it abroad, realising only about $1 per bushel, is $30,000,000; showing that the Keene corner damaged the people of our country $114,000,000.

I will present to the committee brief extracts of the printed testimony taken in 1882 by the senate committee of the State of New York, relative to the whole system of making corners and dealings in futures, with reference to its effect upon commerce and its influence upon the public welfare.

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NEW YORK, *October* 1, 1883.

CLINTON FURBISH examined.

By the CHAIRMAN:

Question. To what subject does the statement which you desire to make to the committee relate?—Answer. To the cause of strikes and the complaints of the workingmen.

The CHAIRMAN. I did not understand it so. You remember what passed between us. I wish you would state now to what points your testimony is to be confined.

The WITNESS. I understood it was to be confined to the causes of complaint of the laboring men; or, really, the causes of strikes, upon which I only want to speak of two points.

Q. What are those points?—A. One is in connection with taxation, and the other with class legislation—the accumulation of wealth caused by class legislation.

By Mr. CALL:

Q. Have you heard read the resolution of the Senate under which the committee is acting?—A. Yes, sir; I have read it.

Mr. CALL. We are able to give you a little time this morning to present the points that you desire to present.

The CHAIRMAN. Will half an hour do?

The WITNESS. It will not require so much time as that.

MR. CALL. You may proceed to state your points, as briefly as possible, please.

The WITNESS. As I understand it, you desire to find out that which is a cause of strikes. It seems to me that tracing the cause of dissatisfaction among the workingmen would answer that inquiry, and possibly lead to a conclusion in regard to some laws that are necessary. The laboring people of this country, by which I mean the producing classes of the country———

Q. [Interposing.] Let me inquire first, whether you have any connection with labor as an employer?—A. I have been engaged in the manufacturing business since 1858; all of that time, excepting the few years during the war and two or three subsequent years, I have been an employer of labor. I am to-day engaged in the manufacturing business, and have from forty to fifty persons, men and women, under my charge.

By the CHAIRMAN:

Q. What is the business?—A. The manufacture of rubber goods; the business having its establishment in Brooklyn, as well as having an office in New York. Before that I had been engaged in the manufacture of sugar, having built the first house ever built in this country for the manufacture of sugar from starch, and employed seventy-five to one hundred men for several years. During all that time I have had more or less intimate relations with workingmen, and have had some means of finding out what I considered to be their cause of complaint. I will state here that I have never had a strike among any men in my employ, although I have been employing men while strikes were on in other places.

### DISSATISFACTION OF THE LABORING MASSES.

The laboring people of this country, as I understand, believe that this Government was established with the idea that there should be no class legislation, that all classes should have an equal right and equal protection under the law. One of the theories of the Government was that

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there should be no accumulation of vast estates. As I read Jefferson's letters, it was considered one of his greatest glories that he prevented the passage of laws of primogeniture and entail, and that he stated distinctly that his reason for fighting those laws was that he deprecated the establishment of large estates; the increase of wealth in the hands of the few, and the increase of poverty among the laboring classes. We find this morning in the New York World a list of over four hundred residents of New York whose wealth is known to be upward of a million of dollars, and many of them forty or fifty millions, and to my knowledge a large number of the millionaires of New York are left off the list.

You have had much testimony before your committee that we have increased very rapidly in our national wealth. You also know that there is a large increase of pauperism. I stand every morning in my factory and am obliged to refuse the applications of men who want to come to work for a dollar a day—and I believe I could discharge every hand in my factory to-day, and that to-morrow morning I could fill their places with men anxious to work at a dollar a day—and women begging for the opportunity to work for 50 cents a day. Every car-driver in New York could be discharged from their places, and those places be filled to-morrow morning by men anxious to work eighteen hours a day for $1,75. It is evident to the committee that there are a large number of men who desire to be employed at the low rates of wages now prevailing, and who cannot find employment. Two weeks ago I advertised for a book-keeper for our concern. I received a large waste-basket full of replies asking for a situation, and every man to whom an invitation was given to call offered to come at $10 a week—skilled book-keepers. One of the men who offered to come at $10 a week we hired at $12. That shows that there is not that demand which has been stated before the committee for the graduates of business colleges for immediate positions at $10 a week.

In this country fortunes have been piled up rapidly, and they must have come from the produce of labor. This aggregation of wealth in the hands of a few must have come from something besides a natural law. In looking the ground over we find that one class in this community is afforded exceptional benefits—and if I trespass now——

The CHAIRMAN. Interposing. Go right on there was only one matter that you mentioned that we do not want to have brought in.

The WITNESS. I understand. If I can show before this committee that one class in this country is granted by law exceptional benefits it is fair to assume that the working people of this country, who understand that fact, have a just cause of complaint—that the theory of the Government has not been followed.

### BANKING AND BANK CIRCULATION.

When I give a note I am obliged to pay interest upon it. When every other manufacturer gives a note he is obliged to pay interest on it, in some way or other. All classes in this country, with a single exception, pay interest on what they owe. There is one class, however, in the country who have a law provided for them by which when they shall have made promissory notes those notes they shall be allowed to issue as money, and have them guaranteed by the Government, and that then they shall be receivable, not only by the Government for all debts and demands, (except duties on imports), but that they shall be payable by the Government as money to every person to whom the Government owes an obligation with a single exception—the holders of the Government bonds.

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The national banking act as originally passed, and as it stands to-day, provides that when the notes of the national banks shall have been signed by the president and cashier, and made promissory notes, then those notes shall be received as stated, and shall be payable by the Government to every person in this country to whom the Government owes a dollar; to every pensioner and every person in its employ. It will not do to answer that those privileges are open to every one; they are not. They are open simply to a class. It is true that they are so, theoretically, to every citizen in the United States, and therefore to every laborer, but practically it is not so, for the reason that the laborer must cease his business, the merchant must give up his business and come into the favored class in order to take advantage of it.

By Mr. CALL:

Q. Suppose the law required the national banks to pay interest on notes that the Government allowed them to issue; who would have to pay the interest?—A. The working people of this country.

Q. Do you want, then, to make them pay the interest?—A. Perhaps I did not understand your question.

Q. You seem to object in your remarks to the law as it stands. I am not undertaking to advocate it at all, but we are discussing it. You object to the banking law as it stands, that the Government does not make the bank pay interest on its notes.—A. No; I do not object to that at all, but I say that one class is allowed to draw interest on what they owe, and no other class can do it.

Q. Suppose the Government were to issue the notes themselves, and the bankers were to get them together and bank upon them. How much better would that be?—A. Then they would be drawing interest on the money they own.

Q. They would not draw any interest. Suppose it were practicable under your scheme, that the Government should issue all currency, would not these people get together and bank upon it?—A. Yes; and there would be no interest to pay.

Q. Would they not charge interest on it?—A. Yes; but it would not be interest on their notes, but interest on money.

Q. It does not make any difference whose it would be, if the people had to pay interest.—A. We will see if it is so. The law says that those are promissory notes. A national bank note is simply an evidence that the national bank owes a debt of, say, $5.

Mr. CALL. Of course, and so with the Government note.

The WITNESS. Very good. A national bank note is an evidence that the national bank owes a debt, and the national banker is the only person in America who can live on the interest of his debts. Now, if we are seeking a remedy for the existing evils of labor, or protection to American industry, it would seem that if you could devise and follow out this wise scheme of the banking law, and let all people draw interest on what they owe, there would not be any more strikes.

Q. I am not attempting to advocate the system, but talking about your proposition. How is it true that because the Government allows a man to deposit its bond, which the Government owes, and gives him a certificate that that bond should be responsible for so many of his private obligations—how does that enable him to live on the interest of what he owes, by requiring what the Government owes him to be a security for his obligation? How do you make it out of that proposition—that a man is able to live on the interest of what he owes?—A. Take the instance of the first organization of a national bank, and we will see.

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Mr. CALL. That is all that the Government does. You take a bond to the Government and the Government says that you owe so much.

The WITNESS. Will the Government do that with a rubber manufacturer?

Mr. CALL. Yes; if you get together $100,000.

The WITNESS. No; not as to a rubber manufacturer. We have got to call ourselves national bankers. We have got to be national bankers in order to come within the provisions of the act.

Q. What you object to, then, is the name?—A. No; but the fact that they can draw interest on their notes.

By the CHAIRMAN:

Q. Do you not entirely overlook the natural differences between the various kinds of business carried on in a community?—A. No, sir; I do not consider that the issuance of money or currency is a matter of banking.

By Mr. CALL:

Q. But the note does not draw interest on its face.—A. No; but the bank draws interest on the face of its bond.

Mr. CALL. Yes; that is another thing altogether.

The WITNESS. Now, the banker draws interest on his capital, and the people are paying it; then he certainly is drawing interest on his note.

Mr. CALL. The Government issued a bond a long time ago and made a contract—it might have been a good or a bad contract—at all events, it made a contract recognized as valid, and to be continued valid, in the shape of a bond.

The WITNESS. That is true.

Mr. CALL. It agreed to pay interest.

The WITNESS. Yes.

Mr. CALL. Then the Government afterwards held that the men that should hold bonds of that character might issue so many of their own obligations, as a corporation or national bank, and that those bonds, when deposited, should be held as security to make those notes good to anybody that held them.

The WITNESS. That is true; but is not the national banker drawing double interest on his capital?

Mr. CALL. Not unless he uses his notes. He says: "I have deposited with Mr. Call this bond, which he is to hold as trustee, and I am going to issue my promissory notes to A, B, or C, and you are to understand that I never use my notes."

The WITNESS. Yes, it is true that I can do that with Senator Call; but I cannot do it with the Secretary of the Treasury backed by the United States Government. If I could do that I should have no complaint. I cannot get the General Government to indorse my note. The national bank can.

Q. Do you want a law to have the National Government become the trustee of every man who has got a bond?—A. No, sir; on the contrary, I do not want the Government to go on the bond of any man.

Q. Well, what do you want?—A. I want to stop that for one thing. I show you that the bank has given us no benefit for this privilege it gets. Take the case of the first national bank that was established—for I claim that the national banks have never rendered, directly or indirectly, any aid to the Government—but before they were national banks they were a stumbling block to the Government during the war,

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and have been so since the war, and there has never been an act affecting the finances passed by Congress which the national banks, before they were national, did not oppose, and which some of them have not absolutely nullified. Now, the national banking act was passed in 1863, and no bank was organized in 1863. In 1864 the first national bank was established. At that time coin was worth 250 or 260. A banker went to Washington from Philadelphia with $100,000 and bought $100,000 of bonds of the Government. Assuming that he had only $100,000 when he went from Philadelphia, how did the transaction affect him? He bought $100,000 of bonds and paid for them, and received back, under the provisions of the act, $90,000 of the best money the world ever saw—according to the advocates of the banking system. If he did so, it must have been as good money as he paid to the Government. Now he has $90,000 in his pocket. But he does not stop there. The Government, under the law, gives him one year's advance interest upon his bond; and I have a letter in my pocket from Comptroller Knox in which he states that this interest has been paid uniformly to the national banks—one year's interest—upon depositing their bonds.

Q. You think that was a very bad law?—A. I am not going to state that, but will state the facts. He took 6 per cent. interest; that was $6,000 in coin. That was worth $15,000 in greenbacks. The man therefore has $15,000 of interest and $90,000 of notes, so that he now has $105,000 in money, and the Government owes him $100,000 on the transaction.

Q. What conclusion do you draw from all that?—A. That that man took in his pocket $5,000 more back to Philadelphia than he carried to Washington; and that the Government has been paying him 5 per cent. ever since on what it does not owe him, and that that comes out of the laboring people of this country, and that the people have a right to strike against this. They are now obliged to work for a dollar a day, while the national bankers parade their millions.

Q. You think those men who passed that law in 1864, made a bad law?—A. I think it was entirely unjustifiable.

Q. Suppose we grant that argument. It is a long time since that law was passed.—A. It is a long time, and we now find that Congress has continued those men in power, not only after having no benefit from this transaction, but that Congress passed an act containing what is known as the Carlisle amendment, and then they found that the little finger of the national banks was stronger than the whole United States Congress, because they threatened the President——

Mr. CALL. [Interposing.] You are aware that all that argument has been made before the American people time and time again; but that they persist in adhering to this very improper system.

The WITNESS. I am perfectly well aware of it; and I am aware, also, that in 1840 Birney was nominated for President by the same element that nominated Fremont in 1856; that Frémont was defeated for President, and that Lincoln was elected on the same principles upon which Frémont was defeated. The minority of Frémont became the majority of Lincoln. And my idea is that although defeated, Frémont's minority was right.

ABOLITION OF NATIONAL BANKS.

Q. Your idea is that there should be a law abolishing the national banks?—A. Yes; or that the same privileges should be given to everybody in the country, and that then there would not be any necessity for strikes.

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Q. Your idea is that there should be a law enabling anybody to live on the interest of what he owes?—A. No, sir; I would not have that law passed, you understand. But if it is right for one class to live on the interest of what they owe, the other classes would have as good right as they to do it.

Mr. CALL. That would not be a bad idea if it were practicable.

The WITNESS. I do not think it is practicable for all and it is not right for one. I will agree with you that it is not practicable, but I think it follows very conclusively that it is not right. If I can't have it, my neighbor should not have it.

### LIFE HELD LESS SACRED THAN PROPERTY.

I want to call your attention to one more thing which the laboring people of this country complain of. These taxes are laid on them, although it is notorious that they have added to the wealth of the country, and have done their share in promoting the prosperity of the country. These very men know that under our laws human life is held less sacred than man's property.

Q. How do you make that out?—A. I make it out because in 1860, when we required men to suppress the rebellion and money to pay them for their services, and to provide arms and munitions of war, the people of this country saw Congress *take* the men and *borrow* the money.

Q. Is that recognizing by law the fact that life is not so valuable as money?—A. It by law recognizes the fact that when they needed men to sacrifice their lives they took them; they did not borrow them; while, at the same time, although they needed money, they did not take it, but borrowed it. That certainly establishes the idea that human life was not sacred, but that property was.

Q. How would you remedy that?—A. By applying to property the same law that you apply to life—that there should not exist now, or at any other time, an emergency for the Government to borrow a dollar of money unless it could borrow a man's life—unless it borrowed the arms.

Q. Your scheme would be to take the property without borrowing?—A. I would not take a man's son and leave his cousin's money.

Q. How would you do about the money?—A. I would take it the same as I took the man; unless I left the man I would not borrow the money; I would not consider a government worth saving that would do otherwise.

Q. The Government, I thought, took what it could afford to take at that time, and only borrowed because it could not afford to take any more. Were not the taxes high enough during the war?—A. It is not a question of taxes being high enough; they were not equitably laid.

Q. How are they now? Are they equitably laid?—A. No, sir.

Q. How would you fix them?—A. I would fix them first by taking away all legislation and privileges from the national banks to issue their notes as money.

Q. That does not affect the taxes, does it?—A. Does it not? There are $360,000,000 of national bank notes in circulation. If the Government should now do what it could have done at the time—if, instead of issuing these notes through the national banks, it had issued these notes directly, there would have been $360,000,000 of bonds less in circulation. When the national bank I spoke of was organized in Philadelphia, if you had increased the volume of circulation it would have made no difference whether they were national bank notes or private notes; they were currency. Now, when the banker went to Washington the

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Secretary of the Treasury would have had $100,000 to pay off his soldiers and to pay his debts.

Q. Without any taxes?—A. I am speaking now about the bonds alone—taking them as a fact at that time and since. If the Secretary of the Treasury had issued $100,000 in notes there would have been no more inflation of currency than there was in his giving a banker the same amount.

Q. But did they not follow your idea and issue notes without limit until they conceived the idea of funding them in a bond?—A. They followed my plan for a few months.

Q. Until they got too many notes out?—A. No, not at all. They only really followed my plan for a few months during the war. They issued $60,000,000 of what I call money, because it was received by the Government and the people of this country whenever tendered. That money never depreciated during the war, and when Lee was in Pennsylvania it was quoted at one-quarter per cent. above par in the markets of Europe.

Q. You want the Government to issue its notes for the amount outstanding, do you?—A. Yes.

Q. What then?—A. By that issue of notes I would reduce the bonds. That would take away $360,000,000 of indebtedness, and a sinking fund established on that plan would abolish the national debt.

Q. Your remedy, then, is the old greenback idea again as a remedy for this trouble?—A. I am reiterating, I suppose, what you call the "old greenback idea" again in the same way exactly that my father and myself reiterated the Birney idea from 1848 to 1860.

Mr. CALL. That may all be true; I am not questioning it.

The WITNESS. To that extent, I am.

## DIRECT TAXATION.

Q. What other remedy would you suggest for these troubles?—A. That all taxation should be laid equitably; that there should be no indirect taxation by which the wealthy manufacturer escapes the taxation which falls upon his employés.

Q. How would you lay taxation equitably?—A. To let it go equally upon all persons and property that are protected. For instance, I am a manufacturer of articles that are heavily protected; we manufacture some articles which would cost to import $40 a gross; we can manufacture them for about $11 a gross; we could sell them at a profit for $12 a gross; we do sell them for $27 or $28.

Q. Then you want the tariff all taken off?—A. I want every indirect tax taken off.

Q. You want free trade?—A. If by that you mean free trade, yes. I believe that the time is coming when the custom-house will be looked upon as a relic of barbarism. I can see no reason why a man should be compelled to pay $27 or $30 a gross for articles in this country which can be exported and sold abroad for less money.

Q. Free trade in money and in merchandise; is that what you want?—A. I do not know what you mean by "free trade in money;" but that the Government should issue all the money is what I want, and it can be demonstrated that you thus save to the people millions of dollars which are now laid out by them and do no good to anybody.

Q. What other remedy would you suggest?—A. If you abolish all class legislation in this country, and restore the issuance of money to the Government, to whom it belongs; if you levy your taxes equitably

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and stop the accumulation of large fortunes and increase the wealth of the producing classes of this country, who ought to enjoy what they produce, you will stop all cause of complaint.

The CHAIRMAN. I would like you to mention some instances that are specially strong in your mind of class legislation; all the instances that occur to you.

Mr. CALL. Other than the national bank and the tariff.

The WITNESS. Those are the only two instances that occur to me, and those two are certainly class legislation.

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NEW YORK, *October* 1, 1883.

OSMOND H. SCHREINER examined.

By the CHAIRMAN:

Question. Please state your residence and occupation.—Answer. My residence is No. 51 Cambridge Place, Brooklyn; I am at present out of business.

The CHAIRMAN. You may proceed to make to the committee such statement as you desire touching the subjects under investigation.

## FAULTY LEGISLATION REGARDING THE CURRENCY.

The WITNESS. There is scarcely any subject so all-important, and so intimately related to the interests of every individual, as that of the currency, and yet scarcely any which people generally know so little about. Though handled and used daily, it is to them simply "money," without regard to its value or purchasing power as affected by legislation. They understand fully that a gallon or a peck are measures of quantity, a pound a measure of weight, and a yard a measure of length and distance, and they demand full measure for the price agreed upon. Were laws made diminishing these measures one-half, they would readily understand why prices should be less in proportion. But they do not comprehend that dollars are measures as truly as the gallon, peck, pound, or yard, and that legislation arbitrarily increasing their number or volume inevitably increases prices and makes dearer living. The masses of the people—all those dependent upon their daily earnings—would receive less injury in the one case, however, than the other, because a law reducing quantities would be immediate and universal in its effect, and prices would be adjusted at once, while an increase of currency by Government agency is gradual, and does not produce uniform effects nor become equally and uniformly distributed—especially when a large percentage is continuously directed by legislation into special channels, as has been the case in this country, as hereinafter shown, ever since the enactment in 1862 of the national bank act.

The effect of an increased currency is always felt by the working classes in advanced prices of daily necessities and everything that enters into the cost of living disproportionate to wages of daily labor, until the strain compels a demand or "strikes" for adjustment of wages thereto. And this experience is repeated periodically until the currency ceases to be further increased and prices to advance. A forced increase of the currency by legal paper issues gradually reduces the value or "purchasing power" of every dollar, as surely as any cause produces a known effect. And though it may be pleasing, in some sense, for mechanics or laborers to know that they earn twice as many dollars

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as formerly, yet if their dollars will only go half as far or buy half as much as in the olden time, it is a barren result, and "costs more than it comes to."

In order to convey a clear understanding of the subject as related to the condition of things in this country at present, it is necessary, briefly, to state some leading facts regarding the currency and legislation relating thereto.

### CURRENCY BEFORE THE WAR.

Previous to the outbreak of the great rebellion, in 1861, the total currency in the country, including gold, silver, and bank notes, was not over $400,000,000, about one-half being coin and the remainder bank notes. The latter, however, were in many States imperfectly secured, and circulated only under heavy discounts, without any system of redemption, so that the $200,000,000 was not equal in usefulness to $150,000,000 of our present currency.

### CURRENCY LEGISLATION DURING THE WAR.

To afford the Government means to prosecute the war, Congress authorized the issue of United States notes, to be "legal tender" in payment of all debts. Specie payments were suspended. Gold and silver became merchandise, and continued to be bought and sold until January 1, 1879. Laws were also enacted by Congress in 1862 organizing the present national bank system, authorizing the issue of national bank notes, and prohibiting issues by State institutions. Fractional paper currency was also issued and made a legal tender up to $5. Owing to the continuous issue of immense sums of these various forms of currency, gold and silver gradually rose in price, the greatest depreciation of the paper currency having occurred when $100 of gold sold for $280 paper.

### CURRENCY LEGISLATION SINCE THE WAR.

After the surrender of General Lee and the close of the war in 1865, the price of gold gradually tended downward, until by act of January 14, 1875, Congress directed the coinage of silver to take the place of fractional paper currency, repealed the limit ($354,000,000) previously fixed for total issues of national bank notes, but directed the Secretary of the Treasury to redeem outstanding legal tenders in excess of $300,000,000, to the extent of 80 per cent. of any increase of national bank notes, and on and after January 1, 1879, to redeem in coin the legal tenders then outstanding.

Had legislation to that point, and looking only to a sound resumption of specie payments by gradually withdrawing the legal tenders from circulation and substituting coin, been adhered to the country would have been spared the evils which have resulted from the unsound resumption of January 1, 1879, viz, vastly increased expansion of the currency, which, coupled with its direction into special channels, and the concentration thereby of the surplus moneys of the country largely at one point, viz, New York, has produced the wildest era of gambling speculation, of unsound and illegitimate enterprise (notably railroad building for the profits of stock and bond watering), of stimulated trade, industry, and manufactures, and of doubtful and unenduring financial prosperity the country has ever yet seen, and the inevitable reaction from which, with its compensatory effects, must yet be experienced. But under the act of January 14, 1875, referred to, national bank circula-

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tion gradually increased, and legal tenders to the amount of 80 per cent. of the increase were, in conformity with law, withdrawn and redeemed. The New York banks, being, under the law, largely depositaries and reserve agents for banks of the whole country, began to sensibly feel their diminution. Having formed part of the legal bank reserves, which diminished by their withdrawal, money became less abundant in New York, and, by consequence, throughout the country. Apprehensions arose, especially in Wall street, that a continued withdrawal of legal tenders down to the limit of $300,000,000, as fixed, would entail continuous scarcity of money and reduction of loans, from which a cessation of Wall street prosperity and even disaster might ensue. A pressure was accordingly brought to bear upon the Secretary of the Treasury and Congress favoring repeal of that requirement of the law; and by act of May 31, 1878, only seven months previous to the date fixed for resumption, a law was enacted forbidding further retirement of legal tenders, and fixing their future limit at the amount then outstanding, $346,681,016.

### RESUMPTION OF SPECIE PAYMENTS.

Under the force of this latter enactment, "resumption," so-called, took place January 1, 1879. Instead of, as contemplated by the original law, redemption in coin and retirement of the legal tenders, their entire volume is yet continued in circulation. Instead of a return to a sound volume of currency, sufficient for all healthy industries, expansion is piled upon inflation. To the great volume of paper issues for circulation, which were only justified by the exigencies of war, and which of themselves constituted a greatly inflated currency, have been added all the gold in the country, which before was only merchandise, the gold and silver since received from our mines and coined, and the immense excess over coin exports received from abroad for balance of trade. The act of May 31, 1878, could not have been better devised to foster and create "booms," "corners," and kindred evils of all kinds, for they are the natural progeny of this great parent "boom" in the currency. And this vast "resumption" expansion has, by express permission given in the national bank act, poured a continually augmented volume of surplus money into New York banks, under the law regulating bank reserves, to be loaned mainly upon Wall street "securities" for the speculative, illegitimate, and unscrupulous uses already stated.

### INCREASE OF THE CIRCULATING MEDIUM.

The circulating medium has been increased from time to time as follows, most of the figures being from reports of the Comptroller of the Currency: Amount at outbreak of the war, including all bank notes and coin, about $400,000,000; but as compared with national currency, not over $350,000,000. Amount after close of the war (August 31, 1865), $635,515,574. Amount thirteen years afterwards, and just previous to resumption (December, 1878), (including $50,000,000 silver as already circulating), $720,472,690. On January 1, 1879, the date of resumption, the entire gold in the country, estimated at $278,310,126, and the remainder of silver, $56,573,803, became again money, and augmented the volume at a bound to $1,055,356,619. By imports of coin for balance of foreign trade, coinage of gold and silver from our mines, and increase of national bank notes, the great volume has gradually swollen to—on November 1, 1879, $1,165,553,503; on November 1, 1880, $1,302,718,726; on November 1, 1881, $1,455,631,602; on November 1,



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1882, $1,488,838,554; and a compilation by the First Comptroller of the Treasury, dated September 13, 1883, makes the total $1,575,104,642.

Q. That is the amount of currency of all descriptions?—A. Yes; but I think the First Comptroller's is an overestimate. I think he includes the coin held for outstanding gold and silver certificates, and also the certificates themselves. I do not think the total volume has increased much during the last year.

Q. What do you consider the actual amount available for circulation?

The WITNESS. For circulation? Outside the Treasury and the banks?

The CHAIRMAN. No; I mean the whole amount of currency available to the American people in actual circulation?

A. That was about the total currency—$1,488,838,554—last year; I do not think it varies much from $1,500,000,000 at present.

Q. Do you think it is too much or too little?—A. I think it is a vast inflation, through failure to retire the legal tender paper circulation.

## SPECULATION IN RAILROAD BUILDING.

This wild and ever-increasing flood of money, so vastly in excess of sound business needs, was largely and quickly availed of to build and manipulate railroads, because the idle millions seeking investment readily "floated" the great volume of watered securities to the enrichment of the projectors. The excessive railroad building and general speculation brought about by the release of the currency from the uses of the war, and to which the panic of 1873 was due, has been altogether eclipsed since "resumption." Miles of railroad built in 1870, '71, and '72, 19,327; miles of railroad built in 1880, '81, and '82, 28,019. Previous to the war the construction of railroads was not as of late years, carried on by Wall street "financiers," as a means of gigantic public swindling, but in obedience to a healthy demand to supply the growing needs of population. During the ten years, 1851 to 1860 inclusive, but 21,779 miles were completed, or little over 2,000 per annum, against over 9,000 per annum the past three years, a tremendous disparity after making all due allowance for increased population and natural requirements. The country has become burdened and cursed within fifteen years with fictitious railroad issues, amounting to thousands of millions of dollars, and the outcome therefrom, as by magic, of many fabulous fortunes, ranging from $20,000,000 to $200,000,000, which constantly exact tribute from the mass of the people and encroach upon their liberties. These vast fortunes, with scarcely any exceptions, have directly or indirectly grown out of railroad abuses and projects, requiring millions of financial aid for their accomplishment, which the undue aggregation of money at New York rendered easily obtainable. As a consequence of these monstrous abuses and manipulations, thus aided and facilitated by the enginery of the bank system, many of the principal railroad highways of the country are now under the supreme control of a few New York railroad kings.

## CURRENCY LEGISLATION SINCE RESUMPTION.

Since the "resumption" Wall street, with its railroad projects and vastly increased volume of railroad securities, the commerciale xchanges dealing in the necessities of life, manufactures, real estate, &c., all in turn have become the theaters or objects of unlimited speculation under the stimulus of the increased idle millions constantly seeking employment at low rates.

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The act of May 31, 1878, would have received an appropriate designation had it been finally entitled "An act to further increase the currency and reduce its purchasing power."

Q. You would not have resumed specie payment?—A. I would; but I would not have resumed specie payment and continued the whole volume of paper currency out as it was, and kept it undiminished on a specie basis.

Q. Would you have redeemed the greenbacks?—A. I would, sir.

Q. And retired them at the same time?—A. Yes.

Q. That would have made $340,000,000, or whatever the amount is?—A. Yes; and the gold as it flowed into circulation should have been permitted to take the place of the greenbacks.

Q. And now you would have something about a billion of dollars currency instead of something over $1,400,000,000?—A. Yes; something over $1,100,000,000, against $700,000,000 previous to resumption.

Q. That would have left us just about as badly off, would it not?—A. No, sir.

Q. But this inflation of thousands of millions you speak of would have gone on just the same?—A. I did not speak of currency inflation of thousands of millions, but of the issue of such amount of watered securities as an effect or outgrowth of currency expansion. That and other evil results, would have been restricted to much narrower limits with but $1,100,000,000 currency.

The CHAIRMAN. I thought you spoke of the inflation of thousands of millions.

The WITNESS. No, sir.

Under the operation of the act of May 31, 1878, the volume of currency has doubled within four years; and it is noticeable that the voices of those who appear most concerned at the prospect of some contraction in bank circulation now were unheard in opposition to the enormous expansion.

The evils which would have resulted therefrom, had the laws encouraged only a natural flow and an even distribution of the bank reserves, have been greatly increased by the operations of those portions of the national-bank act known as sections 5191, 5192, and 5195, U. S. Revised Statutes. Section 5191 provides that banks in Albany, Baltimore, Boston, Cincinnati, Chicago, Cleveland, Detroit, Louisville, Milwaukee, New Orleans, New York, Philadelphia, Pittsburgh, Saint Louis, San Francisco, and Washington, shall keep a reserve in lawful money of 25 per cent. of their deposits. All others, wherever located, 15 per cent. Section 5192 provides that three-fifths of every 15 per cent. reserve required by section 5191 may consist of balances available for *redemption of its circulating notes* from national banks located in above cities and Charleston and Richmond. Section 5195 provides that each bank located in the cities named in section 5191, as above, "may keep one-half of its lawful money reserve in cash deposits in the city of New York." The permission given in these sections was quickly and universally availed of, for the sake of the interest to be obtained on such balances.

Q. Do you draw any hurtful inference from that?—A. Yes.

Q. How?—A. I say that two-thirds at least of the total clearings of the New York banks are for speculative transactions, or the results of such transactions—mainly on the Stock Exchange.

Q. Wherein does that hurt, or perhaps you go into that subject later on?—A. I think I do.

The CHAIRMAN. Very well, proceed.

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The WITNESS Owing to these sections of the law, over 2,000 national banks are required to keep on hand but 6 per cent. instead of 15 per cent. of their liabilities, and 193 banks in all principal cities except New York but 12½ instead of 25 per cent. One-half of the reserves of the entire system outside of New York are permitted by the law to stand as deposits on the books of the New York banks. Upon the condition and reserves of the New York banks, therefore, if made to depend the condition and reserves of the entire system. And as the New York banks use their surplus over the required 25 per cent. mainly by loaning on "call" on Wall street securities, the stability of the entire banking system hinges largely upon the ability of the Wall street borrowers to repay in a general emergency, or of the New York banks to realize upon the immense volume of collateral securities in case of failure to do so in time of panic or monetary distress. Such loans have, at such times, proven an unreliable and delusive resource, and always will. This element of weakness should be cured by so amending the law as to compel not alone the New York banks, but all national banks alike, to keep their entire cash reserves, required by law, in lawful money, in their own vaults. Periodical financial panics would then be fewer, the ability of the banks to meet any general emergency and their own sense of security be greatly increased, every business and industry rest upon a surer and steadier basis, and the opportunities for unscrupulous and quick acquirement of great fortunes be thereby lessened.

## BANK CLEARINGS.

Some striking effects, in addition to those mentioned, of this evil of currency discrimination, together with the great resumption inflation, are as follows:

*Average daily clearings of New York City banks during the following periods:*

| Years. | |
|---|---|
| 1855 to 1859, inclusive | $20,584,000 |
| 1860 to 1864, " (during the war) | 38,264,000 |
| 1865 to 1869, " | 97,014,000 |
| 1870 to 1874, " | 97,174,000 |
| 1875 to 1878, " | 75,541,000 |
| 1879 to 1882, " (since resumption) | 134,000,000 |

The vast increase in daily transactions after the war, and since resumption, occurred mainly among a dozen banks in Wall street and vicinity, by increased deposits and checks of stock brokers.

The following are the average daily New York bank clearings (currency) for three years before resumption and four years after:

| | |
|---|---|
| 1876 | $63,000,000 |
| 1877 | 68,000,000 |
| 1878 | 65,000,000 |
| 1879 | 96,000,000 |
| 1880 | 126,000,000 |
| 1881 | 162,000,000 |
| 1882 | 154,000,000 |
| Total clearings New York city banks one year to October 1, 1882 | 46,552,000,000 |
| Total clearings banks of twenty-two other largest cities | 14,501,000,000 |

The largest proportion in New York being for speculative transactions.

Q. How is the calculation made—on the business days, I suppose?—A. Yes; it is of the business days in every week.

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### AMOUNTS OF CERTIFIED CHECKS.

The outstanding certified checks, New York national banks, per quarterly reports at about the same date in each year, for four years before resumption and four years after:

| | |
|---|---|
| 1875 | $31,000,000 |
| 1876 | 34,000,000 |
| 1877 | 28,000,000 |
| 1878 | 30,000,000 |
| 1879 | 64,000,000 |
| 1880 | 137,000,000 |
| 1881 | 129,000,000 |
| 1882 | 137,000,000 |

The increase being mainly for stock-exchange transactions.

Q. That is the number of millions daily?—A. That was the amount outstanding on the one day when they made their reports to the Comptroller of the Currency, and it is not far from an average daily amount for each year. The increase is almost entirely attributable to speculative transactions.

The general rate of interest on call loans in Wall street has for years been lower than London rates.

### NEW YORK COTTON EXCHANGE.

The transactions of the New York Cotton Exchange for the year just previous to resumption, the year ending September, 1878, were, "spot," or for delivery, 330,935 bales; futures, 12,973,300 bales. For the year ending September, 1882, the spot transactions were 381,078 bales; while the speculative transactions, or futures, were 32,200,300 bales.

### PRODUCE EXCHANGE TRANSACTIONS.

I noticed that Mr. Partridge, in his testimony, stated to you a point in this connection, that the amount of margins deposited at the Produce Exchange on speculative transactions was, in 1878, about $3,000,000 to about $17,000,000 last year; which is a clear demonstration of the increase of speculative transactions on the Produce Exchange.

The transactions in wheat at the New York Produce Exchange for four and a half months of 1883 were, spot, 34,956,000 bushels; futures, 493,041,500 bushels.

Q. Is there any way of dividing those futures into those that are legitimate and useful and the other or merely speculative class?—A. Well, I think nineteen twentieths of them, without question, are entirely speculative. That is my opinion. I have no way of dividing them, but I know the increase has been vast for the past few years.

### RATIO OF INCREASE OF CURRENCY TO POPULATION IN THE UNITED STATES.

Statistics show the increase in population of the United States from 1860 to 1883 to have been 70 per cent., while the increase of currency in the same period was over 400 per cent.; more than one-half of the latter being since January 1, 1879.

The currency per capita of population during that period was: For 1860, $11; for 1865, $18, at close of the war; for 1878, $15; for 1883, $28 or $29.

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Q. When you speak of the increase of circulation per capita, do you mean of actual circulation or only what would be considered legal tender?—A. No, sir; all classes of currency; they are all based on the legal-tender volume. The national-bank notes are at least based on that legal-tender volume, because they are all redemed in legal tender.

Q. What increase has there been of legal tender?—A. None latterly, except of gold.

Q. I mean between 1860 and the present time?—A. There was no legal tender in 1860 except gold and silver.

The CHAIRMAN. I understand that.

The WITNESS. There were about $200,000,000 of gold in the country in 1860.

Q. What amount of other currency was there?—A. None.

Q. There were the State banks.—A. The State-bank currency was $200,000,000, but, owing to the various laws and defective securing of the same in the different States, much of it circulated only under heavy discount, and it was not worth over $150,000,000 of the present currency; so that I estimate that at the outside the whole amount in the country in 1860 was $350,000,000.

Q. That amount, then, did the same business for the population just before the war that the $1,500,000,000 does now?—A. Yes; allowing for the difference of population.

Q. I say the $350,000,000 did then for the population the same office that $1,500,000,000 does for the 53,000,000 of our present population?—A. Yes; in other words, we have gone from $12 per capita in 1860 to $29; and from $15 per capita in 1878 to $29 in 1883, only four or five years.

Q. Right on that point, what hurt do you infer to the public interests or to the interests of business and of the working people from this fact of a great increase in the actual circulation in the country beyond the increase of population; do you not recognize an almost corresponding increase in the volume of business transactions of the whole country?—A. If you include speculative transactions and excessive railroad building and everything of that kind growing out of the increase of volume of the currency, I recognize a corresponding increase; but that stimulated increase would never have taken place but for the increase in the currency, and it has taken place largely since the resumption of specie payments, owing to the carrying of the legal tenders upon a specie basis without redeeming or withdrawing them.

## THE PACIFIC RAILROADS.

Q. In other words, but for this increase there would have been no Pacific Railroad and none of the great enterprises developed since 1860?—A. The Union and Central Pacific were not built owing to inflation of the currency, but by Government aid.

Q. Yes; but the increase you speak of took place before the inflation, and the improvements have gone on with greater rapidity than before.—A. They have; owing to the fact that the currency has been increased by law.

Q. Do you think there has been any occasion for an increased amount of circulation, per capita, in this country since 1860? Do the people need more, in proportion to the number of people that there are, by reason of a greater volume of business per capita?—A. Well, whether they need any more or not, per capita, is a question that at present I am not pre-

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pared to answer; but I am prepared to state as my opinion that the increase per capita is altogether out of proportion to the legitimate needs of the people and of trade and industry.

Now, to continue with my figures:

BANK DEPOSITS IN THE UNITED STATES.

The increase in deposits throughout the United States since resumption, has been as follows:

| | 1878. | 1882. | Increase. |
|---|---|---|---|
| National banks | $677, 000, 000 | $1, 187, 000, 000 | $510, 000, 000 |
| State banks | 413, 000, 000 | 747, 000, 000 | 334, 000, 000 |
| Savings banks | 829, 000, 000 | 971, 000, 000 | 142, 000, 000 |
| Total | 1, 919, 000, 000 | 2, 905, 000, 000 | 986, 000, 000 |

The increase in savings banks is here seen to be less than 15 per cent. of the total increase, showing that the savings banks deposits have increased in a far less ratio than the increase in other institutions, notwithstanding that they are used to a great extent by people of means. There are many people who divide thousands of dollars among the savings banks in order to get the interest. Trade and manufactures have been so stimulated that overproduction has occurred in all branches during the past few years, as is evidenced in many ways. No statistics are at hand, however, with regard to most of the productions of the country, simply because there are no official reports, but regarding whisky in bond, on which the Government collects a tax, the increase has been in four years from fifteen million gallons to ninety million gallons.

LEGAL-TENDER NOTES.

Had the legal tenders been gradually withdrawn after January 1, 1879, and gold and silver been permitted to fill their place, and presuming the coin importations, &c., would have been in that case the same, there would still have occurred an increase over the amount of currency in circulation previous to that date of over 50 per cent., or upwards of $400,000,000. But some faint idea of what have been the effects of continuing the legal tenders in circulation may be pictured by the universal financial distress which would be caused by their withdrawal now. Out of these great errors of legislation have sprung, in greater measure than all other causes combined, the evils which afflict the great body of the people. Discontent, the spread of communistic ideas, dearer living, strikes, the continued increase of great fortunes while the many thereby become poorer, the increase and abuse of corporate power, huge stock waterings, vast and general speculation, overproduction, and excessive railroad building, with the after result of general business depression and "hard times" are all attributable and traceable thereto. In other words, they could not be carried out, or would not have occurred without the use or misuse of vast sums of money.

An increase, by arbitrary legislation, of the circulating medium or money of any country, always has produced such effects, and always will. The few rich are enabled thereby to become richer, and the many poor inevitably become poorer.

The occurrence of unusually deficient crops in Great Britain and

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Europe, during several successive years, has caused a greatly increased production of grains, provisions, &c., to meet the demand for export. The enlarged export of these, together with the hundreds of millions of new railroad securities marketed abroad during the same period, have kept the balance of trade in our favor, and enabled the importation of many millions of gold. This conjunction of merely abnormal circumstances has been overlooked or forgotten, and the belief has become prevalent that the world must remain permanently tributary to us. The great law of supply and demand, whose workings no legislation can permanently change or impede, will, however, sooner or later assert itself, as a retributive regulator of evils resulting from unwise currency legislation, as of all other departures from sound and healthy general conditions. The penalty of hardships is already being endured, and will continue and doubtless increase, whether corrective legislation be had or not.

A country may be rich in its area and its immense productions, but the continuous safety and stability of its financial and banking system and of every property and business interest and vocation, including the wages of daily labor, should rest upon a circulating medium, which like other things, should be left to find its level and natural flow unaffected by legislation, according to the law of demand and supply.

### GOLD THE CHIEF MEASURE OF VALUE.

Gold is the only means of settlement accepted by the citizens of leading nations for balances of international trade. It is the chief measure of value by universal consent. Since trade with foreign countries must continue, it is folly to expect a sound or continuing prosperity upon any other basis, among ourselves. The attempt has been continued for years to popularize and circulate the so-called "dollar of our fathers." The result has been a large increase of the Government paper issues, while the mass of the coins lay discarded in the Treasury, only a basis for additional inflation. Gold, as before the war, should be the only legal tender for sums over $5. The volume of the currency would then be limited by the demands and results of industry and trade, and the legitimate needs of the people for its use. The result would be the increased value or purchasing power of the hard earnings of labor throughout the land. The spirit of speculation, overproduction, excessive railroad building, the quick acquirement of great wealth by unscrupulous means, tendencies to "panics," and kindred evils, would be checked. A true measure of value, and a sound volume of currency, with impartial banking laws, would thus ultimately promote the "greatest good of the greatest number," and tend to a more even and just distribution of the wealth of the country.

### SILVER FOR FRACTIONAL CURRENCY.

Q. What would you do with silver?—A. I would simply use it as a fractional currency, as it was before the war, for coins not over 50 cents. Let the surplus be sold at its bullion value. The idea of two metals of different market values being made of equal worth and use in a country is to my mind absurd, and can never be carried out; especially as long as we have to deal with foreign countries where one of them—silver—is not recognized. The result in the end, if we went on to fill our vaults with silver dollars, would be to export the gold from the country and leave us the silver.

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TOO MUCH RAILROAD BUILDING.

By Mr. CALL:

Q. You think there has been too much railroad building?—A. Yes, sir.

Q. Which one of the railroads do you think have been built that ought not to have been?—A. That is not for me to say. There has been railroad building all over the land in every direction. I think the building of railroads has been far in excess of the actual needs of the population.

Q. Well, that must be so of some one railroad, if it be true. Which one or more do you think superfluous?—A. Well, I am not a railroad man, but I know there have been railroads built from here to Chicago, where we had already two or three lines, we have now five or six, but they manage to keep up their traffic rates by means of a pool, in which they all harmonize and stifle competition. Whether that will always remain so, I do not know, but I think there will be an end to it one of these days. There will be a pretty general fight among the roads for the business to be had. Where there was one Pacific road there are now three lines of roads completed to the Pacific.

Q. They run through different countries, do they not?—A. They do; and, so far as they are concerned, they tend, doubtless, to develop the country, and attract population there.

Q. Well, then, you would not do away with either of them, would you?—A. Well, now that we have them built, I should not do away with them; no, sir.

Q. But is it not necessary to your proposition to assert that some one of them that has been built ought not to have been built?—A. Well, I am not prepared to accede to that idea, because the single line was a great monopoly.

Q. Your proposition is that the excess, or superfluity of money, has led to its use in unnecessary enterprises?—A. Yes.

Q. And that railroad building has been one of those uses. Therefore there must be some roads that have been built somewhere that ought not to have been built?—A. Unquestionably the main spur to building railroads has been to reap an immense harvest in the building of them.

Q. That may be, and still the other proposition may not be. It may be that there have been evil effects from a good thing, but it may not follow because of that, that a good thing ought not to be done?—A. Well, the proof of the pudding is in the eating, and I apprehend that we shall have a return tide some day in this country, from the present position of things, and whether these roads will be able to pay their way, or prove of the use that they seemingly are now to the country, and will serve to continue to attract population and develop and settle the regions out West to the extent that they are now doing, and are expected to do in the near future, is a matter of time to find out. I am unable to point out any particular road, but I am sure that where the disparity is so great as from 2,000 miles a year in 1860 to upwards of 9,000 miles a year for the past three years, and when it is very apparent that these roads have not been constructed in obedience to the demands of population, but far in advance of population, and mainly for the profits of excessive issues of bonds and stock, as far as I can judge, it is clear that there has been a great excess.

By the CHAIRMAN:

Q. I should like you to explain what harm it does to working people to have work to do. Here are all these railroads built, as you say, by

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reason of the fact that there was currency or some circulating medium through which they could be built. The construction of these roads is the only evil that can be complained of up to this date. The construction of a railroad means work, and the currency has been used, if used at all, in making that work possible, in the mines, in the mills, in the construction of the road-bed, and of the road itself, its depots, rolling stock, &c. These roads are just barely done. Now, what harm, up to this date, has been done to labor by the fact that there has been probably twice as much labor to be done in the country than there otherwise would have been done?—A. If, by reason of an unnecessary increase in the volume of the currency there has been a stimulated and an unusual demand for labor for the time, so that men are drawn from agricultural pursuits to work upon railroads, in factories, &c., for speculative ends, there sooner or later comes an end to that stimulated demand, and the result is distress to individuals— what many are beginning to feel now. The stimulated demand is now decreasing, and there is not the same call for men that there was two or three years ago, which grew out of the immense expansion of the currency. The masses are beginning to find it difficult to find employment, while two or three years ago there was employment for everybody. Owing to increased demand of production, manufactures were all humming; stocks were being accumulated in the stores, and prices were tending up constantly; railroads were built for the same reason, and now we are crying a halt. The overconstruction of railroads was only one of the resulting evils.

Q. But there were four or five years when there was something for everybody to do, and a chance to save something if they could ever save anything; while, but for the fact that you are now complaining of, it would have continued dull all those years, would it not?—A. No, sir; I think not.

Q. Those same workmen still exist?—A. Yes.

Q. They are going to have a blue time now; but they would have had it all the while if it had not been for that building?—A. No; I do not think we would have had so much immigration. The unusual demand for labor from this country has called laborers from the old countries.

The CHAIRMAN. But we have stopped the Chinese from coming in.

The WITNESS. Yes, but European laborers have come here by hundreds of thousands owing to the prospect of work here. Large numbers of young men have in like manner been attracted to the great cities, manufacturing towns, &c., who otherwise would have remained at agricultural pursuits, but now, having grown older, they are unwilling to go back to agricultural pursuits. Anything which interferes with the even and stable processes of labor, manufactures and trade, which, during one decade, sends them up, only to fall in the next decade, is unhealthy, and for the worst interests of the people at large.

## CIRCULATION OF MONEY IN FRANCE.

Q. Do you know the per capita of circulation in France to the population of that country?—A. I am not informed.

Q. Is it nearly as much as it is here?—A. It is not anything like the per capita here.

Q. I understand that is so, but it is much larger in France than in England, is it not?—A. I think it is.

Q. Which nation is the most prosperous—among the masses of the people?—A. Well, Mr. Chairman, I suppose you will say that the French people are the most prosperous.

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Q. Well, do you not say so?—A. I am not prepared to say that they are not, but I do not think it grows at all out of the volume of their currency.

Q. Is it not necessary that that should be so. The point is whether, notwithstanding that volume of currency, they may be so prosperous as with a less volume, and whether the large volume, per capita, is necessarily an evil?—A. I do not think they have any issue of paper money made a legal tender.

Q. We have none that is not redeemable in gold if any man chooses to ask it, and it is a good fault to find with the currency that people prefer it to gold, is it not?—A. But if the tendency of the laws is to create an unusual and excessive volume of legal tender money—as is evidently the case by the figures I have adduced—since 1878, then it certainly is unwise legislation.

CONSTITUTIONALITY OF PAPER-MONEY ISSUED IN TIME OF PEACE.

In my judgment the Government has no constitutional right to issue paper money and make it legal tender in time of peace. There is a case coming before the Supreme Court this very month on that point; and, so far as I have read the decisions of the Supreme Court, which have heretofore borne on that point, I am of opinion that the court can only decide one way in the case I allude to, that the Government has not that constitutional right in time of peace.

Q. Do you not think the court will probably hold that it depends on the public necessity, whether that necessity arises in time of peace or from the fact of war?—A. No, sir; I do not think it will find justification for such interference with the exigencies of a time of peace.

Q. Suppose as great a necessity for the issuance of currency should occur in a time of peace as during a war, do you not think the condition of the country should be, after all, the criterion for the issuance of the currency?—A. I cannot imagine that any such deduction can be drawn.

The CHAIRMAN. I do not know what the court will decide, but I know what the country will decide; when the time comes the country will continue to live.

The WITNESS. Then all I can say is that the country will suffer dearly for it, because there is a great law above that—the law of supply and demand, and that is the supreme law.

The CHAIRMAN. "All that a man hath will he give for his life."

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NEW YORK, *October* 1, 1883.

DANIEL HARRIS examined.

By the CHAIRMAN:

Question. Where do you reside?—Answer. At No. 105 East Fourteenth street. My business address is No. 12 East Fourteenth street. I represent Price Brothers, of Bristol, England, stone-ware potters.

THE DUTY ON STONE-WARE.

The statement which I have to make to the committee is in reference to stone-ware. The existing duty of 55 per cent. on glazed stone-ware is almost prohibitory. The words "ornamental work" seem to imply figure, color, or design. The regular duty on unglazed ware is 25 per

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cent. ad valorem, and 30 per cent. additional duty is imposed when the same article is glazed, whereas the simple glazing is not intended for ornament, because without it the ware for most purposes is useless. I have a letter here from one of your New York merchants and manufacturers who uses our stone-ware to a small extent, but he says he would greatly increase his own business by being able to import it at a fair tariff of say 25 per cent. A second gentleman, in the same line of business, tells me that he has recently been a great loser by having to put up all goods in American-made vessels, not glazed, and therefore porous and worse than useless.

Representing English manufacturers, and while admitting the necessity of your Government imposing a fair protective tariff on all goods which could be produced in your country, I am equally certain that it cannot be their intention to levy such a duty on an article which is in great requisition, and which is not and cannot be made in your country, and that it is prejudicial to very many of your manufacturers, who are either compelled to pay an excessive and disproportionate duty, or use inferior home-made goods prejudicial to their interests. This is the sentiment of many business men who have urged me to bring this matter to your special notice.

I have a letter from a well known firm in this city who use our goods, and that firm has asked me to bring this matter before you. Here, for instance, is an ink bottle, which I show you and which we make. Of necessity that bottle has to be glazed. We do not put that glazing on for ornament.

Your tariff makes your merchants pay 30 per cent. more for glazed ware than for the same goods not glazed. But if this ink bottle were not glazed it would be utterly useless. The tariff upon brown earthen ware is 25 per cent. ad valorem, and that would be the duty on a bottle of this kind if unglazed. But if the bottle be glazed there is an additional duty of 30 per cent. put on. Yet the fact is that without the glazing it would be useless. The glazing is not put on, as I have said, for ornament; but the fact of its being glazed is interpreted to mean that it is intended for ornament, which makes it apparently liable, under that interpretation, to the additional duty.

While the subject is up I might as well say that I have seen about thirty of your large manufacturers, and quite half of them are wanting our goods; they cannot put up their own manufactured material for want of something like this.

Q. Why cannot the article be used without the glazing?—A. We have been making these for one hundred and fifty years, and without glazing they would be useless.

Q. Does that bring them in conflict with any American manufacture?—A. No, sir.

Q. But there are American ink bottles?—A. Yes; but they are so porous or very inferior that they do not come in conflict with us My point is not one of any objection to the regular duty, but to the 30 per cent. additional duty on the glazed article. We want that 30 per cent. removed, not so much for us, but because your own manufacturers want it removed.

The CHAIRMAN. That is a matter that you would need to call the attention of the Finance Committee of the Senate to, or the proper committee of the House, but your statement here to-day will serve, perhaps, to call public attention to it.

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NEW YORK, *October* 1, 1883.

GEORGE F. STEARNS examined.

By the CHAIRMAN:

Question. Please state your residence and occupation.—Answer. I am engaged in railroad enterprises, and reside in New York.

Q. What have been your opportunities of becoming acquainted with the relations of corporate capital and management of business enterprises, and the interests of the laboring people of this country?—A. A large acquaintance with the active managers of corporations, the study of those corporations, and my personal relations with corporations.

The CHAIRMAN. You may state to the committee the opinions you have formed upon those matters from your observation and experience.

The WITNESS. I have been in some respects a student of the working of corporations; their relations to labor, and their general welfare. I am not a decrier of corporations, because I recognize the vast work that they have been the means of performing in the development of this country; but it seems to me, from my observation and reflection, that the working out of the instrumentalities which are given to these corporations by the managers thereof have been perverted largely from their general intent, and have become very arbitrary and very onerous in their exactions from the general public.

## CORPORATIONS ESTABLISHED FOR THE GENERAL GOOD.

I suppose it is a well established principle which every person knows, or should know, that corporations are established for the general good, and not for individual benefit. While admitting the great work that they have accomplished, they have been instrumental in building up in this country, to my mind, what is expressly prohibited by our Constitution; that is, a caste in society.

We must recognize that the great corporations of this country have been given their charters for the purpose of railroad building, very largely, that being the greatest interest of the country. We must recognize also the fact that vast as the railroad interests of the country are they have all been developed within the life time of him who is not an old man. Every steam railroad in this country, every locomotive in the country, has been put upon a railway since I came into existence, and I am not a very old man. It seems to me that the power which has been given, or rather usurped (for I do not admit that it was given), has been perverted, and that excessive returns have been exacted thereby, the public, of course, paying the bill which has inured to individuals in a very restricted sphere.

It certainly seems to me that if the best fruit of our corporations is to furnish men who are jockies upon the race-course, or who are held up to execration in the public press, or denounced by name as rascals and thieves, which is the case, as everybody who reads knows, it is time to call a halt and take our bearings and ascertain where we are.

It is a question of vexed moment as to how the corporations shall be controlled. It seems to me, however, that that is not the intricate question which it is generally supposed to be. Individuals seek corporate power for the reason that thereby they are exempted from individual liability, and thereby, as the practical working has shown, they are enabled to receive or exact returns from capital the like of which has never before been received from any business which was under the protection of the law. The original principle upon which railway corpora-

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tions were granted corporate powers restricted the return to capital to a sum not in excess of 10 per cent. upon the amount of capital absolutely invested.

### A RAILROAD PAYING 20 TO 25 PER CENT. PER ANNUM ON THE AMOUNT INVESTED.

Now, we are forced to draw our illustrations from existing facts. The Boston and Albany Railway, of Massachusetts, which is pre-eminently a well-managed corporation, a corporation which has shown itself free from scandal, whose officers have stood high in the community, and have been beyond reproach in the public press, pays from 20 to 25 per cent. per annum upon every dollar of capital which was originally invested. I mention that corporation because it is a prominent corporation of Massachusetts.

Q. Do you mean 25 per cent. on its nominal capital?—A. No, sir. I mean to say that the return which is being exacted from the public pays a sum not less than 20 to 25 per cent. per annum upon the entire sum which has, out of the pockets of the stockholders, now or originally, been put into that work.

Q. The stockholders now, or the original stockholders?—A. Yes. I mean what has been paid out of the stockholders' pockets into the corporation fund for purposes of construction.

Q. Do you mean that it could be replaced for that?—A. No; I do not mean that by any means. I mean to say that this corporation pays 8 per cent. per annum, and I mean to say that the excess of earnings over 8 per cent. per annum, which has been divided in dividends among the stockholders year by year, is very largely augmented in value over the institution, which was built by the money of the stockholders.

Q. That is, they have used their surplus from year to year to increase the value of their property?—A. Yes; exactly that, and, as was so ably shown in the Windom report (I am merely illustrating), they are exacting—to use the spirit of the language if not the identical language of the Windom report—from the public these annual sums. I think the word "stolen" is used in the report, and the public are then made to pay interest on that which has been taken from them for the benefit of the stockholders of the corporation.

### RAILROADS CAPITALIZED FOR THREE TIMES THEIR COST.

A similar state of facts exists, and in citing instances or names I do not desire to be considered as making any invidious comparisons, but we are obliged to make illustrations—it is known that a similar state of facts exists with regard to the Vanderbilt line between New York and Chicago—the New York Central and Hudson River, Lake Shore and Michigan Southern—which is the great artery of communication of this country from Chicago to New York. These are not new facts that I am citing. That line stands capitalized in its stock and bonds upon a sum three times its cost.

Q. Its original cost?—A. Its original cost; three times the amount of money which has been taken out of the stockholders' pockets to pay for the stock of the road. The road to-day stands capitalized for three times, or thereabouts, that amount. Now, it seems to me that that is eminently unjust to the public weal, because it builds up great fortunes in the hands of the few, and lays a continuous tax upon the public and enriches these individuals.

I might bring forward other illustrations, but I know the time of the committee is limited, and I merely touch on leading points.

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### DECREASE OF RAILROAD RATES.

It is argued that rates have largely decreased, and that the railway system of the United States is the best system in the world. I am prepared to admit that with all its faults, but I do claim that in the interest of the general good these creatures of the public should be made subservient to the interests of the public. In no instance can the creature be greater than the creator. I have no doubt whatever in my own mind that the ultimate decision of all our courts and highest tribunals will center upon the point that in every case, no matter what the special grant in the charter may have been, the corporation is subservient to the public weal; because, illustrating by the principle of eminent domain, that is held by the people as an inalienable right. The people create corporations for the purpose of doing a special work, and for the accomplishment of that special work they grant them that power, but they do not grant them that power that it may be abused, nor do they grant that power that the creature may exact a tax from the creator greater than the creator itself would exact. My theory is—and it is no new theory with me—that every railway is a public highway in a modified form.

### THE RAILROAD A PUBLIC HIGHWAY.

We have gone through a series of developments in this country whereby, at the first, communication was over the Indian trail; it was then over the wagon-road; it was then over the turnpike; it then became necessary to increase communication, and the canal was established, and all those instrumentalities have now become obsolete. The necessities of the times demand the steam railway. The railway has taken the place of the public road; and I maintain that in granting the franchise to the steam railway the public never divested themselves of a power which the steam railway at the present day assumes. Take, for instance, the construction of roads. It has always been the theory of civilized governments that the state was bound to furnish the road, and the state would tax the community for the maintenance of that road, but who ever heard of any state or municipality establishing a tax upon a people for the construction and maintenance of that road in excess of the cost and maintenance of the road.

### GOVERNMENT REGULATION—NOT CONTROL.

I am not an advocate of the Government assuming control of the corporations. I believe that principle is fraught with great peril. But I am in favor of the Government assuming such control of the corporations as that their earnings shall be restricted to a fair return upon the capital invested, and that any excess which may be derived from the earnings over and above a fair percentage to reimburse the legitimate capital invested, should in some form or shape go to the public benefit.

Q. How would you accomplish that?—A. Those who legislated in the early days when corporations were first established—think I mentioned the fact—if not, I mention it now—said they should exact not in excess of 10 per cent., and 10 per cent. was a fair return in those days for capital. The nations of the world have grown rich on a percentage very much less than that. The spirit of the times is adverse to a sum even so large as that. The decrease in the rates of interest in the last twenty years (since our war) is known to every man. It is now hard work to invest money safely at 3 or 3½ per cent. I believe a restriction might

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be established, and that the effect would be to break down the building at the public expense of enormous fortunes, fortunes the like of which have never been known to be amassed by individuals. I make no war upon individuals. I do not envy certain men who stand pre-eminent as railway kings, as they are denominated. I rather pity them and commiserate them. The fact is believed by many that one who stands pre-eminent——

The CHAIRMAN. [Interposing.] I do not know that it is worth while to aim, whether covertly or directly, at any particular individual.

The WITNESS. I have no disposition to do so. But I speak of the system and the outlook of the system.

The CHAIRMAN. Well, we will look at the individuals who represent the system, as its representatives.

### DECREASE OF TRANSPORTATION RATES.

The WITNESS. Very well. A point comes to me that is made much of, that by the present operation of corporation, rates of transportation have been largely decreased, and that the corporations are to be credited with having yielded to the public demands. That I claim is fallacious. I believe that the reduction in the rates of transportation are due to natural causes, and I believe that great as has been the reduction, yet, if the strong hand of the Government were brought in, as I believe it should in all justice be brought in, to prohibit corporations from combining and "pooling" their interests and their earnings, we should see a vast decrease, and that the public weal would be largely the gainer. It is a notorious fact that the trunk lines of this country have combined, and every month the number is being added to of those who are newly admitted into the combination. The general principle that competition is the life of trade is entirely nullified by these combinations. This subject has been largely discussed before you, and I only propose to allude to it, and not to discuss it. The principle which the railways work upon seems to be to charge all that the business will bear. That seems to me is a most pernicious principle, and it is in the power of the Government to prevent it.

The CHAIRMAN. Mr. Fink explained that to the committee. He says it is a misapprehension, and that the railroads do not act on that principle, that its enunciation is only a partial enunciation of the principle on which they act, which is, to burden the traffic with such charges of transportation as it will bear consistently with the most successful development of the business, furnishing the material of transportation, &c.

### ILLUSTRATIONS OF UNJUST RAILROAD CHARGES.

The WITNESS. Well, sir, as an illustration, you may start live stock from Chicago and send it through to New York at a certain rate per car. I am speaking now generally, not specifically; I am merely illustrating. If you start that car load of cattle midway between Chicago and New York I think you will find the transportation charge just about the same as it would be to New York from Chicago. Or if you feed these cattle on the hills of West Virginia until they fatten, and then send them to tide, you will find that under the system of transportation which exists another charge equal in amount is made to bring them to the seaboard. That is done under a system of combination which, to say the least, is very onerous.

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I have been somewhat familiar with Mr. Fink's view. It is not new to me. He argues from his stand-point—a very proper one for him—but I look at it from a different stand-point. Hardly a month goes by but what we see in some large center agents of the different lines of one type or another meeting in convention and there fixing arbitrary rates for transportation. If that is not a combination, if that is not a pooling, I do not know what combinations or pooling are.

DIVIDENDS ON CAPITALIZED SURPLUS EARNINGS.

Q. I want to call your attention to one point: You say you would not prevent the stockholders from receiving returns which should be a fair dividend—4, 5, 6, or 8 per cent., whatever is a fair remuneration, for money invested upon the existing capital stock of these roads, where that capital stock is in excess of the money actually invested originally by stockholders, the existing value having been given to the roads beyond that original investment by the surplus earnings of the roads, taken from the public, and used in enlarging the property itself. Now, when that process has been allowed to go on year after year, the public remaining quiescent and acquiescent, the stock having been watered, but not beyond the actual value of the plant itself, and the public having dealt in it, or individuals having dealt in it, having bought and sold and invested, not according to the original investment by the stockholders, but according to the present value of the plant itself, so that they have bought the watered stock at par, or above, or below par, as the case may be, according to the quotations—now, do you think it would be just to the public to step in at this time to deny these recent investors in the stock of the corporation a fair return upon the money which they have invested in this stock?—A. My belief is that all these excessive gains which have been taken from the public are illicit. It seemes to me that the Government can afford to be magnanimous to even an excessive degree; but it is never too late to repair a wrong. The people of this country tolerated and protected the institution of slavery for a great many years. It took a great many years to educate the public conscience of this country to the degree where they felt it to be so great a wrong that it should be done away with, and the question of dollars and cents did not come into the settlement at all.

The CHAIRMAN. But this is a settlement purely of dollars and cents, and of what is just to be done with those people who, by the acquiescence of the Government, both State and national, have been encouraged to invest dollar for dollar according to the par or quotable value of the stock.

The WITNESS. I would have the Government do no wrong and exercise no hardship.

Q. Would it or would it not be a wrong or a hardship to these people?—A. That is a matter on which much may be said on both sides.

The CHAIRMAN. That is the very point. That criticism is not just unless you say that these people should not receive according to their actual investment.

The WITNESS. If we have permitted it in the past we can prohibit it for the future.

Q. What would you be understood as recommending to the committee or to the country—that such action be taken as will protect in the future while we acquiesce in what has already been done?—A. I would recommend that, because I would have the Government liberal to an excess.



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Q. Well, would it be liberality, or simple justice. Is the Government estopped or not estopped, having acquiesced thus far while the investment was being made and repeated over and over again?—A. The community have given a tacit consent heretofore, undoubtedly.

Q. And you would establish the correct principle for the future?—A. Yes.

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NEW YORK, *Monday, October* 1, 1883.

WILSON MCDONALD examined.

By the CHAIRMAN:

Question. Please state your residence and occupation.—Answer. My residence is No. 221 West Forty-second street, New York City; I am by profession a sculptor.

Q. State, if you will, to the committee some of the works of art which you have produced, for the purpose of explaining to us your knowledge of the subject that you are about to present.—A. I did not know that that was exactly my business here.

The CHAIRMAN. It is not; but, as I have asked the question, and it is a proper one, you may as well give us the answer.

The WITNESS. My public works are: A colossal bust of Washington Irving, in Prospect Park, Brooklyn; a colossal statue of Fitz-Greene Halleck, in Central Park; a colossal statue of Edward Bates, in Saint Louis, and a colossal statue of General Custer, at the Military Academy, West Point. I have also executed a large number of individual busts of distinguished, notorious, and other men in this country.

Q. Will you state to what extent, if at all, your attention has been turned toward industrial or technical education.—A. About nine years ago I delivered a lecture in New York before the American Institute, upon that subject, which I believe was the first lecture of any note, or in fact of any kind, delivered in the city of New York on that subject. Since that time I have written and talked a great deal upon the subject in this city and in Washington City, endeavoring to attract the attention of those in power and of gentlemen who would be liable to take the matter up.

Q. Will you then proceed and give us your views, in your own way, and at such length as you choose.—A. I beg to say that I had no hint at all that I would be called before the committee. If I had had a little time I could have prepared statistics and other matters of interest which would probably have been of use to the committee.

### ART EDUCATION IN ENGLAND.

Fifty years ago large armies, the well-drilled soldier, and the caliber of cannon settled the affairs and determined the course of European countries; but the time is near at hand when the skilled workman, the educated farmer and mechanic, will be the arbiters of the destinies of empires and republics.

The governments of Europe fully realize that henceforth national supremacy must rest upon industrial supremacy, and they are now arming themselves for the coming conflict with the best weapons that art and science can furnish.

For the last ten or twelve years England has been improving her means for art-industrial education; that is, the education of her young

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mechanics and apprentices of both sexes. Hundreds of schools have been established by the Government of Great Britain, the principal one being the National Art Training School, at South Kensington.

The effect of these schools upon the manufacture of English goods, machinery, implements, &c., has been within the last few years marvelous. Indeed it was so marked that at the London Exhibition, in 1862, the French, who have always claimed art and mechanical supremacy, and justly too, became alarmed, and in 1865 the emperor of the French appointed an able commission to investigate the subject of "technical and art-industrial education."

This commission submitted an elaborate report, showing what the situation was in France, and also in all parts of Europe. They declared that "Drawing, with all its applications to the different industrial arts, should be considered as the *principal means* to be employed in technical instruction."

## ART-INDUSTRIAL EDUCATION.

The plain meaning of art-industrial education is the education of young men and young women in the direction of the various trades and avocations they have chosen for the purpose of earning a living. There are now over four hundred of these art-industrial schools in France supported almost entirely by the Government.

For example, a boy who intends to be either a cabinet-maker, civil engineer, or tailor, is taught all that may be necessary to make him, with practice, a first-class man in any of these occupations.

If a young woman wishes to take up designing, mantua-making, or millinery, or any other occupation, she has every advantage that can be given her by the best teachers that can be procured. The scholars are taken to establishments and practically taught the various trades, and all free.

The effects of these schools are plainly seen in French productions of every class. They are also seen in our American products, which are mostly taken from French designs.

The decorations of our public buildings and dwelling-houses, the carpets, chandeliers, wall paper, articles of vertu, furniture, tapestries, &c., are nearly all copied from the designs of the skilled designers and workmen who have been educated in the art-industrial schools of France.

Indeed, many of the foremen and master-mechanics of our great manufacturing establishments, especially in those where fine articles are produced, are imported foreign mechanics. This should not be. We should educate our own foremen and master-workmen. There is not a country in all Europe but has provided schools for the education of her workmen and artisans.

The great industrial conflict is going on in the Old World. America is doing little or nothing in comparison with other governments.

We have a few schools in Massachusetts, one in New York, and one or two in Connecticut, and one in Cincinnati, and it may be, some others.

Even the apprentice system in our country seems to have been abandoned.

Notwithstanding the plain facts that good plasterers, bricklayers, carpenters, tailors, cabinet-makers, and other mechanics earn from $70 to $100 per month, the fathers and mothers of to-day appear to think that their sons should all become professional men, or perhaps clerks or salesmen, at $50 or $60 per month, and the facts and conditions now are, that the country is overstocked with briefless lawyers, bad doctors, worse preachers, half-educated engineers, untrained business men, speculators;

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and the large crop of the new specimen of the *genus homo*, the "Dude," the out-put of our rich society families, is becoming alarmingly prevalent.

Let us look at the Cooper Institute. This was, and is to-day, the successful attempt of that grand old man, Peter Cooper, to establish an art-industrial and technical school in this city. He has educated over seven thousand young men and women, and sent them forth into the world with the means of making an honest living.

The example of Peter Cooper should be followed by the Government of the United States and by the government of every State in this Union.

With three hundred or four hundred industrial schools in the great manufacturing centers of our country we would in less than one generation take our place in the front rank of the art and manufacturing nations of the earth. This, in my judgment, humble as it may be, is the biggest political, moral, and wealth-producing idea now before the American people. It looks to the success of our country and the perpetuity of republican institutions.

It is folly to assume that we can compete now with the millions of trained, skilled workmen of Europe. We are now within ten days of nearly all the exporting ports of Europe. Take down your barriers of the tariff, and the products of 20,000,000 of skilled artisans of Europe will bear down and break up nearly all of our infant industries. Our great hope is in the common mechanical and agricultural education of those who are to take the place of this present generation.

I beg to say that if the committee would receive from me at a future time a paper that I will prepare with statistics, and the experience of the art industrial schools of Europe, I would like to make up such a paper and present it to the committee, if it be a proper thing to do.

The CHAIRMAN. We would be very glad to receive it. But while you are now on the stand, as you are very familiar with the subject, I would like you to explain minutely and specifically, if you will, just what art-industrial education, or technical education, is—how you would carry it out and the special peculiar benefits that you think would result from it.

The WITNESS. Of course, to answer that fully, would take a very long time, and I do not think I would be prepared to give such an explanation as would be of much benefit at the present time. I would say, however, that art-industrial education is, as I have stated, the preparation and education of young mechanics for the various trades and vocations they intend to follow.

In the State of Massachusetts they have a number of art-industrial schools, and the boys and girls, especially boys, are taken and are taught the rudiments of the various trades or professions they intend to undertake, and they are taught more especially the use of the pencil and modeling tools. They draw from designs of all kinds, from the simplest up to the human form. This educates the eye and the taste; and, instead of having a common box-maker or an ordinary half-soler of shoes, or a man who can simply shove a plane, and who would get probably from $1 to $1.50 a day, they propose to make skilled mechanics, who would get from $3 to $4 a day. And in this way, by the establishment of these schools in the various manufacturing centers of our country, it is contended that thousands of young men and young women could learn to draw, carve, engrave, and model with good taste, and, by this means of art-education, be more fully prepared to learn and practice their trade.

A gentleman of this city, well known now as a builder and architect, Mr. Cornelius O'Reilly, told me that many years ago, as a student here

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in the schools, while learning his trade, he went to a night school where a teacher taught him drawing, and he said he drew simple forms, and that he found such knowledge to be of the very greatest benefit to him in his trade afterwards. In time he became, as he thinks through that kind of education, foreman in the establishment in which he was employed, and finally he has become one of the largest builders in the city of New York. There are hundreds of instances of foremen and master workmen in our manufacturing establishments here who have been educated in the schools of the old country and come here to teach our people and to direct our mechanics. They get very large wages, and are men wonderfully skilled in their profession. In a talk that I had with President Hayes upon this subject, in which I endeavored to make known the importance of it, he asked me why it was so important. I said that I believed the American youth would surpass all others in the great mechanical race. I told him that our form of government, and the courage and daring of our young men, and the fact that they were not narrowed down by class distinctions, gave them more energy and desire to take hold of things and to try to do more and better than they have seen done. They are not hampered by what their fathers did or what was the usage in the countries of monarchical forms of government. I would undertake to say that when our country fills up with another generation or two, when the great empire on the other side of the Mississippi River becomes pretty well populated, and we shall have become a nation of probably 100,000,000 of people, the people that live then will look back and see how negligent we were in not educating the masses of the younger part of our people.

Q. You speak of our own country somewhat disparagingly in this respect, as compared with European nations, even at the present time.—A. Yes. I speak of mechanism and manufacturing.

RELATIVE SKILL OF WORKMEN IN EUROPE AND AMERICA.

Q. Do you think the laborer of France or Germany or of England, as a whole, possesses more skill in the various avocations of life than ours?—A. The genius of the American mechanic is equal, and, I think, superior, to that of any other, but he has not got the facilities or the machinery or the experience in production of goods which the European workman has. When American mechanics shall have had the same advantages that the European mechanics have, my judgment is that they will outstrip the European nations in all mechanical endeavors as far as they have done in nearly all the conflicts that we have had lately with them.

Q. You refer to industrial conflicts?—A. Well, not so much that. I think that in ship-building, in railroads, in the production of machinery to produce necessary articles, and in all matters where intellect and courage and skill of the Americans have been tried, we have excelled them. I think that we have out-yachted them, out-trotted them, out-shot them, and out-rowed them, out-chessed them, out done them in a great many other ways that need not now be mentioned.

Q. I have no doubt we are a bright lot, but I want to get your idea as to the relative degrees of skill existing in the various avocations. Do you think that the laboring Frenchmen, as a whole, surpass the laboring population of this country in their capacity to produce valuable commodities in the markets of the world?—A. Yes, they do. I have not got the statistics now fully, but I think I have here something to show what France has done. It may be interesting perhaps, and it

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may perhaps answer your question better than I can. I will read you a few sentences from a work entitled "Modern Art Education, its practical and aesthetic character educationally considered; by Professor Joseph Langl, of Vienna, being part of the Austrian official report on the Vienna World's Fair of 1873, translated with notes by S. R. Koehler, with an introduction by Charles B. Stetson," published by Prang & Co., of Boston:

It is just here in the application of skill and taste and industry that we find one of the main causes of that vast wealth of France, which is indeed a marvel, when we consider that she has been engaged in so many costly wars; that her national debt is unequaled, and that her subjects are not excessively over-worked; but, on the other hand, are the gayest in the world. Her manufactures have long been renowned for the skill and taste which they embody: and it is these manufactures, not as with us, bread-stuffs and raw materials, that compose the great bulk of her exports. Her textile manufactures alone amount to some $700,000,000 annually, nearly double the textile manufactures of the United States. Her exports of all kinds of manufactured products in 1874 amounted to $434,513,800. As was to be expected, agriculture flourishes no less than manufactures. In 1869 France, with a domain smaller than that of Texas, produced 297,000,000 bushels of wheat, that being 67,000,000 bushels more than the product of the United States, as given in the census of 1870.

Q. You infer from that that they surpass us in agricultural skill as well as mechanical?—A. Yes. They also surpass us just as far in the production of mechanical wealth. The textile fabrics exported to other countries clearly show that she has unsurpassed facilities for making goods of that kind, and the taste and education of her people, through these schools of which I speak, that excel the whole world besides. England supposed in 1852, when she gave her first exhibition, that she would entirely outdo France; but she found out her mistake before that exhibition was over. England to-day has some three hundred of these art industrial schools, and is making every exertion to equal any country in the world.

Q. What led her to establish these schools?—A. It is supposed that her jealousy of other nations did it, and the fact that she was going behind in many of her industrial manufactures.

Q. Was the contrast which she found in her own skill as compared with that of France in that exhibition the suggesting cause?

THE SOUTH KENSINGTON ART SCHOOLS.

A. I suppose that was one of the suggesting causes; at least it was shortly after that that she began the establishment of these schools of which South Kensington is the main training school. I would say here that the South Kensington school is a training school for teachers, and they send those teachers out into the smaller cities and the manufacturing districts, and they become teachers in those rural schools after having been trained in South Kensington.

Q. Do you know about the number of students that are now instructed at that place?—A. I could not put my hand on the number at present. Some ten years ago there was one school to every 210,000 inhabitants.

Q. In the kingdom?—A. In England alone.

SIMILAR SCHOOLS NEEDED IN AMERICA.

Q. How extensive do you think such a system of schools should be in this country to answer the public wants?—A. Well, I think that as we are now 50,000,000 of people, and have every opportunity—have brain and wealth to compete with other nations in all mechanical productions—if we should establish one hundred or two hundred art industrial

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schools in this country within the next three or four years, they would "fill the bill." I think that the man or the public officer who would be instrumental in doing such a thing would be the greatest benefactor of modern times.

Q. How much do you think the establishment of those schools would cost?—A. I could not form any idea of that. I am not much of a judge as to the cost of anything. I would like to say, though, that I went at one time to the late Mr. A. T. Stewart in his lifetime, and, after a good deal of waiting and talking with him in his store on Chamber street, I put this matter of art-educational schools to him. He listened carefully to what I had to say. I told him that if he would establish one hundred art-industrial schools, such as I had just explained to him, he would become the greatest benefactor that America has had, at least within the half century. He did not say anything, but he looked at me with great surprise, and then turning up his face with his very queer, but intelligent expression, he said, "How much would it cost?" I told him that I supposed if he would appropriate, to start with, say, $4,000,000, it would set things going, and would probably run one hundred schools and permanently establish them. He laid his pen quickly down, gave me a significant glance, and said: "I do not think I have got any money to invest in that way, sir." So I said "good morning." I had the gratification of knowing that I gave him a very excellent opportunity to get immortality at a low price. He did not take it. As to the establishment of those schools, I think I can inform the committee later on as to the probable cost.

By Mr. PUGH:

Q. Have you ever examined the provisions of law in France and England under which these art-industrial schools were established?—A. I have not, sir. France generally appoints commissions and committees to report upon the condition of these schools, and the Government makes the appropriations generally upon the report of these committees. I could not say how it is in England.

Q. You do not understand the details of legislation in England and France?—A. No, sir. I see that New York has passed a statutory law, however, making it obligatory upon the public schools of a higher grade in this State to teach drawing. In Boston, where it was first commenced in America, the children of even seven and eight years of age have shown wonderful skill in combining and making ordinary designs.

Mr. PUGH. If you could get the law of France and England, and make suggestions as to any improvements suited to this country, it would be a very valuable contribution to the members of Congress and to the State legislators.

The WITNESS. I will undertake to do that, sir, later on—shall be glad to do it.

By the CHAIRMAN:

Q. Is there any other matter or any other branch of this subject that you would like to allude to?

ART AND ART EDUCATION THE BASIS OF SUCCESSFUL MECHANISM.

A. Well, I would like to say, in a general way, that art and art education is the basis of all successful mechanism in any country, and that the combined fine arts is the surest standard by which to judge the status of any nation in the scale of civilization.

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Q. You mean the masses of the people at large?—A. The tastes of the people at large. It is said that the fine arts are luxuries. I contend that they are a necessity as well, and that they are necessary to the continuation of civilization; and without fine arts no country can expect to continue its civilization. In other words, I cannot see how a nation can exist as a civilized people without poetry, painting, sculpture, drama, architecture, and, last and greatest, music.

Q. Do you look upon the fine arts as the cause or as the consequence of civilization?—A. I think they go hand in hand with the advance guard of civilization, and assist in civilization. They have done more to civilize mankind and more to continue civilization than anything else.

Q. In what really does civilization exist, unless it may be proficiency in these arts?—A. Civilization, as I understand it, consists in the morality and intellect of a people—their proficiency in art, science, mechanics, and agriculture.

Q. Would you mean by that to suggest that you think Government ought to patronize the fine arts in their higher aspects?

NATIONAL SCHOOL OF DESIGN.

A. I do; and I think that this Government makes a very great mistake in that it does not follow in the footsteps of other nations and establish a great academy and school of design in the city of Washington. That city would be peculiarly adapted to an institution of that kind. As long as nine years ago I petitioned Congress, like any other silly fellow—none but idiots petition Congress—to appropriate three or four million dollars for this purpose. I say a "silly fellow," because a petition is no way to get anything done by Congress. The only way to do anything is to go there and advocate a measure before the proper committee, and keep it before the committee until something is done. I asked them to appropriate $3,000,000 or $4,000,000 to establish a building for a school academy of design. Part of the plan was for each Congressional district or the Representative thereof to propose, say, four young men or young women, or both, to be educated at Government expense as artists in a great school of design, like the schools of England, France, and Germany; that they should purchase all the celebrated models of the Old World that were valuable, and place them in a gallery, and make this gallery the nucleus of a national collection of paintings and sculptures which would illustrate, as far as it could, the pictorial history of our country that would reach back to the beginning. We are young enough to go back to the beginning. I proposed that the pupils of the national school should have four years' instruction under the best masters and professors that could be obtained; that every four years we should have a great exhibition, for instance, at the inauguration of some lucky President, or some citizen elected, lucky or unlucky, as the case may be, and that large premiums should be given to the best artists. This would call out the artistic activity of the entire nation. In this way we would call out thousands of young men and young women who might become famous and distinguish themselves, who, under the present state of things, would never be heard of.

DIFFICULTIES OF ART EDUCATION IN AMERICA.

The tough experience of our early artists, many of whom I could name, would form a very interesting and instructive history. While the artists of the Old World have had galleries, schools, and teachers

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from their babyhood—and often a palette and brush have been placed in the hands of a boy in Europe at four or five years of age, before he could reach up to the easel—many of our distinguished artists of to-day were plowing in the fields or digging potatoes or hoeing corn in Ohio or Kentucky, or cradling wheat in Massachusetts or New York. These other young gentlemen across the ocean had the best teachers that they could possibly have, while our struggling young artists had no advantages at all. Now, if you will take the productions of many of our older artists and compare them with European educated artists, and take advantages and disadvantages, you will find that we have shown enough ability to induce the Government to recognize the fine arts, which it has never done. Every other civilized Government in the world has recognized the fine arts and their importance as a factor, but no branch of our Government has yet done so. I think that it is time that some action should be taken in the direction of the cultivation of the fine arts in America. In music we are going forward very fast. We import the best artists and singers in the world, and we pay them higher prices than they can get in any other country. The taste of our people in music is equal to that of almost any other country—the few, not the many. I do not see why the intelligence of this country should not be capable of judging of art and the productions of artists as well as the people of any other country.

### THE TARIFF AND WORKS OF ART.

I would like to say in closing that there has been a good deal said of late about the tariff in works of art. Having been a high-tariff man all my life, and in favor of American industries and American education, I am in favor of increasing the tariff on works of art from 30 per cent. to 50 per cent. when the importations are for private parties or for sale. The laws of the United States say that all works of art imported for the benefit of the people shall be absolutely free. All philosophical instruments, paintings, statuary, and models of all kinds for public institutions, or museums, or for the benefit of the public are free. But the free traders and dealers and painters, some of them—younger ones in this country—say that we keep the sunlight of art out, and that we should allow everything in the way of art to come in free. This proposition is advocated chiefly by the dealers in pictures in this country and on the other side. My idea is that this country will be the home of art at some future day, and the thing to do is to offer an inducement for the great artists—the mighty artists of Europe—to come over here and settle and to add their wealth and their skill to our great country.

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NEW YORK, *October* 1, 1883.

Dr. AGRIPPA N. BELL examined.

By the CHAIRMAN:

Question. Where do you reside?—Answer. I reside in Brooklyn, and have an office in this city.

Q. You have been, or are now, connected with the Army?—A. I have never been connected with the Army, but was formerly a medical officer in the Navy.

The CHAIRMAN. Will you proceed to make a statement on the subject-matter you have in your mind, and then we may, perhaps, ask you some questions.

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The WITNESS. My reflections on the subject which I am about to present have been almost entirely confined to its bearings on the state from a pecuniary point of view, of the cost of disease and of the shortening of life, taking into account the pecuniary considerations, or what might be called the money burdens, involved in disease and the shortening of the lives of the industrial classes of society.

The CHAIRMAN. We shall be very glad indeed to hear you fully on that subject.

The WITNESS. It is a subject to which I have been devoted for a great many years—sanitary subjects generally, more especially for the last ten or a dozen years.

The CHAIRMAN. I look upon that as one of the most important topics which can occupy the attention of the committee.

### PREVENTABLE DEATHS IN NEW YORK CITY.

The WITNESS. I have made some investigations and can give some illustrations near home rather than of foreign nations. For example, in the city of New York, probably twenty thousand preventable deaths occur every year. That is to say, over one-half the deaths of New York city each year are preventable.

The CHAIRMAN. That is as though they fought the battle of Gettysburg here each year?

The WITNESS. Yes. A very large proportion of these deaths—one-half of them nearly—are infants under five years of age. I suppose that is one reason why their value is not estimated as it should be. People in what you may call the industrial classes of life are too much in the habit of taking no account of these losses to their own or the public wealth, because the deaths occur before the productive period.

### PECUNIARY OR ECONOMIC VALUE OF HUMAN LIVES TO A NATION.

In England, with whose mortality we can compare the mortality here better than with any other country, and where it is only about half as great in their large cities as it is in the city of New York, they place a value on every birth. A child at birth has an estimated value of $12.50. At the age of five, its probabilities of life have so much increased, that its estimated value is $130; at ten, $260; and at twenty years of age it is worth about $2,000, if we take this country in the aggregate. That is based upon the estimates of the best statisticians. But Dr. Farr estimated that a person twenty years of age in England was worth $600 a year.

Q. That is the amount of income from him a year?—A. He supposed he was worth to the community or the state in one way or another $600 a year until about forty years of age.

### RATIO OF DEATHS TO CASES OF SICKNESS.

Estimating each death as an index of prevailing sickness in the community, it represents about twenty-eight cases of disease. Sickness, we all know, is very costly. If we estimate, then, the cost of that sickness, suppose each person averages only five days' sickness, and that it costs $1 a day, we estimate this loss at $2,800,000 a year. Then the cost of the burials, &c., would bring the amount up (estimating 20,000 unnecessary deaths in the city) to the large amount of over $14,000,000 for the city alone. If we apply the same reasoning to the whole United States upon the same estimates, there would be about 200,000 lives

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wasted—in other words, there are 200,000 deaths more than there should be, or than there would be by the adoption of proper preventive measures and legal restrictions. These estimates are based, as I have said, on the same proportion as for New York—assuming 800,000 deaths in the United States in round numbers—the actual number of deaths is very nearly that number.

### NUMBER OF DEATHS ANNUALLY FROM INTEMPERANCE IN ENGLAND AND AMERICA.

Perhaps it would be worth while to consider briefly some of the causes of these premature deaths. As already stated, a very large proportion of them occur in infancy, but of what we may call preventable causes connected with education, the first thing that would come up perhaps, would be intemperance, directly and indirectly. I hardly need say that we have no correct statistics of the number of deaths in the United States brought about by intemperance. The best statisticians on the subject in England give a number so enormously large that I should be inclined to think it at least twice as great as for the United States. They have estimated that about 200,000 persons die annually from intemperance, directly and indirectly, in England.

Q. From the use of alcoholic liquors?—A. Yes; that is to say, from intemperance, inebriety—including the acute and chronic affections due to alcoholic stimulants. Some of the best statisticians in England make that estimate—some of the most prominent men in the kingdom. If we should take the same proportion for the United States, we should have about 322,000 deaths per annum from intemperance directly and indirectly. I do not believe that we have half that many—even if we were to estimate it with all its out-lying connections—with imbecility and insanity, of which it is a very productive cause. The reason particularly why I do not believe it, is because that is not very far short of one-half of our whole number of deaths. We have about 800,000 deaths in the United States per annum, and when we come to consider that nearly 40 per cent. of those deaths are of children before they get to the age of voluntary or practical intemperance, and could only be affected by intemperance in so far as they may have inherited some of its consequences, we must come to the conclusion that the number would be altogether too large. From my own reflections and reading on this subject—of the causes of deaths, and the number resulting from intemperance, I should say that it does not certainly exceed more than one-sixth of the whole number, counting all causes, direct and indirect.

Now if I am expected to make suggestions as I go along as to any remedies for these fatal effects and causes——

Q. [Interposing.] How many do you make the actual number of deaths from intemperance in this country—you reckon it at about one-sixth of the total number of deaths?—A. About one-sixth of the mortality, I think, would be a very large estimate.

Q. What is the total mortality in the whole country, from all causes?—A. By the last census the total mortality from all causes was 755,893.

Q. Then you would have about 100,000 deaths or more from intemperance?—A. Yes; I think it is 100,000 and upwards from intemperance; that is, if we count it in all its relations.

### PUNISHMENT AS A REMEDY FOR DRUNKENNESS.

As I said, if remedial measures are suggested in connection with this, I should possibly be deemed harsh in some of my conclusions, compared

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with some students and sanitarians who are disposed to consider all cases of inebriety, as they choose to name it, a "disease." I am not one of those by any means. I believe that at the first more than nine-tenths of it is voluntary, and should be made criminal and odious and punishable, as the most effective of all measures. So long as apologists exist in the community and say that a drunkard inherits his vice and he must be taken care of at public expense, we are giving more or less encouragement to intemperance. If it were made odious and punishable as other crimes, crimes not so great when we come to consider that not only is this a voluntary act, by which a man puts himself in a condition to commit crimes, even to debase his race and to have a progeny of insane and imbecile children, we can hardly think with any patience of the propriety of always treating such cases as diseased conditions, when, as we have all observed, for certainly we have observed it in young inebriates, how easily they are cured. During my service in the Navy the punishment by the lash was abolished, but I was in the Navy long enough to see that under that punishment a good many drunkards were cured. A good many young men who were shipped and were drunkards in the early part of their service, became sober men from one single punishment; not that I would advocate a return to that by any means, but I only wanted to illustrate the effect of punishment.

### OCCUPATIONS INJURIOUS TO HEALTH.

Take another class that has a bearing on education especially—the troubles resulting from ignorance and neglect of protective measures in various occupations. To undertake to go over these with any detail would, of course, cover a very large ground. The occupation, for example, of persons employed in chemical manufactories, in lead, in mercury, in phosphorus, and those engaged as grinders and in india-rubber factories, and similar employments—not only all I have named, but a good many more could be gone over, where the protective measures depend wholly upon what you may call the caprice, generosity, or meanness, as the case may be, of the employers in these various pursuits. We have very few, if any at all, preventive measures of disease and death in these cases, and when we take into consideration that some lives during their working period are shortened more than one-half, it is certainly suggestive of severe legal measures and restrictions in such cases, and those ought to be imposed.

The CHAIRMAN. While you are upon this subject, I may remark that we would prefer that you should not treat it quite so briefly. You may make some suggestions as to abuses that you know to exist in various trades and employments.

### EXPLOSIONS OF STEAM-BOILERS AND LOSS OF LIFE THEREBY.

The WITNESS. Well, I shall come to one right away that is palpable to us all. We have every-day occurrences of explosions of steam-boilers in boats, factories, and in the running of machinery all over the country. These are before us in every point of view as very great abuses. Unfortunately, in the United States, we have no thorough statistics of the amount of injury, of the cost, or even of the loss of life by these machines. But if we take them as they occur from day to day we might almost say, as matter of fact, there is an explosion of a steam-boiler in the United States for every day in the year. Since I received your request a few days ago, I have tried to see if I could find

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any record of the explosions of steam-boilers, and the loss of life therefrom, in the United States, other than such as I have myself been able to make or record, as it were, from the daily papers from day to day. I am inclined to think there is no record made of them that is systematic. I have a record that I went over, though I do not believe it is at all full, but it shows fifty-eight persons killed by explosions upon what you might call inland travel in the United States, between the 1st of January and 1st of July in the current year. French statistics are fuller than those of any other nation in regard to steamboat and ship explosions. They have an organized bureau especially with reference not only to explosions, but to steamships, and all accidents and similar occurrences that take place. They estimate that of the losses and disasters to steam vessels and to machinery run by steam, the enormous amount of 85 per cent. is due to either defective boilers, ignorance on the part of the person who runs the engine, or some neglect of duty in that direction. The enormous amount of 85 per cent. of the accidents in the working of steam machinery are, in other words, connected with the boilers and the explosions that occur in that way.

If we apply these laws to the steamships and steam boilers and take this same class of statistics as far as I have been able to gather from ocean navigation, there are about one hundred and seventy lives lost per annum in ocean steam vessels, taking a long series of years. I ran back to, I think, somewhere about 1840, and came down to the present time, and the result of my examination was to indicate that something like one hundred and seventy lives a year of ocean losses are due to engine and boiler derangements, giving 85 per cent. of all explosions referred to in the country, inland, or otherwise, wherever they could get hold of the figures. Comparatively few occur on railroads, as we all know. Most of them occur in inland factories.

It is probably known to every one of you that there are measures very effective for preventing these disasters. We have before us one reported in yesterday's papers in this city, one I think the day before, and one that is exciting a great deal of interest, which lately occurred on the North River in the city of New York, the explosion of the steamboat Riverdale. It is true that as to the bursting of that boiler we have, in one point of view, no measure of the strength of the boiler, excepting what could be ascertained after the bursting, but according to the inspector's own testimony there was no inspection of it worth taking. Still it would be of value to know how much pressure of steam it withstood up to the time and at the time of explosion. That would have been ascertained had they had on it a test of its pressure.

### STEAM-RECORDING GAUGES—THEIR NECESSITY.

To my own knowledge, there has been in use by careful persons who run steam-engines over their boilers in boats, factories, and other places, a gauge of the steam pressure in boilers, by which a captain in his cabin may see the amount of pressure on a boiler at any time. The foreman of a factory or of a printing-press, as the case may be, can read in his office by a register, as carefully as he can the height of his thermometer, the amount of pressure that is on a boiler. Now, when we put the two things together and say that 85 per cent. of these death disasters are due to this machinery and explosion of boilers, we see the importance of having a check upon the man who tends the boiler whose education has been neglected. There is room for a very great improvement in the instruction of the stoker or fireman, so that he should know when

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he has fuel enough in to raise the steam to a certain height. Very experienced men, no doubt, after a time acquire that knowledge, but for economical purposes, and, above all, in the economy of life, this is a most important question.

The commanding mind should have means of ascertaining at any given instant the pressure upon the boiler, whether it be on shipboard or elsewhere. All our republicanism comes to naught, as we all know, when we are on board ship. Everything is autocratic there. One brain only has to acknowledge the responsibility, and to him everything ought to be known with regard to the safety of the vessel and the condition of its running-gear, and all persons who are under him should be thoroughly instructed in their duties. Now, if it should be, as it certainly is, practicable for him to know at any moment of time, whether it be in the factory, in the river boat, or in the steamship crossing the ocean, the exact pressure on the boiler—having previously ascertained the strength of the boiler by such inspection as will make it criminal if it fails—he will know the safety-valve, so to speak, by which to control it; he would only have to call down his tube to say when the steam must be reduced in order that the boiler may not explode.

These gauges, I ought to have said, have also alarms connected with them. Take, for example, a boiler that will sustain a pressure of 60 pounds. Put a proper test-gauge on that boiler which will also have an alarm attached to it. That alarm will tinkle or ring out when it has reached a pressure of 50 or 55 pounds, showing the time when it may be checked with safety. For those employments that take care of such works I confess that I think the education must chiefly be practical. With the uncertainty of apprenticeship, we require some such mechanism as will be automatic to guide us.

### A BRAKEMAN'S WORKING PERIOD.

Take the collateral service—railroads. The brakeman's life, according to the best estimates, for his period of working capacity is the shortest that exists among laboring people. A brakeman's life is estimated to average during his working periods only about ten years. That is two years short of the liquor-seller and bar-keeper, which averages about twelve years.

### DUST DISEASES AND LONGEVITY.

If we take other employments we then take a jump, as it were, before we reach some of those dust diseases to which I have referred—as where people grind forks, needles, &c.—they live now about twelve years before they die, provided the work be not dry work. There is a difference between the dry and the wet work, for the wet work curtails the dust to some extent. Then in some factories they are by law compelled to wear masks. In France and Germany they are compelled to wear masks to protect them from the dust. Yet some of these people that we read of in Birmingham will pride themselves upon their business being short-lived, and they prefer not to wear masks, so that too many persons will not go into that line of duty and make the wages too low.

### HEALTH EXAMINATIONS FOR RAILROAD SERVICE.

But to recur again to the brakemen and to the precautions that ought to be made by law for railroads. I suppose it is now generally recognized,

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although very recently, that there ought to be some physical examination of all persons employed on railroads, as conductors are in most cases now examined with reference to color blindness and defects of that sort. Brakemen are not usually examined at all. Certainly for the protection of life every employé on a railroad ought to be subjected to a physical examination. We should know with reference to his sight and hearing. We should know of the brakeman's physical strength above that of all others. If a person engages as a brakeman who is affected with lung or heart disease, or any disease that affects the blood vessels, he may place the whole train, no matter how many passengers it may contain, in a position of the most dangerous jeopardy, simply because of his own already impaired physical strength, which may give out at any moment. Hence I should say that every person employed on a railroad train should have a physical examination.

### TREATMENT OF LIVE STOCK ON RAILROADS.

Then there are other things bearing on health and life that are important in connection with railroads. The condition of the cars, for example, in reference to their occupation, their cleanliness; the condition of buildings and depots; the carriage of live stock and the considerations growing out of its care—these are very important considerations as affecting the public health. The ox that comes from Chicago to New York, and is only given food and water once by the way, never makes wholesome beef; and not only oxen, but lambs, calves, and pigs are sometimes carried even greater distances. Other live animals, such as poultry, are rendered exceedingly unwholesome by the cramming and starving that they are frequently subjected to on their way to market. A great deal of this preventible mortality and sickness, to which I have already referred, is doubtless due to conditions of that kind, which ought to be prevented by law.

### OCEAN VESSELS: RISK OF LIVES BY FALSE ECONOMY.

Take now steam passenger vessels, which concern the United States amazingly, as they come in here bringing over a thousand persons a day, many of them. Steamers have gone from this port in the broad light of day and of a disarmed intelligence, frequently with defective machinery. They have calculated their distances in fair weather, and have taken their crews and cleared from this port, knowing that they were not in condition to withstand severe weather, but, because they could get repairs done at a lower price on the Clyde than they could in New York, they would risk the lives of all persons on board; in other words, they would do this because of the difference between the pounds, shillings, and pence of the dock-yard on the Clyde and the dollars and cents of the dock-yard in New York. A large ship went from this port a very few months ago under just those circumstances.

### THEIR INSUFFICIENCY OF LIFE-BOAT ACCOMMODATIONS.

But the great danger is in their coming here. Ships frequently come here with one thousand or more passengers, but with boat room for only two or three hundred in case of disaster. They take from eight to twelve boats. These boats in a sea-way of anything approaching bad weather would not carry more than twenty persons each.

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### THEIR INCOMPETENT MEDICAL OFFICERS.

Moreover, in their appointments on board these ships, the sanitarian medical officer is ranked with the cook. He has no grade or rank. He is paid rarely more than £10 per month, and frequently less. He has no quarters assigned him for the care of the sick. He has no voice and no influence—no status in the ship—no authority as to the cleanliness of the ship. Ships come here with more deaths on board than the average deaths of the city of New York.

### MORTALITY STATISTICS ON OCEAN VESSELS.

Some have come to this port within a year whose deaths have averaged twenty to forty per thousand—taking the average method of measuring the mortality rates—when there should not have been more than two or three at the outside.

Q. On the single voyage, do you mean?—A. Yes. If you ascertain the number of deaths per thousand on the different lines they will frequently give rates equal to the highest mortality on shore; that is due in a great measure to there being no sanitary regulations—no properly regulated sanitary officer having any status on board. The services of such an officer are liable to terminate at the end of any voyage, while other officers on shipboard are engaged and paid at so much per annum. They are given quarters and proper assistants to take charge of all the persons on board, but the medical officer on emigrant ships crossing the Atlantic, has literally no status at this day. A ship may come in here with twelve hundred persons having a medical officer on board, but he has no status and no competency even before he starts. Ten pounds a month will not get a proper man. Yet he is appointed on such pay and under such conditions and accommodations on board ship, so that if an epidemic breaks out, with all his incompetency, he has not even a servant that he could call on to assist him, and aid has to be called in and improvised on board if any cases of disease occur.

Q. Does this apply to the emigrant ships from all countries coming to New York?—A. They are all pretty much the same. The English ships are as bad as any. The worst ships that have been brought into port have been some of the North German ships—I forget the particular line now, but the line to which the *Nemesis* and some others belong.

Q. The ships of what nations bring our immigrants generally?—A. The German and English. The English bring most even of the German emigrants.

Q. Do the French and Italian bring any?—A. They bring nothing like as large a number of emigrants, but they are none of them well provided with sanitary officers.

Q. Do English ships bring in any Italian emigrants?—A. Not often. They bring very few Italian emigrants. They frequently bring German emigrants—a very large proportion of them.

Q. The Scandinavians come on their own vessels, I suppose?—A. Chiefly.

### NEED OF REGISTRATION LAW FOR BIRTHS, MARRIAGES, AND DEATHS.

With reference to the subject with which my remarks opened, I suggested no special remedy in its national aspect. Possibly it may seem far-fetched, but I look upon a registration law for the United States which will have such lines as to take in eventually not all the deaths that occur,

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with all the causes that are reported, throughout the country, but of all births and marriages as well.

But if we were to take a registration law alone as a remedy which should make it a special point of inquiry to ascertain the causes of death and hold as criminal such preventable causes as I have named in regard to these explosions, where the proper precautions were not taken, I should look upon it as a very valuable measure indeed for the prevention of deaths and the lessening of mortality generally. In other words, where the causes are made to see the light, the victory is about half gained. Of the great utility of such a law in other respects as recording marriages and births, every intelligent person can appreciate.

Q. Have you given attention to the subject of sanitary precautions in the construction of dwellings among the poor?—A. Yes, sir.

Q. And to the existence of abuses in that regard?—A. Yes. I am somewhat familiar with the abuses of that character in New York City and other places. They have relations, indirectly, to some other causes of ill health that I have gone over.

### THE NEW YORK TENEMENT HOUSES.

Take for instance our tenement houses in New York; they are probably the worst in the world, and in proportion to the population they are larger—I mean they house a larger number of persons. You doubtless know that more than one-half the births in the city of New York take place in tenement houses. In the mortality statistics of this city, as to the ratio of mortality among the population, if we divide the population into houses of four families or more, and those of four and less, we should find the mortality about one-half greater in the closely packed tenement houses than in those that are not so packed. The plan of stowing the families of New York in large numbers into houses is, of course, very objectionable. If we take them all on an average, the number of persons to the house is fourteen.

Q. Fourteen individuals to each house of the city?—A. Fourteen individuals to each house in the city, which is nearly twice as great as that of any other city in the world.

Q. Will that cover the entire city?—A. Yes; it will average altogether about fourteen persons to the house, and that, as I have said, is nearly twice as great as in any other city.

Q. Any other city in this country?—A. In this country—and there are no foreign cities that excel New York in that respect.

### "FLATS" UNHEALTHY.

Take this matter in another aspect. It is increasing in a fashionable way; they are building tenement houses for well-to-do people—houses which they call "flats." The construction of very high houses, no matter how well they may be constructed, shuts out the light from the occupants, and in so far as they do that, they are injurious to the health of the people.

Q. In regard to these flats—for they are getting to be very numerous—do you consider them, from a sanitary point of view, to be healthy?—A. I do not.

Q. What objections are there to the flats in the way that they are constructed?—A. Many of them have sleeping rooms without any windows, and in many of those which have windows, the windows are over what you may very properly call wells—that is to say, sunless air spaces,



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and, too frequently, dirt holes. A great deal of the house dirt is thrown into these places. They are not kept clean.

Q. You mean they are being constructed now in that way in the upper part of the city?—A. A good many are, and many of them are being constructed of all sizes and classes, so that it is hard to tell where the line comes in between what you call a tenement house and what you call a flat. There are some of the tenement houses certainly that I have been in myself, and that are occupied by what you call the lower working classes, that are superior to some of the flats. They build flats in whole blocks now—great big places of five and six stories that they call flats, and that are so arranged all through as to make them not a particle better than some smaller houses in other places that are called tenement houses.

Q. They are called flats because they are supposed to be better and will rent better under that designation?—A. That is it.

### INSPECTION OF BUILDINGS IN NEW YORK.

Q. Is there not some system of inspection—some method of regulating the construction of these dwellings by law?—A. Yes, and a very deficient one, too. The inspector of buildings has charge of it. Almost every week we hear something about it. He cannot take hold of certain things because they are supposed to belong to the health department. The lines of the health department and of the inspector of buildings are not very well defined—and with reference, above all, to the extraordinary height of the buildings and the fire-proof regulations. What really constitutes a fire-proof building in the city of New York is very uncertain. I have sometimes thought, I and I have heard some other gentlemen interested in these matters say, that in any good law there would be clear definitions as to what constitutes a fire-proof building, and that no building should be built more than, say, four stories high, unless it were strictly fire-proof. I think that would be one protective measure against some of the buildings that have been put up in New York during the last five or ten years. True, they are building now some of the mercantile buildings in this city as nearly fire-proof probably as it is possible to have them, and some of them I imagine absolutely so.

Q. These observations you are making in regard to the tenement houses and flats of New York City, are they true to a greater or lesser extent of other large places in this country?—A. To a small extent. It is true that tenement houses do exist elsewhere. There are a few in Brooklyn, and a few in some other cities that I have visited, but I have not paid nearly so much attention to them. But I have no reason to think that any other city in this country approaches even at a great distance the city of New York in that respect. The conditions started here a few years ago with the view of the improvement (so called) of tenement houses were very defective. They undertook to limit a house to, say, 25 feet front and 80 feet deep out of the 100 feet of depth of which the city lot is composed, so that it should contain only four families to the floor, and leaving one-fifth of the ground bare, so that the building would be 80 feet deep. With such a building, having four families to a floor, and the building four stories high—those are what we may call the best conditions yet obtained in New York for tenement houses. Now, it must strike any one that, considering the ordinary families, that is very close packing. That gives you sixteen families to a house; and these were considered great improvements.

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STEAM RECORDING GAUGES.

Q. Some one in the audience desires me to ask you this question: As to the records made by the steam-gauges to which you have referred, so far as they contribute toward correcting carelessness on the part of firemen and engineers——A. [Interposing.] If I have not already covered that, I want to say that the one I had reference to is one that makes amends to some extent for what I conceive to be want of education. As there is no elementary instruction given to the people who deal with those things in actual life, such as firemen, &c., it necessarily follows that their knowledge must come from actual experience, because they are ignorant persons, to begin with. The importance of a gauge under such circumstances is certainly very great. It would strike any of us so.

Q. Are they not universally provided?—A. Why, I do not believe, sir, that if we omit fine tug-boats and the like, where we may say that less than a dozen, or perhaps less than six persons are aboard—I doubt whether they are employed in one of one hundred of the factories and steam-boilers in the United States.

Q. Any gauge whatever?—A. Any gauge whatever. They depend wholly upon what they call the intelligence of firemen and engineers.

Q. How expensive are gauges?—A. I have never bought one in my life, and I therefore know little about their cost. I believe they cost less than $100, somewhere from $60 to $100, perhaps. I cannot speak with any degree of accuracy.

Q. You do not believe that there is one used in one hundred boilers?—A. I do not believe there is one to be found in one hundred of the steam-boilers of the United States, even omitting those that have less than six lives at stake.

Q. You mean that those having less than six lives have none, as a matter of course?—A. Yes. I say that as a matter almost of course they have none, and taking those above that class, I do not believe one in one hundred has a gauge.

Q. It is assumed that they will get through all safe even though there is some danger of their killing themselves?—A. Yes.

Q. You think there is not one in one hundred provided?—A. I think not.

Q. Well, would you say there is one in two hundred?—A. I would not like to make even an approximate estimate. I should even doubt, though, that there is one in two hundred that have these gauges, taking all the boilers to be found in all the factories and steamboats of the United States, and all the boilers that are used for other purposes. If you were to take this city and look through all the places that have boilers, you might go along for hours without finding a gauge.

Q. I suppose the gauge would be valuable to a captain?—A. Exceedingly so. It would have been valuable in this Riverdale disaster, where the inspector himself was guilty of a crime in not examining the boiler at all, and it would have been of value to know of what strength this boiler was; it was a mere shell, anyhow, and had not been inspected; but even if it had been inspected, the gauge would have been most valuable. I am reminded that when I said steam-gauge I ought to have said *recording* gauge, a gauge that records its indications so that you can intelligently know what these indications are or have been.

Q. You do not think that to be a good gauge that does not make a record of its indications?—A. Certainly; I do not think it to be a gauge unless it gives you an automatic record. The gauge that they have is

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a blow-off, or something of that kind; but I would not call that a gauge. Take a large steamship, the chief engineer is not what is called a watch officer, he depends upon his junior officers to report to him the condition of the steam, &c.; he is in the office or cabin. A recording steam gauge in his office would be an exceedingly valuable instrument to him to let him know whether he had a faithful stoker, or whether the junior engineers were properly attending to their business in keeping a regular fire or keeping up steam at a certain rate. The same would be the case in a factory. It is important to an employer there to have a regular supply of steam, not only in keeping the factory comfortably heated, but in keeping the people most judiciously at work, and keeping the fuel and pressure right. If he should know, for instance, that at one time the pressure was 30 pounds, and that at another time 60 pounds, he might take it for granted, and I think justly, that his fireman had had a nap. When we take into account the great amount of disaster due to boilers and their neglect, I think we see the importance of a proper and regular supply of steam.

Q. Is there anything else that occurs to you as bearing on this subject?—A. Nothing else.

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NEW YORK, *October* 1, 1883.

MARCUS HANLON examined.

By the CHAIRMAN:

Question. Please state your residence and occupation.—Answer. My residence is in this city; I am publisher of the American Protectionist.

The CHAIRMAN. You have read the resolution of the committee and understand the subject-matter upon which we are engaged. You may state to the committee anything which you think pertinent bearing on the subjects covered by the resolution.

The WITNESS. I have some idea of what the committee is working for. They want, as I understand it, to benefit labor. I have not any views of my own to present, but I have some resolutions here which I think are worthy of the attention of the committee. They were recently adopted by the Metropolitan Industrial League, but they, in fact embody the resolutions adopted by the tariff convention in New York City, in 1881. That convention represented, I believe, a majority of the voters of this country; it represented the producers of the country—I mean the farmers, the mechanics, and the manufacturers. The convention was held in New York City two years ago.

Q. It seems to have represented a good many people. What was its organization; how large in numbers was it, and what was the character of its representations?—A. It represented all the agricultural industries that were organized. It represented those appointed by the different State labor organizations.

Q. How many were there in the convention?—A. Eight hundred and three delegates.

RESOLUTIONS OF THE TARIFF CONVENTION OF 1881, AND THE METROPOLITAN INDUSTRIAL LEAGUE, 1883.

These resolutions demanded—

First. Protection to American labor by duties on importations of all articles of the kind we can produce, equal to the differences between the cost of the foreign and domestic labor and capital necessary for their production.

Second. Increased duties on those articles that have been discriminated against in

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the late tariff revision, so that all American labor may be impartially protected against underpaid foreign competition.

Third. The immediate abolition of all United States internal taxes.

Fourth. Repeal of all burdens upon American ships, and awarding ocean mail contracts to the lowest bidders among the owners of American vessels, after open competition.

Fifth. The abrogation of all treaties that interfere with the practical enforcement of the Monroe doctrine, so as to secure the removal of any obstacles that prevent our control of the trade of the South and Central American countries.

Sixth. The establishment of an efficient national bureau of labor statistics.

*Resolved*, That the agreement of political parties upon these principles, essential to American prosperity, will result in settling the question of free trade as completely as the slave question is now settled, and will prevent calamitous labor disturbances, and the disarrangement of the business and industrial interests, by insuring intelligent American labor a free and favorable field for this development.

I think if Congress would act on the suggestions contained in those resolutions, employment would be given to perhaps 400,000 people, and in that way a great deal would be contributed to the welfare of the country.

Q. Have you any idea as to the extent of idleness or the probable number of idle persons in this country who would be glad of employment?—A. No, sir.

Q. Have you any idea as to the number in this city, whether there are many or only a few?—A. I think that employment is pretty fair in the city just now, sir. I do not think that there are a great number of idle persons in the city who could not get employment if they tried to. There are some, of course, coming here without acquaintance who might find it difficult to obtain employment.

## WAGES OF MECHANICS.

Q. Do you know personally anything of the rates of compensation or wages paid?—A. Common labor is worth about $1.50 a day in New York City.

Q. That is for full grown men?—A. Full grown men.

Q. Mechanics?—A. Mechanics run from $2 to $4.50 a day, I suppose. I was in an iron-molding shop the other day and although the common labor is only $1.50 a day, there are men there that get $5.50 to $6.50 and $6.75 a day; that is their wages nearly all the year round.

## CONTRACT PRISON LABOR.

Q. Have you given any consideration to the contract prison labor system, as to its injurious competition with that of other laborers?—A. Of course it injures labor. For instance, it injures the molding business, the stove business, to a certain extent. There are about 1,700 to 2,000 men, I believe, employed in manufacturing stoves in the States, prisons, and their work must certainly come into competition with the manufacturers and laborers outside. I do not think that there is any question to-day in the minds of the people of the State of New York that the State's prison contract system should be abolished. The only thing they are after is to find out what to substitute for the present contract system.

Q. What do you think is the tendency of thought in that direction?—A. I do not think it is really crystallized yet in any practical way to say what is best to take the place of the contract system. That is the only thing that is delaying legislation on the subject now. It is to come before the people, however, this year, and I know that the people

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will vote to abolish State's prison contracts, and then it will devolve upon the legislature of the State to know what to substitute. Of course the prisoners cannot be idle. They must be employed and profitably employed.

A PROPOSED SUBSTITUTE FOR PRISON CONTRACT LABOR.

Q. Has it ever been suggested that they be employed at such compensation as other workmen receive, and their wages be placed to their credit and cared for by the State, and that with perhaps reasonable deductions the funds should be paid to them as a start in life at the expiration of their sentences, or whenever they are turned out or discharged?—A. It has not been proposed. I do not think you could adopt that, because people would be afraid that the superintendent of the prison would not get sufficient work.

Q. Suppose the men worked by the piece and were paid by what they did, just as outside laborers are paid for the same work, letting the cost of their keep by the State be charged to them, letting them pay their way and letting their funds be superintended and cared for, and if the prisoner indicated good behavior and an industrious habit, giving him some advantage in the way of shortening his sentence, and perhaps some superintendence or help in getting employment when starting in the outside world again—have any ideas of that kind been discussed by the men?—A. They have been discussed, but have not been crystallized. You could not expect, of course, that men in the State's prison can make as good work as those outside. They do not make as good stoves as do outside stove men.

Q. Do the stoves sell for as much?—A. No, sir; they do not. At least that is my information.

Q. Then if the same workmen were working outside, they would not get the average wages?—A. No, sir.

Q. And they should not be paid for any better work when they are inside?—A. I think it will be a great thing for prisoners to have some means of employment when they can come out, but I think they should be taught trades at which they could individually work without having to go into shops. I don't think it is right to teach a trade to a prisoner that will necessitate his going into a shop with mechanics.

Q. What can be done with him—what can he do with himself when he gets out of prison—if he knows nothing about work and cannot be permitted to be with anybody else?—A. He might learn something of agriculture or shoe-making.

Q. Do you think that farmers want such people in their homes any more than anybody else?—A. No; but if he had money, he might get a quarter section of land for himself.

Q. But there doesn't seem to be any place for him around civilization.—A. I know it is difficult, but the problem will be solved, I have no doubt. We will have a year or two yet of it, and there will be a good deal of discussion on the subject. I have no doubt the people of the State of New York are competent to reach a just conclusion, and also the people of Ohio, where it will be decided in a few days. The resolutions that I have read are, I think, Mr. Chairman, very important.

Q. What is the first resolution?—A. It deals with protection to American labor.

Q. I do not care to discuss the tariff; what is the second resolution?—A. Well, the only point I would mention in that is that some people are in doubt whether the Constitution can be construed in favor of a protective tariff.

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Q. If we have construed it so, for the last hundred years we may as well let that point go. What is the next resolution?—A. The abolition of all internal-revenue taxes.

Q. What is the next?—A. The repeal of all burdens on ships, &c.

The CHAIRMAN. That has been pretty fully discussed.

The WITNESS. Yes. I don't know whether you had the statement of how much the balance of trade was against us.

The CHAIRMAN. You may make that any way.

The WITNESS. It is one hundred and eighty millions that we could supply if we had ships.

TONNAGE DUES ON SHIPS.

The fifth resolution, in reference to the Monroe doctrine, the league was anxious to have the attention of Congress called to. As we understand the old treaties with Great Britain and other countries, if we took off tonnage dues from our own vessels, we would have to take it off theirs. The tonnage dues upon our own vessels are about three hundred thousand dollars, while on foreign vessels they are about one million three hundred thousand dollars, and it would seem that by taking those off it would be giving a premium to foreign commerce. They thought that the attention of Congress should called to that.

RENTS IN NEW YORK CITY.

Q. Is there any other matter that you would like to suggest?—A. There is one thing that I would like to impress upon the committee, and that is the question of rents in this city. Much of that arises from the fact that the city is bounded all around by water. I think rents are higher here than in any other city of the country. I do not find rents bearing so heavily on the people anywhere else as they do in the city of New York. I don't know but Congress might help us a little in that matter. It has occurred to me that as soon as the elevated road runs over the bridge to Brooklyn, and as soon as we have railroads going over it, we can have access to that large extent of country over in Long Island, and that ought to cheapen rents.

A BRIDGE ACROSS THE NORTH RIVER AT NEW YORK.

I think if we had another across the North River, about Forty-second or Fifty-ninth street, it would greatly relieve the pressure of rents in this city. I suppose Congress might build such a bridge. I do not think the city of New York would care about it perhaps. Unless the States of New York and New Jersey should combine to build it it would have to be built by national legislation. That would aid us considerably in getting places for our people to live in close by their places of work.

PRIMARY ELECTIONS IN NEW YORK.

Then I would like to call the attention of the committee to the necessity of the workmen being enabled to take part in the primaries of the large cities. I do not suppose, however, that Congress could legislate on that subject.

The CHAIRMAN. I suppose that would depend upon whether it was a national or a State election.

The WITNESS. Well, we have passed a primary law in this city by

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which every man is allowed to vote, but the trouble is to get them out to vote. It occurred to me that if there was a system of having primaries for the two political parties on the same day, and a voting paper for the primary election sent to each person who had voted in the district last year, to be filled up with the name of his choice for delegate to the nominating convention, within a certain time, say a week, it would give an opportunity to every man to express his preference. The trouble now is that not one in one hundred goes to the primary—certainly not 10 per cent. The great difficulty is to send the people to the caucus.

Q. Who are less likely to attend, the wealthier classes or the poorer people, or is this a common indifference all the way up and down?—A. I think it is a common indifference. I do not think that they care to go there, but under this system I think they would. I think it would be an effective system. I do not see how it could be otherwise. Let them fill out their paper and have a proper officer to record their votes.

Q. Do you know of any way to compel them to fill out their paper?—A. It would be easy to fill out the paper.

Q. Do you think a man would be sure to stop and fill out the paper?—A. I think so, and I think those papers should be stamped or sent through the post-office free.

Q. You would have the Government affix stamps?—A. Yes. I think every man should take part in the primaries, every man who votes. I think it is the real source of power.

Q. Is there any other point that you wished to suggest?—A. No, sir; nothing else that occurs to me.

Adjourned.

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NEW YORK, *October* 2, 1883.

Miss FRANCES E. WILLARD examined.

### THE WOMAN'S CHRISTIAN TEMPERANCE UNION.

By the CHAIRMAN:

Question. Please state your residence?—Answer. Chicago, Ill.

Q. What is your connection with the Woman's Christain Temperance Union of this country?—A. I have been the president of it for four years.

Q. Will you explain to the committee what that organization is, its extent, its purpose, and any observations that occur to you, and that will give us an idea of it, and its relation to the interest, of the people?

### HISTORY OF THE UNION.

A. We sometimes call ourselves in the National Woman's Christian Union "The sober second thought" of the great crusade in Ohio, which occurred in the winter of 1874, and lasted fifty days, and, by the weapons of prayer and persuasion, drove the saloons out of two hundred and fifty towns. That line of work of course could not be continued. It merely gave us the impetus. It became later an organic, systematized, methodical work, adapting carefully considered means to very definite ends, and in nine years—for it is now nine years since its incipiency—it has grown to be the largest organization of women, controlled entirely by women, that has ever been known in history so far as we can learn, having organized States to the number of thirty-four, and four organized

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Territories; and we estimate over 3,000 (which I think is the number this year) local societies, and having not only an existence in our own country as a national confederated society, but also in Canada, as the Woman's Christian Temperance Union of the Dominion; and in England, as the Woman's Christain Temperance Union of Great Britain, with Mrs. Lucas, the sister of John Bright, as president there; and in Australia, wherever the English-speaking or Anglo-Saxon race is found, with its proclivity to the drinking habit, there, as a natural sequence, this society is organized. I have leaflets, which we shall be glad to show to the gentlemen of the committee and others, which explain our lines of work.

ITS METHODS OF WORK.

We take up the methods of our work in the order of evolution. The first is preventive, as, of course, the first thing in order is to prevent the evil if possible; the second is educational; the third, evangelistic; the fourth, social; the fifth, legal; and the sixth, the department of organization—for we are making a specialty of extending the organization so that it shall be truly national in fact as in name. This has been our greatest year of organization, and, having penetrated every State and Territory, in all their leading towns, we are now looking at the strategic positions on the map of our country to see where the work is most needed; and the next line of our forward progress will be the States that most need temperance work, because of their legal relation to the reform, or because of their lack of work in the past. That, in brief, is the origin, history, and method of the organization.

PREVENTIVE MEASURES FOR TEMPERANCE.

Under the head of preventive measures, we have the two departments, Heredity (as coming first) and Hygiene. Our department of Heredity has at its head a lady physician for the National Union. She has an assistant superintendent in every State, and the State superintendent has an assistant in every local society; so that the plan is identical in its national, State, and local aspects. The department of Heredity aims at the wise and careful teaching of women, who come together in groups to read and study the effects of pre-natal influences and naturally inherited appetites for intoxicants. This department is aided by the circulation of books, leaflets, &c., to societies of women. In the department of Hygiene we have an organization in the same way—the object being to study the laws of health, including food, cleanliness, ventilation, and all the physical conditions of life, in so far as they may affect the formation of habits of stimulation. And we carry out the work in the local societies as well as in the national and State societies. Under the head of Educational measures we have several divisions.

SCIENTIFIC TEMPERANCE INSTRUCTION.

First. Scientific instruction, which is one of our strongest departments, the details of whose work will be given to you I hope by Mrs. Mary H. Hunt, of Massachusetts. It will be found that our society works, not only on the principle of moral "suasion," but of legal "suasion," and has been instrumental in securing laws in three States for the teaching of the young in principles of total abstinence from stimulants and narcotics, based on hygiene, chemistry, and physiology. Mrs. Hunt has an assistant in each State; and in the local societies—that is, so far as we can bring it about.

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### SUNDAY-SCHOOL TEMPERANCE WORK.

The second division of our educational department is Sunday-school work. This aims to teach the same habits and principles as the scientific division, but strictly from a Bible point of view, and by the means of exercises and lessons regularly prepared.

### JUVENILE WORK.

The department of juvenile work aims to find children and organize them into Bands of Hope and Juvenile Temperance Unions, with the feature of military drill added for the boys. There is no person in the country who has done more to make this department a success than Mrs. Sally F. Chapin, of Charleston, S. C. Mrs. Barnes will speak of her own work here in New York. In Charleston, the Legion of Honor is the pride of the city, and is bringing more and more boys of lower grade under its influence, but it is principally composed of boys of the best families, who feel a chivalrous pride in purity of habit. This lady has been in twenty towns of Alabama within the last month forming these societies and traveling everywhere with the heartiest indorsement of the best people; the work has had a splendid blossoming out in the South under Mrs. Chapin's enthusiastic and skillful hand.

### TEMPERANCE LITERATURE.

Also, under the head of Educational measures, we have the department of temperance literature, which seeks to secure a column in the local press for temperance, or, if not a column, as much of a column as possible. We have ladies in each town who aid this object, going to the editors and asking them to give the space. We have also ladies who study the subject topically. Mrs. Buell will speak to you about the work of influencing the press—a work which also comes under the head of Educational measures.

We have a department to influence the public mind in other ways. Whenever we hear of a Sunday-school conference, or an association of ministers, physicians, or teachers of any class, public or private, national, district, county, or local association, we try to get some gentleman or lady who believes in this movement of temperance to bring forward a resolution on the subject, so that there may be argumentation had in all the centers of intellectual movement throughout the country. We believe that what the cause wants is light—to arrest the thought of the people; and we think that women can arrest the thought of the people if they will work and persevere—for they have the leisure to devote to it. It may as a consequence have been noticed that within the last year there has been more done than at any previous time in the way of passing resolutions in all these conventions and societies. Of course we do not take the credit of that to ourselves, only we form a part of those who suggest to delegates the advantage or propriety of bringing the subject up. In my own State of Illinois, in one of the Teachers' conventions, we had one day of debate as to whether this subject should be brought up—that the children should be instructed in the hygiene, physiology, and chemistry of the alcoholic habit. It was opposed by a few gentlemen present who were in the habit of using beer, and I think the debate lasted until the afternoon session. They were able by parliamentary tactics to delay the vote, but when it came, finally, to a vote, the result was overwhelmingly with our side. Of course we try

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to get a similar opportunity from the medical societies when they have their conventions—that they should resolve to recommend the laity not to use stimulants, and that they should not prescribe them.

### DEPARTMENT OF TEMPERANCE STATISTICS.

We have a department of Relative Statistics, to make people more intelligent regarding the waste, pauperism, and crime resulting from the liquor traffic, by gathering the latest statistics, and placing them, properly classified, before the people, in leaflets and through the press. This work is aided by charts exhibiting relative statistics to the eye by means of lines and colors. I have tried these charts and found them excellent. I may say that this is only a temporary measure, until Congress shall give us the Commission for which we have petitioned, in conjunction with the "National Temperance Society" of gentlemen.

We are doing a little in the way of Training Schools, to work our ladies up to the position of experts. I was untrained myself when I entered this work nine years ago. I had only heard one temperance lecturer, and in my travels abroad had not been a total abstainer. When the great struggle came, in Ohio, it brought my attention to the subject.

We have several gifted German ladies who speak to that part of our population using the German language. During the Iowa campaign our German men and women addressed great audiences and secured, I believe, as many as 7,000 votes of Germans in that State, in favor of prohibition. They went to the great lumbering establishments, where a large number of hands were employed, and the employers allowed the men extra time at the dinner hour to hear our speakers talk on the subject. These talks rewarded our cause well for the effort devoted to them.

Our society also goes, in the large cities, wherever we can get strength enough, to the police stations—but I will ask Mrs. Alvord to give you an account of our police and jail work, and the way in which we try to reach the inebriate class, which is, of course, largely the laboring class—when they have gone beyond preventive measures and it becomes a matter of cure.

### WORK AMONG INTEMPERATE WOMEN.

We have work also among intemperate women. It is impossible, of course, to train up societies of boys and girls without training them to such pure habits as shall bless the home, so that all our work directly helps and uplifts the hope of women. But we do work specifically for women who have fallen under the influence of stimulants. We have a place for women of the better class who have become addicted to stimulants, where they can go privately for cure, without the knowledge of any but their immediate friends. We have in Chicago the "Martha Washington Home"—an immense establishment—which is an asylum for inebriate women. We have in the purlieus of Chicago a "Rehoboth." It is a house in which we place women who are found in the haunts of iniquity in the city, if there is found any possible chance of reclaiming them. There we bring to bear upon them the best and kindest influences of Christianity. We have there a laundry in which they can find work. That institution has been the means of finding homes and work in the country for women who, if not looked after, would have pursued the career of vice—many of them having been originally from the country, and having only begun to form these evil habits.

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### RAILWAY TEMPERANCE WORK.

We have also a work among railway employés. I wish Miss Jennie E. Smith were here to tell you of it.

The CHAIRMAN. As she is not here, won't you please tell us something of her efforts, and to what railroads she gives her attention, and, if you know anything of the co-operation of the railway managers with her, we should be glad to know that.

The WITNESS. She has been chiefly engaged on the Baltimore and Ohio line, because President Garrett and his associates have been so very favorable to the movement. I think that the employés who have attended Miss Smith's meetings and taken the pledge rank by thousands. I heard that one of the lieutenants of President Garrett was inquiring into the matter—it being new to him—and asked one of the trainmen some questions about it. He said, "How do you boys get along in this temperance movement? I hear there is something doing in that line among you," and the man replied, "Well, sir, if you had come around here about six months ago you would have heard nothing but cursing, but now you will hear us singing Moody and Sankey hymns." That is an indication of the change that has come over railroad men. I know that the officers have found it so practically advantageous, that they have given money to it. I learned from Mrs. Barnes that the Pennsylvania Railroad is now co-operating in the same way. We try to have a Railroad Union, and we hold Gospel meetings, and extend the pledge to all comers, and also get up reading rooms, and in every way possible endeavor to fit men to lead good and manly lives. The wives, mothers, and sisters of the men, whenever we can reach them, are brought into the societies.

### TEMPERANCE WORK AMONG SOLDIERS.

We also work among the soldiers and sailors. We have visited many of the military posts in the far West, and have addressed the soldiers, not always in the fort but by special arrangements to have them present in our hall, and have tried to have our national paper, "The Union Signal," placed in their reading rooms. Mrs. Roach of Washington has done a wonderful work in that city, in the Soldiers' Home; and, so pervasive and beneficial has been the work, that if it has not already reached the knowledge of the honorable gentlemen who have given us an invitation to be present this morning to tell of what we have been doing in this work throughout the country, it certainly will come to their knowledge before the coming winter is over, because nothing so beneficial for temperance has ever been done in Washington among the soldiers.

Mrs. Barnes will speak to you of the young women's temperance work. She is the superintendent of that department.

### PARLOR MEETINGS.

We have also a department of "Parlor Meetings," by which we are enabled to reach many ladies who would not come to us in our hall, but who through the intervention of some good hostess, will give us a hearing in their parlors. It is a form of work which commends itself to cultivated and conservative ladies. This department has been specially successful in the South, and will speak more and more for itself.

I will ask Miss Gordon to speak on the subject of the kitchen garden.

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### TEMPERANCE AT FAIRS.

We have also a division for working at State and County Fairs. We feel that the occasion of these fairs should tend to the development of a pure patriotism, and not tend to the advancement of the liquor traffic, as has been so much the case in the past. At State and County Fairs we endeavor to secure some opportunity for the dissemination of the principles of temperance. I have just come from the Convention of Vermont. I was told that the delegates from Saint Johnsbury could not be there, because they were attending their County Fair, where they had a booth and were very busy. At the last State Fair, at Burlington, they fed about 2,000 people at their booths, and kept on hand temperance beverages of all kinds, and were the means of great good to the large number of inexperienced country boys who came there with stock, and who, of course, usually get rather bewildered in those places. There are always at those fairs people who drink and who induce these young men to drink. Our temperance ladies were of great benefit to these young men.

A few weeks ago I was in Denver, Colo., at the National Mining Exhibit, and there I found our arrangements very complete, the temperance corner being beautified with flags and flowers, and supplying temperance drinks. Ladies were present all the time and very active, and the place was quite a rendezvous. On Boston Common, on the Fourth of July last, there was a temperance booth and bazaar, and temperance lectures were delivered, and meetings held, from morning to night, by popular speakers who were able to interest the people.

### INTEMPERANCE, ITS RELATION TO CAPITAL AND LABOR.

We have a department on "The relation of intemperance to capital and labor," having ramifications in every State, and which tries to bring about the result that employers shall require total abstinence in their employés, and also to extend the discrimination in favor of abstinent habits to every branch of insurance risks. We try also to induce workingmen to introduce the same discrimination into their societies and trades-unions. The efforts are made by means of articles in the press, by circular letters, personal appeals, &c. In many cases we have been quite successful. We have endeavored to secure employers to sign a statement that for one year they would not employ men who drank.

### DEPARTMENT OF LEGISLATION.

We have also a "Department of Legislation," among the results of which are the Iowa and Ohio prohibition amendments, and the local option law, which the women of Florida petitioned for last winter; also a "home protection" law in Arkansas, and the scientific temperance instructions statutes of Michigan, New Hampshire, and Vermont.

Of the victories of our people in several States with regard to public school education, you will hear from Mrs. Hunt. I know there are many States in which petitions have been circulated and presented to the legislature, asking that the principles of temperance may be aided by an addition to the school laws requiring the instruction on the effects of stimulants and their relation to the human system, be added to the school course. From Georgia, Mrs. Sibley writes me that the work has been going gallantly ahead. In South Carolina, too, the work is prospering. In Virginia, where a Convention is to be held, I think next

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week, there is a movement to secure similar recognition at the approaching meeting of the State legislature. In Oregon and California, the petitions are printed and in the hands of the committees, in preparation for the winter's work. In fact, you cannot find a State in which our society has not got its work laid out for the coming winter. Our women keep a keen eye on public affairs, and work up their petitions at the right time.

We have also special work among the Scandinavians and among the colored people. Mrs. Chapin works hard wherever she goes, and secures so many votes for "the dry ticket," as they call it in the South, that she is a terror to the saloon keepers of South Carolina. In many a town she has been successful in carrying the prohibition local ticket.

TEMPERANCE WORK IN THE SOUTH.

Q. You know something of the history of Mrs. Chapin, do you not?—A. I am glad to say I do.

Q. You might state it to the committee.—A. Mrs. Chapin is a native of Charleston, S. C., of Huguenot ancestry. She is a brilliant and talented lady, of fine education. No woman in the South was perhaps more active or prominent in support of the Confederacy. She wrote a book entitled "Fitz-Hugh St. Clair," which was a setting forth of the secession idea from the Southern point of view, and was considered one of the best statements of the position from that stand-point. By her work in the Sanitary department during the war, by her great kindness, and by her fine executive ability in the southern hospitals, she won so much love from the Southern soldiers and people that she is more effective than any one else could be in her field. Her husband was Mr. Leonard Chapin, a prominent man in all the great Christian work of the South. At his death she was left alone. Some of us made her acquaintance, and she has told me that it was work alone that gave, or could give, her any consolation. She has repeatedly written to me of the kindly reception that she has had from women of the North as well as the South, which has been a great blessing to her. Very few have approached her in power to achieve. She has a sister at Long Branch, with whom she could spend her summers very pleasantly, but she has preferred to spend her time in traveling over the country, bringing our petitions to the white and colored people to ask their co-operation. For what she has endured and what she has given of her time and her property, for the work, I could not exaggerate the sense of gratitude which the National Association entertains.

I may also mention that Mrs. William Sibley, of Augusta, Ga., is looking after the interests of the association in her State, and is the President of the State of Georgia. Mrs. Judge E. T. Merrick, of New Orleans, is the president of the State of Louisiana. She is a woman of the finest Southern type, and of great devotion. Miss Fanny Griffin, of Montgomery, Ala., is one of the most brilliant women I ever met, and is our leading woman in that State. In North Carolina, our president is Mrs. Governor Jarvis; in Texas, Mrs. Senator Maxey. I suppose that shortly annual conventions are to be held in Virginia, South Carolina, and Tennessee. Within the past three weeks I have come from the convention in Kentucky. Perhaps I have said as much now as the committee desire. I do not know what your method of examination may be.

The CHAIRMAN. Just state, if you will, the relation of the work of your society to the general good of the country.

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### INTEMPERANCE: ITS EFFECT ON THE CONDITIONS OF LABOR.

The WITNESS. I notice that the resolution of the Senate refers to "the condition of the laboring classes in the United States," and what legislation should be adopted to modify or remedy the cause of their disability. Of course, we have had occasion to give a great deal of thought to that subject. We have come in contact with the working class, as never before. I was at the head of a Woman's College until I went into this movement, and it was a very new departure with me to come face to face with those of such different conditions, such narrow opportunities, and such varied temptations. I had never, to my knowledge, seen a saloon—I thought it was a good thing that saloons should be put down, but had no special interest in the subject. After that I interested myself greatly in organizing meetings and doing temperance work, and I found that every afternoon these laboring classes would come to our meetings in large numbers. When we had the strikes in Chicago, in 1877, there were thousands of rough men going through the streets muttering, threatening, and cursing. Our ladies went and held meetings at places where this class of men would be apt to attend, and great good was accomplished by this effort. The hall was packed, and the men expressed a determination to defend the Woman's Temperance Union with their lives. "We are here," they said, "and not with that mob, because of the interest which the Woman's Temperance Union have taken in us, and the sympathy they have for our families. We did not use to take much interest in well-to-do people, because we thought they cared nothing for us. We find now that we were too cynical." The fact of their being such a society of women in 3,000 towns and cities of the United States is a great change, I think, and is only the beginning of a greater change in the future up-look of the working classes. These ladies that sit here could give you the most romantic and wonderful revelations of the individual lives of working people to whom they have tried to be the almoners of Divine bounty; and that is really the core and center or our work. I have spoken of the other methods, but I regard them as an outshining from the wonderful gospel idea, "Do unto others as you would that others should do unto you"; and as the answer to the question, "Am I my brother's keeper?"

### THE LICENSE SYSTEM.

We believe that by beginning the inculcation of the habit of total abstinence, with the children in the schools, and by getting the upper classes to set the example, and then by making it a popular movement, so that even "Mrs. Grundy" will join in it and contribute to it, and then by securing prohibitory legislation which will frown on the traffic—not interfering with men's personal rights, but making the traffic an outlaw instead of protecting it by Government authority—we believe that these are the roads that lead to a solution of the rum difficulty. We are not believers in "high license." We have studied up the subject, and are in constant correspondence with the women in the towns of Nebraska, Missouri, and Illinois, where they have high license, and they write to us a very different view from that taken by those who are on the opposite side. They tell us how, in Des Moines, the license has only increased the number of saloons; how, in Nebraska, the license is enforced up to the point of getting the necessary amount of money, and there it stops, and drunkenness and crime are in no way diminished. Of course, we take the statements of our own workers, who are consci-

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entious and who have this problem right under their eye, rather than the statements of others, upon hearsay.

The CHAIRMAN. I would like to have you give, a little more minutely, an idea of the extent and nature of the organization in the different States, the relation of these State organizations to the general organization, and the numbers engaged in this work.

## THE TEMPERANCE AGITATION.

The WITNESS. Perhaps I might take the State of Iowa as an illustration. Mrs. Burt, of New York, is present and will answer for the State of New York. I do not want to overstate anything, but I think the State of Iowa has local societies of the Woman's Christian Temperance Union in three hundred of the leading localities of that State. In some of these, the Union has been organized for nine years; in others six years, and so on. Iowa was the State that bore the palm in the recent prohibitory discussion. I should be very slow to arrogate to women more than they merit, because I should rather that gentlemen should give us praise than that we should take it to ourselves. But I have heard many gentlemen in that State praise the women for their temperance work. The "Iowa State Register" was constantly reiterating "We owe it to the women of our State that this agitation has been kept going for years." The movement began in that State in 1874 without any idea of influencing the law. It took some time for us to work up to this point of the law. We said, "Can't we get men to stop going to these drinking places?" So we brought Mr. Drew and other temperance speakers to Iowa, not even knowing where the money was to come from, and having almost none ourselves. The women entertained the speakers in their homes, and the husbands of these women, of course, stood nobly by their wives. Five hundred thousand men in Iowa signed the total abstinence pledge between 1874 and 1877. We regard that as the base of the pyramid whose apex we hope to see next Tuesday, and which we thought we had seen when prohibition was carried last year by 30,000 majority. The next thing we found was, that many of these men fell away, and then we said, "We must begin farther back—we must begin with the children." So the ladies got the best speakers, and organized meetings throughout the State, and had juvenile conferences, and impressed upon all the effectiveness and power of moral suasion. They organized juvenile associations, and got up little leaflets in which they asked such questions as, "What is a Constitutional amendment?" "Wherein does it differ from a prohibitory law?" "Is the representative to remember his constituents when he goes to the polls?" &c. Those children of ten years old talked over these matters which were put before them with illustrations and anecdotes, and they became wiser than some grown people.

## PROHIBITION IN THE CONSTITUTION.

Then they began to petition for the constitutional amendment. This great movement originated in the home of Mrs. Judith Helen Foster. Her little boy of ten years would spend his Saturday afternoons in taking the petition to the post-office, and at first there were "none so poor" as to do reverence to that petition? The women took this petition for a constitutional amendment into the offices and banks and hotels and homes, and as the women had no object but to protect the homes of the State they had the courage to ask men and women if they would not

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petition the State to do away with the liquor traffic and so protect the home. That petition secured tens of thousands of signatures. Women are patient; they go out in the frost, and through the rain and storm and the fine weather. That petition went from the people to the legislature. The legislature gave it thought. Some people say that because we women have not the ballot no attention is paid to our petitions. That is true in a sense, and yet, in another sense, I think the fact that the petitions are sent by women has some consideration. However, the petition received no answer. No constitutional amendment was presented. There was a loyal Senator there, Elias Jessup, who stood up in the Senate in favor of the women's petitions, and spoke more than any other man for them. When it became apparent that neither of the political parties would touch this matter, the men and women of decided opinions said, "Let us see if we cannot have some independent voting in Iowa this fall," and they had, I think, to the number of 12,000 or 15,000. This time, they tried it with Mr. Jessup as canidate for governor. When the next caucuses were held we know that such men as the Wilsons, Mr. James Wilson (the Senator), and the other gentleman (the Scotchman), said to their party, "You had better heed this," and they heeded it somewhat, and they kept heeding it more and more, and finally, by votes not wholly Republican, but by votes from both parties, the balance of power came into the hands of the temperance people. Of course, it was at first non-partisan. We believe that up to a certain period our prohibition work will be non-partisan, but after that period it becomes partisan. The moment two canidates are put up for an office the movement becomes partisan, because of the very nature of our Government; and so, in the forward march of the movement, while the Woman's Christian Temperance Union has had no political power, it has been the power behind the throne. The men who had signed the pledge said, "The women tried to help us, even if we did not try to help ourselves; and we will vote on their side." And I have yet to hear of a man in Iowa who was reformed in the movement of 1877 who did not, in 1882, vote for the prohibition amendment. The women carried the movement on until they placed it in the hands of the voters; because, when it became a great matter, then men took notice of it, and incorporated it into their platforms.

### TEMPERANCE ORGANIZATION IN EUROPE AND AMERICA.

That is, in brief, the history of the working of the Iowa Woman's Christian Temperance Union. That union is an auxiliary of the National Woman's Christian Temperance Union. The National Union has thirty-four States as auxiliaries, and recognizes no auxiliaries but States. The State Union has for its auxiliaries the local unions within its own territory. The financial arrangement is the payment to the local Union of 50 cents by each person who joins the Union, and the State Union sends 5 cents of that to the National Union. We carry on our work without compensation on the part of the women, not because it would not be perfectly right to pay salaries but because the association could not afford it. It is a grand philanthropic movement on the part of women who were organized by that great uprising of 1874, and who have systematized the work, and have learned to plan and to do. And they have learned what *not* to do as well as what to do, and so they are moving along with increasing power year by year.

I have stated the extent of the society in respect to the fact of its not being confined to this country. An English lady came to see me at the



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depot at Boston last evening, and told me that Mrs. Lucas, the sister of John Bright, is going like a superhuman power through Great Britain, from John O'Groat's to Land's End, organizing Woman's Christian Temperance Unions everywhere, and her plan is the same as ours.

Q. Is it organized on the continent of Europe yet?—A. I do not know of any society of our name there yet, but there are groups of women that we are in correspondence with in Germany and France. I know that there are such societies in Japan; I know this from missionary women with whom we correspond. In Yokohama and in Canton groups of women are carrying on this work among the English and American sailors. There is nothing obligatory in our methods, which are very flexible; we believe a great deal in leaving people free in this respect; there is nothing secret or special in them; our little leaflet is a mere list of sisterly suggestions, but they are generally taken up and the plan adopted. In some of the Western States, especially in Illinois, the women say that they do not expect to have prohibition in the constitution or laws until women have the ballot. They have not adopted that in the State of New York, or in the South. Mrs. Chapin does not make that a point at all. Her work is moral suasion work, and petitions to the legislature, from women. But in Illinois we have made quite a specialty of the effort to secure the ballot to women. Although we could not expect to accomplish a great deal in that Sebastopol of the rum traffic, yet woman's influence has brought about a great change in Illinois. I traveled in Arkansas two years ago. The women there were encouraged by what they had seen done elsewhere, and they petitioned the legislature to have the signatures of women count as the signature of a voter upon the question of the liquor traffic, and a law was passed to the effect that when a majority of men and women over twenty one years should request a municipal council in the State to declare against license, it should be obligatory on that council so to declare, and that this decision should be once for all. Then of course the liquor men had interest enough to get cities of the first-class excluded from the law. As the liquor men generally have something to tack on to a law—if they cannot get into the law itself, they get something like a postscript—so they got a postscript in this case, which disabled the law in about eight towns. But, in about seventy-five of the counties of Arkansas, I have been told that the people had never expected to see themselves so delivered from the bondage of the liquor traffic. I may mention a single illustration. In a certain locality there was a stone quarry, and the men who worked in that quarry were followed, as is usual, by the sword-fish of the saloon, as we know the saloon always follows the wage class and sets itself up at the handiest place it can find in order to make them its victims. These men spent their money in the saloon to such a degree that grocers and others, who had been supplying their families, felt pity for them, and, wanting, of course, themselves, to do as good a business as they could, went to the paymaster's car, which was brought up at regular intervals to pay these laborers, and garnisheed their wages to pay for the flour, groceries, &c., which their families had been getting. That was the only way to get hold of the wages of these men. But after this law was passed, and before the fact had become known to these men, a bright woman sallied forth and went to the homes of these women with a petition, and, although she did not get many signatures, she got many signs of the cross. She went all through the town, and before sundown a majority of the people of the town had signed the petition. Of course she had all the women without exception, and she had the better class of the men. The

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law went into effect, and it was not one week before the saloons "folded their tents like the Arabs, and as silently stole away." That is one instance of what I had given to me of the operation of that law on the actual public sentiment of a community; for no public sentiment is actual that does not express the voice of the home as well as of the street.

There can be no question of the benefit of such a law upon the status of the laboring classes, and of its influence in ameliorating their condition.

The CHAIRMAN. I see there are several representatives of the society here, and, if you choose, you may designate the order in which they may present their statements.

The WITNESS. Of course we women are here in our representative capacity. The only vice-president of the society who is present is Mrs. Burt, of New York. The national secretary of the society is Mrs. Buell, of Connecticut. I suppose it would be the orderly way to hear Mrs. Burt first.

Mrs. BURT. I should prefer to have Mrs. Buell heard first.

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NEW YORK, *Tuesday, October* 2, 1883.

Mrs. CAROLINE B. BUELL examined.

By Mr. PUGH:

Question. Please state your residence.—Answer. My home is in East Hampton, Conn.

Q. Please state the relation you occupy to the temperance movement of the women of the country?—A. I am the Corresponding Secretary of the National Woman's Christian Temperance Union.

Q. Will you please state, in your own way and your own order, all the information you desire to make public upon this important question?—A. I think our president, Miss Willard, has gone over the ground very fully. She has only left one or two departments, and has specified different ladies to speak on these departments. Mrs. Hunt is here for the scientific department, of which she is superintendent, and I think Miss Willard desired me to speak for the press.

Q. Any special information you have, upon any one of the departments of work, you can state to the committee, just as you think proper.

TEMPERANCE READING IN THE NEWSPAPERS.

A. Well, at the beginning of our work we were ignorant of temperance methods, and not only of what had been done in the past, but what was necessary for the future, and as we looked about we saw that throughout this great country there was an enginery that had not been brought into line, and that was the press of the country. So, three or four years ago, I think, we appointed a woman to take this matter under her supervision entirely, and she did so. By means of bulletins and letters, and by culling from scientific works, and from different newspapers which had already fallen into line, and were helping us in our temperance work, she was enabled to get the matter into the different secular and religious papers of the country. She made it a systematic work, first securing a list of all the newspapers in the country, and especially of those which it was most desirable to reach—our leading papers both religious and secular—in the leading cities, and then set herself to work

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to find matter which would be acceptable to the people, and also to the editors and publishers of these journals. She, of course, had her representatives or superintendents in the local organizations throughout the States—she being the National Superintendent, and there being State Superintendents appointed also. In this way our meetings were reported more largely than they had ever been reported before—the speeches of our speakers, if not given in full, were given in substance—the gist of them was given. Then she began to take from scientific works by Dr. Richardson, and by different physicians and prominent men in England and in our own country. She culled from their writings very largely, and those cullings were published throughout the country. One particular line of work was in asking our local superintendents throughout the different towns in the different States to go and see the editors of the papers, and, if possible, secure a column to be edited by one of the ladies of the Woman's Christian Temperance Union in that locality. At last we had reported to us thousands of papers throughout the country, of which the women of the Union, of the particular locality, edited whole columns. During the last year this has not been urged as much as formerly. We have felt it was perhaps just as well to get in short, terse sentences—sentences which were right to the point, and in this way people would perhaps be more inclined to read them than by having a whole column. That plan was very largely carried out throughout the whole country, commencing in Maine and going down through the New England and Middle States, and finally reaching the Southern States. Mrs. George H. McLeod, who is a poetess of the South, and resides in Baltimore, Md., was the Secretary of the Southern portion of the country, and through her instrumentality the Southern papers have been very largely brought over to give us a good deal of space in their columns, not only by giving columns to the ladies to edit, but also by inserting short articles from the ladies' pens, and from scientific works. To-day, largely, I think, through the instrumentality of this department of work, the papers are well filled with temperance news.

We are just closing the year, and I have no statistics to present. We shall have those, of course, later. They will reach us with our reports, which are now but just coming in.

Q. Is there any other subject that you desire to speak about, except the one especially under your care?—A. I do not know that there is, sir. Miss Willard has gone over the ground so fully that it seems hardly necessary. I do not know that I could say any more regarding the press work, unless I spoke of particular places.

The CHAIRMAN. Perhaps Miss Willard could suggest something further that you might tell us.

Miss WILLARD. I would like to ask Mrs. Buell, who has been one of our most efficient and useful workers, and who has been in New York City for two or three years as our secretary, to give some idea of the work at headquarters—not only of the National Society, but of the State Societies—and what has been the special work in the whispering gallery of the National and State Societies, by which we keep up the current of communication with our women all over the country. I suppose we have about one hundred thousand women enlisted in the work.

### ORGANIZING WORK FOR THE TEMPERANCE AGITATION.

The WITNESS. I think we have about one hundred thousand women certainly in our following. Our headquarters are in this city, at No.

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16 East 14th street. The work of the Corresponding Secretary is, of course, what would naturally be expected of a secretary—carrying on the necessary correspondence between the National Society and the State Societies and the local auxiliaries. Her special work is in, as far as possible, helping the different National superintendents and the State and local superintendents in plans of work and in carrying out their plans of work. Our plan of work, as Miss Willard told you, is embodied in the little leaflet which she had, and from which she took her heads. That maps out the work for the United States as a whole—not only for the National Society, but for the State Societies and for the Local Societies; but, as she has also said, no State Society or Local Society is obliged to take up any of these lines of work, unless it seems best for them to do so, and they are not obliged to take it up at any specified time. They can use their own discretion in that matter. But when they do take up that line of work, then it is the business of the National Secretary, so far as possible, to help them along in their plans, and in their work, in the different localities. The secretary is also expected to, and does, assist the organization in parts of the country where we have not local societies, and, during the last year, where we have not had State or Territorial organizations, by suggesting plans of work and carrying out in detail the plans of work that are given by the National Society. The outline of this is, of course, given in our little leaflet, but there is a great detail of that matter which it is necessary for the Corresponding Secretary to give to organizations or to women who are more remote from the centers. A great deal of our work is missionary work. The work during the last year in the more Northwestern States and Territories, as in Washington Territory, Oregon, and even on the Pacific Coast—in Nevada, Arizona and Utah—has been more especially missionary work. We have sent them a great deal of literature, and that is sent very largely by the Corresponding Secretary from our national headquarters on 14th street in this city.

Miss WILLARD. I simply thought that, in her statement, Mrs. Buell might give an idea of the voluminous correspondence that has to be done, for any account of her work would be incomplete without that. I know that, in my own case, during the last year, ten thousand letters and postal cards must have been sent out from my own hand, through my secretary, Miss Gordon, and I know that Mrs. Buell writes constantly, for there are women who always try to keep up a sympathetic relation and correspondence with our societies. For instance, I got today, a letter from Ogden, Utah, to be read in our societies, and we never allow such letters to go unanswered. So that the corresponding features of our work imply a great many features, and employ a good many persons. We probably have fifty women who give their constant time to organization and speaking, and who, for the last eight or nine years, have spoken on an average once a day. Of course, doing that once a day, and working so much on a complete plan, they have accomplished a great deal. Ours is the youngest organization of temperance workers in history, and we know that we could not have done so much in so short a time, but for the admirable organization and the unlimited zeal of the women engaged in the work.

Mr. PUGH. You are more familiar than are the members of the committee with this matter, and, of course, you have given it a great deal of thought. You understand the organization and its purposes, its work and its progress, and if there is any feature of it that you think it advantageous to make public, or to present to the committee, you can yourself suggest better than we can ask such points as it may be desir

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able to present. For us to ask you, ladies, any questions on this subject would be like the case of pupils undertaking to question their instructors. We are in search of light ourselves, and you are able to give it to us, without interrogation upon our part. You have free and ample scope to speak on any branch or feature of the movement that you think it is important for the public or the committee to understand. I have no doubt that with the powerful agency of an enthusiastic membership, such as you seem to have, and with the aid of the press of the country, and the moral power of all good people, you can accomplish a great deal more than this committee can accomplish in anything that it can do.

The WITNESS. Our work is so divided into departments, and we have it, as we think so well systematized, and it is to-day so well represented here by the ladies of the different departments, that I think you would gather from them a fuller and better account than I could give.

Mr. PUGH. We certainly have had a very luminous account of the work, as good as could be given, I have no doubt.

Miss WILLARD. I might say that our work has been, incidentally, a means of bringing Christian communities of different denominational names into a more harmonious relation. For instance, we have Catholic ladies who are officers in our society in Arkansas and other places, and they have prominence in our work. When I was in Santa Fé, I went to see the Catholic bishop and the mother superior of the convent, and the latter agreed to send a vice-president to represent them at our meeting, and sent me word that at the hour of vespers, I might know that I was remembered by the nuns—which was to me a beautiful idea of sisterly relationship. I have spoken also in a Jewish synagogue, in episcopal vestries, and other places to which nothing but the great humanitarian and universal subject of temperance reform would admit outsiders. It is not many days since that, in the town of Lebanon, I was speaking in a Presbyterian church, and the Catholic priest was present. I was well aware that ten years ago, the session of that church would not allow a woman to speak in it, and that the Catholic priest would not go there to hear her. But he was so strong a total abstinence man, that he ignored his prejudices. I thought that fact would be of interest to the committee to hear. I would suggest that Mrs. Buell might give an idea of the successful summer meetings that we have had.

### PRISON TEMPERANCE WORK.

By Mr. CALL:

Q. Have you got anything like a prison service or department in your association?—A. The prison and jail work is quite a recently formed department of our work. I think there is a lady present who will give some idea of that so far as it has been worked in the city of Brooklyn, N. Y., and also in Portland, Me., where that work first began.

### PRESS-WORK FOR TEMPERANCE.

In connection with the press work, I might have given you an illustration of how well the papers are disposed to us in these later days, more than they used to be. At the last convention of the National Woman's Temperance Union, held in Washington last week, the leading papers of the District of Columbia gave the daily reports of the convention almost in full. The Republican gave us, I think, two and a half columns, and reported our meetings perhaps very nearly as fully as they might have done a political convention. This has been so, I think,

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in the States generally. When we hold our National Conventions now-a-days we have very good reports in the locality where the convention is held. And so it is throughout the country—there is a very different state of affairs from what there was a few years ago.

NON-SECTARIAN CHARACTER OF THE WOMAN'S CHRISTIAN TEMPERANCE UNION.

Miss WILLARD. One of the ladies has requested me to say that five denominations are represented here to-day in this delegation. I want to add that we have no creed test whatever in the Woman's Christian Temperance Union. Any one who will partake with us this sacrament, of humanity is welcome. We have Unitarians, Universalists, Quakers, Catholics, and people from all churches. We only ask that they be sympathetic with us in our movement. And while ours is a thoroughly Christian work, founded on the Bible as the book for the conduct of life, we have no bounds that would prevent us from receiving anybody who would come to us of good character and earnest heart.

SUMMER MEETINGS FOR TEMPERANCE WORK.

The WITNESS. With regard to the summer meetings which Miss Willard asked me to say something about. We have been in the habit of holding meetings during the summer months, at the different summer resorts along the coast—at Ocean Grove, Martha's Vineyard, Old Orchard, &c., and at different mountain resorts in the interior of the States. Last year we held one at Old Orchard and at Martha's Vineyard, and at those places we got not only the ear of the people belonging to those places, but there were people there from all over the country, and not only from all over our country, but there were, notably at Old Orchard, people from other countries—from England and from Canada. We feel that these meetings do the cause a great deal of good. We try to give those in attendance an idea of our departments of work—show them just what we are doing—and let them see that wherever the liquor traffic comes to touch the community with its blight, there we women intend to put in some good, sound, solid temperance work.

By the CHAIRMAN:

Q. How numerously have those meetings been attended?—A. Well, sir, we have had all the way from hundreds up to tens of thousands of people in attendance. Sometimes there have been more and sometimes less, but we have always had, as a general thing, a very large number of people present.

Miss WILLARD. At Chautauqua we had, at least, ten thousand when we celebrated the anniversary of the society. It was formed in August, 1874, by a gathering of women who had been active in the cause before. They assembled in Chautauqua and formed this Society.

The CHAIRMAN [to Miss Willard]. Was Miss Gordon with you in your recent tour?

Miss WILLARD. Yes, sir.

The CHAIRMAN. The whole time?

Miss WILLARD. Yes. Miss Gordon has been my Secretary for six years, and has traveled with me for about four years of that time. She was my companion on a six months' trip to the twenty-seven States from which we have recently returned.

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The CHAIRMAN. You spoke of desiring to call her attention to some particular point?

Miss WILLARD. Yes. That was the Kitchen Garden—a new branch of work—quite a unique department.

The CHAIRMAN. Would it require much time to present it?

Miss WILLARD. No, only a few minutes.

The CHAIRMAN. I would like Miss Gordon, then, to give us an account of that and also of this trip throughout the States and Territories. I think I know something of it, and I think that a presentation of it may give a better idea of the actual condition of the work and how it is done than almost any one thing that could be stated. Then, perhaps, Mrs. Hunt may give us a statement with regard to the scientific instruction, and what you have done to secure laws to introduce proper instruction in the common schools of the country.

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NEW YORK, *October* 2, 1883.

Miss ANNA GORDON examined.

THE KITCHEN GARDEN: WHAT IT IS AND WHAT IT DOES.

By the CHAIRMAN:

Question. Please tell us something about the Kitchen Garden work?—Answer. The Kitchen Garden work is a comparatively new philanthropy. I think it came first to the thought of Miss Huntington, of this city. It was her idea to reach the children of the poorer classes, who are in very wretched homes, and homes often of drunkenness.

She gathered a number of these children together and taught them, much on the Kindergarten plan, by which lessons are given in all the household arts. At the close of their teaching, when graduated from these classes, they have been able to enter into house service, and have commanded high wages. The women of our Temperance Union have obtained permission to teach this method only to members of the Woman's Christian Temperance Union. They have established schools in Yonkers and Oswego, in this State, at Baltimore, Md., Louisville, Ky., and also in Cleveland, Ohio. In Cleveland the young ladies of our Society go to the workhouse, and have a class among the girls who are confined there for petty offenses; and they say that these children brighten their homes greatly by carrying to them the ideas of cleanliness and tidiness they glean in these Kitchen Garden classes, and, if they go into service, they are prepared to obtain good wages, and to give good service in the families to which they are sent. In the presence of those ladies of so much more experience, I hope the committee will be good enough to excuse me now.

Miss WILLARD. I thought Miss Gordon might give an idea of an exhibition that the Kitchen Garden ladies gave us in Cleveland.

The WITNESS. Yes. They gave us an exhibition of a class in Cleveland at the time that the reception was given to Miss Willard. Little girls, twelve or fifteen in number, marched into a hall to the music of a spirited march, carrying toy beds, and, placing them on tables that were in a row, made the beds properly. Then they set a table, four of the girls taking seats and four others coming in and serving properly the dishes on the table. Then followed a variety of household avocations, such as sweeping, waiting on the door, washing dishes, &c. The

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work was done while keeping time to music, is very bright and pleasant in its influences, and full of instruction for the girls.

Q. How extensively are you applying this; is it a part of your work everywhere?—A. No, sir. A superintendent of our National Society has only been appointed this last year—Miss Mary McClees, of Yonkers, N. Y. She has established a society in Louisville under the charge of young ladies, also in her own home in New York, and is now in Minnesota on the same errand.

Q. Is it contemplated to introduce this feature everywhere?—A. Just as far as possible in large cities.

By Mr. CALL:

Q. Why is it named the "Kitchen Garden"?—A. Because they are taught so much of the kitchen art, cooking, washing, &c., so that they can become reliable servants.

Miss WILLARD. As I understand it, they are taught just as they would be taught in a regular industrial school where they set out to make good servants, only our ladies begin with them when they are children, and teach this work in the form of play, and add music to it in order to teach them habits of order. As the children get older the ladies take them to the markets, and teach them how to select meats, and then of course they are taught to cook them; and everything is taught which will enable them to keep their homes in nice order, or, if they are at service, to enable them to render good and acceptable service, so that they may be able to command better wages.

Mr. CALL. That is a little outside of the regular work of your organization?

Miss WILLARD. Oh, yes; but we believe that temperance, like the atmosphere, goes into everything. We think that if the people were taught to prepare food in a simple, hygienic, manner, it would greatly redound to their benefit in establishing simple, unartificial habits. Besides, very many fashionable and elegant young ladies, who would not come in with us on our more solid lines of work, the lines which we veterans are devoted to, would think it entirely enjoyable work, and perhaps, from their stand-point, more elegant, to do work of this character.

Mr. CALL. You are catchimg them with a little guile, then?

Miss WILLARD. Yes, a little, only we think it is the most guileless guile that can be imagined. We want to be all things to all women, if by that means we can do the most good. We have these elegant and interesting young ladies to do this kitchen garden work; it is a noble work. Of course, we talk a great deal to these little girls about the duty of not using liquors, and perhaps these young ladies who come with us may do us much good by fostering temperance sentiment in the refined society in which they move. It is really an outside department for reaching young ladies who have not hitherto been specially with us. Our latest department is the Flower Mission. That was organized for the purpose of getting those same lovely girls to take to the hospitals the prettiest posies they can find, bound up with a nice white ribbon and a pretty motto. I was at the recent Kentucky Exhibition, and spoke to the young ladies there. We found a young lady in Louisville, Miss Jennie Cassidy, a lifelong invalid, who had telephones all over the city communicating with her flower girls. We have found a re-enforcement there in the flower mission, and it has been an *entrez* to us really, which, perhaps, with our more sturdy methods, we could not find.

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The CHAIRMAN [to Miss Gordon]. Won't you please give us an account of this trip which you made recently?

Miss GORDON. Yes, sir. We left Boston early in March, and organized the Woman's Christian Temperance Union where it had not been organized, in New Mexico and Arizona, at Santa Fé, Albuquerque, and Tucson. Then we went to California and visited, I think, thirty towns; then to Oregon, visiting there six towns, and holding a convention of the Oregon women in Portland, organizing the State Woman's Christian Temperance Union. Then we went on to Washington Territory and British Columbia, and then back through Montana and Idaho; then to Utah, and home through Colorado, Wyoming, Nebraska, and Dakota. In nearly all these localities we held conventions, so that the principal towns and cities of those Territories were then reached for the first time by our Union.

The CHAIRMAN. How much time was occupied?

Miss GORDON. We reached home by the last of August.

The CHAIRMAN. Were you "loafing" most of the time?

Miss GORDON. No, indeed, sir. We averaged a meeting a day, but very often the meetings were two or three a day. We always met the women by themselves first, to talk over the plans of work, and then would hold a public meeting. We averaged, really, two meetings a day while absent on that trip.

Miss WILLARD. Miss Gordon's special work was to organize the Bands of Hope. She met the children in almost every place, and also the young ladies, wherever practicable, introducing these lighter methods with the young ladies, and forming Bands of Hope on the plan that I spoke of in Iowa, a systematic method by which the boys were taught the military drill. We found a captain or colonel in some one of the forts, who would come to some adjacent point where we were, and teach the boys the military drill; then we would have banners painted with little mottoes, such as "Tremble, King Alcohol; we shall grow up;" and these banners they were very proud of. We taught them that they were to be the great strength of the future, for the temperance cause. By the introduction of this military drill we were actually able to bring in the sons of saloon keepers themselves, and young boys who would not come into any other sort of temperance organization. I have heard of a saloon keeper who said to a friend, "You should have seen my boy marching in a procession of rabid prohibitionists—and my boy walked the straightest of the lot." So by little means of this kind we get even the saloon keepers interested in letting their boys become temperance soldiers. I think that of all the methods adopted for the furtherance of the cause of temperance, this method is perhaps the most hopeful.

The women of the West take great interest in it. In San Francisco, Mrs. P. D. Brown is organizing what she calls "The Royal Legion," and she has pledged herself that it shall be organized in every town in California; it is an open society for boys.

May I say, before Mrs. Hunt makes her statement, that we have had no more fortunate feature of our work than that the inevitable duty always finds a worker ready. Wherever a new branch of work, or a new evolution, comes to us, there is some lady especially well equipped for it and ready to take it up. I wish to say that Mrs. Hunt has been second to none in the success of her efforts for our great cause. She is a graduate of Mrs. Lincoln Phelps' Institute, near Baltimore—a sister of Emma Willard, of Troy—and particularly gifted in the sciences. I remember one of my first books of study was Elmira Phelps' Botany. Mrs. Hunt's especial delight, also, has been in the natural sciences: she stood very

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high in all branches, but especially in the natural sciences. When the idea came to us that scientific instruction in the public schools, as a part of the regular curriculum, would be the mightiest leverage possible, and that it would perhaps unite the people most, Mrs. Hunt seemed to have an inspiration for the work, and has dedicated her life to it with so much devotion, and so much success, as I have never known similar worker to meet with in the same degree. Through Mrs. Hunt's influence we have been able to secure the influence of the educational journals of this country on our side. She has spoken at the National Educational Convention, and a book upon the topics in which she is interested is now being prepared under her suggestion for use in the public schools. I merely mention these things because it may be interesting to you gentlemen of the committee, as it is to us to know that when we have had a department ready we have always found a specialist willing to devote her time to it. Mrs. Hunt's work is to address legislature, conventions, &c., on the subject of the scientific relations of temperance, and to influence the temperance sentiment as far as possible through scientific teaching in the public schools, and also, of course, in private schools.

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NEW YORK, *Tuesday, October* 2, 1883.

Mrs. MARY H. HUNT examined.

By Mr. CALL:

Question. Will you please state your residence?—Answer. Hyde Park, Massachusetts.

Mr. CALL. We will be glad, Mrs. Hunt, to hear from you any opinions or facts which you may wish to present to the committee on the subject under consideration.

### NEED OF SCIENTIFIC INSTRUCTION IN TEMPERANCE.

The WITNESS. Well, sir, some four or five years ago my interest in this subject was aroused, from the fact that in my city, Boston, there were licenses granted to open four saloons very near where a large public building was being erected. There had been no need for such saloons before. I very naturally inquired into the cause of their building, and found that it was to supply the demand created by there being so many workmen employed there. I had been somewhat interested in working among the poor, and that raised in me a thought that in my next visits to the poor I would endeavor to ascertain how largely the drinking habit has to do with their poverty. In a series of twenty calls that I made on Portland and Beach streets, and some of the other streets of the poor of the city, when probing the matter, and inquiring why these people were so wretched and so poor, and why it was necessary for Christian women to go there and try to relieve them, I found that there was generally a drunken father or mother, or a dissipated son, or something of that sort behind it. Then, probing the matter still farther to get at why they drank, by going into our Washingtonian Home in Boston, an institution for reforming drunkards, and questioning the young men who were patients there, and asking how they came to drink, I found that they would sometimes answer that it was the example of their father, sometimes that it was from the mother's cooking, and sometimes from other causes, having their basis, as it seemed

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to me, in the want of knowledge as to the nature and effects of alcohol upon the human system. I said to them, "Did you know that it is one of the characteristics of alcohol that it has a cumulative attraction for itself—that in the nature of things a little would create an appetite for more?" They said, "No," and very naturally and logically my thought went along back to the beginning of things, and I felt that our fathers, who founded our Government, were correct in the belief that men will choose the right if they know the right. And if that theory be correct, it was clear to me that if we could only show men the consequences of their acts before they begin to be under the power of appetite—before they tamper with the beverage which has the cumulative attraction for itself—we might save them.

But at that time there were no text-books on the subject. Then I began to look for some institution that would reach all classes in America upon so fundamental a thought, and about that time I was attracted to the Woman's Christian Temperance Union. I had found that there was no institution in America that really reached all classes of adults—the church only reaching a small portion of them, and that there was no institution except the public school which reached the people in childhood. Therefore, the thought came to us that by making that institution—by making our great system of public instruction—the vehicle for conveying to our population, before appetite is formed, and during the formative period of childhood, these great laws of vital chemistry, by teaching them what alcohol is, and, as Dr. Willard Parker says, what alcohol will do to us if we drink it, and what it will make us do, we would secure the largest possible amount of good. Our first thought was that we could work through school boards. We felt that it was so very reasonable and sensible a thing, that we would only have to go before school boards and tell them that we wanted the childdren so taught, and they would at once arrange it. Dr. Benjamin Richardson, of London, one of the greatest scientists of the age, had prepared a text-book on the subject which was much in advance, we thought, of the common school grade. Therefore, a lady of this city, Miss Colman, prepared a book on the subject somewhat on that plan.

### TEACHING OF TEMPERANCE IN THE PUBLIC SCHOOLS.

Then we went to the boards of education and pleaded with them, and we found that ours is a representative government in every sense of the word. We found that a man on the school board is a man who represents constituents, and if the constituents love beer, why, this man found himself in a position where he might lose re-election if he should do anything that the beer men did not approve of. I had been called to Southern Ohio by a Woman's Christian Temperance Union there. I went before a meeting of the citizens in the evening and before the board of education the next morning. We pleaded with them, and their objections immediately faded away, and they assured us that the teaching which we asked for would be introduced into the schools. The next year the ladies sent for me again. I was a little surprised at the second call, because they said they wanted me to come again before their board of education. When I went the gentlemen told me, "We have done something in this line for you." I said, "What have you done?" They said, "We have had some important chapters of your text-book printed on pieces of paper, and tacked up on the walls of the school-room, making a kind of object-lesson for the children." I said, "Did you give any direct lessons to the children?" They said, "No." Then

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I asked "Would you teach geography that way or history that way?" "Oh, no," they said, "the law would not allow us."

We saw at once that if we were ever to get aid, as was our purpose, from the educational systems of America in the teaching of the science of temperance, we must have it embodied in the laws of the States. Therefore, our National Woman's Christian Temperance Union passed in Washington a resolution to this effect: "Resolved, that we will petition our legislatures, as far as is expedient, to enact a law requiring the science of temperance to be taught in the public schools."

### THE VERMONT LAW REQUIRING TEMPERANCE EDUCATION.

We presented petitions, beginning last year, and it has resulted in our having a law passed in Vermont, which I will read to you. It is as follows:

AN ACT relating to the study of physiology and hygiene in the public schools.

It is hereby enacted, &c.

SECTION 1. Section 558, chapter XXXIII, of the revised laws is hereby amended so as to read as follows: "One or more schools shall be maintained in each town for the instruction of the young in good behavior, reading, writing, spelling, English grammar, geography, arithmetic, free hand drawing, history, and Constitution of the United States, and elementary physiology and hygiene, which shall give special prominence to the effects of stimulants and narcotics upon the human system, and special instruction shall be given in the geography and history, constitution, and principles of government of Vermont. Text-book committees shall select and recommend a text-book on elementary physiology and hygiene for use in their respective towns.

"SEC. 2. No teacher shall be required to pass an examination in physiology and hygiene before November 1, 1883."

### THE MICHIGAN LAW.

Then, in Michigan, as a result of the system of national and State unions working with the local unions, that State passed the following amendment to its law:

AN ACT to amend section 15 of chapter III, and section 4 of chapter XII, of an act entitled "An act to revise and consolidate the laws relating to public instruction and primary schools, and to repeal all statutes and acts contravening the provisions of this act," being act No. 164 of the session laws of 1881.

SECTION 1. The people of the State of Michigan enact: That section 15 of chapter III, and section 4 of chapter XII, of an act entitled "An act to revise and consolidate the laws relating to public instruction and primary schools, and to repeal all statutes and acts contravening the provisions of this act," being act No. 164 of session laws of 1881, be amended so as to read as follows:

Chapter III, section 15. The district board shall specify the studies to be pursued in the schools of the district; provided always that provision shall be made for instructing all pupils in every school in physiology and hygiene—

You will notice that that includes all the children of the State, for the State of Michigan has a compulsory education law—

with special reference to the effects of alcoholic drinks, stimulants, and narcotics generally, upon the human system; provided further, that the text-books used in giving the foregoing instruction shall have received the joint approval of the State board of education and State board of health. The said district board shall prescribe the text-books to be used, which shall be uniform in each subject that may be taught, but text-books once adopted under the provisions of this act shall not be changed within five years, except by the consent of a majority of the qualified voters of the district present at an annual meeting. Each school board making a selection of text-books under this act shall make a record thereof in their proceedings.

Chapter XII, section 4. The board of school examiners shall grant certificates to teachers in such form as the superintendent of public instruction shall prescribe, licensing as teachers all persons who on thorough and full examination shall be found qualified in respect to good moral character, learning, and ability to instruct and govern a school, but no certificate shall be granted to any person who shall not pass

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a satisfactory examination in orthography, reading, writing, grammar, geography, arithmetic, theory and art of teaching, United States history and civil government, and after September 1, 1884, in physiology and hygiene, with particular reference to the effects of alcoholic drinks, stimulants, and narcotics upon the human system.

### THE NEW HAMPSHIRE LAW.

And then, in addition to this, there was passed a law (the result of the same system of work) in New Hampshire, which reads as follows:

SECTION 3. That section 10 of chapter LXXXIX of the general laws be and is so amended as to read as follows: "The school committee may prescribe suitable rules and regulations for the attendance on, management, studies, classification, and discipline of the schools whenever they deem the same necessary: Provided, that physiology and hygiene, including special reference to the effects of alcoholic stimulants and narcotics upon the human system shall be prescribed in all schools sufficiently advanced, and said regulations and rules being recorded by the town clerk and a copy thereof given to the teachers and read in the schools, shall be binding upon scholars and teachers."

### TEMPERANCE AND TEACHERS'. INSTITUTES.

Thus we have now already ingrafted upon the system of public instruction of three States the teaching of the science of temperance. It works practically in this way: They sent me from Michigan the other day a syllabus prepared under the direction of the State superintendent of schools, for the consideration of every teachers' institute in the State. The syllabus begins with the question, in the first place, "What is alcohol?" Then comes a description of what alcohol is; how it is obtained; its genesis from the chemical standpoint; then its character when brought in contact with human tissues; then its results, and then, added to that, comes tobacco, and a long list of questions occupying more space than twice the space on the printed page which I now hold up before you; and every teachers' institute and every teachers' convention that meets in Michigan must consider that topic. Thus they are preparing their teachers to teach the science. In addition to that, every normal school in the State must teach this system, because the normal schools must teach what the law requires to be taught in the public schools

### TEMPERANCE DEPENDENT UPON KNOWLEDGE AND REASON.

Therefore we feel that we have set in motion a great and most intelligent force in these three States, making the sentiment of the people of those States intelligent, scientific sentiments, so far as temperance is concerned. Our thought is that just as long as the people believe that a little alcohol, at the worst, is harmless, they will drink it; and just as long as a little is drunk there will be more drinking, because it is one of the laws of vital chemistry that a little alcohol taken in contact with the human tissues creates this cumulative attraction for itself and calls for more. We feel, then, that, taking the children and giving them the drill of the school year after year, on this important subject, we shall get right back to the beginning of things and make intelligent total abstainers.

I think it was Mr. Gladstone that said that in any government of Anglo-Saxons there must be given a reason to convince the ordinary understanding and intelligence for whatever is done. Our thought is that our laws must begin, first, by fixing the habits of our people, and then they find their places easily among our statutes, and then you

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have the whole body of State, municipal, and county officers for their enforcement. Very truthfully and justly did Senator Blair state to the national union of our society in Washington, that, to-day, the courts are against us; if we come in with a case of violation of prohibitory laws the judges are against us; the juries are against us, and the constables are against us; the whole machinery of the courts is against us, because these officers are more or less in the condition of the great majority of our people, and believe that a little alcohol is not very harmful, and they naturally would not be very strict in prohibiting the manufacture or sale of a beverage which is, as they believe, harmless if moderately used. We feel that our people must understand that alcohol is an outlaw, so far as the human body is concerned, and then they will themselves outlaw it. Because if otherwise—if men who know the right will not do the right, then the whole foundation on which our Government rests is weaker than sand, and will go to pieces—then men are not capable of self-government. It is the aim and purpose, therefore, of this department to teach all the people, through this system of public instruction, the real facts of vital chemistry in their relations to life.

We believe that in this way we shall reach the question of labor and capital, of poverty, of crime, and of the moral elevation of the people, and likewise solve, or help to solve, the problem now on trial in this nation: "Is man capable of self-government?"

Q. Do I understand that that comprises the scope of your special efforts in the organization, to endeavor to obtain the teaching of the scientific aspects of the alcohol question in its effects upon the human system?—A. Yes, sir; that is my special department.

Q. Have you gone any farther in any other of the States than those that you have mentioned?

NECESSITY OF ORGANIZATION IN TEMPERANCE WORK.

A. Through the efforts of our national society eleven States have petitioned their legislatures to enact these laws. The three States where a systematic canvass of the people has been made, namely, Michigan, Vermont, and New Hampshire, have passed the law. In the other States they have not done so yet. A gentleman—a State senator—once said to me that a petition from "Sally Jones and forty thousand more," if that is all there is to it, goes into the waste-basket, but where we added to the petition a canvass of the State we secured the law. Other States are moving along in this direction. We found that the matter of a thorough and complete organization of a State was very essential; and when I say "organization" I mean the organization of the Woman's Christian Temperance Union in every locality that sends a representative to the legislature. For instance, in the State of Pennsylvania the Woman's Christian Temperance Union think of petitioning the legislature which shall convene in 1885, and for that purpose they are now going into a thorough and complete organization of the State. Mrs. Burt will tell you all about New York State. We feel that to have a Woman's Christian Temperance Union in every place where there is a school-house, as well as where there is a church, will be a necessity, in view of securing such a law as this. Laws, unfortunately, do not enforce themselves in the United States; they depend upon the will of the people, and unless the people of a community want the law enforced we are very much afraid, even although the law is imperative and mandatory, that unless there is a Woman's Christian Temperance Union wherever there is a school-house the law might not be enforced.

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## PRIZE ESSAYS ON TEMPERANCE.

Miss WILLARD. I would like to ask Mrs. Hunt to say a word about the prizes for essays and about the normal institutes.

The WITNESS. One of our great needs we found, as the work developed, was the want of educated teachers. They sent for me to go to Rhode Island the other day, and gave me an hour in which to show teachers how to teach the science of temperance. I felt as if they had asked me to come there and, in an hour, show them how to teach geometry or algebra when not one of the teachers had looked at a book. We must have the teachers taught.

All educators will tell you that the public-school system has no enemy like the saloon. You find by going into the manufacturing districts that the children are taken out of the public schools, put into factories and mines where child-labor can be used, and it is done largely to supply the need of the family, while the father, and perhaps the mother, sometimes, expend their money, and often the child's money, in drink; and educators seem to be realizing how helpful, as coadjutors, we may be to them; and, on the other hand, we feel the need of teachers who shall be abreast of the instructions required on this important subject of temperance. The president of the National Board of Instruction, Mr. Thomas Bicknell, of Boston, with a few friends of temperance, offered a set of prizes for the best essay on the various phases of the temperance question, to be given to the students of the normal schools throughout the country. Our Woman's Christian Temperance Union met together and appointed a committee, and decided what those topics should be, and prepared a list of text-books which might be consulted for information on the subject. For instance, we had one topic "The Saloon and the Village;" another, "The Saloon and Republican Institutions." Then we went over the whole scope of our temperance literature, and prepared a schedule showing the books which might advantageously be consulted for each topic. Then our Woman's Christian Temperance Union very largely throughout the country put these books into their normal-school libraries—books which gave the students the ability and opportunity to study the problem when they should be preparing their essays.

## TEMPERANCE WORK IN COLLEGES.

There has been a very large work done in the colleges in this connection also. We have felt very much the need of Christian men, men intelligent and instructed from the scientific standpoint, in places where we find educated men throughout the country. We want to see the day when our judges will not be against us, because they will know that alcohol is an enemy; and we want to see the day when our lawyers will be for us, and when our doctors, especially, will be for us. Therefore, we want to see the day when the men who are now going out into life will get scientific instruction in the principles of temperance. On that account I have visited the colleges very largely throughout the country. Eight colleges in Ohio have put into the regular course, in the form of lectures in connection with either chemistry or physiology, the scientific aspects of the temperance question. Many colleges in other States, as well as in Ohio, have already done this work as a result of our labors. There is one little incident in harmony with what Miss Willard has told you of the nature of our work and its force in breaking down barriers After I had spoken to an audience in the West on one occasion, a gen-

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tleman told me that he was a Norwegian, and that there was in the vicinity a Lutheran college, in which Norwegians and Swedes were being educated. He asked me if I would go there and speak to the students. He said, "I do not know that I can get you a hearing, but I think I can." Such a thing was never known, he said, in the annals of the past, as a woman addressing a Lutheran theological assembly, whether of students or otherwise. Nevertheless, the next morning a carriage came around, and we went to address these students, who are being taught in their own language to become ministers to their people. Large numbers of Norwegians and Swedes are settling in the Northwest, in communities in which they have their own churches and speak their own language, so that it is necessary to have men prepared for the ministry through the medium of these colleges. We were very glad, indeed, of the opportunity to get a hearing there. The president of the college told me that if I spoke very slowly and deliberately the students could understand me, as they could understand English better than they could speak it. I have been told since that Dr. Richardson's Temperance Lesson Book had been in the hands of the pupils and lessons had been given there. We feel that we cannot overestimate the importance of reaching strategic points. In this way we will work out to the people, and so give to those who come to our country from foreign lands the benefit of our American ideas—ideas essential to the perpetuity of our Government.

## NUMERICAL STRENGTH OF THE WOMAN'S CHRISTIAN TEMPERANCE UNION.

Mr. CALL. What is the number of persons in your association in Massachusetts; how many women are there in it?

Miss WILLARD. There are about two hundred and fifty societies in that State; we estimate that they average perhaps about thirty to forty in a group, often, of course, several hundred, but thirty or forty would perhaps be an average. We consider that they are the flower of the churches, the most earnest and intelligent and practical of the different groups of women, and those in sympathy with them.

Mr. CALL. Do you think ten thousand women would cover the number in Massachusetts?

Miss WILLARD. I should judge so.

Mrs. HUNT. I regret that I am unable to answer the question more definitely.

Mr. CALL. That is quite sufficient; I only wanted to get an approximate idea.

Miss WILLARD. I understand that in Ohio there are five hundred local societies of the Woman's Christian Temperance Union; in Iowa there are four hundred. There are no better societies than those in Iowa, Illinois, and Ohio. They pay special attention to multiplying their local auxiliaries.

Mr. CALL. Have you any idea of the number of persons in each of these States who are associated with you in the work?

Miss WILLARD. I think that the State of Illinois hopes to report this year that they have eight thousand women, each of whom pays 50 cents, but every woman who pays 50 cents, and comes regularly to the meetings, represents two or three or four who come occasionally. Our women are much better at working than at reporting.



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### EFFECTS OF SALOONS ON BOYS AND ON THEIR EDUCATION.

I may say in this connection that we have discovered one marvelous fact. Having been a teacher all my life until the year 1874 I should know something on this point, and have asked others; and I presume Mrs. Hunt has a larger experience than I. I have said to teachers, "What is the proportion of boys that graduate from the high schools. Tell me who get the salutatories and the valedictories?" I have been astonished to find that about two-thirds of the graduates from the high schools are girls. They say that the boys run up well until they get into the period of the second decade. But then the saloons and tobacco bring them temptations which the girls do not know anything about. A Michigan teacher told me that he could tell when one of his bright boys began to smoke, from the way in which his lessons were recited—but then I was not going to bring smoking in here; we do not make a specialty of that. When a reformed man has come to me to sign a pledge against tobacco, I have given him an opportunity to sign it; and I have had a very fine collection of meerschaums and pretty boxes that they put cigars into—a wholesale collection of smoking implements. Most of the men who come into our society to give up rum also give up tobacco.

### TEMPERANCE PRIZE ESSAYS IN CALIFORNIA.

I would like to add, in connection with the subject of essays, that in San Francisco 23,000 boys and girls have been reached by our method of written essays on the effects of liquor—in order to get prizes of some $1,500, divided into separate amounts, given by Dr. R. H. Macdonald, the president of the Pacific Bank in San Francisco, the wealthiest man I know of who is helping in the cause, and he is helping greatly. We have found that that is a grand way to help us. The children go home and talk about the matter to their parents and keep talking of it constantly while a prize is before them. Where the lambs go the flocks will follow. There was a grand looking up of leaflets and information. The ladies who keep our offices in San Francisco say that the children came there in processions for leaflets and facts.

### NON-PARTISAN CHARACTER OF THE WOMAN'S CHRISTIAN TEMPERANCE UNION.

May I also say, for fear I should forget it—although it is irrelevant to this matter—it would not be just fair to those whom we represent to leave any false impression in the mind of any gentleman, either of the committee or of that mightier audience, the press, as to the entirely non-partisan character of the Woman's Christian Temperance Union. When I was in Texas, word was sent throughout the State by the saloon men that I was a paid emissary of the Republican party. I had visited some sixteen county seats in that State, and, I hope, stirred up a good deal of enthusiasm. But, as for pay, the fact was, I did not take anything for my services, and the saloon men could not understand that. I had laid up some money from lecturing in the Northern States. In other States I had some aid, but in that case it was my own money that took me there. To the great credit of our Democratic fellow-citizens, when the temperance convention was held they sent forth no uncertain sound in my defense, for the resolutions they passed stated that I was no emissary of any party except of all parties who would aid in procur-

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ing temperance legislation. Wherever the banner of temperance is, there will be found members of the Woman's Christian Temperance Union—whatever the name of the party may be.

### TOBACCO: ITS RELATION TO TEMPERANCE.

Mrs. HUNT. Speaking of this question of tobacco, I was impressed when we came before educational committees in the legislatures in the three States where we had these laws enacted, that the gentlemen were not willing that the bills should be so framed as to exclude tobacco. I had not really the courage to suggest that we should add narcotics, or tobacco. But, in every instance, they insisted upon adding tobacco, showing how we are getting along in aid of public sentiment.

### CIDER AS A STIMULANT.

Something that Miss Willard has said has suggested to me another thing. While the canvass was pending in Michigan the gentleman who was connected with one of the large schools in one of the large cities of Michigan, said, with regard to the working of the law in the schools, "I had a large class in physiology and was giving your lecture on the action of alcohol in its influence on the brain and its effect in benumbing the power of the will, &c. One of the students raised her hand and said, 'If you please, sir, I can't believe that there is anything of that bad poisonous stuff in the cider we drink at home.'" Said the Professor to me, "I was as much in doubt as she. I did not know how it would come out, but I told her to bring some of the cider and we would see. She brought two quarts of the cider, and we took it down to the laboratory, and from that cider we distilled eight per cent. of alcohol that would burn when we applied a match to it." "And," said he, "I never saw any lesson given to a class which made so profound an impression as that lesson did on that class." Then he said, "I went on to explain the action of alcohol on the brain substantially as I found it explained in the text-book, and in the course of the experiment I brought in two leeches, and put one of the leeches into the alcohol which had been distilled from the cider, and put the other of the leeches in the water, and I showed them they could see for themselves that the one in the water remained alive, while the leech in the alcohol curled up and died." There is one illustration of how thoroughly such lessons can be brought home to the intellect and understanding, and so to the consciences of children. I met a gentleman a short time since who said to me, "You are doing a wonderful work in the way of temperance. Our boy," said he, "comes home and tells us all about the percentages of alcohol in beer, in wine, &c. We had been having beer for dinner, but our boy coming home and talking to us constantly about this perc ntage of alcohol, and telling how it operates upon the brain and nerves, has revolutionized our home."

### ALCOHOL A FOOD OR A POISON?

The CHAIRMAN. Please state what you teach as the scientific fact with regard to the nature of alcohol and its operation on the human system—is it that of a poison or of a food?

The WITNESS. Well, sir, we feel that the burden of proof is with the scientists who declare that it is a food. There are persons who claim that it is a food, but claiming a thing as true is not proving its truth. Such men as Dr. Richardson, of England, and other men of that stamp,

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declare alcohol not to be a food, and while specifically, in the new text-books that are being prepared, we shall perhaps not say that it is not a food—just as you would not throw a cannon ball at a man's head if you wanted to convert him—if you could you could persuade him—we shall state its action on the tissues. Alcohol has been declared a poison, and ranked as a poison by the dispensatories that are used by our apothecaries for the last fifteen or twenty years. The very word "intoxication" means poison. We teach the action of alcohol—just simply what we find under examination by the microscope—the action of alcohol on the blood corpuscles. We teach what we would find in the skull if it should be opened and the alcoholized brain should be developed—we teach simply what we see there, the plain researches and results of science. If the gentlemen of the committee will excuse me, I would not like to declare here, because I know it is such a mooted question——

The CHAIRMAN. I only ask what teaching you incorporate in your books.

Mrs. HUNT. Well, sir, we teach nothing except proven science. We teach no debatable points; but one must put it so carefully that one feels a little anxious, if it is going to be reported, just how it is going to be put before the people. There is exact science on the question and it is that alcohol is a poison; it is not in favor of alcohol as a food or as a benefit or aid to digestion, but rather the other way.

### ATTITUDE OF THE TEMPERANCE ORGANIZATION TOWARD SALOON KEEPERS.

Miss WILLARD. The remark of Mrs. Hunt that we do not wish to "throw cannon balls" at a man's head when we want to bring him over to our side, is a very salient way of putting the general spirit of our Union. We try not to invade what may be called debatable ground. We do not bring up mooted points as to different kinds of wine, and as to the interpretation of the word in the Bible, and as to this matter of which Mrs. Hunt has spoken. We have quite enough ground to stand on without antagonizing people. We do not even criticise the men engaged in the liquor traffic. We criticise their traffic, but say nothing harmful of them as men. And I desire it understood, on behalf of the Woman's Christian Temperance Union, that whatever faults we may have, or whatever errors we may have committed, we believe that the kindly attitude that is assumed by our society toward those of the opposition is something worthy of note, because we believe in the golden rule, and that the soft answer turneth away wrath. Therefore, when we are reviled we revile not again; it is not the theory of the alcoholic question that we care for so long as we have the practical result of our ideal.

In Des Moines, Iowa, one of our ladies spoke in the opera house two nights before the amendment of two years ago was voted on. Seven saloon keepers were present at the polls upon voting day, and voted an open ballot for prohibition. The judges of election were surprised and said that it was never known among their people that a man should vote against his own business, and asked the saloon keepers how they came to do it. The spokesman of the saloon keepers said that they had done it because the women didn't abuse them. They said, "We went to hear their lecturer, and we supposed she would say that each one of us should be strung up on a separate telegraph pole, but she said nothing of the kind; she said nothing harsh of us at all." The lady speaker had said that she had first assessed herself heavily for not aid-

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ing in the work of temperance in the past; and she even confessed that she had once been a partaker of wine herself. She then went on to say that those who got their bread and butter out of the business did not see the harm of it as others did; and she put the matter to the people in such way that all could see she had no ill-will against these men, and that her point of attack was traffic. So she did not create animosity. I merely mention that as an instance of the effect of what I might call the "rising circumflex" instead of the downward inflexion of harshness. We use no expressions of personal opprobrium—as all can testify who have been to our meetings—even the saloon keepers themselves. When I had spoken in Cheyenne, Wyo., a rough looking man came up to me and said, "I suppose nobody wants to introduce me, but I just want to shake hands with you and to say that I hope you will live to be old and gray, and that you will do good in the temperance work. I say this to you although I am a saloon keeper myself." He went out before I had a chance to tell him how glad I was to hear him say that.

We have had many interpretations of the initials of our name—"W. C. T. U." Some people believe that it means, "We've come to unite;" others say that it means, "We've come to upset;" and a saloon keeper himself said that it means, "We'll see to you;" but we say for ourselves that it simply means, "Woman's Christian Temperance Union."

To the reformed men of that State, who struck a blow for their own freedom, the Woman's Christian Temperance Union said, "We promise you our continued prayers that you may have strength to persevere in the noble step which you have taken;" and to the men whose business was declared illegal they said, "We assure you that we have no unkind word for you, no unkind thought of you, and if you will go into some other business that will not harm society, nobody will more gladly patronize you than we." That announcement was sent broadcast by means of the Associated Press dispatches, and it was the spirit that actuated the ladies through all their work.

Our friend, Mrs. Burt, is a member of the Episcopal Church, and a daughter of an Episcopal minister, representing a very conservative form of thought, and I am sure the committee will be glad to hear her. She is the president of the Woman's Christian Temperance Union of the State of New York, and has been with us from the beginning. She was a national officer, as secretary, for years, and was also at one time the editor, and at another time the publisher, of our national organ.

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NEW YORK, *Tuesday, October* 2, 1883.

Mrs. MARY BURT examined.

By Mr. PUGH:

Question. Where do you reside?—Answer. In Brooklyn, N. Y.

Q. Please state your relation to the temperance movement, or any facts or suggestions you deem proper to give to the committee. Just begin and state it in your own way, and without interrogation.—A. You ask me to begin, and I always go a good way back in my beginning. I go back to the very first meeting of our National Woman's Christian Temperance Union in 1874—though Miss Willard perhaps has gone over that—the first meeting of the Christian women of this country in behalf of temperance. We met at Cleveland. Miss Willard had at that time just resigned her position as dean of the Woman's College and professor

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in the Northwestern University at Evanston, one of the suburbs of Chicago. And whenever I think of that, I think of Cowper's line—

God is His own interpreter, and He shall make it plain.

And how plain He has made the bringing together of those women at that time—how plain God's purpose was, and how plainly it was shown to us! I cannot help thinking of that when I think of those women who met there, and of the work which they have been able to do, and the manner in which they have been able to do it—the manner in which they have been able to influence not only communities and churches, but even the legislatures of States.

### THE WOMAN'S CHRISTIAN TEMPERANCE UNION IN NEW YORK.

In New York we organized as a State union in 1874. About one hundred and fifty women met in a church in Syracuse and organized a State society. We had then in the State about twenty local unions, and our work has grown to such an extent that to-day we have about two hundred and fifty local unions. We have organizations in forty-three of the sixty counties, and in those forty-three counties we have seventeen thoroughly organized auxiliary county unions. We have, in the State, eighty juvenile temperance organizations—bands of hope, legions of honor and juvenile unions and temperance schools—with a membership, all told, of thirteen thousand children, and these children are all being trained and taught the truths of total abstinence, and also, many of them—the majority I may say—the nature and effects of alcohol on the system. About two years ago I was down in Allegany County and was surprised at a meeting there to see that a young lady had arranged, upon the platform, Sewell's Charts, and she came forward and delivered a little lecture for about half an hour, on the scientific phase of the question. That is one way in which our children are being taught. We have in the State union fifteen departments and two standing committees. We have our scientific instruction department, of which Miss Greenwood, of Brooklyn, is chairman. During the past year Miss Greenwood has addressed a number of the State normal schools—the faculty and students—by request of the committee, and asked for the introduction of scientific temperance text-books into the regular course of study in these schools. At all of them she was most cordially received, and resolutions expressive of approval of her work and of the idea were passed.

In our juvenile work and in the Sunday school work which is being carried on in many of the churches, temperance lessons are given there. Then we have a temperance literature, Miss Colman being at the head of that department in the national union, with her headquarters in the Bible House in this city. Her work is allied with both the national and State unions, and is largely also, in connection with local unions, preparing leaflets and pamphlets for their study, and for the work of the society in general. Then we have our committee on unfermented wine. This work has been very satisfactory in the country parts. Some of the churches are now using unfermented wine.

### PROHIBITION IN THE CONSTITUTION.

We have a legislative committee also. That committee has been asking for a constitutional amendment requiring that the manufacture and sale of liquor as a beverage shall be prohibited in the State of New

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York. We secured to that petition, during the last year, eighteen thousand signatures, and the committee took it to Albany and presented it before the judiciary committee of the house, of which Judge Poucher is chairman. To show you the drift of opinion in the State, I will mention that a year ago a petition of the same nature was taken to Albany, but it was impossible for our committee to get a hearing from any committee of the house. This last year, however, we were granted a most courteous hearing by one of the principal committees of the house, the judiciary committee. What we asked for before this committee was, that this resolution asking that an amendment be submitted to the people of the State, should be reported favorably by the judiciary committee of the house. Immediately after we left the room, as I understood next morning, five members of that committee voted for presenting it favorably and three members of the committee refused to vote at all. I understand that this action of the three was in direct violation of the rules of the house, as it required six to make a quorum. It was brought up, however, afterward in the house, but was defeated. It was reported by the senate committee also, there being two reports with regard to it.

During the past year our finances have been more encouraging. Before our last convention the State of New York had paid more money into the treasury during the past year than in any preceding year, and more was paid out. That, of course, is satisfactory, for we want to pay out our money as we get it in, to keep the work going.

We have our young women's work in our State union just as they have it in the national union, and we have our press department, and, at the last convention, we added the departments of heredity, hygiene, soldiers, and sailors.

### PHYSICIANS AND THE TEMPERANCE PROBLEM.

We have, also, a department for influencing physicians not to prescribe alcoholics. The last I consider of great importance. We send out our petitions to ministers not to use alcoholic wine at the communion table, and all know that physicians, too, have a very important relation to temperance, because of the great danger which must lie in the prescribing, by physicians, of stimulants, as medicine, especially for young men. I know in my own experience of a case in which a physician told a young man that he must drink a certain quantity of Bourbon whisky every day. He had been brought up in the most strict temperance principles, and he refused to take it; he said it would be impossible for him to drink it. That young man had been so carefully guarded all his life that he was able to withstand this order of his physician, but there are others who have not had the same safeguards placed around them, and I consider that this department is most important in its relation to the young.

By the CHAIRMAN:

Q. How did this young man get on who disregarded the prescription?—A. He took something else. The whisky had been prescribed for debility, and when he refused to take it something else was prescribed for him, and he recovered his health without the use of the whisky. Wine and liquors have been prescribed in many families where I have known the prescription to be disregarded, and requests have been made that something else be prescribed instead—some other remedy to be used instead of the liquor.

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### TENTH ANNUAL MEETING OF THE NEW YORK WOMAN'S CHRISTIAN TEMPERANCE UNION.

I should like to say something of our last meeting. We have just had our tenth annual meeting at Poughkeepsie. There were present one hundred and thirty delegates; it was one of the lagrest and most enthusiastic meetings that we have ever had, and the interest displayed in it shows plainly the growth of our work and how it is taking hold of the Christian women of the State. This convention was held in the eärstern portion of our State. You know how large the territory of our State is. Its population equals one-tenth of that of the whole United States, and it is equal to the population of Canada. In the cities of Brooklyn and New York alone I think the population is equal to more than one-third of the whole State of New York. So when we hold a convention it requires a day, and sometimes longer, to go the whole length of the State. In the eastern part we get, largely, the eastern ladies interested in the work, and in the western part the western ladies. At this convention, held in the east, we had a large number of our eastern ladies, and I do not know where we could find a church that could accommodate us if our ladies were fully represented.

### COMPULSORY TEMPERANCE EDUCATION.

With regard to Mrs. Hunt's line of work, which I consider very important indeed, we passed resolutions at the last meeting indorsing the national plan, and resolutions of co-operation with Mrs. Hunt in this line of work, and we also resolved to petition the legislature of the State of New York during this coming winter for the same sort of bill that she has spoken of—the compulsory temperance education bill. In the county of Monroe they tell me that these scientific temperance text-books are largely used in the schools, owing to the petitions of our unions. The counties of Allegany, Chautauqua, Monroe, Westchester, and Dutchess are the best organized counties. In some of these counties we have a Woman's Temperance Union in almost every township. We have also appointed organizers to cover the fourteen or fifteen counties of the State which have no unions, and during this coming year we shall endeavor to effect organizations there. Where there are two or three unions in a county we shall endeavor to form a county union. And where there are no unions we shall endeavor to organize unions. In this way we shall endeavor to create a net-work of unions all over our State. It is only through those local unions that the State can make itself felt in these different communities so that we can bring the plans of the national and State unions before the people for consideration and action. When a local union is once organized, we simply lay before them our plan, and they have their different departments to carry on the work. It is through these local unions that we secure petitions, and there is where we can get our power in organizing the State, and bringing in the hundreds of thousands in the State of New York who are simply waiting for the call.

We have resolved, as I have said, to petition the legislature of the State this coming winter for this compulsory temperance education bill, and to co-operate with Mrs. Hunt, and we have also resolved to establish a State paper, and have appointed organizers for the purpose. It will be a small paper, but it will be something that will go out to our local unions and our women generally, and bring before them our plans and suggestions for work, and will be a medium of communication for

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them also, in which they may ask questions and through which the officers can correspond with the local unions. The petition to the legislature for a compulsory temperance education bill is as follows: "Believing that prevention through the education of the people is the antidote for the vice of intemperance, we, the undersigned citizens, respectfully petition our legislature now in session to enact laws requiring instruction in physiology and hygiene which shall give special prominence to the effects of alcoholic drinks, stimulants, and narcotics upon the human system, given in all schools supported by public money or under State control." That is the work which we shall take up in our State during the coming winter, and we shall petition our legislature for this law which has been enacted in three other States of the Union.

Q. Does that complete your statement on that subject?—A. Yes, sir; I think it does.

DOES PROHIBITION PROHIBIT.

The CHAIRMAN. I have here a telegram which I will read:

PORTLAND, ME., *October* 2, 1883.

To Miss FRANCIS E. WILLARD or Senator BLAIR,
*Room* 100, *Post-Office Building, New York:*

In Maine prohibition does prohibit. It is accepted as the settled policy of the State. There is no organized or well-considered opposition to it. The interests of the State and people have been greatly promoted by it. Crime, illiteracy, and pauperism are less than in any other State in proportion to population.

L. M. N. STEVENS,
*President Maine Woman's Christian Temperance Union.*

Miss WILLARD. It would be a favor to us if that could be printed in the papers. Mrs. Stevens is a constant worker for temperance in every form, and is a most competent witness, being a native of the State of Maine. I had hoped she would be able to meet us here, but she could not be here owing to her duties in the convention.

The CHAIRMAN. The telegram is already incorporated in the proceedings of the committee, by the official stenographer, and the gentlemen of the press can take it and make such disposition of it as they see fit.

Miss WILLARD. Mrs. Alford is the secretary of our scientific department, and also secretary of the Hayes memorial committee, which has placed a portrait of Mrs. Hayes in the White House.

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NEW YORK, *Tuesday, October* 2, 1883.

Mrs. C. CORNELIA ALFORD examined.

By the CHAIRMAN:

Question. Please make such statement on this subject to the committee as you think proper.—Answer. I have been connected, as Miss Willard has said, with the national work, as Secretary of the Department of Scientific Instruction, for the last four years, and I think I am more interested in that line of work than any other; but as that has been so well developed by the other ladies who have spoken of it, I will not enlarge upon it, especially as Miss Willard has suggested my speaking of the Police work in Brooklyn. That is a local work, but, as it is such a need as has been felt in many places, I would like to speak of it so that it might be brought to the mind of the public, and in that way more good be accomplished.

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NEED OF POLICE MATRONS IN CITIES.

The work I refer to is that of establishing a Police Matron in each of our cities. It is an entirely missionary work. At the beginning of the work, quite a misunderstanding arose owing to the fact that, just at the inception of it in Brooklyn, a bill was presented to the legislature by some women of the State of New York—I think they were called the Woman's Suffrage Society, though I am not positive about the society that presented it—but a bill was presented to our legislature, asking for the appointment of a Police Matron, their idea being that a woman should be stationed in every police station of the cities of New York and Brooklyn, who should care for the women who might be brought there as prisoners. That was not our idea at all. Our idea was that of putting a Police Matron in the field who should stay in her own home, but who should go at any time when she was needed to the police stations, and who should go every day to the police courts and be there on the arrival of the prisoners from the various police stations, single them out, talk with them, and especially talk with the younger members among them—young girls who perhaps would be arrested for the first time, and who, if a kindly hand were extended to them and they were saved from the disgrace of being sent to jail, might be reformed and saved for a better life. That was the idea with us—that this woman should do this kind of work. And the Union of which I am a member in Brooklyn, the Woman's Christian Temperance Union on the Hill, began with one woman as a Police Matron. We have never had any more than that, although we should have been glad to have one for every police court. We have four courts in Brooklyn, and a woman is really needed for each. But the hindrance to our doing that is just the hindrance to our doing a great deal of work; that is, the need of money. Of course, we could not get a woman to do this work unless we should pay her a salary. And, as has been stated, all our money is gathered by voluntery contributions. It was a very pertinent thought, that of saving these women from their probable future and caring for them, and that the city should bear a part of the burden, but they were not willing to do this. While Mayor Low and Commissioner Jourdan and others in charge were very kind indeed and gave the matron an official appointment, which enabled her to reach the points desired, and also gave her the protection and aid of the police in carrying out her work, still they were not willing to put on the city the burden of the salary of this matron. So the society has supported her during the last few months.

Q. That is, doing police work for the city of Brooklyn at the expense of your Society?—A. Yes; but I find that that is what we are doing all the time in this temperance work. The city and State and National Government receive a revenue from the liquor dealers for the privilege of selling liquor to the people, but really that involves the privilege also of making criminals and paupers and bringing destitution to families. Then it is the Christian people of every community who take up and care for those people who are thus thrown on the community. The people who do not patronize the liquor saloons—the people who are opposed to them—are largely the people who take care of the results of the liquor saloons, and not the Government itself. Of course that is not a correct statement in all its breadth, because the Government does provide jails for the support of the criminals, and, to some extent, it cares for the paupers, and those who are made insane through drink. But it does all this by taxing the people. Besides this, when one member goes out of a family into the jail or penitentiary, or the insane

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asylum, or the almshouse, the other members of the family are very often left without means to provide for their support—their natural supporter being taken away from them; and then it is the charity of Christian people that it is necessary to invoke, in order to take care of the fruits of the liquor business.

In doing this missionary work of the Police Matron, therefore, we are only doing a little part of the great work which is constantly being done in our orphan asylums and all our great benevolent institutions. I suppose the truth is that we would not have the need for one-quarter of them, perhaps not for one-tenth of them, if it were not for the saloon back of them; and so when we reflect on these things, we have to go back to the cause and realize that we are constantly taking care of the fruits of the liquor traffic.

As I have said, it was in March, 1882, that we inaugurated this work, and a Police Matron was appointed by Mayor Low and Commissioner Jourdan. She went immediately through the courts, visiting them all occasionally, but making her principal line of work in Judge Bergen's court, on the corner of Court street and Butler street, I think, and in Judge Walsh's court, under the City Hall—those two being the courts in which the greatest number of prisoners are brought up. The lady whom we have for Police Matron is Mrs. Crocker. She came to us from Portland, Me., and is especially fitted for the work she has undertaken. She is about sixty years of age, with gray hair, and a beautiful, pleasant face, and so kindly in her bearings that she has never aroused the least enmity in anybody, so far as we have ever heard. She has won the respect of all the officers of the court and of the judges and policemen as she has been going around in her good work. And she has won the love, I guess, of every woman that she has spoken to. She does not go to them and talk to them harshly about their sin or downfall, but speaks to them as one Christian woman should speak to another woman, of the love of Christ, and His willingness to save them even from the lives of sin in which they may have entered. So she has gone about up and down those city streets, doing her work, month after month. When Mrs. Crocker went away on her vacation this summer, Judge Bergen told me that he did not know what he should do without her, because in all cases where he was afraid he did not hear both sides, and that possibly enmity or personal feeling had induced some charge against some woman, which ought to be further investigated, he had got into the habit of suspending the case for a day, putting it in Mrs. Crocker's hands, and letting her make the necessary inquiries and come back the next day and report to him. He has told me that whatever Mrs. Crocker said was best to be done with a women he always did. We did not take hold of the old people—the "rounders" as we would call them. There are some women arrested in Brooklpn almost every ten days. They come out of jail at the end of that time and are again arrested before night, and go back to jail. We do not spend our efforts on them, although we have a kind word for them, but we try to prevent the younger ones from becoming hardened criminals.

### NEED OF STATE REFORMATORIES FOR WOMEN.

One great difficulty we have found in this work is the want of a place in which to put these women. A great many of them have no homes. Many of them when released from imprisonment and sent out into the world have no place to go to, except to go back among their old associates. There is no place that I know of in the State of New York founded

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especially for the reforming of women—no State reformatory. A bill has passed our legislature, as I am informed, which provides that such a reformatory shall be established in the State of New York. At Hudson, a town on the Hudson River, a site has been selected for such an institution, and some preparatory steps have been taken, but the building is not yet erected, and we have no place in Brooklyn, except a voluntary place gotton up by a little band of christain women, who have organized themselves into a society and called their home the "Wayside Home." Their intention was to offer a place where women who had been arrested and had led a life of vice, and who wished to be reformed, could be received and brought back into better ways. But it was very limited in its capacity and could hold only thirty-five inmates, I think. So we were constantly restricted in our efforts to help to reform these women by the difficulty of finding places for them. We could not expect them to be taken into private homes until they had been tested as to there desire to lead a better life.

Q. Is there any other topic which you would like to suggest?—A. I do not think of any at present, thank you.

Miss WILLARD. The next lady whom we have in our delegation is Mrs. Barnes, who is the National Superintendent of work among the young ladies—active temperance work in various lines. She has been living some years in New York, and spending her entire time in this work.

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NEW YORK, *October* 2, 1883.

Mrs. FRANCES J. BARNES examined.

YOUNG LADIES' WORK FOR TEMPERANCE.

Mr. CALL. You may make such statement to the committee as you desire.

The WITNESS. I will state then, that this department of the National Temperance Work was formed some years after the efforts in Gospel Temperance lines were undertaken. It was the outgrowth of our experience in the Gospel Temperance meetings, after learning the stories of the ship-wrecked lives of so many young men, who came to Chicago, which was then my home, and where I was working in connection with Miss Willard. We found that many of these young men came not only from the better classes, but were educated men, and that among them were graduates of our colleges, some of them holding good positions and some occupying menial positions, such as those of street-car drivers and conductors. There were numerous cases brought to our attention of young men who had been ruined through drink, and we concluded to organize among our young women a department which would influence social life. In our work with the little children of course we are doing a good deal, and we have their mothers with us, but with the young women already grown it is different, and we thought that we must use all the ammunition that we could find. This department was accordingly organized, following in harmony with the other plans of the Woman's Christian Temperance Union. State Superintendents were appointed and also County and District Superintendents, and nearly all the States that have been organized have now a Superintendent in this department of work.

The reports that have come in to us for the past few years are of the

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most encouraging character, showing that the young women are the connecting link between the children and the older women who have led the way. That which seems most suitable for young ladies' work is the influence which they may bring to bear in the home and in society, and, next to that, the advantages which come from their studying and disseminating temperance knowledge and working for the children.

### TEMPERANCE SOCIABLES.

The young ladies have inaugurated temperance sociables where, as Miss Gordon has said, young ladies may have a good time and yet aid the cause of temperance. We have an autograph album for the signatures of those who at a public meeting will not take a pledge, and to whom it may not be necessary, but who, for the sake of influence and example, through a gentle word from some lady friend, will give their signatures and become honorary members of our society. In that way we reach some people who are not much inclined to go to temperance meetings, but who, through the social influence of their young lady friends, and their sisters, may begin to open their eyes to the importance of this question, and not only consider it from the standpoint of home and of future happiness, as well as personal character and physical constitution and well-being, but may get a broader outlook upon life, and see the governing necessity of having a home that shall send out its influence into society. These sociables are held by the young ladies' societies throughout the country, and have become quite a power.

### TOPICAL STUDIES OF TEMPERANCE.

In the line of meetings for topical studies, we have found from the experience of our older sisters, that our young ladies know very little on the subject of temperance as a study. We all have found really, as we began to study it, how little we knew as to how seriously many of the brightest minds of the country have been affected by intemperance, not only statesmen, but poets and men of literary ability. So we said that we would have our meetings for topical study, and such meetings have been held in all large cities, and many rural districts and smaller towns, under the care and supervision of the young women.

### TEMPERANCE WORK AMONG CHILDREN.

Then came the work among the children in the various departments, of which the other ladies have spoken, especially the work of which Miss Gordon has spoken. "Blue Ribbon Societies," and societies of "Cadets of Temperance," as well as Kitchen Garden Societies have been organized. The Kitchen Garden idea we consider closely related to temperance. I have heard of an instance of the influence of the Kitchen Garden as an aid to temperance. A little girl who attended a Kitchen Garden School in Yonkers has been the means of reforming her drunken father, because of the improvement in the home work, resulting from her instruction in the Kitchen Garden. He said that his home had been entirely changed by reason of his little girl's knowledge of cooking and housekeeping, and her influence generally upon the work of the home. Besides these societies that I have mentioned we have the "Loyal Legion" for boys. The Legion in this city was the outcome of one boy signing the pledge and getting his mates to say that they wanted to hear something about temperance. A little parlor meeting was arranged, which was attended by the boys living upon Fifth avenue and Murray Hill, some

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of the brightest boys in New York. They were told of the work of the Crusade, and how numbers of boys and girls were taking part in it. At this meeting we had refreshments and, as we thought we would like to know whether they were influenced by the "loaves and fishes," we had another meeting without refreshments and found that they were just as much interested. They chose the name of the "The Loyal Legion." They have held their meetings in the parlors of the better educated class and perhaps the wealthier portions of society. We have had such men as Dr. John Hall, of this city, to address the boys, besides Miss Willard, Mrs. Hunt, &c. These meetings have become very interesting. Our object is not only to give an idea of education in temperance, but our idea is to develop as much enthusiam as possible in the cause, so that they may grow up to the total abstainers. Of course they have their Sabbath schools and church connections, and these do a great deal of good for temperance, but special temperance education is exceedingly necessary to boys growing up in such a city as this, and we therefore try to make the meetings as interesting for them as possible. One of the first achievements of the Loyal Legion was the erection of an ice-water fountain, to be placed in one of the most thickly populated portions of this city. That was a year ago. They collected money for it and erected the fountain on Grand street, near Center Market Place, and during the last summer and the summer before it gave our cup of cold water to the thirsty, dusty crowds of that neighborhood. People would come to this fountain and take away ice-water, not only in cups but in pails. Some of the boys of that neighborhood said it was "Protestant Temperance water," but finally, by getting a man to stand on the corner and sell fruit we were enabled to keep the place in good order and to keep the boys from molesting it. That is one of the ways in which the Loyal Legion shows its idea of the "relation of capital to labor."

### FREE READING-ROOMS FOR BOYS.

We next said that for the benefit of other boys we would establish a free reading-room, and this we have done at No. 16 East 14th street—uniting our money for the purpose with that of the National Woman's Christian Temperance Union; we took a floor, through, between Fifth Avenue and University Place, where every night are gathered the boys who are employed through the day. There have been at least twenty-five hundred boys in attendance during the summer evenings since June, and we have four hundred boys on our list. They are boys that work at Lord & Taylor's, Arnold & Constable's, and some of our best stores, and also in manufactories of various kinds. Some of them are boys whose fathers keep saloons. They are not all pledged boys, but they come for the benefit of the reading-room. Our highest compliment is received from the police force, who say that our place, with its bright lights and pleasant surroundings, is a counter attraction to places elsewhere, and is a great benefit to boys who need facilities for improving their mind. This institution has been really a benefaction. The night we opened our reading-room, it would seem as though if we had a dozen such places in New York City they would have been well filled. We have already exceeded our facilities and are praying and hoping for better quarters. We really need a whole building.

### PARLOR MEETINGS FOR TEMPERANCE.

We shall begin our parlor meetings again soon, in New York. I mention these matters to show you what the young women are doing in this

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city, and especially to show that they are doing something for the children, particularly for the boys who are tempted, and the working boys who have had no opportunity of finishing their education. The reports that are coming in, of the young ladies' work, have so outgrown those of last year that we are obliged to make the work one of statistics. Where young ladies have not formed societies, they are working with the older unions, doing a portion of the work as members of committees, &c. Miss Willard and Miss Gordon, in traveling through the South, have interested very many young ladies in the work, in the various States and Territories. I have nothing further to say with regard to the young women's work. But Miss Willard alluded to the work of the Woman's Christian Temperance Home, answering or corresponding to the work of the Christian Home for Men, of which Mr. Bunting is in charge. It meets the same want that that does. At this Home, which was only opened last spring, there have been a number of inmates. When I went away in the spring, I think there were six; since I have returned I have not visited it. This is for a class of women who can pay board; without such a place there would be no place for them to go to but to the Island. Many of these cases of intemperance among ladies have been caused by the prescription, perhaps, of physicians or by the dissipation of social life, and some women have, as one might say, become educated to intemperance. Through the kindness of Mr. William E. Dodge and his wife this Home has been opened, and it has been occupied through the summer, and has shown very favorable results.

The great need now in this city is a "Rehoboth," where the women who come from the Island may be taken and protected. We hope it will come. It is a great need.

In the line of social effort it seems to us that a good deal is being done; and, to go into details, or to give incidents of our work, would take too much time. There is so much that each one of us could say that it would make a long account. But there is great need, of course, for the exercise of social effort in the creation of a sentiment favorable to temperance. As I represent the Society of Friends, or Quakers, I might say that we are doing our best in that direction, and might quote, in conclusion, a line from the Quaker poet: "If woman lost us Eden, she can alone restore it."

By Mr. CALL:

Q. Does that present all the points that you desired to make?—A. I think that covers the general ground, yes, unless there are any other questions that you desire to ask.

Q. Can you state the number of women that have been engaged in this association you mention?—A. I cannot give the exact number—I suppose you mean the Women's Christian Temperance Home. I might say that of young ladies that work all over the country, we have, I should think, about five thousand actively engaged.

In our Loyal Legion Temperance Society we have only a handful of forty boys, but their work is far beyond their numbers.

Q. You have five thousand doing what?—A. Members of distinctively "Young Woman's Christian Temperance Unions." All of our "Young Woman's Christian Temperance Unions" are auxiliary to the State and National Society.

Q. They confine themselves to the species of work you have been speaking of?—A. Yes.

Miss. WILLARD. The Woman's Temperance Home in this city is a very fine establishment, and well patronized; I think its capacity is constantly taxed. The Young Woman's Branch, is a new one.

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Mr. CALL. Is the building owned by them?

Mrs. BARNES. It is owned by an association of ladies. It was bought by Mr. Dodge, and given to them. The inception of this work was by the local society of the Woman's Christian Temperance Union—not the "Young Ladies' Union," but the other.

Miss. WILLARD. I believe it is the custom with women, when they have finished a seam, to put in an extra stitch or two; so I will, with the kind permission of the committee, say a word or two in closing.

### WATER FOUNTAINS IN CITIES, AS AIDS TO TEMPERANCE.

I desire to say, first, that we have made the erection of fountains in large cities a specialty. Mrs. Dr. Gordon, of Boston, has told me that they put up an elegant fountain there this year. I have heard of similar instances in the Western cities. I want to emphasize the question, "Is there any trade or occupation of men in this city or elsewhere, except the liquor traffic, which would overthrow a cold-water fountain for man and beast?" The liquor-traffic people have made our fountains in some instances nugatory by destroying the pipes and taking away the cups. They do all they can to upset the work of the cold-water fountains. They say it hurts their business—and I suppose it does.

### KINDERGARTEN EDUCATION.

With regard to the oblique line in temperance work, I may say that we have also interwoven the kindergarten with our work, seeking by kindergarten methods and by gymnastics, diagrams, illustrations, &c., to bring the children under the influence of temperance work. In Chicago, through the influence of Robert Fowler, a rich pork-packer there, we have been enabled to have a large number of children—I think about two thousand—in beautiful rooms, fitted up with toys and kindergarten furniture. That is an outgrowth of our work in Illinois.

### POLICE MATRONS IN CITIES.

We have police matrons in Chicago, Portland, Providence, Brooklyn, and the ladies are making an effort to introduce them here. My only brother was a journalist, and I have an opinion that that guild is humanitarian; so I would like the gentlemen of the press, if they please, to speak a word in favor of police matrons in the courts of New York City. In Chicago, our mayor and council vote as much from the city funds as may be necessary to support these police matrons, and we have them in the four courts of that city; so that when these poor, forlorn women are brought in, it is not men only that meet them; but some kind woman speaks a kind word to them. I do not believe that there is a gentleman present who does not respond to that phase of our work, whatever he may think of any other. Help us, then, if you can, all of you gentlemen, to get the police, or the city authorities, to appoint police matrons in every place where women are arrested; and if judges will be so kind as to let these good women have something to say in the disposition of the cases, and put these poor women in the care of the police matron, they will be more likely to be saved.

And now, friends and brothers, I want to say how appreciative we are for your kindness, courtesy, and patience in hearing us. As I was coming home from the Pacific slope, and read of the investigation of this committee, I said to myself, "I wish they would ask us, or let us

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tell, something about our work"; but I did not suppose it would come into your minds. I did not like to write a letter about it, although I had the honor of personal acquaintance with the chairman of the committee. We thank you, gentlemen, for the opportunity you have given us. And in closing I would simply remark that the patriotic men of America have always found that women are patriots too; they did their share in building up the nation. You have heard woman's voice to-day; it is the voice of the Home. I hope it has been a truly womanly voice; I hope it has been a kindly, thoughtful voice. I hope we have not spoken harshly. We are not seeking self-advancement; but we believe that God has a great work for this Republic to do, and we believe that the women of the Republic are willing to bear their share of that work.

In conclusion, let me say, that we shall carry, with grateful hearts, to our friends everywhere, the picture of this scene to-day—the picture of this committee of Senators hearing the voices of women raised for a great humanitarian cause—of these gentlemen of the Press, who give our utterances to the great audience of our countrymen—of the busy stenographer who records our words, that they may live in enduring form, to help, if they may, the great purpose which it is our hope to serve. All this will long remain with us to gladden our memories of this occasion—for which the Christian women of America will ask God's blessing on you all.

## NEW YORK ASSOCIATED PRESS.

DANIEL H. CRAIG sworn and examined.

By the CHAIRMAN:

Question. Please state to the committee what opportunities you have had to become familiar with the newspaper business of the country, particularly in its relation to news reporting, by telegraph or otherwise; also, what business connections you have had with telegraph companies, especially in their relations to the New York Associated Press and the press of the country. Also give us the best information in your power as to the cost of telegraph lines, and the best systems of telegraphy now in use.—Answer. I have worked with hands and brains, almost without a holiday, since I was twelve years old; first, about 1825, at Plymouth, N. H., as an apprentice in the Gazette printing office. Journeymen printers, in those days, were paid $20 per month without and $15 with board. I labored twelve hours daily, with no compensation but my board. After a few years the publisher failed, and I finished my apprenticeship in the Lancaster Gazette office, at Lancaster, Mass.

From there, about 1832, I went to Boston and issued, some months in advance of the publication of the New York Sun (the first penny paper of the country), a prospectus for a daily penny journal. The undertaking became at once exceedingly popular, but the gentleman who was to edit the paper persuaded me to give up my venture, characterizing it as contemptible, and I permitted him to turn it into a daily evening subscription paper, which soon exhausted my limited capital, and it was sold out to one of the present leading Boston journals.

I then embarked somewhat extensively in the importation and training of carrier-pigeons, for the conveyance of commercial and other news, and at different periods, during ten or twelve years, I used them successfully at various points between Halifax, Nova Scotia, and Washington, D. C., and had pigeon news relations with Harnden, the projector of



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the express business of the country, Jacob Little, the Wall street Jay Gould of 1845, Moses Y. Beach, of the New York Sun, and several other journals between Boston and Baltimore.

Years before the establishment of the telegraph I had a regular news reporting business, by means of carrier pigeons, from Halifax to Boston. I carried my birds by land to Halifax to meet the incoming Cunard steamers, and then took passage for Boston. After gathering news from London and Liverpool journals I printed it on tissue paper, with small type, in my state-room, fastened it to the legs of the birds, and at the proper time flew them from the decks or port holes of the steamers. My birds carried the news to Boston several hours in advance of the steamers, where it was used for speculative purposes, and subsequently for publication. When it became known that I was anticipating with my birds the news brought to Boston by the steamers, the agent of some of the New York journals made representations to the Cunard Company that I was using the news for speculative purposes, and they undertook to prevent me from taking my birds on board their steamers at Halifax. On one occasion Captain Ryrie seized and held them until after the steamer arrived at Boston. Apprehending this outrage, I had put one of my birds in my overcoat pocket before going on board, and after putting the news on his legs I went on deck and flew the bird close to the captain's head. He darted into his state-room and caught his rifle, but before he got a chance to shoot, the bird was a mile above him, flying straight to his home in Boston, a hundred miles away, and safely delivered his news several hours in advance of the steamer.

I first came into direct antagonism with some of the leading New York and Boston journals about 1847, on the occasion of their putting on an express steamer between Halifax and Boston to bring the European news by the New York branch of the Cunard Line. The first trip was successful, as the express-boat arrived just before daylight, and I could not use my birds. On the second trip my carriers took the news in advance, and when the express-boat arrived in Boston, at 10 o'clock a. m., the news was already published there and telegraphed to New York. The express-boat then retired, and I had the field to myself until the telegraph was extended to Saint John, New Brunswick, a year or so later.

My business relations with the telegraph companies commenced as soon as their lines east of New York were opened for business. After lines were extended to Saint John, New Brunswick, about 1848, I organized a horse express between Halifax, Nova Scotia, and Digby, about 100 miles; thence 30 or 40 miles across the Bay of Fundy, by steamboat express, to Saint John, with European news brought weekly to Halifax by the Cunard Line of steamships. From Saint John two or three columns of European news summary were telegraphed to the Boston and New York daily journals. On my first trip through Saint John, on my way to Halifax, to arrange for my express from that city to Saint John, the superintendent of the telegraph told me that I had better save my money, as under no circumstances would he permit me to telegraph the news until after the agent of several of the New York journals had sent the news forward. I answered him that I expected to beat all competitors in putting the news on file; that if I should do so, and he left me in any doubt as to my having the first use of the wire, I would prevent him from sending the news to any one, and then prosecute him for damages. On my arrival with my express steamer, at 10 o'clock p. m., hours ahead of my competitor, I found the superintendent standing in the door of the telegraph office, and he gave me a cordial reception. Two columns of European news were telegraphed to my agent and pub-

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lished in the Boston and New York journals the following morning. It is quite certain they paid more for it than they ever paid before or since for any two columns of news by telegraph.

This enterprise was at first opposed by six of the leading journals of New York, but their agent employed poor horses and a slow steamer, and "got left." The opposing journals finally made a contract with me to superintend their interests in New Brunswick and Nova Scotia, and in 1850 a committee of those journals, consisting of the late Henry J. Raymond, of the Times, then of the Courier and Enquirer, and the late Frederic Hudson, of the Herald, invited me to come to New York to organize and manage an association, to be called the New York Associated Press. I assumed this duty in 1850, and continued in that position until near the end of 1866. Previous to this organization, in 1850, there were no regular or systematized arrangements for gathering the general domestic news of the country by telegraph, though there were numerous so-called news reporters, who were in the habit of telegraphing a few words, and then to draw upon their imaginations for details, and with showy headings writing up and selling to the editors nearly as many paragraphs as there had been words telegraphed. A leading member of this news-reporting fraternity, on entering my employ, was greatly shocked when ordered to telegraph the details of all important news, and assured me that from an intimate acquaintance with the editors for more than two years, he was sure they didn't know real from imaginary news, and he thought it very foolish to waste money in telegraphing details of any event.

When organizing the Associated Press, I visited all the leading editors of the country and the managers of the numerous telegraph companies and explained to them my purpose to establish a complete system for reporting the details of all important news by telegraph. I found a large majority of the editors violently opposed to my views, and among the telegraph managers, such men as Amos Kendall, F. O. J. Smith, Professor Morse, and their associates, did all in their power to defeat my purpose of combining the whole daily press of the country in sustaining one substantial telegraph news organization, their selfish and absurd idea being that each individual editor should telegraph all the news he desired to publish, and thus bring a larger grist to their mill. It required several years to force our news reports on to the editors of the country. Even as late as 1855 one of the leading editors of Chicago was greatly incensed when I raised the price of daily reports, averaging two columns of fresh news from all quarters of the globe, from twelve to fifteen dollars per week, all of which, I contributed for years with considerable sums from the press in all the large towns in the West, to the Western Union Telegraph Company, then in its infancy, and languishing for want of support. A distinguished editor of a leading party organ on the direct telegraph line to Buffalo, complained to me very bitterly when I raised the rates to him for two or more columns of fresh news daily from one to three dollars per week.

These are somewhat extreme examples of the illiberality of leading editors in forming a just estimate of the value of the telegraph and a well organized system of news reporting. The Chicago editor learned in time to know that a newspaper must have news, regardless of cost, and he has for years freely expended for news many hundreds, perhaps thousands, of dollars weekly in place of the ten or fifteen, which he denounced thirty years ago as "extortion."

From about 1853, until I retired from the management of the Associated Press at the close of 1866, every daily journal in the country and

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in Canada was compelled to submit to our rules in regard to telegraph news reports.

The average payments by the members of the New York Association varied from $200 to $230 per week each. The evening journals paid about half as much. The morning and evening journals outside the city paid to our local agents certain fixed charges aggregating about $10,000 or $12,000 per week, exclusive of their special reports. Very soon after I retired from the association, rival telegraph and news organizations sprang up, and for some years past there have been about as many journals outside as inside the New York Association's arrangements; and very recently the association was compelled, through the co-operation of certain leading journals in the West and the Gould interest in the Western Union Company and certain New York journals under his influence, to open the way to what is practically a governing control by the Western journals and the Gould journals in this city. This combination is so distasteful to certain members of the association that it is unlikely to be maintained a day longer than the dissatisfied parties can secure reliable and permanent telegraphic facilities.

Between 1850 and 1854 there were two or three independent, antagonistic, and generally poverty-stricken telegraph companies between all the leading cities of the Union, east of Saint Louis, and as their stock had almost no market value, I made a vigorous effort in 1853 to induce the Associated Press to buy up the direct trunk lines between Boston and New Orleans, on the seaboard, and the great cities of the West and Southwest, which could then have been done for less than $1,000,000.

The editors had two long sessions to consider my programme, and finally decided that "telegraphing was outside the business of newspaper editors," and declined to permit me to go on with the enterprise. Had they assented to my wishes, the Western Union Telegraph Company would have been buried in its infancy, or, if permitted to live, it would have been as the tail to the Associated Press kite, instead of the association's being in that relation to the Western Union Company, as it is, and has been for the last sixteen years. I will admit, however, that as it was then my mission to build up a monopoly in news for the benefit of the members of the New York Associated Press, and as I was armed with arbitrary power to this end, it is unlikely that the public would have been served with any more tenderness than it has since been served by the Western Union Telegraph Company, who entered the field of telegraph monopoly, after I had failed to enlist the Associated Press in my scheme to do what the Western Union Company have since accomplished.

The Associated Press, though declining to go into the telegraph business, permitted me to control a half interest in a line to Boston, which was purchased for a trifle, and netted in a few years over $100,000. I subsequently built and controlled several other lines at the East, and for several years between the first Atlantic cable and its more fortunate successor, in 1866, I held, as manager of the Associated Press, a lease of the Newfoundland, Ariel and Cable Telegraph lines, and built a new line from Saint John's, Newfoundland, to Cape Race. Off that fearful coast I established life-boats to intercept the outward and inward bound ocean steamers and telegraphed their news direct to this city, where it was published three or four days in advance of the arrival of steamers.

Those steamers which were not intercepted at Cape Race were met outside of Sandy Hook, and their news dispatched to the telegraph office on Sandy Hook by carrier-pigeons, thence to this city by telegraph

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and distributed all over the country before the steamers arrived in the harbor.

The successful working of the Atlantic cable in and after 1866 put an end to all the excitements and most dangerous and expensive enterprises for securing European news, and since then there has been no more trouble and scarcely more expense in getting European news than there formerly was in getting news reports from New Orleans.

In 1866, after the Western Union Company had swallowed up the "United States," the "National," and the "American" telegraph companies, the then managers of the Western Union Company expressed a desire to have me form a general news company, and give them one share more than one-half of it, pledging themselves to leave the absolute control of the organization in my hands. The inducements offered to me were, first, to make no further advances for news reports to the press of the country; second, to give me, free of expense, the services of all the managers of Western Union offices to report the news, thus saving a very heavy expense for reporters; and thirdly, I was promised a special wire to all the main points in the country, both to receive and to send news reports. It was expected that I would organize a commercial news bureau in all the cities of the Union, to which all bankers, brokers, merchants, and speculators would be forced to subscribe, and from this source we had no doubt an almost unlimited amount of money could be realized yearly. My own estimate was one million dollars net, and half as much more from the press.

One of the three members of the executive committee of the Associated Press cordially approved of all the preliminaries of my deal with the managers of the Western Union Company; so did an ex-member of the executive committee, who had just retired from office. This alliance with the managers of the Western Union Company was prematurely made known to the Associated Press, as I had reason to believe, by a leading member of the Board of the Western Union Company, who was not allowed to be one of the parties to participate in the news organization. The result was a quarrel between myself and four of the seven members of the Associated Press, and for fear of consequences, the managers of the Western Union Company wished to be released from the general news programme, but gave me strong assurances of their intention to co-operate with me in the commercial news department enterprise. I accordingly abandoned the general news business to my successor in the management of the Associated Press, who agreed, through the president of the association, not to compete with me in the commercial department of telegraph news reporting, and I proceeded to develop what is now known as the commercial news department of the Gold and Stock Telegraph Company. After I had that business well developed, the Western Union Company, aided by four of the seven members of the Associated Press, wrested it from my control—the Western Union Company forming an alliance or partnership with the New York Associated Press. The business netted the first year over $200,000, as I was informed by the then manager.

At this time, 1869, the Gold and Stock Telegraph Company was a very prosperous concern, with a capital of about one million dollars. The Western Union Company conceived the idea of capturing it, and to this end dissolved partnership with their friends of the Associated Press, and served a notice upon the Gold and Stock Company that they would start an opposition to them unless they would consent to increase their capital to $2,500,000, and give a majority of the stock to the Western Union Company in even exchange for the Commercial News Bureau,

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which they had dishonorably wrested from me, and subsequently from the Associated Press.

Since 1867, the Western Union Company has supplied telegraph facilities for the advance receipt, at all commercial centers of the markets of the world, and has been directly interested in the profits of this business—outside of the profits arising from telegraphing the commercial reports. The company has directly conspired with its confederates to crush out all parties who have been from time to time in competition with the company's reports. They first robbed me of this business, which I originated and organized in 1867, and then divided its stolen property with the Associated Press, hiding its responsible head under the outspread wings of that association; then, after two years, seeing a still better chance to cover up their fraud and promote their interests, they kicked out the Associated Press and turned the whole affair over to the Gold and Stock Company, first, however, wresting the control of that company from its owners, and thereafter to the present time directing the management of the speculating news business under the thin disguise of the Gold and Stock Company, of which the officers are the same men as the officers of the Western Union Company.

Constant efforts were made by the late General Lefferts and myself, from 1850 to 1868, to find some way to develop a system of machine chemical telegraphing, and in 1869 we realized our hopes. It fell to my lot to put the machine system, under the name of automatic telegraphy, into use. I should say that previous to 1869 all scientific electrical authority went strongly to prove that it was practically impossible to telegraph over an ordinary wire 250 miles long more than 60 or 65 words per minute. A more rapid rate of transmission caused the telegraphic marks on the chemical paper to run together and make a continuous mark or line—caused by the failure of the conducting wire to discharge instantly all the electric current received from the battery at the transmitting end of the wire. After satisfying myself that it was perfectly practicable to telegraph by our newly discovered appliances one thousand words per minute, I ventured, in 1869, to appear before some of the leading editors of the country with a programme in which I modestly claimed a practical speed of transmission of 250 words per minute. The editors appointed a committee to investigate our automatic system, which was practically illustrated to their entire satisfaction. The chairman of that committee, a prominent editor of Chicago, volunteered to raise one and a quarter millions of dollars to build a trunk line from Boston to New York through the West, to New Orleans, and to Washington and New Orleans by the seaboard. As soon as this arrangement was discovered by the Western Union Company it commenced a bitter tirade against me through the president's annual report, and through various other publications, and in some of these I was denounced as a fool or a knave for claiming that it was possible to telegraph at a greater speed than 60 or 70 words per minute. The Western Union Company also attacked the chairman of the editors' committee through the adroit and plausible general superintendent of the company, then at Chicago, who succeeded in making him believe that what he had seen in New York was not a possible reality, and that it would be much more conducive to his health to make an excursion to the Pacific as a guest of the Western Union Company, than to undertake the labor of building telegraph lines for a system of telegraphing which had, he professed to know, no reality except in my imagination. This Western Union missionary closed his argument against the editors' enterprise by assuring the chairman that he and his friends would, in sustaining an

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opposition telegraph, antagonize the Western Union Company, and the result would be that he and they, with their newspapers, would come to grief.

One night's reflection was sufficient to satisfy the distinguished chairman that his health imperatively demanded that he should make a two-months' excursion in a palace car, as the guest of the Western Union Company, and from that time to the present the gentleman has had no patience with any enterprise which contemplated any form of competition with his friends of the Western Union Company.

My next effort to put the automatic system in practical use was in 1869, under the patronage of the late Mr. Bennett, of the Herald, who agreed to invest $150,000, and subsequently asked the late Commodore Vanderbilt to invest a similar amount. The Commodore consulted his friend, the president of the Western Union Company, and that gentleman quickly convinced the Commodore that the right thing for him to do was to keep clear of my nonsense about fast telegraphing, and come into the Western Union Company, which he did, and until his death was the ruling power of the Western Union Company, as Mr. Gould is now. The president then labored with Mr. Bennett with equal success, and he declined to go on with me. I was similarly balked by the Western Union Company in obtaining capital to put the automatic system into practical use, in two other cases, but I finally succeeded in building a superior one-wire line to Washington, and in August, 1870, telegraphed accurately, between New York and Washington direct, one thousand words per minute—thus practically proving the offensive statements of the managers of the Western Union Company to have been totally untrue.

After I had worked the system four months, between New York and Washington, George Harrington, then fresh from the United States Treasury, played a confidence game on me, and induced me to give to him and his immediate friends the control of the automatic system, and the Washington line. He subsequently enlisted the late Colonel Scott, of the Pennsylvania, Mr. Garrett, of the Baltimore and Ohio, and Mr. Jewett, of the Erie, railroad companies, in a scheme to build up an opposition telegraph company.

Harrington was greatly aided in that enterprise by the then threatening attitude of the Western Union Company, who had control of the fraudulently obtained patent of Page, and undertook to make, through this ill-gotten affair, an absolute monopoly of every form of telegraphing. The railroad interest, in competition with the Western Union-Vanderbilt interest was greatly alarmed, and readily came into Harrington's plans. But here the hand of the Western Union Company was again felt, and they induced Colonel Scott to abandon the opposition enterprise, and his defection and the conviction of the Western Union Company that it would be neither politic nor possible to enforce the claims of the fraudulent Page patent against any party capable of making any real defense put an end to the railroad companies' opposition. Then Colonel Scott advised Gould to buy out the automatic interests of Harrington and his party for four million dollars worth of the stock of the Atlantic and Pacific Telegraph Company, which was then (1875) selling at 28 per cent. of its par value—one million of which was to go into the pocket of Gould and three millions to the Harrington party. Gould immediately bought the control of the Atlantic and Pacific Telegraph Company, and took from Harrington an assignment of the automatic interests, and, on the same day, Harrington fled to Europe, where he is yet, in the enjoyment of his ill-gotten wealth, and Gould still owes some $3,000,000 of the stock of the Atlantic and Pacific

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Telegraph Company to the defrauded Automatic Company's stockholders. Simultaneously with the purchase, by Gould, of the Atlantic and Pacific Company and the automatic system, General Eckert, the present real dictator, under Gould, of the Western Union Company, went from a high position in the Western Union Company to Gould and the Atlantic and Pacific Company, but when Eckert undertook to operate the automatic system on ordinary wires, with several wires on the poles, he found so much induction and other electrical difficulties, which neither he nor his associates were able to overcome, that the system had to be abandoned for practical work.

I had foreseen, in 1871, the impossibility of working the automatic system for general telegraphing without radical changes, and, when consulted by Gould, a month before he bought the system for nominally $4,000,000, I told him it was utterly valueless for practical work. Eckert and Edison told him the system was all right, and he bought it for the equivalent of over $1,000,000 cash, and, under Eckert's lead, commenced a vigorous war upon the Western Union Company, which resulted in a reduction of telegraph rates from 30 to 60 per cent., and to some points 75 per cent. or more.

While the Atlantic and Pacific Company continued to run as a competing company till 1881, it was really sold out by Gould to the Western Union Company in 1877. In 1880 Gould and Eckert (finding that the Western Union Company would not admit them to any share in its management) started the American Union Telegraph Company in direct opposition to the Western Union and Atlantic and Pacific Companies; the result of which was another general reduction of telegraph rates, and after the American Union Company had expended three or four millions of dollars, Gould compelled the Western Union Company to accept himself and Eckert as its masters, and also to take their property at an advance of two or three hundred per cent., and also to take upon itself the payment of 5 per cent. interest on Gould's Atlantic Cable stock of about $14,000,000, when it is notorious that the English cable companies have never paid an average of even two per cent. on their stock. It is a singular fact that this extraordinary transaction has never been officially mentioned by the Western Union Company.

By these three transactions it is well known that Gould netted between fifteen and eighteen millions of dollars, the result being to turn the Vanderbilt interest out of the Western Union Company, and to put Gould and Eckert in absolute control of the company, Dr. Green being, at best, merely a respectable figure-head.

My experience in the development of the automatic system of machine telegraphing, in 1869–70, enabled me to know what was necessary to remedy the defects of that system, and I commenced the needed improvements in 1871, and completed them in 1878. In 1879 I organized the present Rapid Telegraph Company, and the first line was opened to Boston in 1881, with wires having but about one-third of the electrical resistance of the wires of the Western Union Company, and it was found to be perfectly practicable to telegraph between the two cities at the rate of fifteen hundred words per minute—90,000 words per hour—necessitating the making and breaking of the electric current about five hundred times per second.

In practical telegraphing of short messages the capacity of the Rapid wire might be reduced to 20,000 words per hour, or 667 thirty-word messages; this would make each Rapid wire's capacity, in 8 hours, 160,000 words, or 5,333 thirty-word messages. By this system the telegraph message requires to be set up, or perforated in ribbon paper be-

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fore it can be telegraphed. This is girl's labor, and is accomplished by a piano-shaped key-board, which is operated with as much ease and rapidity as a piano key-board. It taxes the mind scarcely more than reading, at a speed of 35 to 50 words per minute, and the proper handling of the perforating machine can be acquired in one or two months. An expert operator can perforate 50 words per minute, or 3,000 words per hour; assuming that each girl perforates 33 words per minute, or 2,000 words per hour, there would be required 10 girls to keep one Rapid wire moderately active on short messages, of about 30 words each.

Machine telegraphing is a purely mechanical operation, requiring no labor or intelligence beyond turning a light cylinder, which would be light labor for the most delicate girl. Similar labor only is required at the receiving end of the line.

The message, received in black, distinct telegraphic characters, recorded upon a ribbon of paper, is handed to a girl sitting at an ordinary type-writing machine, is translated and printed in note form at about the same rate as it was perforated at the transmitting office, and in one minute or less a message of 30 words is ready for delivery.

This constitutes the whole process or labor of telegraphing by the Rapid system.

RECAPITULATION—"RAPID" OR MACHINE TELEGRAPHING—1 WIRE.

| | |
|---|---|
| 10 girls to perforate 160,000 words, or 5,333 thirty-word messages in 8 hours, at $35 per month | $350 00 |
| 2 girls to transmit and receive, at $40 per month | 80 00 |
| 11 girls to translate and print, at $30 per month | 330 00 |
| Total wages per month, Rapid (23 operators) | 760 00 |

Total cost per message, Rapid, $\frac{44}{100}$ of one cent.

If the messages averaged 100 words, thus economizing labor in handling, one Rapid wire would carry 200,000 words per day, without any inconvenience or extra cost, except for perforating and copying, say, at most, $200 per month.

MORSE OR HAND-KEY SYSTEM—18 WIRES.

By the Morse, or any other system of hand-key telegraphing, 300 thirty-word messages per day is a very large day's work for two expert operators. There would be needed therefor 18 Morse operators to transmit and 18 to receive 5,333 messages per day. Total, 36 first class operators and 18 wires and appliances.

| | |
|---|---|
| 36 first-class operators at $85 per month | $3,060 00 |
| Maintaining 17 extra wires on circuit of 250 miles at $4 per mile (the sum allowed by the Western Union Company in their official reports | 1,416 00 |
| Total cost per month, Morse | 4,476 00 |

Total cost per message, Morse, 3¼ cents.

Difference in favor of rapid system, $5\frac{17}{19}$, or nearly six to one.

The cost of labor for telegraphing by the Morse system business letters averaging 150 words would exceed 16 cents each, or about fifteen times more than by the rapid system.

The 18 wires used to operate the Morse system would have no reserved transmitting power, so that any increase of business would necessitate an enlargement of the whole plant.

No candid Morse telegrapher will express any doubt as to the great economy of the Rapid system, for the large or main line offices; but the

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comparative advantages of the Rapid system over the Morse is really greater for small or way-office business.

Any fairly intelligent girl will learn to perforate, telegraph, and copy messages by the Rapid system in one-third the time in which she could learn to work the Morse system.

An expert rapid operator can easily perforate, transmit (or receive), and copy on the type-writer 18 thirty-word messages per hour, or 180 messages in 10 hours, so that 20 offices could complete 3,600 messages in one day of 10 hours, as the whole force could be kept fully employed in perforating, telegraphing, or copying messages. Twenty first-class girls at $35 per month, $700.

The class of Morse operators employed on way lines do not average over 400 or 500 words per hour, say 16 thirty-word messages. Allowing that two circuits are kept actively at work 10 hours, the 20 offices at best could not complete over 330 messages per day, as not over 2 to 4 of the 20 operators could be employed at one and the same time. Twenty third-class Morse operators at $40, $800.

The Rapid line costs $100 less per month, and is capable of completing more than eleven times the number of messages that can be completed by the Morse line.

The Morse line would be in constant use.

The Rapid line would have a reserved transmitting capacity equal to 50,000 words, or 1,666 thirty-word messages, per day.

In 1870 Mr. Postmaster-General Cresswell sent an expert from his Department to this city, to consult with the postmaster and myself as to the practicability of utilizing machine telegraphy as an adjunct of the postal department. After full consideration a report was made, favorable to my views, which were in brief, that the Department should undertake to deliver, during business hours in all commercial centers, telegrams through the carriers every 30 to 60 minutes, and collect stamped telegrams through the street post-office boxes once or twice per hour, and deliver the same to the telegraph office for transmission. For these services the telegraph company would pay the post-office 2 cents for delivery and 1 cent for collection, per message. It was assumed that the telegraph company could afford to telegraph ordinary business letters in circuits of 500 miles for post-office delivery at 15 to 20 cents, and in circuits of 1,000 miles for 20 to 25 cents, inclusive of post-office dues, but the automatic system of machine telegraphing, which was then developing, was found to have defects in practical use, and I deemed it wise to abandon it.

After I had developed, in 1879, the Rapid system, to supersede the Automatic system, and doing away with all the defects of that system, whilst greatly increasing the speed, simplicity, and reliability of machine telegraphing, I again publicly presented this feature of letter telegraphing through the facilities of the Post-Office. The executive officers of the Rapid Company warmly favored my ideas, but they did nothing toward putting them into effective use, and finally, in 1882, a so-called Postal Telegraph Company was organized, and they seized upon my published ideas of 1879–'80, claiming originality for the same, though that company did not then, nor does it now, possess any system of fast telegraphing of the least practical value for general use; nor is there any such system, except that of the Rapid Company, which possesses any merit entitling it to be regarded, as a whole, superior to the Morse, or hand-key system.

The rapidity and ease with which the Rapid system of machine telegraphing can be learned by any person of common intelligence, makes

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it especially fitted for use at all post-offices where the postmaster has leisure for this kind of work. I would have every such post-office supplied with the machines, wherever there was not telegraph business enough to justify the telegraph company in maintaining an office, thus putting a large percentage of the post offices in the country in direct telegraphic communication with each other; the telegraph company receiving at, and telegraphing over their trunk lines all messages from small post-offices and local lines, accepting one-half the tolls for their services. The whole cost of Rapid machinery, adapted to such offices, would not exceed $50 to $75 each. A girl or boy could become fully expert in working the Rapid system in two to four months.

Notwithstanding the actual advantages of the Rapid system, certainly as a whole more than 75 per cent. superior to the Morse or any other hand-key system, the friends of that system, notably the Morse operators (who naturally, as a class, prefer to see 18 wires manned with 36 of their high-priced associates, to telegraph 5,333 30-word messages in a day of 8 hours, at a cost of $150, in preference to seeing the same amount of work better done by 23 young ladies over 1 wire, at a cost of $25), have been able, so far, aided by the overshadowing influence of the Western Union Company, to discredit the Rapid system; that company, with many millions of dollars invested in a plant that would be nearly valueless should machine telegraphing be properly introduced, by itself or by a well managed competing company, has from the first worked hand-in-hand with its hand-key operators, and by arts and devices, alike discreditable to both, has succeeded in discrediting the Rapid system, probably hoping to shift their load of old lines and worthless apparatus on to the Government, leaving to the Post-Office Department the loss and labor of introducing modern telegraph machinery and low telegraph rates of tariff.

There seems to be a general disposition on the part of telegraph companies and telegraph builders to avoid giving to the public any reliable data as to the cost and maintenance of telegraph lines. I have taken much pains to obtain from one of the oldest, most experienced, and reliable telegraph builders in this part of the country the following statistics, in the reliability of which I have the fullest confidence.

The cost, per mile, of a first-class line of No. 9 best galvanized iron wire, with bracket and glass insulator, with good 25-foot poles, equal to chestnut, firmly planted 4 to 5 feet in the ground, would average, throughout the country, not exceeding the following figures:

| | |
|---|---|
| 30 poles, 6 inches at top, at $2 | $60 00 |
| 30 brackets and spikes | 1 00 |
| 30 glass insulators, at 6 cents | 1 80 |
| 330 pounds No. 9 galvanized iron wire | 16 50 |
| Labor and other expenses | 60 00 |
| Total cost of one-wire line | 139 30 |

For a line of four wires, No. 8 galvanized iron wire, good poles, 30 feet long, 6 inches at top:

| | |
|---|---|
| 30 poles, at $3.25 | $97 50 |
| 30 cross-arms, with bolts and washers | 15 00 |
| 120 insulators, at 6 cents | 7 20 |
| 1,550 pounds of wire, at 5 cents | 77 50 |
| Labor and expenses | 125 00 |
| Total cost of four-wire line | 322 20 |

The cost of a good line of 30-foot poles, equal to chestnut, per mile, without wires or fixtures, would be $190; brackets and glass, per mile,

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erected, will cost $4.50; cross-arms and glass, per mile, for two wires, erected, will cost $15; cross-arms and glass, per mile, for four wires, erected, will cost $28; for rights of way, $5 per mile is a fair allowance.

Responsible telegraph engineers will contract to build the range of first-class lines, before named, at figures above stated.

| Average resistance: | Ohms. |
|---|---|
| No. 9 wire, per mile | 15½ |
| No. 8 wire, per mile | 13 |
| No. 6 wire, per mile | 9½ |
| No. 4 wire, per mile | 7 |

A range of trunk lines from Calais, Me., to New Orleans; from Boston to Buffalo, Chicago, and Saint Paul; from New York to Albany, Chicago, Saint Louis, to Omaha; from New York to Philadelphia, Pittsburgh, Cincinnati, Indianapolis, to Saint Louis, and from New York to Baltimore, Washington, Louisville, Memphis, to New Orleans, with all important intermediate points, would require about 9,000 miles of posts, 30 feet long, and 6 to 7 inches in diameter at the small end; wood equal to chestnut, and set 4½ to 5 feet in the ground.

Such a line of posts, in every respect first-class, with four No. 8 galvanized iron wires, and first-class appurtenances, would cost, exclusive of rights of way, $3,204,000.

The same 9,000 miles of poles should carry, also, two copper and steel wires, with an electrical resistance not exceeding 1 to 1½ ohms per mile, and would cost, completed, about $2,844,000—total, $6,048,000.

To which add, for machinery, fixtures, &c., for 1,000 offices (machine or Rapid telegraphing), $2,000,000—total, $8,048,000.

(If the lines were worked by hand-key system, the office fixtures would not cost over about $500,000).

There are a great many cross-country or way-line offices required to intersect small villages, which would necessitate building and equipping about 5,000 miles of 25-foot poles, with No. 8 galvanized iron wire, the total cost of which would not exceed $1,000,000; to which add, for machinery, fixtures, &c., for 1,000 small offices for machine or Rapid telegraphing $1,000,000; total, for 5,000 miles way-lines and 1,000 offices $2,000,000.

RECAPITULATION.

| | |
|---|---|
| 9,000 miles of 30-foot poles and 4 wires | $3,204,000 |
| Add 2 copper and steel wires of low resistance | 2,844,000 |
| Machinery, fixtures, &c., 1,000 Rapid offices | 2,000,000 |
| 5,000 miles of 25-foot poles and 2 wires | 1,000,000 |
| Machinery, fixtures, &c., for 1,000 offices | 1,000,000 |
| Total, for 14,000 miles of poles and 64,000 miles of wire, with 2,000 offices and fixtures, complete | 10,048,000 |

(which would be reduced to about $8,000,000 if the lines were worked by the Morse or hand-key system.)

These 64,000 miles of wire lines, operated by the Rapid system and divided up into average telegraph circuits of 150 miles, would easily handle four to six times more messages that the Western Union Company report as the total of their present business.

The very ingenious gentlemen who have appeared before this honorable committee as representatives of the Western Union Telegraph Company have given to it certain statistics well calculated to impress it with the immensity of that company's plant, and to terrify the advocates of postal telegraphy and also those who might entertain the idea

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of entering into competition with the Western Union Company as a business venture. While the statements referred to may be true, they are very far from being consistent with my own knowledge of the telegraph business. The Western Union Company says officially, through its testifiers, that it requires 375,000 miles of wires, and 131,000 miles of poles to transmit 39,000,000 thirty-word messages. Practically, a very large per centage of telegraphing in this country is done in wire circuits of less than 100 miles, but to be far on the safe side, assume that the average circuits are 200 miles, and there would be 1,875 circuits.

If 58 messages were transmitted in each 200 mile circuits (1,875), there would be telegraphed 108,951 messages daily, or 39,760,915 in one year, about one million messages more than are claimed by the Western Union Company. Three hundred 30-word messages per day, for a good hand-key, or Morse operator, is considered good work, and if there were transmitted 300 messages per day in 1,875 circuits, there would be a total of 562,500 messages daily, and 205,312,500 yearly, or over five times more than the official claims of the Western Union Company.

Obviously, the claim of the controller of the Western Union Company, that it is necessary to have a plant of 375,000 miles of wire and 131,000 miles of posts to transact that company's business, is a pure fiction.

Assuming that the Western Union Company has 75,000 miles of good wire, and that it is divided into average circuits of 150 miles, there would be 500 circuits. If from each circuit 214 messages were transmitted daily, there would be a total of 107,000 messages per day; more than the official statement of the company claims.

The only possible way, apparently, by which the Western Union Company can figure its plant at 131,000 miles of poles and 375,000 miles of wire is to assume that the company now uses all the old rattle-trap lines it has bought or leased in its eagerness to wield a monopoly of telegraphing. It is true, beyond dispute, that a very large percentage of the many thousands of miles of posts and wires, leased or bought from opposing companies, were utterly or nearly worthless for practical work when they came into the possession of the Western Union Company, and were bought wholly and solely to be rid of a rival company. Whatever number of miles of line the Western Union Company has in its plant, it is very certain that not more than 75,000 or 80,000 miles of wire and 25,000 to 30,000 miles of poles can possibly be required to cover, with the system in use by the Western Union Company, all the paying territory it occupies.

Among the extensive telegraph plants absorbed by the Western Union Company during the past ten years were the Pacific and Atlantic, the Southern Atlantic, the Atlantic and Pacific, the Franklin, the Continental, the American Union, the Mutual Union, &c. Their many thousand miles of posts and wires were built parallel to the Western Union Company's lines, but upon dirt roads; therefore could have been of very little use to that company, even had they been well-built lines. It is well-known, however, that every one of the lines, except the Mutual Union, was built expressly to be sold to the Western Union Company, and built in the cheapest way possible. Being intended for annoyance to that company, they ran as close as possible to its wires between all the cities north of Omaha, and therefore were of little practical use to the purchasing company as plant. These seven companies drew from the Western Union Company not less than thirty to forty millions of its stock, though it could construct a range of lines at a cost of five millions of dollars that would be far more useful and valuable to the company than all of those speculative lines could have been.

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Of all the extraordinary statements made by the Western Union Company before your honorable committee, that which announced that the Company was not influenced in the matter of telegraph rates or tariff by opposing telegraph companies, is most remarkable. I have been a close observer of the movements of telegraph companies since 1866, when the Western Union Company was recognized as aspiring to a monopoly of the telegraph business of the country. Since 1867 that company has bought a controlling interest in some ten prominent opposition companies, and after each operation its president has proclaimed an unchangeable resolution to "crush," and not purchase or lease any more competing lines; but the consolidation music never ceases, and obviously never can cease so long as there is serious competition in its road to dominion. I affirm, without fear of truthful contradiction, that while telegraph rates in this country are less now than they were in 1867, by forty to three hundred per cent., the telegraphing public has been almost wholly indebted to the opposition companies which have successively gone into the insatiable maw of the Western Union Company for such reductions.

These competing companies led the way in nearly every reduction of telegraph rates, and it is not unjust to say that there has been nothing in the management of the Western Union Company, as there is nothing in the character of its managers, to justify the belief that the company would ever have made any material reduction in its rates but for the influence of competing companies.

The patents of the Western Union Company, valued by Dr. Green at several millions of dollars, consist of the fraudulent Page patent, for which $25,000 were paid for a controlling interest, in the absurd belief that the company could thereby deter capitalists from embarking in telegraph business, and thus secure a monopoly throughout the country. It owns the Stearn Duplex patents, now nearly expired, and the Edison-Smith Quadruplex patents, which have five years to run. Neither of these patents was of great value; first, because it was not possible to do telegraphing as economically or reliably by either device as it could be done by the simple Morse system; and, secondly, because there are several similar devices outside of the Western Union Company's patents far more simple and quite as reliable and economical.

Any sum paid for these patents in excess of $100,000 was wastefully expended; they could not now be sold, on their merits, for one quarter of the money. With these three exceptions the Western Union Company does not own or use in connection with its telegraph business a single patent of any appreciable value whatever, so I am reliably informed.

It is quite true that the Western Union Company have valuable franchises in their contracts with railroad companies. It is equally true that they hold these rights at an enormous cost every year. If a true balance of profit and loss were struck, it would probably be found that the net profit was very small, and to grow rapidly less as the railroad companies demand more and more concessions as contracts expire.

In some instances the Western Union Company supplies as many as six wires to a railroad company for the privilege of setting poles on one side of the road, and in many other cases erects lines for the free and exclusive use of the railroad companies for the poor satisfaction of keeping off rival telegraph companies.

Doubtless the Western Union Company has a very considerable percentage of its lines on railroads under circumstances which leave it without any consideration more valuable than the use of one or both

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sides of the railroad track to plant poles and string its own wires, as an offset for the free use by the railroad companies of one to five or six wires; and this is a very small advantage, provided lines on dirt roads are properly built.

It is undoubtedly largely to the advantage of the Western Union Company to control newspaper telegraph reports, as most of the work is done at night, when the wires would be unemployed except for those reports. At present rates, the business aggregates about ten per cent. of the whole telegraph business, and yields at least one million dollars, net, to the Western Union Company. There is mutual co-operation between it and the New York Associated Press in enforcing rules, which, on both sides, aim at monopoly in their respective business departments.

There are a large number of daily journals outside the Associated Press, and to keep them from combining and helping rival telegraph organizations, the Western Union Company has strained its obligations to the New York Associated Press to a sufficient degree to permit the organization, through convenient tools, of a second association, which exists only by its favor, and is really a menace to the old association, and by serving the second-class journals with all important news, at a quarter or half the rates charged to the journals in or served by the New York Association, the company is enabled to control all of the press business, and keep every journal from patronizing a rival telegraph company.

Just now it is endeavoring to drive the publishers of the second-class journals into a long and binding contract to remain faithful to the Western Union Company. To this end they are feeding them very liberally with fresh reports, easily and economically obtained, and at a small price compared with the charges to the journals in the association. Notice is now given to the editors that the news rates must be raised about fifty per cent., but they are privately informed that if they will execute a contract to remain faithful to the Western Union Company, the news rates can remain as at present.

For seventeen years previous to 1867 it was an unwritten law of the New York Associated Press and the telegraph company (I have no doubt it has so remained to the present time) that neither should do anything to the prejudice of the other's interests. This can be well illustrated by an occurrence which took place while I was manager of the Associated Press. The advance receipt of European news, by steamers at Halifax, Nova Scotia (before the Atlantic cables were laid), was so important to the association, that no consideration of money or effort would have excused me for a single failure. At one time the Government managers of the Nova Scotia line, at Halifax, taking up a personal quarrel between one of the executive committee of the telegraph here and myself, issued an order that my news report should not pass over their line until after a rival report had been telegraphed.

As soon as the steamer was signaled in the harbor, one of the two wires this side of Amherst, where the Halifax and New York lines met, was conveniently out of order, and the operator on the other line was ordered to commence to send me the Bible, and continue till the arrival of my horse express, which was run through the 120 miles from Halifax to Amherst in five hours, during which time not a word, except from the Bible, was telegraphed this side of the Nova Scotia boundary. Before the next steamer arrived, the obnoxious committee man was ejected from the company here, and peace was re-established with the Nova Scotia telegraph commissioners. At another time the only morning journal in one of the largest of the interior cities of this State com-

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menced to take news reports over a competing telegraph line. This was an offense to the officers of the Western Union Company, though the editor continued to publish and pay for my Associated Press reports. After learning the company's wishes, I notified the editor that he could not have the association's reports unless he ceased to patronize the opposition line. He continued his business with it, and the following day we entered into negotiations with an evening journal in his city to publish a morning edition, pledging to him free and exclusive reports for a year. This movement, coming to the ears of the unruly editor, he quickly dropped the opposition line, and begged to be reinstated in the Associated Press.

I am familiar with all the Congressional legislation in regard to the telegraph; also with all the arguments of the press and others in favor of the building by the Government of postal telegraph lines in competition with the Western Union Company. I have reason to know that the proprietor of the New York Herald has been strongly in favor of this policy, as his father was before him. The Herald was for years almost the only influential journal favorable to Government control; but there are now many converts to this scheme, among the press who, I have good reason to believe, are laboring for a consideration in the interest of the majority owner of the Western Union Company. That shrewd individual has ready to harvest from twenty to thirty millions of dollars from his telegraph ventures, but whenever he undertakes to do so, real investors decline to relieve him of his load. His only possible hope would seem to be to inveigle the Government into the idea of a postal telegraph, looking to the ultimate sale of the lines of the company for eighty or a hundred millions of dollars. Mr. Gould and his wire-pullers know very well that neither the Government or the public would listen to this monstrous idea, as a formal proposition; therefore his tools are laboring to create a boom on the idea of the Government's building lines in competition with the Western Union Company. When Gould succeeds in getting public sentiment and the Government in favor of the postal telegraph *per se*, it will be a very easy matter for him to show, by citing the Congressional law of 1866, and subsequent amendments, that the Government is bound in honor, to purchase the Western Union and all other telegraph companies at an appraised valuation before it can enter upon any postal telegraph scheme. The public mind having been educated to demand a postal telegraph, the Western Union managers hope to sail into the public treasury upon that tidal wave. Hence, I firmly believe, and in some instances I think I know, that the advocates of postal telegraphy are the paid or fooled advocates of a line of argument prepared for them by Gould himself.

I assume and feel sure all disinterested and intelligent citizens will agree with me, if the naked proposition is submitted to them, as to the purchase of all the telegraph and telephone lines, valued by their owners at not much less than $150,000,000, preparatory to the establishment of a postal telegraph, that it is wholly out of the question; yet that is a much more likely thing for the Government to do than for it to ignore the honorable obligations it is under to all telegraph companies who have accepted the Congressional law of 1866, and rush into direct competition with established telegraph companies.

There is one thing the Government might do, I think, with great propriety: that is, receive and transmit, for the commercial public, telegraph letter correspondence. The Postmaster-General contracts with railroads, steamboats, stage coaches, horse and foot conveyances, &c.,

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to carry our letters and deliver them at our offices and dwellings. The time has come when all of these are *too slow*. In 1870, when I told ex-Postmaster-General Creswell that machine telegraphy was capable of telegraphing mail correspondence in 1,000 mile circuits at an actual cost for the transmission of less than the postal rates, and, what is more than true now, if the writers of letters in the city of Washington for New York would compose their letters on one of the perforating machines, which they could do even more rapidly than they could write them with a pen, they could be sent at a cost of less than three cents per 100 words, he remarked that "such a system of telegraphy could easily bankrupt the Post Office Department."

While a Government telegraph, without purchasing (as was contemplated by the law of 1866) all the telegraph lines in the country at an enormous cost, is unlikely to be entertained, there would seem to be no sound reason why the Postmaster General should not be authorized to ascertain upon what terms he could contract with responsible parties to carry, by telegraph, such mail matter as may be thought advisable.

Present fully and practically developed improvements in telegraphy justify the belief that the Government could contract to have ordinary business letters telegraphed from any post-office to any other within a range of one thousand miles at a cost not exceeding ten cents, and even for less money, if the writers would compose their letters on small, easily understood, and inexpensive perforating machines, which are capable of millions of combinations; so if a writer wished to communicate in privacy it would be impossible for any one not in possession of his key to translate a single word of any communication, though such letters could be as easily read by the writer or receiver as if they had been written in the usual form of telegraph writing. Any girl of ordinary intelligence could learn to read the secret telegraph characters of her employer in one week or less, and after practicing upon the perforating machine thirty days, would be able to compose for the telegraph, from dictation or manuscript, from 15 to 30 words per minute, thus avoiding the expense and loss of time in the preparation of the communication at the telegraph office. The postmaster could receive and deliver such communications, collecting the telegraph and postal rates by stamps, through street boxes and otherwise (as is now being done in Rome and other cities in Europe), and as is now done here with letters, &c. This would involve no new machinery for the post-offices, except, perhaps, an extension of methods and rules already in use, while the advantage to the commercial public would be more than two thousand per cent. as compared with the present rate of the Western Union Company on letter correspondence.

The new system of machine telegraphy is of great importance in another respect; it is vastly more accurate and reliable in all atmospheric changes, or other forms of electrical or other difficulties than the Morse or any other system of telegraphy.

In the important matter of accuracy, the difference as ascertained by an examination of several hundred messages, transmitted on different days, and subsequently compared with the original copies, was more than twenty to one against the Morse or hand-key system.

A single wire between the city of New York and Chicago connected with machinery easily controlled by a girl at either end, would carry all the business letters that could be put on to it, at the rate of *one hundred words per second*, with no more difficulty than there would be in



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telegraphing by any of the hand-key devices of the Western Union Company *twenty-five words in one minute!* If the Government would advertise for proposals for telegraphing letter correspondence through the post-offices of the country it will realize very quickly how unnecessary it is for the Postmaster-General to undertake the Herculean task of managing the details of a business which is already but little inferior to the postal, and destined in the near future to far exceed it. There would be, to my mind, as much reason to require the Post-Office Department to assume the management of the railroads which carry under well-defined contracts, the mails from Washington to Boston, as to control the telegraph between those or other points. If the railroad companies would not carry the mails upon equitable terms, it might be necessary for the Government to build and run railroads. Only a candidate for a lunatic asylum, however, would propose to have the Government compete unnecessarily with the railroads of the country. If not with the railroads, why with the telegraphs? While responsible parties stand ready to contract for all the telegraphing the Government may authorize, at rates low enough to meet the most contracted views of any who may wish to send correspondence by telegraph, at the same time giving a most remunerative and increasing revenue to the Post-Office Department.

The Department might be called upon to extend some special aid to the contractors to enable them to carry machine-telegraphy to small, out-of-the way post-offices where there is not business enough to justify the expense on the part of telegraph contractors. At no point, however, would the Government need to have anything more to do with the telegraph than it has with mail-carrying railroads, or than it now has with telegraph companies in contracts for telegraphing, at stated intervals, the weather reports for the Signal Bureau.

Under such business relations as I have suggested between the Post-Office Department and the contracting telegraph company, it would be found to be advantageous to both parties to permit the postmasters in small offices to assume the telegraph business connected with their offices, thus lightening the salaries now paid by the Post-Office Department. Machine telegraphing being almost wholly a matter of practice upon the most simple machinery, requiring no more skill or brains than to operate an ordinary sewing-machine. It can, therefore, be safely placed in the hands of any person of the age of fifteen, of average intelligence, after two to four months of instruction.

Modern systems and methods of telegraphing require wires of low electrical resistance and of great tensile strength. Previous to 1870 it had not dawned upon the minds of the managers of the Western Union Company that the speed at which telegraphing was possible depended largely upon the electrical conductivity of the wire, and they had been content to jog along with wires of 20 to 30 ohms of electrical resistance per mile; and when I proposed, in 1869, to build a line of compound copper and steel wire from New York to Washington, with the electrical resistance reduced to about five ohms per mile, the idea was ridiculed by old school hand-key telegraphers as next in absurdity to that of telegraphing several hundred words per minute. Since then the old plan of putting up iron wires of No. 9 gauge has been abandoned, except for way lines and short circuits, and No. 6 galvanized iron wire of about 10 ohms of resistance per mile has come into general use, but its great weight and liability to damage in sleet and wind storms renders it very objectionable. As a matter of great importance I can state that a new

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and cheap copper and steel wire has been developed which is free from the very serious faults of the so-called "compound wire" of steel, plated with copper, which is very expensive, brittle, and unsatisfactory, electrically and otherwise. The new copper and steel wire is wholly mechanical in construction, and costs less than one-half the price of the "compound;" indeed, the cost of the new wire, with an electrical resistance of one ohm per mile, will not much, if at all, exceed that of a No. 6 iron wire of 10 or 11 ohms. Practically, therefore, the enormous plant of old iron wires of the Western Union Company is of very little value beyond the cost of taking them down, for the improved copper and steel wire is destined, with machine telegraphing, to work in the near future an entire revolution in telegraph construction and telegraph methods.

[APPENDIX: Note from Mr. Craig.]

Since the preceding statements were made, there has been a considerable reduction in the cost of iron wire and some other articles used in telegraphing, and the following estimates are submitted and are correct to January 1, 1884:

1. The present price of good telegraph-poles suitable for a main line of six wires of No. 8, 6 inches at small end and 30 feet long, delivered, $3.50 to $4.50 each.
2. Telegraph wire of best quality iron, galvanized, can be bought at about 5 cents per pound, which is unprecedentedly low, 6 to 7 cents being the average price.
3. Cross-arms, 6 feet long, fitted with 4 pins, 45 cents.
4. Glass insulators, 6 cents, pins 2 cents.
5. Cross-arm spikes with washers, 3 cents.
6. Morse telegraph instruments, complete, $14.
7. Gravity battery-cells complete, 80 cents each.
8. Telegraph builders: ground hands, $1.25 to $1.50 and board; climbers, $1.50 to $2; superintendents, $2.50 to $3.
9. A first-class line of 1 wire of No. 8, galvanized, with good 30-foot poles, from Washington to Chicago, via New York, would cost per mile about as follows, exclusive of river cables and work in large cities:

| | |
|---|---|
| 30 poles, 6 inches at top | $105 00 |
| 30 cross-arms fitted for 4 wires | 15 00 |
| 30 insulators and pins | 2 00 |
| 388 pounds No. 8 wire | 20 00 |
| Labor and expense, exclusive of right of way | 70 00 |
| Total | 212 00 |

10. The cost of adding three additional wires will be about as follows per mile:

| | |
|---|---|
| 90 insulators and pins | $6 00 |
| 1,164 pounds No. 8 wire | 60 00 |
| Labor and expenses | 60 00 |
| Total | 126 00 |
| Add for first wire | 212 00 |
| Total for a 4-wire line per mile | 338 00 |

11. Local batteries and operating outfit, $65 per small office, and $75 for fitting up each small office. For fitting up terminal offices complete $3,000 would be required, and possibly $4,000. In all large cities at least $3,000 would be required, and at repeating stations (at intervals of 250 to 300 miles) $4,000. For complete apparatus and fixtures, $4,000 would be required.

12. The average rent of offices at 50 stations between Washington and Chicago would be about $800 to $1,000 per annum, in fair localities.

13. I have had a large and varied experience with telegraph lines and telegraph business in all its phases, running through thirty years, from the introduction of the Morse system, and I have recently fortified my own judgment by careful inquiries among practical managers of telegraph lines whose integrity and knowledge are unquestioned.

D. H. CRAIG.

NEW YORK, *January* 10, 1884.

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## LAND AND LABOR IN CALIFORNIA.

ALFRED A. COHEN examined.

By the CHAIRMAN:

Question. Where do you reside?—Answer. In California.

Q. How long have you resided there?—A. Over thirty-three years.

Q. Are you one of the original "Forty-niners," as they are called?—A. Yes, sir.

Q. What is your avocation?—A. I am a lawyer by profession. I have been engaged a portion of my time in railroad business and farming.

Q. Will you state to the committee, so that we may comprehend your capacity to speak upon the subject-matter of our resolution, what has been your connection with the industrial development of the Pacific coast?—A. I have been a land-owner there for a great many years, an owner of city and of agricultural property, have been engaged in building railroads, steamboats, and work of that character, and have had occasion to become the employer of labor of almost every class. I am now, in addition to other little matters, carrying on some farming.

Q. For how long a time have you been an employer of labor?—A. For thirty-three years past—probably longer—very nearly forty.

Q. How thorough and extensive has been your acquaintance with the development of California, and of the coast generally?—A. I have had that experience which a man engaged in active business since the earliest settlement of that State by the American people would be likely to have.

Q. And you have been more or less connected with the development of all portions of the coast—the entire State?—A. My interests have been confined mostly to the different counties around the Bay of San Francisco, though I have had interests in the interior of the State.

Q. And that knowledge of the whole which an intelligent man would naturally obtain, I suppose?—A. Probably that knowledge which a man engaged in active pursuits would get in the course of a long and laborious life.

Q. Have you been more or less brought in connection with legislation of the State?—A. My efforts with respect to legislation have been professionally as a lawyer in drafting bills, but I have been more generally engaged in connection with legislative bodies, in trying to prevent what I thought was viscious or improper legislation.

Q. What special character do you refer to?—A. I have generally sought to prevent such legislation as would increase the burdens of the tax-payer.

Q. There have been controversies of which we have all heard, with reference to corporations, their franchises and the like, on the Pacific coast. In those controversies, with which side have you usually been identified?—A. For a great many years past I have been engaged in opposition to the views of the principal railroad corporations in California.

The CHAIRMAN. I would like you to take up such topics as occur to you as to which you would like to talk to the committee. Give us your views as fully as you please, and with such suggestions as come to your mind which you think might be of use to the committee.

The WITNESS. I understand one of the objects of this committee is to inquire why it is that there is so much unemployed labor in the country, and whether the rates paid as compensation cannot be increased. Am I correct about that?

The CHAIRMAN. You are. Have you read the resolution under which the committee is acting?

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### TEMPERANCE AND THE LABOR PROBLEM.

The WITNESS. Yes. I have read the testimony given here by Mr. Medill as published in the newspapers, and have heard the testimony given here on the subject of temperance by some prominent ladies this morning. I heartily believe that the cause of temperance is the cause of the laborer. In the course of my experience, I have scarcely ever known a laborer of good health, who was of temperate habits, that did not become a successful man. Take the laborers of the State of California, which is a wine-producing community, and I do not think there will be found a more thrifty, temperate, and industrious set of men. It is a State where probably a larger number of working people own their own homes than any other that I know of. I do not think there is any community in the world, except, perhaps, the city of Philadelphia, where there are so many mechanics who live on their own property, as in the city of San Francisco. I attribute that result not only to the liberal wages paid, but to their temperate and saving habits.

### TRADES UNIONS.

One of the causes which, in my judgment, tends to the disadvantage of the laboring man, is the high cost of manufactures, which, I think, is produced by the trades unions requiring every man to be paid alike. The result of that, as I undestand it, is to force the employer to pay the inefficient man the same wages he pays to the most efficient; or, perhaps, putting it more correctly for the purposes of this case, it prevents the employer from paying to the most skillful man any more than he can afford to pay to the least capable of his workmen.

I do not mean to say anything against some of the general purposes of trades unions. No doubt the members, and perhaps the employers, receive some benefit from them, when the employés get together and discuss the relative situations of themselves and their employers; and in the end it may induce to a more perfect understanding of their relative rights. The workingmen get together in those unions, compare views with each other, the stronger and more intelligent control, and the result is to educate the workingmen to a knowledge of what their rights and real interests are, which, in the end, conduces perhaps equally to the benefit of the laborer and the employer.

### EXTRAVAGANT COST OF GOVERNMENT.

Another cause, I think, tending to the great disadvantage of labor in this country is the extravagant cost of government. We have too large a proportion of tax-eaters to tax-payers in this country; and that is especially true of municipal governments. The principal taxation of this country comes from land and railroads, but land pays more than its proportion. The tax upon land must necessarily deduct from the wages that can be paid to the laborer who cultivates it. And the result of our system of revenue, I think, is that the burden of the cost of governments falls too heavily upon the laboring man.

### CORPORATIONS: THEIR RELATION TO WAGES.

I understand that a great deal has been said here on the influence of corporations, and the combination and aggregation of capital in corporations on the employment of labor; that it rests with the corporations,

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they being the principal employers, and railroad corporations, more especially (they being the largest employers), to establish and enforce a low rate of wages. If I am correct in assuming that to be the tendency of the evidence before this committee, it is, in my judgment, erroneous. I think that railroad corporations, and, in fact, all corporations, are paying, as a general thing, better wages than are paid by any other class of employers. That is so in the West. I am not familiar with the rate of wages paid by Eastern railroads, but on the Pacific coast railroad corporations pay mechanics, artisans, and laborers a higher rate of wages than can be obtained from other employers. The employment is more steady and certain and the pay more prompt. Whatever dissatisfaction may prevail in that respect on the part of the employés of railroad corporations, I think, might be obviated if the managers of those railroads could induce or enable their employés to invest their savings in the shares of those companies. There is nothing that tends to satisfy a workingman quite so much as to feel that he has a personal interest in the result of his labor beyond his days' wages. But unfortunately, as matters now exist, the laborer has no confidence in the outcome of the property that he works for, and feels, as the public generally feel, that by becoming a stockholder in a railroad he will not get that portion of its earnings which the stock that he holds would entitle him to. I do not know that the committee care to have me go into that subject.

The CHAIRMAN. I think that is an important aspect of the matter, and would be glad to have your views in full.

### REPORTS OF RAILROAD COMPANIES.

The WITNESS. It is one of the crying evils of our time that the people of this country have not confidence in the managers of the principal railroads. They do not think that any minority stockholder is supposed by the majority to have any rights which the majority are bound to respect. The only remedy that I can see for this is, to compel the president or other responsible official of every railroad company, to make monthly reports of the exact condition of the company; and to visit with severe penalties a departure from the truth in making such reports. It should also, in my judgment, be made a very serious, indeed a penal offense, for any director or responsible manager of any railroad or other corporation to "short" the stock of that company. When a company is prosperous and the insiders desire to buy more stock, they have a means by false reports of depressing it; when it is not prosperous and they know it, and the public do not know it, they are enabled, by giving false reports, not only to sell the stock that they hold, but to sell stock "short," as it is termed, with the anticipation that when the true condition of the company becomes known, they can buy it in again at a lower price. I do not know whether the committee understand these stock terms which are best known to the initiated in such matters in that dangerous portion of our country known as "Wall street," but my last remark will probably make plain the evil that arises from "selling short." Such dealing as that with corporate property certainly ought to be prevented by the strong arm of the Federal legislature.

Q. And your suggestion is that there should be frequent and truthful reports required by law, and heavy penalties enforced if the law is not complied with?—A. That is my suggestion.

Q. You think that if the light is brought to bear on the matter, and the public have the facts, they can take care of themselves?—A. I think the railroads of this country ought to be generally in a prosper-

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ous condition. This is a large and growing country. Each railroad has an army of men working for it. I think it would conduce very much to the contentment of these employés, and to the good order of society, if they were enabled to become interested in their work, as I have said, beyond their wages. If they could feel that they had some sort of ownership in the property on which they were working, which they might well have, and if they could have confidence in its management, it certainly would give a better outlook for the workingman, and make him more contented.

Q. Do you think that upon the wages which are paid by corporations in your part of the country (and throughout the country at large, if you have knowledge of it), the laboring men employed by the railroads could save enough to invest anything in the stock of the company after providing a living for themselves and their families?

CALIFORNIA SAVINGS BANKS.

A. The savings banks of California have deposits amounting, I think, to nearly twenty-four million dollars at this time, most of which is owned by the laboring people of California. I should say that fully three-fourths of all the deposits in our savings banks are made by the laboring population, and when you come to consider that the population of the whole State of California does not much exceed 800,000, you will realize what that means. In addition to that, a very large percentage of our laboring people, and especially in the towns adjacent to San Francisco, own their own dwellings.

It is somewhat curious that there should be such an outcry here of there being so much unemployed labor, when the northwest coast of this country is actually suffering for want of it.

WAGES IN CALIFORNIA.

All wages in that section have advanced within the last twelve months from 10 to 25 per cent. Mechanics receive now from a half to a dollar a day more than they did last year. Farm laborers are paid this year $5 a month more than they were last year. I am paying those increased wages myself.

Q. What is the cause of an increase of wages on that coast when there is a depression on this?—A. Well, it commenced three or four years ago; first, in the political disturbances there, in what have been known as the "Sand Lot" disturbances, when a "gentlemen" by the name of Kearney came to the front, thinking he could form a new political party, or a new dynasty, in this country. A great many mechanics then left in consequence of the great disorder created there and the stoppage of improvements. Then the demand for railroad building in the Northwestern States and Territories drew a great many mechanics from us, and the country has been growing in all this time, and the white laboring population has not been increasing. Since then there has come what is known as the "Chinese Restriction Act," which has prevented the landing of any more of that class of laborers, the importance of which may be estimated when it is stated that the Central Pacific Railroad, and in fact all the overland railroads running out of California have been built principally by it. The Chinese have been employed in vineyards and orchards, and that kind of labor is getting scarce. One gentleman, largely engaged in the cultivation of grapes in the county of San Bernardino, told me a few months ago when I was

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living there that he was apprehensive he might not be able to pick or take care of his crop for want of labor. There has been a great scarcity of labor there, and it has been with some difficulty and at large expense that the large wheat crop of California has been harvested. Undoubtedly there is to-day on the whole Pacific coast in Washington Territory, Oregon, and all parts of California, a great scarcity of labor.

IMMIGRATION TO CALIFORNIA.

Q. How can that scarcity be supplied?—A. I do not suppose that the labor problem of the Pacific coast will ever be entirely settled, or that the contest between white and Chinese labor there will ever be entirely solved until the Panama canal is completed. When a ship can leave the centers of population of the old world, such as Bremen, Southampton, Liverpool, or any of those ports, with a load of emigrants, and, going through that canal without breaking bulk, can land them in San Francisco at a cost of $35 or $40 a head, which can be done under those circumstances, we can then, I think, procure in California all the labor we need. Until that time the only help we can get is by the Southern Pacific Railroad, which runs from the waters of the Atlantic to those of the Pacific under one management. There has always been a difficulty in getting a laborer who lands at Castle Garden to go to California. We have very frequently made an attempt to induce that class of labor to California, but we have never been able to do it for the reason that they have to run the gauntlet of Eastern cities; and these Eastern roads, with their large business and their desire to locate emigrants along their own lines, have never been willing to consent to "*pro*-rate" at such a price as the emigrant can afford to pay to be taken to California. Now, the Southern Pacific, which is a work destined, I think, to be of very great benefit of California, is under one management. When that is fully organized and equipped—and a line of steamers is to run in connection with it, I understand from the president of that company (Gov. Stanford), from New Orleans to Liverpool—we will probably be able to get a larger drift of immigration into the Pacific Coast States.

CHINESE LABOR IN CALIFORNIA.

Q. I suppose there is a general desire there that the labor of the Pacific should be white labor, if it can be obtained, rather than Mongolian labor?—A. There is no question that everybody would prefer white labor. There is a small percentage of people on that coast (and I am one of the small minority) who do not believe in the wisdom of the Chinese restriction act. The larger part of our people demanded that act; and I must say that I am acquainted with gentlemen usually of great liberality of thought and of great intelligence and education who believe that the presence of the Chinese in that State is fraught with great danger to our institutions, and of great disadvantage to the rising generation. Certainly, however, the condition of the labor problem at the present time is somewhat inconvenient for the people. The Chinese who are there understand very fully that they are not to be supplemented by any more, and they have advanced their views of the value of their services accordingly.

Q. Really, then, the "Chinese cheap labor" is not much cheaper than white labor now?—A. Chinese labor in California is not any cheaper than white labor now, taken altogether. I think if the people of Cali-

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fornia could get all the white labor they wanted, they would not employ any Chinese.

A great deal has been said on the subject of the desirableness of Chinese labor. I think as a class—as laborers—they are certainly not equal to white people. As domestic servants they are probably neither better nor worse than the run of general servants of that kind which we are able to obtain in most parts of this country, that is, of other foreign help.

THE PANAMA CANAL.

Q. Speaking of the canal, what prospect is there of the completion of that canal; have you any knowledge on that subject?—A. I have been brought in contact with the gentlemen on this side, the bankers and men who handle the finances of that company in this city, and I should judge, from what I can learn of them, there is a very good prospect of its completion, though I think it will take at least seven years from this time before it can be put to any use.

Q. You mean the "Lesseps" canal, of course?—A. Yes, sir.

Q. Is there any prospect of another canal farther north?—A. I do not know; I am not sufficiently informed to answer that question.

Q. But either of these methods of supplying California with labor, especially by way of the canal, looks a considerable time to the future and would not seem to give you any present relief?—A. No, sir.

Q. Seven or eight or ten years is a good while to wait. Now even the Southern Pacific Railroad does not look to supplying the Pacific coast with white labor which will at the same time afford any relief to the laborers of the east; it seems to contemplate a supply being derived from the old world; is that so?

LINES OF TRAVEL AND RATES OF FARE AND FREIGHT TO CALIFORNIA.

A. I think there is now a line of steamers running from New York city to New Orleans which is carrying freight for California, and which line really delivers freight in one week less time than it could be delivered by shipping it on any of the trunk lines running out of New York.

Q. Do you mean that you can ship freight by this water line from New York to New Orleans and over the Southern Pacific to San Francisco in a week's less time than from New York directly across?—A. I think you can send freight directly by the Morgan line of steamers recently purchased by Mr. Huntington and his associates, from New Orleans to California with great regularity in from 15 to 20 days. My experience has been that the average time of shipping by the New York Central or Pensylvania Railroad to Chicago, and continuing from there through by rail to San Francisco, has been about 25 days, sometimes 30. If a road could be made that would carry passengers that way (second class and immigrants) at a price that the laboring people felt they could afford to pay, undoubtedly a great deal of the surplus labor of the east could and would find employment on the Pacific coast. I am not speaking alone of California, but also of the great territory around Puget Sound and taking in all the valleys of Oregon. But, as you probably know, there is a growing inclination on the part of the laboring classes of this country to settle around the large centers of population. They want to be either in, or immediately contiguous to, large cities; and to a laborer who has lived in New York or Pennsylvania, the Pacific coast is a sort of unknown territory. They would almost as soon perhaps go

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to Africa. There is a disinclination, I think, on the part of mechanics and laboring people to emigrate from the great centers of population.

Q. Do you think that the mechanics and laboring people who really want work in the eastern States comprehend the great advantage of residence on the Pacific coast? A. I don't think they do. I dont think it is understood that a man can labor there every day in the year, despite the march of the seasons; nor that the cost of fuel in one month in this neighborhood is perhaps as much if not more than in a whole year in the valleys of California.

Q. Before coming to the advantages of the Pacific coast to working people, I would like to ask you one or two more questions in regard to the possible facilities of transit there, because it is not of much use to talk about heaven unless there is a way to get there. These people are without means as a rule, and several who have been before the committee have testified that there are a great many who would be willing to abandon this city and other cities if they had the means of helping themselves to transporation. Can you make any additional suggestions in that regard? Is there any probability of competition, now that we have these three great trunk lines; or are they so far apart that they would not make competition practicable?—A. The competition to the Pacific coast is now, or rather will be, active. The Northern Pacific Railroad Company is to a certain extent the competitor of all the other lines; but that will only take people into Oregon and Washinton Territory, and from there they will have to take other lines to California. A new line now about opening by way of the Atchison and Topeka, the Atlantic and Pacific, and the Southern Pacific, runs from Kansas City right to San Francisco over these three roads. The Central Pacific Railroad Company, is at present under the same management, and substantially the same ownership, as the Southern Pacific proper. But I have not the slightest doubt that if a thousand men and their families would go to Mr. Huntington, who is the manager here of the Southern Pacific Railroad Company, and ask to be transported by their steamers and cars by way of New Orleans to San Francisco, he would make a rate for them that they could afford to pay.

Q. What do you think might be done in that way—what rate could be made for passengers? Of course I do not understand that you can speak conclusively.—A. Well, I don't know, but I should say that if I were the manager of that line and could get a thousand well disposed and capable men——

The CHAIRMAN [interposing]. With their families, you mean?

The WITNESS [continuing]. With their families, into a territory where I had a railroad running, while I could not afford to take them for nothing, I certainly would not charge them very much.

Q. Do you not think that in the end, and not putting the end very far away either, it would be profitable to carry them even for nothing rather than not have them go?—A. I do really think so. If they could carry a few thousand people on their line where they could found homes and become purchasers of land which those companies have for sale, it would be very much more to the advantage of the companies to carry them for nothing than not to carry them at all.

### AVAILABLE LANDS IN CALIFORNIA.

Q. Assume that that solution of the difficulty of getting to the Pacific coast exists as a fact; now what chance has a man got when he gets there? How is it about obtaining land? We have a common impres-

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sion that the good lands of California are in the Mexican grants, and held in large pieces by families; how is that?—A. It is a great deal better for a man to buy land that is in the Mexican grant than to take the Government land. He is much more likely to get a good title in the one case than in the other, unless he goes off from the settlements and takes up some Government land which has not been previously entered or settled upon. There are a vast number of people along in the southern tier of counties—in the counties of Monterey, San Benito, San Luis Obispo, Santa Barbara, and Los Angeles, who are proving every day, before the land officers, their claims to public lands. The northern part of the State has been very little taken up. The central part of the State is mostly held in private ownership. But I don't know to-day of any owner of land that is not looking for people to sell to.

Q. Even in these Mexican grants?—A. Those are the very people who are desirous of dividing up and selling. There are some large ranges of land held by the cattle men which it is, perhaps, more advantageous for them to hold than to sell. But you will find very few men who are cultivating land who are not willing to share it with some one else.

Q. In how small tracts can it be had?—A. In that climate a man can handle 160 acres of land as easily as a man here can 40. A farmer there can work 160 acres with about the same capital that a farmer in Pennsylvania can 40. He requires no barn of any consequence. His grain is harvested in the dry season, and he gets it to market before the rain comes. He does not have to protect his stock from the inclemency of the weather as the Pennsylvania farmer does. The cost of farming, too, has decreased in a number of ways.

Q. What will this land cost him to purchase?—A. That would depend on the locality. Prices are various. You can buy farming lands in California, that is, lands held in private ownership, all the way from $5 an acre perhaps up to $50 in some cases. Perhaps where it is very favorable for the growth of the vine one may have to pay $100 an acre.

Q. What opportunity would there be for making purchases and giving the land itself as security with small payments down?—A. I think there is a great disposition to do that. I know, for myself, I have lands which I would be very glad to divide up in that way and sell on time, without any advance payment, to people living on them and improving them.

Q. What chances would there be of their paying for the lands, so as to hold them ultimately?—A. Well, I have in my mind the cases of two young men who started growing wheat in that State. They bought on one of the lines of the Central Pacific Company 640 acres of land. They made, I think, a small payment that the company required in advance, and within three years from that time the president of the company told me that that land was paid for and the men were several thousand dollars ahead. There have been some instances of great success with wheat growing in the State. Last year many men were made rich by growing hops, because the hop crop failed almost everywhere except throughout California.

Q. You have been speaking of the opportunities for agricultural laborers and farmers there. What population of that description do you think California might absorb, if they were disposed to go there?—A. Well, of course it would have to be done somewhat gradually.

The CHAIRMAN. I mean gradually.

The WITNESS. It would be difficult for me to make an estimate. The capability of the country to absorb agricultural labor is immense. The State is an enormous one.

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VARIETIES OF CLIMATE IN CALIFORNIA.

I think it has a coast of 700 miles or more. It has a great variety of climate, from mountain peaks over 7,000 feet above the sea to valleys 250 feet below the ocean level. You can leave Sacramento when the roses are blooming, and in three hours you will be in 30 feet of snow in the Sierra Nevada Mountains. We raise every description of fruit that is raised in either a temperate or tropical climate. We have all descriptions of soil and all extremes of climate in that State, and the unoccupied land is very extensive. Probably you can get that information by reference to Federal statistics more accurately than I could give it.

The CHAIRMAN. The difficulty about statistics generally is that they do not give a common man any idea of the land available for improvement. They measure mountains, deserts, &c.

The WITNESS. I am a very poor hand at statistics myself.

The CHAIRMAN. That sort of statistics is not instructive to the ordinary mind; but you think there is plenty of room available to get land, such as a man would want to settle upon, for many thousand people?

The WITNESS. There is plenty of it, sir, in all parts of the country. There is nothing in California which is so much in the market as agricultural land. There is a great deal of such land for sale. Almost everybody feels that he has too large a tract, and is willing to sell some; and the farmers there are generally prosperous, and nearly all of them are willing to realize on a part of their holdings.

AGRICULTURE IN CALIFORNIA.

Q. What do the farmers of California raise?—A. They are mostly wheat speculators. They farm enormous tracts of wheat, and you will see a man with a magnificent field of growing wheat, probably covering 1,000 or 1,500 acres, who does not raise his own potatoes, and gets his hams and his lard from Chicago.

Q. They are brought across the continent by rail?—A. Yes; and it is a wonder if he makes his own butter. Some of them do so, and some others prefer to go to the grocery and buy it. It may not be a popular thing for a man who lives in California to say, but the fact is there are very few farmers there; and the wheat-growers, who are in effect wheat speculators, are not a thrifty race of people. They do not live within themselves as farmers should. If a man strikes a good season there with his wheat, the land being so prolific, he makes a large amount of money; and as a general thing he expects that about one season in five there will probably be a short crop, by reason of the drought.

Q. What is the reason that there is such a lack of diversity in agricultural productions there? Why do not the farmers or those who live on the soil raise different commodities?—A. Because wheat is easily raised and easily handled and finds a more ready market in large quantities. You cannot have a crop so large that you could not handle it at some price. We can send to Liverpool or the European ports $30,000,000 worth of wheat as easily as $20,000,000 worth. We have been sending something more than an average of $20,000,000 worth of it each year, for several years, to European ports.

Q. About what chance would a small farmer have in competition with such men?—A. There are a large number of these men that I have in my mind who will take an immigrant on their places and furnish him with land, house, and tools, and with seed for the first year, and give him a share of the crop for his labor. There is a great deal

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of that done. I know a gentleman who lives in the county of Alameda, where my house is situated, who has done a great deal of that. Whenever he found a thrifty looking immigrant and his family coming in, overland or otherwise, he would settle him upon one of his farms. In that way a man very soon gets enough to buy a farm for himself.

Q. This class of immigrants, however, would have to be men who understand farming already?—A. Undoubtedly.

### WAGES IN CALIFORNIA.

Q. What opening is there among mechanics and common laborers?—A. There is probably no country in the world where mechanics are better paid than in California. We are paying now for common carpenters $3.50 to $4 a day, and mostly $4; and to men of any extra skill, such as I have frequently employed, we pay not less than $4.50 and $5 a day.

Q. There is constant work all the year round, is there?—A. It is seldom that a man loses a day there. Sometimes in the rainy season, between December and March, he might occasionally lose one. Such a day as this, for instance, when the storm is so considerable as not to allow him to work out-doors, he would lose time, but there are very few days in that State that a man would lose, in the course of a year, by reason of the weather.

Q. This demand for the carpenter, I suppose, extends to all the building trades?—A. To all the building trades, yes, though probably carpenters are more in demand for the reason that most of the structures in that country are of wood, especially outside of the cities. It is very seldom that any body is willing to live in a brick house, outside of a city.

Q. The plasterer, and painter, and plumber, and machinist are needed, I suppose, are they?—A. Yes, they are all needed. We have a great many steam craft running about the coast, and there is still a great deal of mining going on in all parts of the country. All those things that require the services of a machinist come from San Francisco or some one of the towns.

Q. Has there been any tendency of white labor to California since the passage of the act restricting the further importation or landing of Chinese?—A. I have not seen much increase; I think not.

Q And yet the demand has increased and wages have gone up from 10 to 20 per cent., I think you said?—A. Yes.

### WHY LABOR DOES NOT TEND TO CALIFORNIA.

Q. What is the reason why this demand is not supplied?—A. I should think the cost of getting there, principally.

Q. Should you not think that that is an obstacle that business men on both coasts would undertake in some way to remove?—A. We cannot remove it, as I said, on account of the action of those eastern trunk lines; and there is very good reason why they do not consent to the removal of that obstacle. They will not issue tickets or make prices which will interfere with their local rates.

Q. How is that? I do not know whether I quite understand you.—A. For instance, suppose the fare from here to Chicago of an immigrant today to be $10, and the Pacific Railroad lines are willing to transport the passenger to San Francisco for $30, that would be, say, about a cent a mile.

Q. That is, the Pacific Railroad would be willing to transport at a

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rate which would make the whole cost over their own and the intermediate lines, taken together, $30?—A. Yes. Now, some of the eastern roads have expressed themselves, when this proposition was made, as unwilling to take their *pro rata* shares of that; for the reason that a man would buy a ticket from the east to San Francisco, and would get off at Chicago and sell his ticket to somebody else and probably get as much for it at Chicago as he had paid for it in New York, and in that way these roads would lose a great deal of the profit of their local business in attempting to foster the through business.

Q. Do you think there could be much serious loss in just the transportation of immigrants?—A. Well, my experience has shown that it has made quite a difference.

Q. But there is very little transporation of immigrants, I take it, from what you say?—A. Well, it does not make any difference how many go beyond the termination of the eastern road. It is the interference with the business of these eastern roads that is the trouble. They have no interest in taking passengers on other roads.

The CHAIRMAN. There is a natural desire on the part of those roads, I suppose, to keep the immigrant where he, by production, contributes to the continued prosperity of the transportation lines on this side the Mississippi.

## UNNECESSARY BURDENS OF GOVERNMENT.

The WITNESS. If the committee desire me to express myself fully on this subject, one of the causes that I think acts somewhat disadvantageously to the laboring man is, as I have said, the great cost of government—the large amount of taxes that are levied, and which, in great measure, come out of the earnings of the laboring men. An employer who has to pay a large amount for the support of the Government, all of which has to be taken out of the price he obtains for the article he manufactures, cannot afford to pay as much for labor as where those excessive taxes are not paid; and for that reason it is always an advantage to a manufacturer to have his works located outside of a municipal corporation. If I may be permitted to say so, I think that one of the things that oppresses the whole commerce of the country and retards or interferes with its prosperity is the unnecessary burdens which are laid on the people to support the Government; and by Government I mean every branch of Government, not only the Federal, but the State governments and their various local branches, counties, cities, &c. I do not think there is anything that requires redress or alteration for the general good of all the people in the United States to so great an extent, or in any more important in its results to the laboring population, than that I now speak of. And if Senator Pugh would not take exception to what I am about to say, it occurs to me that you will probably not get exactly the relief that I speak of until we get a change in the administration and get a Democratic government.

Mr. PUGH. I heartily concur in that opinion, but my friend the chairman will not agree with you, probably.

The CHAIRMAN. Well, it seems to be a hopeless remedy to look for. I am afraid that the country will lose confidence in the testimony of the witness. I had begun to think it was going to do a great deal of good.

Mr. PUGH. No. I think that remark of his fortifies and strengthens his testimony very much.

The WITNESS. We want some government that is in harmony with the common people.

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Q. Won't you give us a little more definite illustration of the excessive taxation, national, municipal, and State, to which you refer; for it is a very important matter. State anything that occurs to you now that should be either removed or decreased.—A. Well, as I have said, I am not very good at statistics. I find that one of the first indications of my advancing age is the loss of memory. I am not prepared to state what the burdens are in different localities, except in my own. I know they are exceedingly onerous there.

The CHAIRNAN. That would be an illustration probably of the whole covntry.

TAXATION IN.

The WITNESS. Perhaps so. If I am correct in my recollection, we are about to collect this year for the support of the State government alone, in Califoroia, with its 800,000 people, something like $4,000,000; but that is simply for the State. Th n we have in addition to that the burdens laid by county governments and by the city or municipal governments. I have no doubt at all that altogether it will amount to probably twice as much more. I may not be entirely exact in my figures, but I think that I am not far out when I say that 800,000 people in California will pay for the support of their government this year about $12,000,000; and I do not think that we are any worse off than a great many other States.

LAND AND LABOR PAY TOO MUCH TAXES, CAPITALISTS TOO LITTLE.

Q. I think you said you thought an unjust proportion of this taxation falls upon the land, and so upon the farmer or laborer.—A. It does, undoubtedly. The great capitalists of the country do not pay their proportion of the taxes.

Q. How would you lessen that evil and better apportion taxation?—A. If a man is worth five, ten, or fifty millions of dollars, and the Federal law says that he can put that into United States bonds and be free from taxation on it, I don't see any way to get at it.

The CHAIRMAN. The amount of United States bonds is somewhat limited, so that that would account for the investment of but very little.

The WITNESS. Then there are various ways in which gentlemen who have personal property keep it from the prying gaze of the assessor or tax gatherer. How that is to be remedied there are probably many persons much more competent than myself (who have never been a legislator) to devise.

INCOME TAXATION.

Q. Have you ever considered the desirableness of an income tax?—A. I have.

Q. What is your view upon that?—A. I think it is a tax of which the largest portion is paid by people of small incomes.

Q. That would depend somewhat, would it not, on the provisions of the law itself? If small incomes, say up to $5,000 or $10,000, were exempted, and the incomes of greater amount than that were taxed, the evil that you mention would not exist.—A. Well, I think it is a tax that never will be approved by the American people. It depends too much upon *espionage* into the private affairs of people to become a popular tax in this country. And it is very difficult for gentlemen of large incomes, when the assessor calls upon them for statement of their last year's in-

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come to tell what it really was; it has not been realized; it rests somewhat upon conjecture; and in that way a correct return is very often evaded.

Q. Well, if there is to be no income tax, and the burden is mainly on the land, that is an injustice, of course. What other suggestion could you make?—A. I think that if all property, every class of property, were equally taxed, there would be no necessity of having recourse to an income tax.

Q. In what way would you contrive to tax all property equally?—A. Simply by the same process by which men are compelled to tell the truth as to other affairs of life.

Q. Well, is that any more difficult with reference to their incomes than with reference to any other things?—A. No, but what a man has he knows, and what he may be estimated to have made on last year's business is, as I say, at the date the statement is asked for, largely conjectural.

Q. If a man has made a very large sum, he might be willing perhaps to swear that he has made so much and give himself the benefit of the doubt?—A. We used to find during the war that the only gentlemen who gave the Government the benefit of the doubt as to the size of their incomes were those who were in failing circumstances and wanted credit.

Q. I suppose if there were to be a Democratic administration and the people were to be relieved by it, and the income tax were to be the means of relief, you would hardly run some of your former candidates? You would find it necessary to cull a little for candidates?—A. I am not acquainted with the gentleman who is supposed to be the foremost Democrat of the age, and therefore I cannot intelligently answer that question.

Q. Can you make any suggestion to relieve the country, the land owners, or the land cultivators from this unjust proportion of the burden of taxation which they bear?—A. I do not know that I am prepared to speak to the committee on that subject. I never had really thought much about it and probably there are gentleman more experienced than myself who can. I have suffered a great deal from being a large land owner and having to pay more than what I thought was my share of the taxes.

### CORPORATIONS: THEIR BENEFITS TO SOCIETY.

There is one other subject which I would like to mention to the committee (as probably the time is growing short), that is, the subject of corporations. I have seen in the few reports that I have read of the proceedings before this committee that there has been a somewhat general denunciation of corporations. I think that is one of the reasons why things are unsettled in this country at this time. There is no doubt that there has been much in corporate management which calls for redress; much that requires relief; but the usefulness of the aggregation of capital in corporate form I should suppose could not be a subject of much doubt in the minds of this committee. The outcry against corporations, or the objection to the use of capital in corporate form, seems to me to be about as tenable as it would be to object to using a four-horse team, and insist upon requiring that whatever work was to be done by the use of horse-power should be done by each animal singly. The aggregation of capital in corporate form in this country is simply an aggregation of motive power, so to speak; it is enabling men combined to do that which no individual, or very few of the individuals of the country could

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do alone. If it rested with individuals or with partnerships to build railroads—if men had in their combinations to undergo the risks of partnership business, there would be very few railroads built. The enormous benefit that has been conferred on this country even in the last five years by the building of railroads, it seems to me, should prevent any attack upon the desirableness or usefulness of corporate enterprise. I have no doubt the committee is aware of the fact that I am about to mention, but within the time I speak of—within the last few years, from 1878, to 1882 we have increased our railroad mileage in this country from 80,000 to about 120,000 miles. The earnings of the railroads for the last year—the gross earnings, as I remember them, though I do not intend to be entirely responsible for the figures I give—were $777,000,000. Of that amount $450,000,000 nearly were expended in the operation of the roads. The net earnings are somewhere in the neighborhood of $320,000,000, so that, even bringing it to this labor question that you are inquiring about, you will see the benefit that the laboring people of this country have derived from this aggregation of capital.

### TAXATION OF RAILROADS.

Q. You spoke of land and railroads as the principal sources of taxation. If there is excessive taxation upon the land, would it not be probable that there is a deficient taxation upon the railroads?—A. I think as a rule there is.

Q. Does any way occur to you of remedying that evil—how would you impose a tax to remedy it?—A. The only way is to compel the assessment of a railroad by the same rule that you would apply to the assessment of a farm or the tools or teams of the farmer; by the same rule that my house is assessed it seems to me a railroad should be assessed.

Q. As a rule they are undervalued, you think, for the purposes of taxation?—A. I think, as a rule, the railroads do not contribute their proportion to the support of the Government, but there may be, of course, exceptions to that rule.

### LEGISLATIVE INTERFERENCE WITH RAILROADS INJURIOUS.

A great deal has been said, as I understand, on the subject of legislative interference with the earnings of railroads. I do not know that that subject comes within the scope of your inquiry.

The CHAIRMAN. Yes, it has been discussed before us, and we would be glad to hear anything that you may have to say on that subject.

The WITNESS. For several years I endeavored to promote legislative action in the State in which I live to that end. Nothing was done about it, and in the mean time, in looking about and seeing what had been accomplished on this side of the Missouri River without legislative coercion, and principally by competition, I came to the conclusion that legislative coercion of railroads was one of the mistakes that we had better grow out of. I found, on looking into the statistics of this country, that the cost of transporting a bushel of wheat from the Lakes to the seaboard; or, putting it as exactly as I can, from Chicago to New York, had decreased about 69 per cent. in 14 years; that the transportation of breadstuffs for which we had paid one dollar in 1869, was in 1882 performed for 31 cents, and that the cost of bread had thereby been reduced to that extent. I also came to the conclusion, and especially in view of the result of the legislation in the State of Wisconsin, where what is known as the granger laws were some few years ago en-



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acted, and which were sustained as being constitutional enactments by the supreme court of that State, but were afterwards abandoned as being in conflict with the more legitimate rules of commerce, that it was unwise and improvident for us to attempt to fix the value of the service performed by railroads. I did not see that we could compel or coerce a railroad to render any more efficient service than we would be likely to obtain from the coerced service of an individual; that if we would reduce the cost of transportation to a limited price, the value and quality of the service performed would in all probability decline somewhat in the same ratio. If you are not willing to pay the price which a railroad demands for an express train, undoubtedly you will have to put up with a slower train. If you fix their rates at such a price that they cannot afford to run trains composed of ordinary passenger coaches, you will have to go back to the old days when they ran mixed trains, partially freight and partially passenger cars.

COMPETITION THE BEST REGULATOR OF RAILROAD CHARGES.

In all respects it seems to me that you would accomplish by competition all that you can accomplish by legislation.

Q. How is it where there is no competition?—A. The very fact of receiving liberal rates will invite competition.

Q. But it may be years, may it not, before it is reached?—A. That is better than to shut the door to all competition by showing that the rates paid to existing companies are unremunerative.

Q. But you would not, for the purpose of inducing competition, permit existing roads to charge exorbitantly?—A. I think nearly every charter of a railroad has a maximum price beyond which the railroad shall not go, and there is an agreement on the part of the carrier not to charge any more than those rates, so that they cannot go beyond the price which their charter fixes.

Q. Yet we know this to be the fact, that in no instance has any railroad made a return of any surplus whatever to any State which has chartered it; but, on the other hand, many of the railroads of this country have vastly increased their roads and enormously increased their accommodations out of the surplus earnings which they have taken from the public by very large charters of fares and freights. Now do you think that that is the right thing for the railroads to be allowed to do, there being no competition?—A. I will answer that by enlarging somewhat on the rates charged from this city to Chicago. Nearly all the corporations which own the different roads running between this city and Chicago have become rich and powerful organizations. They have never made any concession to the public from mere philanthropic motives. They have, however, made that reduction that I speak of in the case of breadstuffs, simply because the competition forced them to do it. If the rate had been an unremunerative rate, there probably would have been but one road to day, and the danger of one road passing through a country always is that it has necessarily great political power. It is the chief employer of labor. Every man employed is a voting machine, and generally votes in such a way as his employer wishes, or the manager dictates, and the result of that is that that company, so far as legislative action is concerned, has pretty much its own way.

Q. But that can be no objection when you would not allow the legislature to act at all; your principle is that the legislature should not act at all, as I understand?—A. Yes; but that does not reach the point at which I am striking, if you will permit me. Speaking of the action of

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the legislature, with reference to one line, I say the effect of legislative action is to perpetuate the monopoly of that one. If you, by legislative action, put the price down so that other companies are not tempted to come in and compete for the business, you will never have more than one line. Of course where there is but one line, and that the subject of no coercive legislative action, it will not do any business at any lower price than is for its own interest. It will charge such a price as will not check the business along its line; in other words, such a price as will give it the greatest income that it can get. That being the case, the fact that such a company as that exists will bring competition.

### THE PACIFIC RAILROADS: THEIR COMPETITION.

What brought the competition of the Northern Pacific, the Atchison and Topeka, and the Atlantic and Pacific, against the Central Union and Southern Pacific Railroads? Why, the simple announcement all over the country that the Union and Central Pacific had a very extravagant tariff and was reaping a rich harvest. The Northern Pacific was the first line to start in and compete. What was the result? The surplus earnings of the Central Pacific stockholders were used in building the Southern Pacific Railroad. That railroad is certainly a great benefit to the State of California. Perhaps I am not correct in saying that the surplus earnings of the Central Pacific stockholders were used entirely in building the Southern, but the wealth and business standing of the Central Pacific managers gave to the Southern that standing and character which enabled these men to build the road. The value of that road to that State is, I think, much greater than any excess of charges ever made by the Central Pacific on the business of that State.

### INFLUENCE OF RAILROADS ON LEGISLATION.

But coming back to the question. I contend that if the rate of charge permitted by law to a railroad is niggardly and unremunerative, it simply results in the perpetuation of the monopoly of that road, and the time necessarily comes when the corporation gets the better of the public. The corporation exists; one set of men are possibly all the time managing the corporation. In their contests with the public they get to have experience and knowledge of how to handle legislative bodies. Legislators change; the public are not appreciative enough to keep all their great incorruptible statesmen in one place; somebody on the outside usually wants a chance, and the men of experience in legislative bodies are not seen in their places in succeeding sessions. But the railroad men are there, the same men that were there before, and the end of it is, according to our experience, that in the contest between the railroad and the public the railroads are sure to come out ahead.

### GOVERNMENT CONTROL OF RAILROADS.

Q. Might not this be a strong argument for Government control and management of the railroads themselves?—A. Well, I should think that from our experience that would be about the last thing we should want. I certainly say that in that case the remedy would be very much worse than the disease. If such a thing were to take place now, it would certainly postpone the day that Mr. Pugh and the great statesmen of his party are looking for, when the country will return to the better government of the Democratic party; because, if the Republican

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party ever get control of the railroads, there certainly would never be any change of Government by the usual forms of election.

The CHAIRMAN. Some might think that that would be an additional argument in favor of government control.

The WITNESS. Yes, some might. There are all classes of opinion in the country.

The CHAIRMAN. It strikes me as one of the soundest that you have propounded.

The WITNESS. I have never seen anything done in this country by the Government, from the building of a ship or carrying on of any business, that was not and could not be as well done by individuals.

Q. You consider competition the best regulator of the public interests?—A. I do.

I would like to say, in this connection, that the success which the Government has made of the post-office is often cited as an illustration to show that it would also succeed with the railroads. The answer to that is, that anybody can make a success of a business where they can do it upon their own terms and allow no competition. The Federal Government, substantially, takes at its own price—at what it chooses to pay—all the facilities for doing its postal business, the railroad cars and motive power of all the railroad corporations of this country, and compels the companies to carry mails at just such prices as it is willing to pay; but if it had to pay the same rate for the use of cars as private individuals pay—in other words, if the postal service of the country was paid for at the same price that all other business is paid for on railroads—there is a strong probability that even the Postal Department would not be a success.

The CHAIRMAN. I do not think the country usually stops to consider how the mails really are transported. There may be other points which you have to suggest, and if so we should be glad to hear you.

The WITNESS. Well, if I have not exhausted the subject, I must certainly have exhausted the committee.

Mr. PUGH. Not at all, sir; we are glad to hear you.

### IF GOVERNMENT MAY REGULATE RAILROADS, WHY NOT REGULATE OTHER DEPARTMENTS OF COMMERCE?

The WITNESS. I was about to say, in reply to the chairman's last remark about the benefits of competition, that there is another view of the subject of legislative interference in the affairs of railroads, and that is this: In the first place, it is very inefficient when done by States. The business of all large railroads runs from one State to another, and the jurisdiction of the State legislature is confined within the lines of each commonwealth. If there is to be any serviceable interference at all, it must be done by Federal action, so that there can be one tariff upon the whole line of one railroad. But the great danger of this whole matter, as it strikes me, and as I would like to suggest to you gentlemen, who are the representatives of the leading branch of the Federal legislature, is, that when you once commence to interfere by legislative action with private business, it is difficult to tell where you are to stop. It has been often said that the application of steam to the carrying commerce of the world has revolutionized everything and demands some new departure in the making of contracts between carrier and shipper, some different mode of regulation and supervision from that which pertains to the ordinary affairs of life. But look at the practical result! When you have said that the carrier should do its business at a given rate,

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must you not in terms provide at what rate it shall be able to get the means whereby it does that business? When you have fixed the service of a carrier by legislative enactment, should you not at the same time fix the cost to him of the carriage, the fuel, the rails, and locomotive power with which he peforms this service?

Take this other view of it. You say the passenger should be protected from corporate imposition, and therefore you enact the rate that he should pay for being carried to his destination. The legislature of Illinois has been asked to go beyond that. It has been asked to say what price he shall pay for his bed while on the road, how much the Pullman Company shall be permitted to charge him. I do not know but what that is the natural result of regulating the cost of his passage. If he needs to go to sleep on the way, that ought to be regulated also. It would be of very little use to protect him from the rapacity of the railroad corporation if you allow the sleeping-car company or the bootblack to take what is left.

Now, when you have done that, and he arrives at his destination, should he not be as much the object of your solicitude in protecting him from the extortion of the innkeeper? Certainly you have done him but a very inadequate service, having saved him from being charged a large price by the carrier and the sleeping-car company, if he is to be turned over, unprotected, to the mercy of the men that he is compelled to board and lodge with. Then, again, after you have done that, he will say to you that the usages of society require that he should be clothed, and he will want you to make some contract for him with his tailor, and when you have done all these things, the question comes, What is to become of the people who are thus regulated in their employment of labor? Are they to be compelled to pay just what the laborer exacts from them, or will you regulate that also? It must logically follow that you cannot stop short of that, and that you must enact how much each day the laborer is to receive. And having accomplished that, and having got at the final post in your journey, what has become of your republican form of government? In what better position have you left the American citizen than the Russian serf?

Q. Then you object to the provision in these railroad charters limiting their charges to 10 per cent?—A. I do not object to any contract or condition the carrier chooses to make.

Q. But if you confine your principles to those which you have enunciated, do you not necessarily say that the provision that they shall be limited to 10 per cent. is an injust and unrepublican principle to set up?—A. Not if it is contained in the original charter. Whatever contract a railroad company or individual chooses to make, let him make; but what I contend for is this, that after a railroad is constructed under a general law of the State or under a special charter, there should be no change in it unless both parties are heard to consent to the change; in other words, I say that the bad effect of that is to stop the construction of railroads and it leads the legislative power necessarily from one step to another until this becomes, not a free Government, but a Government of coercion. When you have attempted to regulate any trade or occupation into which labor enters, it necessarily results that you must regulate the price of the labor. If you do not do that directly by legislative enactment, you do it indirectly; and when you say that the carriers or the manufacturers who are the principal employers of labor in this country, shall not receive more than a given sum for the service performed or the article produced, you have in that enactment said that they shall not pay more than a certain *per diem* for their labor.

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Q. Suppose that to be so, do you not recognize it as a truth that in every charter, whether expressed in words or not, and as a part of every charter or grant of franchise of every description which is the basis of effort or of service to the public, the common-law principle that only reasonable charges shall be made to the public for the services rendered, is incorporated?—A. I do.

Q. And that is so whether it is actually written in the charter or not?—A. Undoubtedly.

Q. Then there is the principle of governmental regulation of corporations in every charter belonging to every corporation in this country already, and it is as much there as though every one of them had the written condition that not over 10 per cent. shall be taken?—A. I go farther than you. I do not think we differ in that. I say that every one of these railroad charters of the present day should be read in the light of the organic law of the State in which those corporations are formed, and the constitution of nearly every State now provides that all corporations formed under the laws of that State, shall be subject to alteration and amendment or repeal at the will of the legislature. Undoubtedly that legislative theory is reserved in every charter, but that also is intended to have a reasonable construction. It does not mean confiscation.

The CHAIRMAN. Oh, no.

The WITNESS. And it does not mean the putting down of the price to an unreasonable extent. But beyond that, although that power is possessed by the State, undoubtedly, yet I am speaking of the wisdom of exercising it.

Q. The wisdom of the exercise would depend upon whether there was any abuse or not?—A. Undoubtedly, if there were such a gross abuse as to amount to a crying evil; but I am speaking of a difference of opinion as to the policy of charging one price or another—the question of such tariffs as we know to prevail throughout the country and which we know are not onerous enough to check transportation. I say it is better to leave tariffs like this to the higher law of competition than that of coercion. I do not propose to go back to the decision in the Dartmouth College case, when the law was, as declared there by the Supreme Court of the United States, that there being no reservation of power by the law or legislature in granting the charter, it was a contract that could only be disturbed by the agreement of both parties. Things are different now.

### UNION OF RAILROADS TO DESTROY COMPETITION.

Mr. PUGH. Mr. Fink is the railroad commissioner here, and, in his testimony before this committee, he says that he represents a combination of railroads east of the Mississippi, numbering about forty, and including five trunk lines. He says that that combination was formed mainly for the purpose of destroying competition between the roads entering into that combination. Now, it is just the same, therefore, as though there were but one railroad; and he stated that that was a part of his illustration. He said, substantially, "We want the power over transportation by these 40 roads to be the same as though they were but one road"; it was in substance one of his statements that the object of the combination was to make the rate of transportation the same over the 40 roads that it would be over one. In other words, it was to make the 40 roads one road. Now, when the Government granted the franchise to build these roads—a right that belongs

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to the public, and which the State holds in trust for the public, and which it granted in trust to these men—do you not think that that is such an abuse of the franchise as demands interference by the State? That is an instance in existence now of combination for the express purpose of destroying the very power that you say will regulate and keep within reasonable bounds the rates of transportation.

The WITNESS. I answer that in this way: that as I understand the status of these Eastern roads represented by Mr. Fink, competition had not only accomplished all that I say, and all that I think it will in most cases accomplish, but that it was necessary for those roads to thus combine, not to the detriment of the public, but really for its benefit; in this: competition was so great—so violent, that it actually disturbed the due regulation of commerce. The man who had to make a price for his goods at a given point had no fixed rate of freight. He found that if he went to one road and got a price, his competitor in business went to another road and got a price much under the price named to him, and the consequence was that he was undersold and deprived of his business, or if he shipped his goods to a certain point, he found that somebody else had shipped goods there cheaper. It was found that the value of the railroads to their stockholders was being destroyed. You have seen from time to time small panics in different stocks which resulted from lowering the cost of carriage to an; unremunerative figure; the holders of these stocks, seeing these panics coming on, would throw the stocks on the market to sell them at any price they could obtain, and it necessarily resulted that these railroads were bound to come together and make a price. It is not effective, it does not, as I understand it, produce the result intended; because there is always some one road or another that thinks it is not getting its share of business, and it cuts under those prices. But the fact of the existence of that pool that Mr. Fink speaks about is, I think, one of the strongest arguments that can be used in support of my position. It shows what competition had accomplished, and it had not only accomplished all that, I say, but had accomplished more and had gone beyond any healthy result. The fact of your making a tariff for these roads would not prevent that result, because those roads have been doing business under the pressure of a fierce competition and struggling to get the advantage of each other, at a price that no legislative body would ever think of fixing.

### DISCRIMINATION IN RAILROAD RATES.

There is one point, however, that I would like to call attention to that I had forgotten, where I think legislative interference in the affairs of corporations would be wise. You speak of charters being given to these railroads by legislative bodies in the public interest. All railroads have great concessions; every railroad has delegated to it the highest attribute of sovereignty—the right of eminent domain—to take your farm and mine, without our consent, for the purposes of a railroad. It is necessarily intended, of course, that under any intelligent Government such privileges as that should sound in the public interest, and the abuse to which we are subjected in the railroad interest, and which, I think, should receive the attention of the Federal and State legislatures, is the practice of discrimination. The prevention of this is more important than the regulation of the tariff. It rests with the rail oad company to-day, having control between any two commercial points to confer a privilege upon any merchant not second to any of the privileges that were granted in the days of Queen Elizabeth or King James.

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A railroad company may be so situated, and many of them are so situated, that they say to one man, "You shall have the selling of all dry goods sold on our road, or at such place; we will give you special privileges which will enable you to control that business." They can say to another that he can sell all the iron sold along their road. Those are things that I think require legislative attention. I have in my mind a recent case, "Evershed against the London and Northwestern Railroad Company." In that case the House of lords (the Lord chancellor delivering the opinion) laid it down as a principle of law that all these highways were organized and built with the consent of Parliament for the public good, and that every subject of the sovereign had equal rights in their use, and should be served in the order of their application, for a like consideration. And in that case it was decided that where one man had paid more than his neighbor for the service performed, he was entitled to recover back the difference. That would be really of great service to this country. It would take from these corporations a power which is a very great one, and which I think has been abused in some instances—to how great an extent I do not know at present; but it is too great a power to leave in the hands of the men controlling a leading railroad.

Mr. PUGH. Mr. Fink said that this combination had been effected to stop the same result which you said was the evil—that is, cutting the rates.

The WITNESS. It disorganized commerce to such an extent that men could not foresee the result of their business with any safety.

Mr. PUGH. Mr. Fink also said, and Mr. Medill gave instances of the fact, that in the transportation of grain from Chicago to New York, the rate had been changed within a very short time from 20 to 25, and from 25 to 30, and from 30 to 35 cents per hundred pounds; that it had ranged all the way from 20 to 35 cents per hundred pounds, and that even by this combination this evil has not been remedied. The difficulty suggesting itself to my mind in the Government undertaking to fix a maximum rate that does not interfere with the right of the road to undercharge that rate, is that these same evils would be worked in all instances where we undertake to fix a maximum rate—say 30 or 20 cents a hundred pounds. That does not take away the power of carrying it for 15 or for 10 cents.

The WITNESS. I do not think there is any difficulty at all in fixing a maximum rate.

Mr. PUGH. That is the extent of the power?

The WITNESS. Of course the power exists; but my idea is as to the general public utility of legislation of the character referred to.

Mr. PUGH. Your views have been the views that have caused the Government to delay interference up to this time.

The WITNESS. If you will look over the history of railroad legislation, you will find that the maximum rates that have been fixed by legislation have always been above the rates that the carrier has found it for his interest ever to charge.

The CHAIRMAN. The New York Central Railway charges, I believe, the rate that the statute provides—two cents per mile, does it not?—A. Yes, it does; but that probably proves the strength of the rule; that is a road of very low grades, through a well-settled country. It is the exception. That was agreed to in consideration of certain privileges which were allowed. That is a contract which the road and the State made.

The CHAIRMAN. But it is one which is profitable for the road to abide by?

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The WITNESS. I don't know; in some cases not. I believe, however, that the lowest rate that a railroad can reasonably charge is the most profitable in such a community as this. That, of course, will not extend all over the country, because it must have reference to the bulk of population. A rate that will pay in New York for trains running out of New York, would not pay for trains running out of some interior town. For instance, if you take the charges in our State: the Central Pacific Railroad Company charges, for a distance of about 100 miles, from San Francisco to Sacramento, $2.50 for passengers on their first-class express trains. The Pennsylvania Railroad charges, if I am correctly informed, the same rate for a single passage from New York to Philadelphia, selling you a return ticket, I think, for $4. The distance from here to Philadelphia is 88 miles; but the Pennsylvania Railroad carries 100 passengers every day on its express trains for every one passenger that is carried on the Central Pacific. Therefore you see that while the Pennsylvania Railroad could probably with advantage to itself, and while increasing its net income, reduce its rate, the Central Pacific, not having the same facilties, could not afford to reduce its rate.

By the CHAIRMAN:

Q. Which road carries the fullest trains?—A. The Pennsylvania Railroad.

Mr. PUGH. Another one of the provisions of this combination was that the power of the combination was exercised only over roads where there was competition. As to the local freights, there was no interference at all by the combination, no interference with the power to charge what they pleased unless they were in competition with other roads. Wherever they had the power they retained it. That shows that they only did this wherever there was competition. And Mr. Fink called the through freights a mere incident of the road, but I believe he qualified that.

The WITNESS. Well, every first-class road has its most valuable business in its local traffic.

Mr. PUGH. That is the source of complaint, and it is at that that the Reagan bill, of which you have heard, no doubt, is aimed and undertakes to reach.

STATE RAILROAD COMMISSIONS.

The WITNESS. I think if there is to be any legislative interference at all with railroad charges as to the railroads running through more than one State, it should come from Congressional action. If State legislatures persist in passing laws embodying the views of each State, the chances will be that there will be a great deal of trouble. It is really controlling the commerce between the States.

By Mr. PUGH:

Q. What do you do with the fact that in every State that I know of where railroad commissions have been created by the legislature, for the purpose of controlling freight and passenger rates, the system is working successfully, and even giving satisfaction to the roads?—A. You are very much more apt to be correct than I am. All I can say on that point is that your knowledge on the subject is much better and different from mine.

Mr. PUGH. I know that in South Carolina, Georgia, and Alabama there seems to be no difficulty; the commissions and the railroads work harmoniously and give general satisfaction to all parties, the public as well as the railroad companys.

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The WITNESS. If that is so, it shows that they have very intelligent commissioners.

Mr. PUGH. I think they have.

The WITNESS. But in nine cases out of ten you will find that the men elected as railroad commissioners, to manage or control the destinies, income and the business of great railroad enterprises involving millions of dollars each year, are of that caliber that you would scarcely employ them to transact your private business.

Mr. PUGH. No doubt the power of control ought to be exercised with great care and wisdom.

The WITNESS. I think it should be in the hands of men of national reputation, and of great scope and knowledge of the subject—men having both the character and knowledge necessary; and that can only be done by leaving the whole subject within the jurisdiction of the Federal Government.

The CHAIRMAN. This will close the taking of testimony orally in this city, for the present at least. We have received a large number of communications from persons anxious to testify, but the absolute necessity of going elsewhere and taking testimony in other parts of the country will prevent our hearing them. We have received many valuable communications, and any person desirous of laying any matter before the committee, or of suggesting any fact, can do so in writing and we will receive the communication and give it attention with the rest of the testimony. The hearing is adjourned for the present.

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NEW YORK, *August* 30, 1883.

## FOOD AND GAS REFORMS.

### *STATEMENT OF JAMES CRUTCHETT.*

#### FOOD REFORM.

*To the Hon. the United States Senate Committee on Education and Labor:*

It was intimated by your esteemed chairman that I might write in reference to food reform and education thereon, and also the gas reform in which I feel interested. Allow me to send the following synopsis of my views pertaining thereto, together with pamphlets and circulars in print, for the use of your committee.

In reference to food reform and education thereon, as this specially pertains to the masses of the people, their health, contentment, and homes among the whole country, allow me to quote Charles Lane's advice, at the vegetarian congress in Eisenach, Germany, recently: "Make one vegetarian home happy and healthy on the least possible income; show the poor how the poor can live, for home must be the center of all reform." That this might be generally known, it is suggested that in addition to more general public education, there be established by the Government "a department of agriculture and food reform," by means of which the knowledge of the nutriment of all kinds of cereals and fruits might be made known to every citizen. These productions were created by the Infinite Divine for man's use, for which, when man was created, the Lord said to him, "Behold I have given you every herb bearing seed which is upon the face of all the earth, in which is the fruit of a tree yielding seed. To you it shall be for meat." This is the first commandment given to man (Genesis 1, 29). The infinite and perfect

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Creator of all things thus created the best food for us, and if we obeyed Him man would become an herbivorous man of peace instead of carnivorous man of contention.

The masses of mankind in the United States and Western Europe are carnivorous in food, and are worse than beasts in allowing evil habits to rule over their natural senses, raising animals in order to kill them and eat their dead bodies, fabricating epicurean modes of compounding such which poison the blood, induce disease, lead to the making and using of intoxicating drinks and narcotics, which have come into general use for food, drink, and indulgence, inflaming the sensual organs to selfish, wanton, evil lives, and worldly gratifications; thus rendering their votaries senseless to the use and enjoyment of elevated, rational, moral, and truly religious qualities of the higher order of mind and life. This life of "carnival" costs three times as much as a proper, healthful, and most enjoyable life on food made for man's use, not to mention the waste by contention and costly government to preserve social order. It causes the slavery which comes of ten to seventeen hours of daily labor to keep the society groveling through life instead of the few hours, labor which under right conditions would be necessary for happiness and peace, for enlightening the minds of men, and teaching them to love the Creator for all his blessings, as well as for helping the neighbor on whom affliction has fallen. The reform in food will be followed by reform in habits, which will elevate the artisan and mechanic to a higher plane, enabling him better to improve and fabricate machinery for the best uses of man, conducing to the elevation of mankind by dispensing with the necessity for so much manual labor.

### GAS REFORM.

This brings me to specially call your attention to the progress and numerous uses and industries to follow the *gas reform.*

The larger knowledge of science leading to the development of labor-saving machinery and motive power has changed things materially within a comparatively short time. I think one of the greatest developments is the knowledge that the Divine Power created water not only to refresh, cleanse, and make fruitful the earth, but also to be the principal element in the production of heat, power, and light, with a little addition of carbon.

It has not been long known that water became solid at 32°; that at 212° it became steam and expanded in volume over 1,600 times. It is but a few years ago that it became known that water at about 2,200° became fixed elements of hydrogen and oxygen, and that its affinity for carbons of any kind was greater in proportion to the temperature at which they were present. This knowledge developed a large field of usefulness, for which especially these most abundant elements of water and carbon were provided by the All-wise Providence for man's use and enjoyment. The discoverer of the gas to which I refer called it "Atomic steam coal gas" or "Steam carbon gas." It was patented and offered free to Washington, Philadelphia and other gas companies, on condition that the public be supplied therewith at 50 cents per 1,000 feet for light and 25 to 50 cents per 1,000 feet for fuel and power instead of steam. But the slow and "watered stock" companies opposed it by every possible means year after year. The chief engineer of the Washington Gas Light Company, at the seventh annual meeting of the American Gas Light Association, at the Franklin Institute, Philadelphia, October 15, 1879, when addressing them on the new process of making cheap gas

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said, "We have all heard of the new process. I have known parties in the community in which I live to go to our legislature, which is Congress, and offer to make gas for $1 a thousand when the old company was selling gas at $2.25, and it was only by the greatest effort, influence, persuasion, and exertion upon the part of the old company that the scheme was frustrated. (See the association proceedings of the society officially published, page 223.) Thus, by the opposition of scheming "watered" and ignorant companies, gas reform has been retarded and the public wronged. Washington and most other cities have been paying four to eight times as much for gas as they might with the new and better gas. I offered the Government these improvements (as you may see by the pamphlets and circulars) at low prices, and, if the United States erected works, to supply them at 25 cents per 1,000 feet for light, and 15 and 20 cents per 1,000 for fuel and power, but Congress was influenced, as above referred to, and the Government for their benefit as stated in preliminary syndicate circular, prevented me personally from doing all myself. Yet, notwithstanding the opposition to steam carbon gas (which is seventeen-twentieths to nineteen-twentieths simple water), over one hundred and fifty cities, towns, and places are now making it in various ways, mostly by infringements, and with but little reduction of price. Therefore I have for years made it public to all the principal Governments and people..

There are now over ten thousand gas engines in use instead of steam, mostly in Europe, from the smallest size to over seventy-horse power each. There are hundreds of metal and blast works now using gas fuel alone, at one-quarter the cost of coal. Allow me, therefore, to respectfully suggest that Congress appoint a special committee to inquire into and take advantage of these improvements, as more fully described in the printed documents which accompany this letter.

Allow me further to say that it is only for want of the offering of premiums that portable gas plows and cultivators are not now in use. Yachts, carriages, small vessels, all road carriages, and machinery will ultimately, and that soon, be operated by gas engines. Ocean ships will make the gas they need for power from the elements they travel over. Much more astonishing things than these are being operated on by foreign Governments. The result will surprise society in a few years. There is so much red tape in Washington and inattention in Congress, that I have been led to become a cosmopolitan and to desire all to be benefited who are in a state to appreciate and receve benefit. For what are we? Children of one Heavenly Father, who in the twelfth commandment admonishes us to "Love one another."

Allow me to add that I have felt personal interest in relation to education especially connected with the development of improved agriculture, fruit culture, &c. About twenty-five years ago I was the first to subscribe $1,000 toward the establishment of the Maryland Agricultural College, which, I regret to say, has not progressed as well as it might have done if a Government department had more fully enabled it to do so.

The Divine Creator first prepared man for developing and improving this necessary employment—agriculture; furnished the plant, seeds, and life to animate the material thereof. Agriculture, therefore, is the most noble as well as most necessary occupation of mankind; and the nation which has most individual or family homes and cultivates them has, in a supreme sense, the largest national wealth. Those who engage in mechanical and manufacturing industries save the manual and animal labor of the masses (or agriculturists) and become most useful

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help, diminishing the hours of agricultural labor, and enabling families to improve in education and knowledge of science, so as to learn how more perfectly to produce the fruits of the field, as well as to attend to the higher rational, spiritual, and eternal associations of man here and hereafter.

The discovery of gold and the labored accumulations of thousands of millions of dollars of specie does not add to the real wealth of a nation, but mostly quite the reverse, leads to investment in land and raising the money value thereof, which makes it harder for the poor man to get and improve a homestead. The rich spend their money for alluring and extravagant things of mere outward show, or for the personal gratification of sensual appetites. Not being producers of food by cultivation of the soil, such men live off the labor of those who work, and as all require to be fed the agriculturists are required to produce for such people (at the cost of more labor) in proportion to the number of non-workers and their aids. In proportion to extravagance and abuse of the body by bad and unnecessary foods, intoxicants, and narcotics, we have disease, immorality, and crime. More than twice the cost of living in social order has to be borne by those who are honestly and industriously engaged. Where education and industrial progress are not encouraged all the evils of opposites will spring up and affect the surroundings. "The devil finds some mischief still, for idle hands to do."

I have had evidence, from my son's residence in China, and travels there and elsewhere, as well as from personal knowledge, of the desirableness of homestead industry. The Chinese, Japanese, Hindoos, and others are more industrious and law-abiding, and have a much higher standard of morality and domestic duties, family affection, and affiliation, than the so-called Christians generally, and as such are more readily receptive of instruction and obedience to those who properly employ or instruct them.

My experience would suggest general education for all and the establishment of an Agricultural Department by the Government.

Your humble servant,

JAS. CRUTCHETT.

*STATEMENT OF MRS. TWITCHELL RESUMED.*

1st. The competition of skilled with unskilled labor: has it a fair chance?—and this involves the trades and labor unions. Are these operated upon an honest and right basis? As at present any man who joins a union is put upon a par with every other member, and demands the same price, and employers are compelled to pay *the* price fixed by the union, whether the work be well done or not; hence the man who has—like one we know—spent years in obtaining a thorough knowledge of his trade, receiving an average of $375 or $380 per annum for seven years, gets no more for his labor as a workman than the man who has jumped into the trade, and knows thoroughly not even the rudiments. Having acquired thorough knowledge, this same man is placed at the head of one of the largest iron works in the country at a salary of $4,000; but, being a conscientious man, he is obliged to resign that lucrative position because those whom he was forced to employ were *not* skilled in their profession. The trades and labor unions also prevent the acquirement of skill by refusing to permit the employment of more than a very small percentage of apprentices, their plea being a desire to prevent overstocking the market with skilled laborers. It becomes, therefore, a question of liberty and right against a monopoly of labor.

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2d. Wages, past and present. It is assumed that wages have on the whole been advanced equally with the advance of *necessities*. Fast living and high living, that with our ancestors were not known, have come to be regarded as a necessity among the laboring classes of the better sort, emulous of those of the next grade above them, and those of the next beyond. The opulence and extravagance of the millionaire descends by rapid gradation to the cottage, and even to the hut! But, more than this, the pampering of the appetite as tempted by unwholesome food, and still more by unwholesome drink, displayed enticingly at every turn, trenches fearfully upon a mechanic's income. "A liquor store for every thirty families," tempting to the expenditure of "an average of 20 cents per day"—as is shown by statistics—reaches, when multiplied by the number who make this expenditure, into the millions annually. So long as this state of things can be uncomplainingly submitted to, how can the wolf be kept from the door, even by co-operation simply for supply.

3d. Is the division and subdivision of the mechanic arts a benefit?

Machinery performs so much of the labor in the mechanic arts that but comparatively little is left for any but the managers of the machine—emulating in this the (supposed) higher art of politics—and of this little each man is supposed to be capable of performing labor in but one branch of any business—as, for instance, in house carpentry, one man or set of men for the frame, another for each of the different kinds of work, the windows, the stairs, the inside finishing, the outside finishing, so that when each is accomplished this gang must relinquish work until somewhat more of the same kind is prepared. Though there may be advantages in a larger distribution of labor is it not bad economy for employer and employés in the long run to have done, or to do all our building and manufacturing by piece work?

4th. What has already been done for the laboring classes?

Schools, both by day and by night, hospitals, dispensaries, church and private charities, *if properly managed*, it would seem, were enough to provide for the education and care of all who are really and *unavoidably* needy. Drink and dirt are the avoidable but prime cause of extreme poverty, each tending to both physical and moral degeneracy; and a system of compulsory cleanliness is even a more important factor in solving the enigma of human progress than compulsory education. A properly organized board of health properly empowered and ready for duty could do more for the race than even a New York or Brooklyn board of education. Even the crowded tenaments could become homes instead of styes. It is true the poor as well as the rich must contend with the evils that result from adulterated food, but if the money wasted in lager and laziness could be utilized in real co-operation on the basis equality of right, this matter could be regulated and a saving of at least 25 per cent. made, beside the amounts saved from waste in the two I's.

## LAND.

We hear much complaint about the unequal distribution of land. When land or water or air becomes property, and a man has a vested right in either, what just claim has another man upon it so long as he is not prevented from acquiring the same right to either where there is plenty of it? If we put croton into our house, while we do not deny to any the privilege of drinking at the fountain anywhere, where the fluid is free to him, we *do* protest against his insisting that it is his right to drink from the particular faucet we have provided for our own conven-

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ience; or, when by building the four walls of our house we inclose such portion of the "free air of heaven" as shall be contained therein, we naturally, while conceding to all the privileges of the "free air of heaven," object to the appropriation at any or all times of the particular portion contained in our dwelling. So land should be free, "free as the free air of heaven," or the rain that descends from that locality—free to any and all who can and are willing to appropriate it, redeeming it from its freedom to personal use. Should any man attempt to appropriate so large a share as to impinge upon the rights of others, *i. e.*, to monopolize to such an extent as to prevent others from securing such a lease as they can appropriate and make useful, and particularly to such an extent as to prevent others from any participation, *then* he should be suppressed and boundaries should be marked out for him. While there are thousands, ay millions, of acres waiting to be occupied and improved, there need be no trouble, except among those who require not only the land but improvements to the extent of stock, houses, modern improvements, and full outfit. And there are plenty of these whose highest ambition appears to be to stand around with their hands in their own empty pockets, because they lack opportunity to get them into the full pockets of their more ambitious and energetic neighbor.

### ADULTERATED FOOD AS A CAUSE OF DISSIPATION AND CONSEQUENT POVERTY.

It is a well-known fact that the whole mental and moral nature, as well as the physical is affected by the healthy or unhealthy state of the stomach and digestive organs. Henry Ward Beecher once said he believed a dyspeptic stomach was as much an abomination to the Lord as a lying tongue. In a way this must be true, for not an organ in the body, and least of all the brain, can work normally when the digestive processes are interfered with. Let us draw, then, the legitimate conclusion, when perhaps from one-half to two-thirds of all the food the poor man eats is adulterated with poisons, or at least with admixtures that derange the digestive functions. This leads to the desire for stimulants, and this to poverty and crime. Those who have money can discriminate, and by paying a larger price may have a better chance to get pure articles, though even the "bloated bondholder" is compelled to take his chance in many articles of both food and drink, for the adulterations are not confined to food or the lower grades of drink furnished to the workingman and the poverty ridden. If the Government would strike at the largest root of the tree that bears the fruit of misery and crime, the place to aim at is the adulteration of food and drink, and the sale of market produce and meats that are unfit for consumption. What the rich or those who can choose will not have is peddled out to the poorer classes at reduced rates, and they are compelled to eat *or* die, and the result is they eat *and* die; or what is worse, they drag themselves through a living death.

Speculating in breadstuffs is one of the most damaging in the whole category. It is plainly talked and appears to be well understood that corners are made on cattle and other animals that are brought to market for consumption, and that the market being overstocked, they are held until they are so nearly dead from starvation, or from heat and thirst that they are but one remove from a carcass when they arrive at the yards, and then this meat is put into the shambles for sale, and the poorer classes are rejoiced when, occasionally, the price of meat gives them a chance to indulge even in this life-destroying stuff. The same

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appears to be true of fruits and perishable vegetables, and all manner of disease is generated by the use of decaying animal and vegetable products. Moreover, the producer is not benefited more than the consumer. The farmer is not taken into the account or into the ring when these corners are made. It is only the stock board and the middlemen, not even the retailer. It is bad enough for the unsuspecting and the uninitiated to lose their money in stock and paper gambling; but we plead in Heaven's name for the coming, in some form, of laws, if principles will not serve, which will stop this dreadful gambling in the most absolute necessities of life for the million. If Sodom could not be tolerated on the earth because of the wickedness of its people, one would almost tremble for the fate of a city or county that will tamely permit such traffic in the lives of men and women, and most of all, little children; for these suffer as the weakest always must, most.

### SPECULATION, BANKS, AND BROKERAGE.

What is there that is not in these days made a basis for speculation? Society, civil, social, and eclesiastic is built upon it. In politics the man that can put the most money or its equivalent into the hands of the party is the man to vote for. Political *principle* is one of the lost arts, and the arts of the present appear to be those that are associated in sacred history with the "wiles" of the gentleman in black who is represented as "going up and down seeking whom he may devour." When an honest man is unwarily entrapped in the political net men fall to wondering how long he will last; and men who have business interests, and who can afford to live outside "the dirty pool of politics," wash their hands clean and white from all responsibility, except to sit with those same clean white hands folded and to wonder and growl at the abominations of city and State and national profligacy and dishonesty. If indeed in this fair Republic our politics *is* a "dirty pool" and it is a matter of congratulation to those who can keep out of it, whose fault is it? Are there more rogues in America than honest men? If so the salvable element is not strong enough to perpetuate the Republic, and, like its predecessors, it is doomed to dismemberment and ruin. If otherwise, and the honest men are in the majority, what are those honest men doing that they allow this domination of the vicious and the unruly? Our papers teem with the scorn and derision of men for each other in the political arena. Whose fault is it that such a state of things exists? Why are not honest and honorable men at the primaries to affect the nominations, and why are they not then at the polls to vote for the best men and so make clean these Augean stables? In society men and women speculate on each other; they buy long on the reputations of the rising man, but are not so ready to sell short on a declining reputation. They jostle and crowd and bid for the one who appears to be able to carry more than his own weight in his social ascent. The church bids high for the most popular speaker, for the man who by any sort of legerdemain can fill the house, sell the seats, and attract the longest line of carriages before the door, and brim the house with the most plethoric pocket-books, until the poor are turned, well, we may say, "out to grass," for the parks and the fields are becoming their only places of worship; and it were *better* so, if only these might be kept for that purpose, or even kept free from the curse of both town and hamlet in these days, the soul and body destroying liquor-stands and their accessaries. The only modifying circumstance connected with this practical ejection of the poor from our churches is the fact that

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they really lose so little; and yet the churches have their uses, and in spite of the waste and bad management of their charities they do much good. Their missionaries have extended civilization, but much more have benefited commerce, for if the missionary does not in every instance soon become a commercial man he is followed by those who do; and commerce is followed by arts and the higher influences of civilization, and this opens the door for religious sects to promulgate their dogmas, and so we have commerce, civilization, religion. Speculation has come, therefore, to be but the preying of men upon their fellows, ignoring the golden rule.

BANKS.

The bank is too useful an institution to be dispensed with, but when it is made the tool of the speculator and the broker to the extent of defrauding the depositors to secure the speculator, it is time for legal enactment to make that thing impossible. While banks are permitted to issue stock with no security for the stockholder or the depositor except the integrity of the officers, neither the officers or the depositors are safe, for speculators are usually the largest depositors and require the largest accommodations, often upon worthless securities, and then, in the cross-fires of speculation in railroad and other stocks and bonds, the bank is engulphed and the money of the smaller depositors is swallowed up in the general whirlpool of "black Fridays" or some financial cyclone, or the bank may go down with some individual calamity. A gold basis beyond which banks could not go in these loans would protect the public and greatly simplify the business of the majority. So long as any man or set of men can make a bank and transact business by begging or borrowing money or Government bonds enough to realize a small capital, our banking will be precarious and the community will suffer.

THE INDUSTRIES OF WOMEN AND THEIR COMPENSATION.

That what is called "the sphere of woman's labor" is enlarging is true, but it has been achieved step by step, and by the arduous labor of woman herself, driven by her necessities. Being so driven, she has been content to submit to many hardships, much imposition and cruelty. She is having at last some compensation in seeing that men are coming to regard her as something more and better than either a plaything, a machine, or a serf. Her common rights are being recognized, and the thoughtful and the observing of the other sex are awakening to the fact of her needs and her responsibilities, and are disposed to at least cease from determined opposition if they do not actually lend a helping hand. There are yet, though, many wrongs to be righted, many grievances to be redressed, and men have yet to learn that the limit of a woman's *right* is, like that of man, the *limit of her possibilities* in legitimate directions. Ignoring the sentimental nonsense about "the clinging vine" and "the noble oak," "the modesty which covers the face with blushes," whenever woman is driven by her wants to step into the arena of strife with men to secure bread for the hungry mouths that a brutal father has left for her to feed, we pass and take the facts. On the data of statistics there is a very large percentage of what are called "superfluous women," *i. e.*, women who are supposed to have no right to live, because they have no male relative or protector who can provide for her; add to these the even larger percentage of those who *leave*, ostensibly, either husband, brother, or father, who *will not* provide for her, and you have a vast army of unprotected, unprovided-for women.



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What will you do with them? Under the old theory let them teach, sew, nurse the sick, &c. To carry this out it would require all the producers in the community to become either pupils, invalids, or consumers of the fruits of the needle, and the pay would have to be doubled and quadrupled or the poor-house or potter's field would become the resting place of the majority. Do you ask, What do women want? A chance to do any and every thing that they are capable of doing well, and for it the same wage or pay that men have for the same thing. The privilege, ay, the *right* to go into the marts of commerce, of manufacture, of exchange, and be a woman, and, as such, command at least the share of respect she is entitled to for her womanliness, her energy, and her success. It has ever been true, and is becoming more emphatically so, that women are reconstructionists, as well as conservitors of the public good, for they are always in demand to rebuild what men have thrown down, to repair the waste, and act as pioneers where civilization is to be carried. Are missionaries of any kind required? Women are called in and deemed worthy to take the front rank in subduing heathenism, whether foreign or domestic. Are churches, schools, hospitals, or charitable institutions to be founded? Women are deemed worthy to do the hardest part of the work, receive the smallest compensation, and be satisfied that others shall, like the man whose wife whipped the bear, proclaim to the world: Behold what *we* have done! In proof of what we have said, we refer to the beneficent operations of whatever character in New York and all other cities. But when a woman, to support the children she has borne to a lazy, profligate husband, and the husband himself, often, ventures into the same publicity that is necessary to accomplish *public* benefactions, she hears but the cry of the blood-hounds that yelp at her heels, and the taunt of Amazon! Strong-minded! Masculine! Is this chivalrous, generous, or just? We speak now of the rule, and would take occasion to make many honorable exceptions, which stand out with beautiful coloring against the darker back-ground, because they *are* exceptions.

### THE PUBLIC SCHOOLS.

The public schools, are they conducted in the best manner for the promotion of the highest good of the masses for whom they were ostensibly established? Yes, if it is more important for a boy or a girl who can spare the time for school no longer than to the age of twelve to fourteen, to have a little smattering of French and German, a little drawing and music, and a little of the higher mathematics than a good practical and thorough knowledge of such branches as shall fit them to become artisans and skilled laborers with hand and head. I submit that the curriculum of our public schools when carried out is an actual theft of the time of the majority of pupils, since the ornamental branches are of no service to them, and the time spent upon them is taken from the useful and the pupil is defrauded. Moreover, the schools are so crowded, the classes are so large, that individual instruction is impossible. And this has come to pass partly as the cause and partly as the effect of the introduction of so much of the ornamental. As those who have plenty of time, not being obliged at an early age to commence to be self-supporting, are attracted to these schools—and being free they are by parents regarded as more desirable—they become overcrowded, and, as in everything else, the weaker are the sufferers. Did all who can afford it resort to private teaching, where individual instruction can be given, both public an dprivate schools would be very largely benefited, as better teaching would be possible in both.

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MINES AND OTHER NATIONAL INTERESTS.

The development of all the natural resources of the country in the last half century has given an impetus to the progress of art, science, manufacture, and commerce almost unparalleled in the annals of history. Steam and electricity have held first rank. These have cost the country millions and have paid back a good profit, but where has any investment paid as have the mining interests? What came to the front in our greatest peril, and filled the treasuries, redeemed our currency, and put finance in its hour of jeopardy upon a substantial basis like our mines? All other industries must have failed had not the mines poured forth their treasures as a foundation on which to build all other prosperities, and to-day, but for the speculative spirit, legitimate enough, kept within the boundaries of honor and honesty, our mines would be the best property in the country, affording employment to thousands now out of work and dependent upon charity, and filling the coffers of tens of thousands more with substantial wealth. Experiments in railroads, in telegraphy, and all the appliances of electricity would be more successful, and prosperity, which is now only fictitious, because having no substantial basis, would be real and permanent. Now, if it is insisted that the Government must take to itself the most profitable interests of the country and manage them in the interests of the people, why stop at the telegraph? Why not include the still more profitable business of distilling and selling distilled liquors? Why not have Government dramshops, and, above all, why not include the mines, and then there would be a place for our convict and pauper labor. In short, why not declare us all orphans, and resolve the whole country into an orphan asylum and take care of us all as one family, with common rights and common privileges, *but no freedom.* In a little time what strength there is might be dissipated and wrongs endured without resistance.

*STATEMENT OF GEORGE W. SAYRE, RECEIVED IN COMPLIANCE WITH A REQUEST OF MR. SAYRE TO BE HEARD.*

To the Hon. H. W. BLAIR,
*Chairman Committee on Education and Labor:*

DEAR SIR: In accordance with your request I transmit the following:

The true solution of the labor question is this: Workingmen should be paid in their own manufactures; by certificates enabling them to dispose of their goods with one another at the wholesale price. Then, if they did not get fair wages, it would be because one trade would not give its equivalent of labor to another. The Singer Sewing Machine Company might issue $1, $2, and $5 certificates, that would buy a machine at the wholesale price at stores established by the company throughout the country. Congress might pass a law to engrave these certificates, making them a beautiful advertisement for the company, and guarantee that the machine should be delivered. These certificates would add to, or take the place of, our present currency. This is what the Greenbackers want. And then the money-lender would find his occupation gone.

If the shoemakers and hatters would give the equity of a day's labor to each other, 5 cents a day for labor would be as good as $5, and this low valuation would keep out foreign competition. High wages may be a benefit to the rich, who lay up money and draw interest thereon,

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but to the poor man, who consumes all he earns, it makes no difference whether it is $1 or $5 a day, if he gets the same to eat.

One thousand firkins of butter could be sent to a factory, enabling as many men to take one home, and it would last all winter, besides lending to neighbors and poor relations, who buy by the quarter of a pound and there is no telling how *fur kin* might go by this arrangement.

In these days of consolidation of manufacturing and money interests, and the organizing of laboring men, this plan could be carried out with less difficulty than when society was more isolated.

Objectors to my plan say it is the old bungling system of barter, and would not work in this progressive age. But they forget that in the days of barter the goods were made in the same bungling way. Every man made his own hats and shoes, but they gradually co-operated with machinery and capital until now they manufacture to perfection. In those days the workman had two ideas; one, to make his hat, and the other to dispose of his surplus. Now he leaves the disposal to the capitalist and the middleman. If the manufacturer and employé had only co-operated in disposing of their goods, with the same energy and wisdom that they have in manufacturing, they would have long ago solved this troublesome labor problem. Trades unions act unwisely in restricting the number of apprentices, because it tends to make more middlemen, idlers, and criminals, and the workman has to work so many more hours to clothe and feed these classes. Workmen are told that wages are regulated according to supply and demand. They would create a greater demand if they could buy their goods cheaper. The wife would sell her husband's work whenever she bought anything by these certificates.

In our present way of doing business the manufacturer puts $10,000 in a factory, employs one hundred men, and sells to the rich dealer, who, when he gets a large stock, refuses to pay so much for the goods. The employer cuts down the wages and the men go out on a strike for six months, but never take a single thought of selling their manufactures, and the factory is idle and pays no interest.

If workingmen can manufacture to perfection, have they not got brains enough to dispose of their goods in harmony with their employer and his capital, and have the profits of the merchant princes divided among themselves. It would be more to the interest of the manufacturer to sell his goods to one thousand employés than to a dealer, because they would act as clerks whenever they bought anything, and would take more interest in making their goods better and not be so wasteful in the factory, and they would then know whether he was able to pay them more wages or not. Let the wisdom of the world act on these crude ideas, and see if they cannot be made to bear fruit.

The miners in coal and iron, by their certificates, could exchange with the grain producers of the West, and furnish the raw materials so low that manufacturers would have all that the protectionists want. One reason why we are so poorly paid is because so many of our young men, hardly out of the triangular linen-soiled period, want to go into business as merchants. Their time and rent of stores all add to the cost of our goods, and wages are reduced accordingly. These certificates would be safer than a Government coin, for a trade order would not be subject to a discount of 15 per cent. like a trade dollar. Workmen might take some goods home and exchange with one another.

One of the greatest fallacies of the age is the universal execration of the miser as the most contemptible person living. It is said, "A miser is like a hog, good for nothing until he is dead." Why do we spend so

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many millions to raise hogs and think they are such a benefit, and yet curse the miser, who lives until he is old, while the spendthrift dies from gluttony and dissipations, or blows his brains out before he has lived out half his days. If the miser was held up as an ideal, and workingmen would only try to be like him, it would save them from most of the miseries that they now endure. Only one per cent. of our productions is laid up, and the world appears to be waiting and wishing for the few sensible people, who do lay up anything, to die, so that they may put it out of existence as soon as possible.

The wretchedness of the miser is caused by the covetousness of the world around him, who would murder and rob to get hold of what they despise him for having. There is more justice and charity in taking a warm dinner to some old miser than to give it to those who are spending their wages for rum. People imagine the sufferings of the miser when he comes to die because he cannot take his money with him, but never think of the miseries of the world when they have to part with their money to buy anything with. One only suffers from the getting; the other from the getting and the spending too.

It is easier for 50,000,000 of persons to lay up $1 each than for a Vanderbilt to lay up $50,000,000, but they don't do it. If the workingman was more thrifty he would prevent the accumulation of wealth by the few from interest and the poverty of the many. He could buy more by cash and wholesale and get things cheaper. This buying a pound of flour and a pail of coal is one reason why they are poor. It would set an army of book-keepers and bank clerks to work as producers if men would lay up money and buy for cash, and many retailers would have to go to work too. If this "order" system has been so profitable to the employer why not to the employé?

I do not belong to the Knights of Labor, I do not *belong* to anything; but own myself, as it were.

I hope that employers and workingmen will give these suggestions their most serious consideration.

Yours, most respectfully,

GEO. W. SAYRE,
*Compositor, Newark Daily Advertiser.*

NEWARK, *September* 21, 1883.

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NEW YORK, *September* 27, 1883.

## INTEMPERANCE.

*STATEMENT OF "DR. CLAUDIUS."*

Hon. HENRY W. BLAIR,
*Chairman United States Senatorial*
*Committee on Education and Labor:*

MY DEAR SIR: No one man knows better than you do the influence of the liquor traffic on the educational status of the United States. Here is a slip cut from your speech in the United States Senate on December 27, 1876:

BEARING OF THE SUBJECT UPON THE EDUCATION OF THE PEOPLE.

Some paper has sneeringly alluded to this proposed amendment as a measure of temperance reform for posterity. Chiefly so it is; and all the voices of humanity cry out for its adoption. All thinking men admit that the condition of posterity depends

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upon intelligence and virtue, and these are transmitted and developed by the educational institutions and processes of the country, of which by far the most important is the common school; and over that alone has the Government any control. Contrast for a moment the means of education in virtue and intelligence with those which exist for the promotion of vice and crime and misery in this country, and then let those sneer who will at a measure which aims to save posterity from the fate which, if there is no reform, will overtake us in national life, just as surely as the time finally comes when the individual inebriate, whether in the horrors of delirium or the stupidity of the consumed sot, drops into the tomb of despair.

The census of 1870 shows that there are in the United States 141,629 schools, with 221,042 teachers and 7,209,938 pupils, who attend in the aggregate—the average is less—costing $95,402,826. Of these 125,059 are public schools, with 183,198 teachers, 6,228,060 pupils, costing $64,030,673 yearly.

There are 12,955,443 between the ages of five and eighteen years who should be at school, leaving 4,845,505 who do not attend at all. About 740,000 of these are engaged in labor of some kind; but there must be more than 3,000,000 who do not go to school at all. Dr. Hargreaves says that ninety-nine hundredths of them are children of the intemperate, and he makes the following tabular statement showing the relative efficiency of the "two educational systems" as they are operated in Pennsylvania, whose condition is not discreditable in comparison with the country at large:

| EDUCATION IN KNOWLEDGE AND VIRTUE. | | EDUCATION IN IMMORALITY AND VICE. | |
|---|---|---|---|
| Schools, colleges, &c., in Pennsylvania | 16,090 | Drinking-places in Pennsylvania | 23,606 |
| Professors and teachers | 18,783 | Persons employed in liquor shops | 45,490 |
| Pupils and students, &c., in regular attendance | 542,076 | Tipplers and drunkards | 802,604 |
| Cost for educational purposes in Pennsylvania | $8,399,723 | Direct cost of liquors in Pennsylvania | $80,000,000 |

More than nine times as much money spent to destroy as there is to save "posterity" by these two systems. And again he says:

"Though within the last twenty years our teachers have increased from 25 to 30 per cent. and pupils attending school more than 50 per cent., yet crime has increased more than 60 per cent."

Rather a hard look for "posterity," and if there is no change "posterity" better not be there.

This speech is now public property, and as a citizen deeply interested in bettering the condition of the working class, I desire that the quotation in this letter from that speech shall be placed in the record of the present committee.

The working class are dependent on wages for life, health, and enjoyment of happiness, but if a government will not only allow but foster a traffic which robs the working class of their blessings and entails upon the country a misery such as is indicated in the following extract, then, indeed, modern civilization must be greatly at fault.

PAUPERISM.

I cannot detain the House with full statistics from the various States in regard to the pauperism occasioned by alcohol, but not less than one hundred and thirty thousand widows and orphans are left such in our country annually by liquor-drinkers, and from two-thirds to four-fifths of the inmates of our poor-houses are sent there by drink.—[Speech of Hon. H. W. Blair, of New Hampshire, December 27, 1876, in United States Senate.]

If I understand the purpose of your committee, it is that the cause of so much misery among the working class shall, if possible, be ascertained, and as a possible remedy for the evil you have incorporated the investigation of the subject of education, as a comparison with ignorance among this class, and thus hope to find a bettering of the working class by making the educational systems of the country more easy of

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access. Any sane person in this country knows that we have the best system of popular education in the world, and yet look at the following statement:

CRIME.

The statistics of crime are even more astounding. In the report of the United States Commissioner of Education for 1871, page 541, I find this statement: "The fourth fact is, that from 80 to 90 per cent. of our criminals connect their courses of crime with intemperance. Of the 14,315 inmates of the Massachusetts prisons, 12,396 are reported to have been intemperate, or 84 per cent." Ninety-three per cent. of those confined in Deer Island House of Industry are confined for crimes connected with liquor. "In the New Hampshire prison sixty-five out of ninety-one admit themselves to have been intemperate. Reports from every State, county, and municipal prison in Connecticut, made in 1871, show that more than 90 per cent. had been in habits of drink by their own admission." The warden of the Rhode Island State prison estimates 90 per cent. of his prisoners as drinkers. These relate to those who have been guilty of the more serious offenses, not mere every-day arrests for drunkenness and disorderly conduct.

The report of the board of State charities of Pennsylvania for 1871 says, page 89:

"The most prolific source of disease, poverty, and crime observing men will acknowledge is intemperance."

Mr. William J. Mullen, the well-known and highly esteemed prison agent, in his report for 1870, says:

"An evidence of the bad effects of this unholy business may be seen in the fact that there have been thirty-four murders within this city (Philadelphia) during the last year alone, *each one of which was traceable to intemperance, and one hundred and twenty-one assaults for murder proceeding from the same cause.* Of over 38,000 arrests in our city within the year, 75 per cent. were caused by intemperance. Of 18,300 persons committed to our prisons within the year, more than two-thirds were the consequence of intemperance."

Judge Allison, in a speech delivered in Philadelphia in 1872, says:

"In our criminal courts we can trace four-fifths of the crimes that are committed to the influence of rum. There is not one case in twenty where a man is tried for his life in which rum is not the direct or indirect cause of the murder."—[Senator H. W. Blair, United States Senate, December 27, 1876.]

It follows that, no matter how well you educate, if this curse upon education is permitted the labor of love falls fallow. That which is the "gigantic crime of crimes" must breed lesser crimes for courts and prisons to care for at the expense of the tax-payer. It is true that in a few of our schools throughout this country Dr. Richardson's temperance-lesson book has been introduced, and the studies from this book may, and no doubt will, so firmly impress hundreds of young minds as to make them shun the curse for life, and thus accomplish sober men and women. There is a subject which has not yet been touched upon by your honorable committee, viz: the relation of the intoxicating-liquor shops to the population in great cities. I would suggest that you call the excise commissioners of the cities of New York, Boston, Philadelphia, Chicago, and Saint Louis, and have them tell you how many intoxicating-liquor shops exist in their cities, and give their street localities; then call the chief of police, and ask what kind of people live where the liquor shops are in most number. You will find that where the working class live (the muscle workers) there the hell creating element is most to be found. Look at Third avenue, Fifth avenue, Broadway above Twenty-third street, Eighth avenue, Fourteenth street east of Broadway—intoxicants to be had everywhere; and here the wage-workers are to be found in greatest numbers. Go into our tenement-house districts; every four corners of the streets have at least two, and often on every corner a poison, crime, and misery shop will be found. At the foot of East Twenty-third street, and south from Twenty-third street to Eighteenth street, I have counted twenty intoxicating-liquor

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shops. Why so many in five blocks? Because the gas works are there and some other manufactories, employing several hundred men. These shops stand between the place of work and the tenement houses on the cross streets, and the wages of these workingmen must pass through these shops on the way to the home (?), and in these wretched places, called homes, stand poor women and children, waiting for the pittance which may escape the fiends of hell who conduct these shops. We who live in better condition, study the problems of life, know very little of the misery which lies at our back door. A government which permits one portion of its citizens to rob, murder, and drive mad another portion, is itself a disgrace to modern civilization.

The source of the "labor strikes" is in the intoxicating-liquor shops.

The source of murder and all crime is in the intoxicating-liquor shop.

The source of ignorance, misery, poverty, and sickness is in the intoxicating-liquor shop.

Gentlemen of the committee, if you can create a system of law for these United States whereby the liquor traffic can be placed on a par with the sale of breadstuffs, and every man compelled to purchase his quota and drink at his home, a step in reform will be made for the working class. This is the way the wage payer drinks his poison, why not the wage receiver? Then if there is misery and crime it is kept back and reformed partially within the sacred walls of the man's castlet. When this has been done, then we can take a step farther. But you say how can this be accomplished? I know there are thousands of villages and towns and wards in cities, the population of which are ready to wipe this traffic out from their midst, but they have no permanent law. When States will pass a perfect local option law, then results will follow; a cause will be created which will result in the effect of prohibition in the whole State. What is prohibition in the States but local option when compared with the whole country? Therefore, why not give us a national local-option law, so strong that it will stick, and the powers of hell cannot prevail against it? Call before you William Daniels, of Baltimore, or some other man who knows the working of local prohibition in Maryland, and he will tell you a worderful tale. The Rev. D. B. Peck, of Brooklyn (Methodist Episcopal preacher), will tell you all about it in the largest detail.

Gentlemen of the committee, when you can control the poison traffic then and then only will it serve you with pleasure to hold such an investigation as you are now making. You are considering now the misery of the working class. Come back here in ten years after the liquor traffic has been beaten back into darkness and you will be enabled to investigate the happiness of the working class. The muscle-worker is not a creature of brains; his intelligence is dull; he is a creature of instinct; he is an animal of higher grade, and where he finds most physical enjoyment there he will seek his pleasure. The poison-shop fills the bill, his brain is rendered yet more dull, and his physical nature is awakened to a kind of enjoyment which, while it lasts, is agreeable, but there comes a reaction, and then the morbid and low instincts of the brute assert themselves, and murder, crime, and misery follow. You cannot educate such minds until you remove the cause of their greater ignorance. It is the duty of Government to protect its people and think for them; but when Government fosters crime, misery, and the crushing out of happiness in the home, and the poverty of women and children, then we can only expect that such investigation as yours will continue until the end of time without result.

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I do not give you my name, for I fear I might be considered as wishing to air myself before your honorable committee. You, Senator Blair, know better than I do how to bring out the points I have touched upon, and the men and women to send for who can give the country the information wanted to make this subject clear.

With earnest regard,

DR. CLAUDIUS.

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## PRECAUTIONS AGAINST ACCIDENTS.

*STATEMENT OF W. R. HINSDALE, HYDRAULIC AND SANITARY ENGINEER.*

NEW YORK, *September* 28, 1883.

HON. H. W. BLAIR,

*Chairman Senate Committee Education and Labor:*

DEAR SIR: I wish very briefly to suggest as deserving examination at the hands of your committee certain risks to life and capital through lack of proper education and safeguards.

The specific subjects to which I would direct you are as follows:

First. The establishment of a system of examinations and license for firemen on steam vessels engaged in the carrying of passengers on the waters of the United States similar to the examinations and license now required for engineers and extending to matters in their particular department.

The great number of disasters and their investigation shows that few firemen are properly informed of the nature of the element with which they are working, or of the nature and construction of the appliances for its control, such as the boiler itself, its steam-pressure gauges, recording and others, safety-valves, check-valves, feed-water injectors, or pumps, try-cocks, water-gauges, &c., all of them being necessary and ordinarily used in connection with steam-boilers, and requiring for safety their intelligent management as well as of the fires; and, as a general rule, these matters are really placed in charge of the fireman, though perhaps nominally in charge of the engineer.

The fireman should be of sufficient intelligence to pass an examination as to the internal and hidden mechanism of all these appliances, and as to methods of detecting, so far as practicable, indications of danger, such as foaming, leaking joints and seams, defective rivets, blistered sheets, burned sheets or flues, evidences of corrosion, &c., in their early stages of development, low-water, over-pressure, and in case of over-pressure the danger to be avoided by too suddenly releasing it, and many other emergencies, and as to how to apply the remedy nearest to hand and ward off the immediate danger. In fact, with the present system of management, we can better dispense with the intelligent engineer than with the intelligent fireman.

While we build "floating palaces" and equip them with the highest attainments of science in the way of engines and boilers, and for their nominal management with scientific masters and engineers, yet that "demon of disaster," when it does arise within the boiler, we find has been placed under the immediate supervision of the person least fitted by education to cope with it.

An increased intelligence here might cost the owners a trifle more in salary, but this would obviously be no hardship in view of the economy of human lives, of fuel, and occasionally of steamboats in the line.

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Another point of great importance, and pertinent to this subject, is in the question of the *legal requirements* in the matter of steam-pressure gauges used on steam vessels in the merchant service of the United States. In every investigation made after the so-called "accident" and "mysterious dispensation of Providence" there seems to be no data nor information attainable (the man who might have known generally being dead) of the actual steam pressure at the time of the disaster, and no absolute record only "hearsay evidence" of the strains to which the boiler may have been subjected in the past, which record, if it does not save this particular boiler, would be useful in discovering the party immediately responsible, and in determning the chances for future explosions, as well as enabling the so-called "inspector" to inspect with a fuller knowledge of the case before him. It is high time that we accept for a fact that *all* mysterious explosions of steam boilers are due to overstraining through the culpable ignorance or carelessness of someone. The boiler was not to blame.

Such "accidents" (?) as that of the "Riverdale" not being in any sense mysterious, so far as the boiler is concerned (the only mystery possible being between the so-called "inspector" and the owners), suggests a preventive at your hands for many possible future disasters in a suitable amendment of the inspection laws, so as to make the lot of such inspectors more uncomfortable *here* than mere dismissal from the service.

A third point, with its attending risks, it seems to me, deserving your attention, is that of foreign passenger steamers being permitted lawfully to leave ports of the United States with their machinery in a disabled and unseaworthy condition rather than to employ American labor for necessary repairs.

It is but a few weeks since one of these ocean steamers was reported to have left this port to cross the Atlantic with a fair complement of passengers, and perhaps of crew, with the machinery in so disabled a condition that the officers are said to have estimated that their passage would be only one-third longer than usual; this was, however, a fair-weather estimate, and had a severe storm occurred, their destination on the other side of the Atlantic might have been peremptorily changed to the under side. The passengers were presumably ignorant of any defect or reduction in the elements of safety of the vessel.

Respectfully,

W. R. HINSDALE.

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## INDUSTRIAL EDUCATION.

*STATEMENT OF JOSEPH RODES BUCHANAN.*

205 EAST THIRTY-SIXTH STREET, NEW YORK,
*September* 28, 1883.

The immense increase of productive power in the last fifty years has not been very beneficial to the majority of laborers, and it is easy to ascertain the cause.

The productive power of unskilled labor is about half that of skilled labor. Hence unskilled labor must always have the lowest wages that are paid.

In consequence of the lack of industrial education, and the difficulties

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in the way of apprenticeship, there has always been a great excess of unskilled labor, and the glutted labor markets of the world necessarily reduce wages to the lowest point compatible with the life of the laborer—a condition which holds this class of laborers in permanent vassalage, their children being doomed by poverty to a similar condition.

The very obvious method of relief must be by diminishing the amount of unskilled labor in the market so as to raise its wages, and by converting unskilled into skilled and intelligent laborers enable them to work their way to comfort and independence.

This is accomplished by industrial education, and there is no duty for American commonwealths half so important as providing industrial education for all citizens; for the degradation of intense poverty and wage slavery is incompatible with the existence of a sound and stable republic.

While a complete industrial education thus emancipates the poorest class of toilers, and gives them the dignity of independent citizens, it has a still greater effect in increasing the productive power and national wealth, and giving to our country by superior skill the command of all the markets of the world.

Moreover, a right industrial education puts an end to the commercial convulsions which throw thousands out of employment, and, by keeping all in steady occupation, will add not less than from 10 to 20 per cent. to the prosperity of producers. I mean that a good industrial education will give to each pupil in less time than is required for the study of Latin and Greek, a thorough and skillful command of not less than *five* or *ten* of the most useful arts or trades. Two months of proper industrial education will give much more knowledge and practical skill than two or three years of common apprenticeship, as has been fully shown in the Boston Institute of Technology and other schools. Pupils thus trained and competent to hold the best positions in any one of their favorite occupations, five to ten in number, can never be disturbed or thrown out of employment by any fluctuations of business or changes in the labor market, and unprofitable occupations will be quietly abandoned until their prosperity is restored. Moreover a large number of these skilled artisans will be able to establish business for themselves, and become employers so as to increase the demand for labor.

Regarding industrial education as the panacea for the evils endured by the laboring population, I would add that industrial education is in a certain degree *moral* education, developing, as it does, industry and fidelity to duty, which are not promoted by mere literary education.

Moral education, the power and practicability of which I have shown in my work on "Moral Education," requires the industrial education as its basis. The reformatory schools of Lancaster, Ohio, and other places I need not mention, have fully proved that industrial combined with moral education is capable of revolutionizing character, converting young criminals into good citizens, and elevating youths of the better class to a moral dignity and refinement superior to the conditions of our best society. I refer especialy to the experience of Fellenberg at Hofwyl, and Rev. Mr. Wichern at Hamburg.

Industrial and moral education will place our country very far in advance of all other nations, and rightly applied they will in less than fifty years establish such prosperity and virtue that agitators and iconoclastic reformers will disappear.

JOSEPH RODES BUCHANAN.

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## THE KNIGHTS OF LABOR. LETTER OF GEORGE BRAINERD.

5 BRIGGS PLACE, ROCHESTER, N. Y.,
*September* 14, 1883.

*Chairman Senate Committee:*

DEAR SIR: For the last ten years I have been employed by one of the large manufacturing firms of this city. I know much of the greed of employers as well as a great deal of the ignorance that pervades working people as to political economy, &c.; and have such inside facts as convinces me that the Knights of Labor as an organization is an outrageous humbug, and so far as it affects labor at all is injurious to it. The history of the labor party in this city for a year or two past is an interesting chapter, I think, for your committee to consider.

I am not anxious for a ride to New York, but think, as a committee of the National Legislature is investigating the matter, everything giving any light, or that is of interest to the workingman, should be especially looked into, with the end in view of letting them know who are their true friends—if any such there are. I am sure they are not the men who usually figure as their leaders. If you think it worth while, and wish to hear anything more from me, you can address as above.

Very respectfully, &c.,

GEO. BRAINERD.

[Endorsement on the above.]

Please send us a statement in the form of an affidavit and it will be received as testimony by the committee.

Truly, yours,

H. W. BLAIR,
*Chairman, Senate Committee on Education and Labor.*

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*STATEMENT OF GEORGE BRAINERD, OF ROCHESTER, N. Y.*

I went to Rochester ten years ago, coming next November, and became employed varnishing coach bodies in the Cunningham factory in February following. Have been employed there most of the time since, with the exception of four years, when I was foreman of another shop in the same city.

I believe that the law of supply and demand must always determine, mainly, the price labor will receive for its services. This law may be defied for a time by either capital or labor, but will ultimately prevail. There is one duty, however, which the governing power, or rather the people as such, owe to the laboring classes, the performance of which should no longer be delayed. All necessary laws should be passed for the complete protection of persons working in factories—protecting labor (in matters other than wages) from the greed and thoughtlessness of its employers not only, but against its own greed, as, where children are sent to work at too tender years, &c. Such a law would also protect employers against the results of their own ignorance. There is very "*much of a muchness*" in human nature, whether it dwells in a brown-stone front or a cabin. Ignorance and greed are about equally divided and equally active in the respective spheres of the rich and poor. In view of the rapid extension of the factory system in this country at present, and its undoubted increasing extension in the future,

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such laws cannot be too quickly enacted. I have no detailed formulation of such laws. They should provide for inspection of all factories and shops, and give authority and power to prohibit the employment of persons in grossly unheathful and unsafe buildings. Such laws have been in operation in England, and would serve as models till we could by experience perfect and adapt them to our own necessities.

The necessity of such laws may be seen from an experience of my own in Rochester, one of many similar ones. The room where I worked (with several others) varnishing was heated by steam. Mornings the atmosphere would be very foul and dead. Had one of the windows open one morning to let the room fill with fresh air and was told by one of the firm that "*if you are too warm turn off the steam.*" No explanations were asked from us and none would have been received if offered. Next day or two was surprised with the window open again. Nothing was said, but in a few minutes up came the carpenter and nailed, securely, strong strips along the casings so that in the future there was no possibility of opening the windows. I think that was a case that called for the revival of the "Society for the diffusion of Useful Knowledge" for the benefit of the employer, and the intervention of the Bergh Society for prevention of cruelty to animals in behalf of the employés. The arbitrary acts of this firm finally, in January, 1882, led to a strike. This strike was ordered from headquarters of Knights of Labor, at Pittsburgh, through its district representatives here. Nearly all (about four hundred) of the men, who had been made Knights of Labor by the active exertions of organizers, left the shop at a given signal. The strike was successful, its demands complied with after six weeks idleness, entailing loss on the hands and firm alike. The success of the strike was not due to the aid the strikers received from the Knights of Labor. That organization failed to keep its promise. The strike was a success because the men were determined to relieve themselves of the arbitrary and unnecessary exactions of the firm, and because their places could not be filled by the firm, who made very strenuous efforts to do so, simply their labor was worth more than they were getting for it.

The ordering of this strike by the authorities of the Knights of Labor was an indefensible outrage on their part; on the part of the men, just enough. Grand Secretary Layton was immediately on hand and said, during his interview with the firm, that the only difference the continuance of the strike would make to the Knights of Labor it would necessitate the employment of additional clerical help at his office—money was no object there. In brief he came there with false smiles of promise on his face and skipped away during the interval between sunset and sunrise with a lie on his lips. I have never known of a case where this organization kept its promises; the recent experience of the striking telegraphers being a fair sample of its workings. The local activity in Rochester two years ago seems to me to have had its origin and stimulus in the political aspirations of certain individuals who exhibited considerable cunning of a not very high degree in working their field of operations. One of these "statesmen" claims to have studied law. Health was so poor had to relinquish his studies. Think this last statement may be true, for the consideration of the sound principles upon which laws are built must have necessarily terribly shocked a system so thoroughly saturated with communism as his. Another "active man" failed to achieve the priesthood in the Catholic church. Still another was a disappointed aspirant to the robes of the Episcopal communion.

The first of the above mentioned with some capacity for speaking, and apparently a good knowledge of the weak points of the laboring

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classes became the chief beneficiary of these operations, having been elected to the assembly and thence appointed clerk of board of labor statistics created by the State government last winter. To further his ends I think he not only encouraged strikes, but maneuvered to keep them from being settled until after election. I have reference now to the Kelly strike of shoemakers. This strike created a great deal of disturbance, the employers' union going so far as to agree to all shut down if the strike was not ended by a certain day named. A committee of the employers' union and one from employés, Mr. Healy being chairman of the latter, were appointed to meet and come to some terms, if possible. The committees met, but were prevented from organizing for business by Mr. Healy's committee insisting that before organizing the employers' committee should agree to certain impossible conditions. I have not the papers here, but the conditions were published in the daily papers and the comments of all agreed that the blame for failure rested on the labor committee. That, I think, ended negotiations till after election, when other committees met, when the labor committee signed a paper, which was given to the public through the daily press, stating that Mr. Kelly had all along been right and they wrong. The men were then, by the proper officer of the Knights of Labor, ordered back to work. This strike continued through several months. It was an outrage, not only on Mr. Kelly but upon those workingmen who through a sense of duty contributed to the fund out of which the idle hands were paid.

The remodeling of the penal code, or rather the codification of the various penal laws of the State, which went into effect last year, furnished much of the capital of these "labor" leaders, who had done their best to be anything but laborers. They asserted that the penal code was enacted for the especial purpose of enslaving the working man and woman too. The very name penal code came to be a frightful sound to the laborer when awake, and a horrible nightmare to him in his sleep. The interpretation of some of the provisions of the code given by these blatherskite Blackstones was indeed calculated to cause many a poor man to become a convert to the new and beautiful religion of Rev. T. K. Beecher, and commit suicide. At one of their meetings a man—I think his name was Blair, though I may have been misinformed—read this awful code from a large bound book—'twas a fact, an awful reality, binding the "servant" in perpetual slavery to the "master." One of the provisions of this code, read from this book, and soon to come into effect, compelled the servant—and, awful to think, every man who sold his labor was a servant—no matter how he got into his master's service—to wear any kind of uniform or diabolical hat that said master might in his hellishness put upon said servant. The servant not even having the right to quit his master, though he might not be engaged for any stated time. The penalty for violation of this clause was two years' imprisonment.

Another provision of the code related to justifiable homicide. I give you this provision or its interpretation verbatim, as I received it from a person who was a prominent officer at one time of the Knights of Labor, and at the time a member of that order. He is an American born citizen, and has enjoyed all the benefits of American citizenship, and no doubt would love his country dearly but for this unfortunate episode of the general code. But this is the law: "If you should go to your employer and ask for wages and get into an altercation, and he should shoot you, that would be a case of justifiable homicide." All such stuff would be laughable if it were not deplorable that men exist who will

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take such means to help themselves, as well as pitiful, that men could be found to believe it. That many did believe it I know from the excitement over the matter in the shop, and a deep feeling which found vent in a demonstration consisting of a procession numbering several thousands, and mass convention to "protest" against the enslavement of freemen. In my opinion it is eminently proper for the laboring class to be represented in the legislatures of the States, but these representatives should be men of correct views, and not the Dennis Kearneys, Justus Schwarbs, David Healeys, of former and present times. I am very decidedly of the opinion that drunkenness among workingmen has the effect of keeping wages, in many places, down. Such men are always hard up, and their condition is taken advantage of by employers.

I recall a case in Rochester of a man who had been foreman of a department who worked all one winter for $5 a week, doing a good day's work every day, as he only drank when on a spree. Many such work along for a little less than they would if steady, and others are gradually brought to their level, or have to seek employment elsewhere. A favorite way of cutting wages in some factories is to cut down the hours of work during the fall and winter months, and then by applying pressure get as much work out of a great many as had been done when working full time. All branches of industry in Rochester are active, and labor generally fully employed, and as fully, if not more, contented than for some time past.

GEO. BRAINERD.

STATE OF NEW YORK,
*Monroe County:*

George Brainerd, being duly sworn, says the contents by him subscribed is true of his own knowledge, except as to those matters therein stated on information and belief, and as to those matters he believes to be true.

Subscribed and sworn to before me this 20th day of September, 1883.

J. W. WILSON,
*Commissioner of Deeds.*

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*STATEMENT OF ROBERT JOHN.*

430 EAST ONE HUNDRED AND TWENTY-SECOND STREET,
*New York City, September* 17, 1883.

The CHAIRMAN SENATE COMMITTEE:

DEAR SIR: I hope that the labor of your committee will be productive of good results, and that you will recommend such measures as you may deem necessary (however radical they may appear to be) to solve the difficulty and relieve the toilers of this country of much pain and suffering. No one class can be blamed more than another for the great discontent, suffering, and misery that universally prevails. As true patriots you can arrive at but one decision, and that that the whole difficulty is caused by great waste of time and good material.

The business of the country should be carried on with the economy that a good business man carries on a business. Our country is self-supporting, and the New York Herald says its work can be done in nine months of the year. A communication to same paper puts it at four months of the year. To keep us fully employed at office, workshop, and labor-field *for the whole of the year* they suggest that we have "free trade," so that after we have done our own work we may have the

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pleasure of working to keep up tyranny and standing armies in Europe by doing some of their work. It is fair trade we want, not "free trade."

You should appoint or recommend to Congress to be appointed eminent statisticians, whose duty it would be to calculate the amount of time and material necessary to do the work of the country in a substantial and thorough manner.

If, after the work of our country has been done, and it would seem necessary for the health of the community that they, the workers, should be further employed, put them at something that would be the least wasteful, say to hunting or at the tread mill; if the latter, then the power could be utilized for pumping water power for machinery, &c. The health of the people, mental and physical, should be kept up to a high standard; that nation which enslaves its manual laborer cannot retain its liberties nor transmit them to posterity.

Yours, truly,

ROBERT JOHN.

P. S.—I would suggest you accept as evidence Combe's "Constitution of Man," and "Progress and Poverty," by Henry George. As I am a man of family I would not dare to give evidence before your committee, for I know I would be discharged as soon as my employers could find a fitting opportunity.

R. J.

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*STATEMENT OF CHARLES RICHARDSON, OF PHILADELPHIA.*

THE FATE OF THE WORKING CLASSES.

The pages of history are mostly filled with the annals of those who have held the laboring classes in subjection, and obliged them to work far more for their rulers than for themselves. But enough has been recorded to make us acquainted with the more important facts in the lives of those children of toil whose labors have produced all the necessaries and all the luxuries of human life. They have generally occupied the positions of slaves or serfs or peasants, ignorant and debased, cringing under the lash, and begging only for permission to prolong a miserable existence. But they have occasionally appeared as the famished and frenzied actors in wild rebellions ending in horrible massacres, and in later times the world has seen them organizing strikes and banding together in secret societies which threaten to abolish both nobles and capitalists, and to take forcible possession of the whole earth.

THEIR DISCONTENT.

This smouldering fire of discontent seems the more serious when we remember that it is no longer practicable to make use of the methods by which these hewers of wood and drawers of water were formerly controlled and made to do the world's work. They have listened for thousands of years to their task-masters' favorite doctrine, that the working men have been placed in their inferior positions by the wise ordering of Providence, and that it is their religious duty to be contented, industrious, and submissive to their divinely-constituted superiors. But they have long since ceased to receive such preaching with anything but derision and contempt. Neither can they now be driven to their tasks by brute force as they were when legions of an absolute monarch, or the

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armed bands of the mediæval knights, could be resorted to for the arbitrary coercion of the isolated and untrained peasants. The soldiers and the police of a republic are supposed to move only in obedience to laws established by the representatives of the majority of the people.

### THE WORKERS ARE A MAJORITY.

It can hardly be denied that employés or those who work for wages or salaries are a majority of the people of this country. They are far more numerous in the United States than those who employ them. They are rapidly becoming organized, and if the efforts to unite them at the polls should meet with any considerable degree of success, the leaders of these dissatisfied masses could secure the control of the Government, and could pass such laws as they might see fit.

If, then, it be at all probable that these new comers in the halls of legislation will be able to overturn the political pyramid in this unprecedented manner, it is exceedingly important that the ideas and theories which they are likely to adopt should be generally understood.

### THEIR SKEPTICISM AS TO AUTHORITIES.

But in order to look at the problems of capital and labor from the stand-point of the workingmen, it is necessary to assume an attitude of doubt and suspicion towards many of the most cherished doctrines of their employers. There is a great deal of intelligence and education among the laborers of this country, and they generally follow men who are perfectly able to understand sound arguments when they are presented with clearness and tact, but it is useless to attempt to silence them by mere appeals to authorities, whether human or divine. They know that Christianity, like all other great religions, abounds in denunciations of avarice, and of the rich men who can only be saved by the most marvelous of miracles. And, on the other hand, if they are asked to bow their heads in submissive reverence before the principles of the most distinguished writers on political economy, they are ready to answer that the worthlessness of those principles is shown by the fact that the world has rarely, if ever, contained so much poverty and misery as at present; and that no hope now remains for the sufferers except in their own efforts. They are evidently disposed to think that it is time for a patient to dismiss his doctors when he finds that they can neither benefit him, nor agree among themselves as to what his disease is, or what treatment should be adopted, and can only unite in urging him to be satisfied with suffering and to attempt nothing for himself.

### INDUCED BY THE CONFLICT OF AUTHORITIES.

It must be admitted that although the pursuit of wealth has always engrossed more of the desires and thoughts and energies of mankind than anything else in the world, there is hardly any other subject in regard to which there are so many hostile beliefs and theories. And this seems the more strange when we remember that the facts to be studied, and the lessons to be learned from experience have always been open to all who had eyes to see with and histories to read. The continual battle between free trade and protection is perhaps the most conspicuous example of these conflicts between the opposing doctrines of political economy, but they all afford numerous illustrations of the



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manner in which men can be biased by self-interest or blinded by devotion to a theory.

Some earnest thinkers assert that the proportion of the poorly paid and unemployed is rapidly increasing, and that the extent to which men are being replaced by machinery, the labor trouble and socialistic and communistic movements, the "bonanza farms," giant monopolies, and colossal fortunes, are indications of the speedy approach of such wide-spread suffering as must lead to a crisis wherein the old theories of capital and labor will be destroyed as by fire, and society will be passed through the melting-pot and cast into new forms. Others declare that the growth of new wants and the demand for new luxuries are keeping pace with the ever-increasing powers of production, and that although machinery and improved methods may enable one man to produce as much as formerly could be produced by a hundred, yet, the other ninety-nine can still find occupation in new industries, or as miners or machinists or in connection with the handling, storage, and transportation of raw materials and finished products. They allege that whereas in old times a man's food and clothes and shelter were produced on his own farm or in his immediate neighborhood, yet now nearly everything he uses is brought to him from a great distance or from foreign countries, over land and sea, passing through multitudes of human hands and so paying tribute to many who, under the old system, would have been raising food or making clothes, but who are now supported as traders, carriers, bankers, brokers, and other middlemen, of many kinds. Conservative authors denounce every proposition to restrain the rights of private owership, while their opponents declare that it is no longer possible to defend unlimited monopoly on the ground either of a divinely sanctioned right of possession, or of the sacred title of labor to the fruits of its own industry; and they point out that the most remarkable accumulations of wealth in corporations and in private hands have not generally been produced by honest work, but by superior foresight, cunning, or rascality, or by controlling the labors of subordinates who have received but little of the profits.

### FACTS MADE TO PROVE OPPOSITE THEORIES.

We find that admitted facts are seized upon as unanswerable proofs of the most opposite theories, and in times of panic and unusual distress such apparently contradictory prescriptions as free trade and protection, taxation of land and taxation of incomes, hard money and paper money, importation of laborers and restricted immigration, donations of public lands and confiscation of private estates, limitation of production and employment for all by the State, reduction of working hours and increase of wages, laws to encourage trades unions and laws to forbid them, and the success or defeat of this or that political party, are all urged upon a bewildered public as infallible panaceas for the woes of the nation. With all this confusion and uncertainty, it does not seem surprising to the ordinary citizen that political economy has been called "the dismal science," and has become a matter for ridicule and disgust, wherein every man can find evidence and authority for whatever doctrine may seem most favorable for his own selfish interests, but where the average voter may search in vain for the plain unbiased statements and clear impartial reasoning which he so urgently needs. It is natural, therefore, that workingmen who have learned to read and think for themselves should be determined to seek for better explanations and remedies for their hardships than any that have yet been found and ap-

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plied. And as they represent the great majority of the voters in this country, and are not likely to be turned aside by sneers, threats, or promises, it would seem wise for even the most selfish and prejudiced of the rich to meet them in a spirit of concession, and to join in honest efforts to discover measures so just and fair that they can be united on with benefit to all and ruin to none.

### THE MISSION OF INTELLECT AND PHILANTHROPY.

There has never been a nobler task for philanthropy and intellect than this search for means to lift the masses of humanity out of that extreme poverty which is the begetter of ignorance, degradation, and crime. And if success can be achieved in this, it will make all the other charities of the world seem weak and insignificant in comparison. The discussion of the different plans is rapidly attracting the attention of the public, and there are already signs that it will lead to the general recognition of certain luminous facts in the conditions of human existence which can never be ignored in remedial legislation without failure and disappointment.

### TWO FUNDAMENTAL TRUTHS.

One of these leading truths is that it is only by means of the work of the laboring classes that men can obtain either the necessaries or the luxuries of life. Another is that in order to produce anything for themselves or for others, these laboring classes who till the farms and work the mines and run the machinery, must have access to the lands and materials and factories supplied by nature or accumulated as capital. And from these two axioms it follows that whenever these supplies that are as necessary to the laborer as the air he breathes, can be acquired and absolutely controlled by a portion of the people, the remainder must submit to their terms or starve.

It is by the labor of the machinist that wind and water and fire are made to serve the purposes of man. It is by the toil of human hands that the lands and mines and forests and streams produce for us our food and shelter and clothing. The law of nature that men must either work or starve has never been, and can never be, evaded by any portion of any community, except where the real laborers have been induced or compelled to do the work of the idlers in addition to their own.

### ABANDONMENT OF OPPRESSION BY PHYSICAL FORCE: ADOPTION OF OPPRESSION BY MIND-FORCE.

But the desire to command the services of others and to live in luxury upon the product of their labor is one of the strongest characteristics of our race, and in all nations and at all periods we find that this unhealthy ambition has led the most able or unscrupulous into efforts to oppress and degrade instead of to guide and elevate the masses of the people. In barbarous and feudal times this lust of power and wealth sought its ends with battle-ax and sword, and the wretched and unarmed serfs and peasants kept always at work, and without the training and the time and means for communicating with each other, which might have enabled them to organize in successful revolt, were at the mercy of their masters. With the advance of civilization, however, the absolute necessity for restraining these local tyrants became so apparent

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that they were gradually compelled to submit to general laws. But instead of being destroyed or even weakened by being thus obligated to abandon the weapons of brute force, the natural desire to achieve superiority and luxury without labor speedily prompted men to lay hold upon the new and still more effectual means afforded by the power of a strong government, and with the sanction of the laws, and by the various methods of speculation and competitive business the shrewd and ambitious proceeded to acquire the wealth which would enable them to control and live at ease upon the labor of others. In fact this last state of the people is in some respects worse than the first, for under the rule of the old nobility a bad master could sometimes be got rid of in the course of a foray or by means of a local rebellion, but the whole naval and military force of the nation is behind the laws which protect the exactions of modern competition. The baron of the middle ages, if he chose to be merciful, could make his dependents comfortable without injuring himself; but the employer of this generation cannot materially improve the condition of his workmen unless he increases their wages, and if he should do this his rivals in business would soon be able to offer the same kind of goods in the market at lower prices, and his bankruptcy would be only a question of time.

### OPERATION OF THE "LAWS OF TRADE" UPON WORKINGMEN.

Modern legislation is largely based upon the curious theory that all men are equal, and that when the wolves and the lambs of humanity are included in one fold the wolves are as likely to suffer as the lambs. But experience shows that this idea is the reverse of correct, and that in communities like ours, where men as a rule are constantly trying to get ahead of their neighbors, the power of the farsighted and unscrupulous to obtain and control an ever-increasing proportion of the resources and products of the nation is likely to be the cause of almost infinite evil.

In order to see clearly just how the poorer classes are injured by this excessive concentration of land and personal property in the hands of a few owners, even when it is still devoted to business purposes instead of being entirely withdrawn from the laborers and used for such private ends as parks and hunting grounds, we must trace its effects under the operation of the laws of competition. No matter how kind and liberal individual employers may be they are generally forced by the rivalry of others to join in continual efforts for reducing wages to as near the starvation point as possible, and to substitute machinery for men as rapidly as it can be done. And although the tide ebbs and flows and there are occasional intervals of prosperity when the demand exceeds the supply, and workmen can hold their own or even secure increased compensation, yet the industrial establishments are so stimulated and multiplied by seasons of tempting profits that they are sure to be followed by years of overproduction, falling prices, and other disheartening but familiar features of panics and hard times. During these periods of difficulty and disaster the workman can offer but little resistance to the tendency of his employer to depress wages and to increase the number of the unemployed by dismissing men, whose consequent sufferings compel them in their turn to aggravate the evil by offering to work at still lower rates. Nor is this the worst, for whenever the compensation of the laboring classes is reduced, their ability to purchase the goods which the employers are always trying to sell is thereby diminished,

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and as the demand for these goods accordingly falls off, the manufacturers are obliged to lessen the supply by discharging more of their hands, who are thus also forced into the ranks of those whose constant efforts to obtain work at almost any price, tend to bring about still further reductions in the rates of wages. This completes the vicious circle of the operation of those mysterious "laws of trade" that are looked upon by some as being like the sacred ark which it was death to touch.

A little further consideration will show that these excesses of competition, with their attendant train of apparently unavoidable evils, would be checked almost at the outset by the natural effect of declining markets, if it were not for the ability of the employers to keep up the struggle by continually grinding down the wages of the laborers, who can only avoid starvation by working at such rates as the manufacturers are willing, or can afford, to give. If the workmen had any other means of supporting themselves and their families it would of course be impossible to force them to work for extremely low rates by threatening them with starvation; and if they could thus avoid the reduction of their wages they would thereby escape the other evils of poverty and destitution which depend as we have seen upon that first link in the chain of misfortune.

### THE NUMBER OF WORKERS SMALL; OF IDLERS AND MIDDLEMEN LARGE.

Now there can be no doubt about the strength of ordinary men being much in excess of what is needful for the production of the food and shelter, and clothing, which they require. We need only to consider how many people are idlers, or soldiers, or unnecessary middlemen, or sick, or disabled, or engaged in producing articles of mere luxury or pleasure, to see that the really important part of the world's work is done by a small portion of its inhabitants who support the rest. And it is therefore evident that when a strong man who is anxious to work cannot live except by hiring himself out upon such terms as may be dictated by others, it can only be because he is prevented from using the lands, or mines, or factories, without which his strength is useless. If we ask why the poorly paid or unemployed submit to their sufferings instead of tilling the soil or working in the mills, and thus producing for themselves the food and clothing which they need for their own use, the answer of course is that the mills and all the available lands belong to people who would forbid it, and who would call upon the Government to aid them in resisting such an interference with their private property.

### CAUSE OF THE OPPRESSION AND DEGRADATION OF LABOR.

And this brings us to the conclusion that the oppression and degradation of the laboring classes is mainly owing to the absence of any effectual restrictions upon the natural tendency of those who are the most shrewd or the least honest to acquire and monopolize the lands and personal property of each community, and to then prevent the laborers from using them on fair terms, and that unless this tendency is in some way restrained and limited, the evils of poverty and destitution, and the pauperism, and crime, and anarchy to which they lead are in the long run inevitable.

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### WHAT SHALL BE DONE TO REMOVE IT.

There may be much difference of opinion and discussion as to what remedial methods would be the best and most practicable, but it is perfectly clear that the measures which should be adopted must be such as will to some extent, directly or indirectly, limit or curtail the power of the minority, who have obtained possession of the store-houses of nature and capital, to dictate terms to the majority, who must use them or die. But this plain teaching of common sense is met with the venerable assertions that all attempts to restrain private accumulation and ownership have always been and must always continue to be at once wrong, foolish, and utterly impracticable.

These statements, however, will not bear examination, for in the first place, the teachings of religion and philosophy, and of the greatest lawgivers and statesmen from Moses to Gladstone, unite in condemning the lust for wealth and the unbridled power of land-owners and capitalists. And in the second place, we find recorded in history innumerable instances where wise rulers, or oppressed subjects, have recognized these parents of evil, and have endeavored by legislation or revolution, or by the more modern "strikes" of the laborers, to abate or abolish them, and in proportion to the success or failure of such efforts, have been the prosperity and intelligence, or the poverty and debasement, of the masses of the people. And if it were ever right and wise to interfere with

> The good old rule, the simple plan,
> That he should take who has the power
> And he should keep who can—

it seems strange that it should now be thought wicked and silly to assail the modern adaptation of the same rule, when the only difference is that the "power" now used is that of brains instead of swords. It is a most grievous error to imagine that when the monopoly of the resources of nature and the means of production is effected by business methods sanctioned by law, it is any less ruinous in its consequences than when it was achieved by the massacre of those who ventured to resist.

### PALLIATIVES WILL NOT DO.

During the present century the opening of new territories like those of the United States has averted the most serious effects of this monopolizing tendency, by enabling the overburdened and the unemployed to gain access to other lands and mines and forests, in place of those which they were forbidden to use at home except upon terms of hardship and misery. But the rapid diminution of the unappropriated lands, the enormous accumulations of wealth by corporations and speculators, the continual denunciations of monopolies, and the distress and agitation among the laboring classes, are signs that it will soon be impossible to prevent the workingmen from making very serious changes in our laws. Nor is it likely that they will be contented with such palliatives as "compulsory education," "technical training," or measures to encourage temperance, industry, and thrift, for although these things are admirable and invaluable, none of them can reach the main root of the evil. If you take a few men and change them by teaching them to be temperate, educated, industrious, thrifty, and highly skilled mechanics or business men, instead of the opposite of all these, you will undoubtedly benefit those particular individuals, but, so far as the masses are concerned, you will simply enable your pupils to get ahead

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of them in the struggle for an undue share of the world's wealth. And on the other hand if you extend these great blessings of wise training to the whole population you will still leave uncurbed the desire and ability of the few to acquire and control a dangerous proportion of the lands and riches of the whole community.

## THE REMEDY.

The object of these pages is to call attention to the fact that there is no longer any possibility of keeping our laws as they now are, and that the only course for sensible people to pursue is to try to lead the rising tide of the labor vote into such channels as will be the least dangerous, and will afford the most chances of doing some good. But the main purpose of the writer has been to show, with as much brevity as possible, the direction in which alone these channels can run with any prospect of success.

## GOVERNMENT INSTRUMENTALITY TO SUSTAIN WAGES.

It may be added, however, that the power of a government to collect money by taxation and expend it for the benefit of the weak or unfortunate is not only founded on moral right and natural justice but also on abundant and almost daily precedent. And there are many arguments that can be urged in favor of using this power to a moderate extent, not with the design of dispensing charity or of supporting the idle, but for the purpose of maintaining fair rates of wages throughout the land by simply enabling the most needy to earn their own living, either by allowing them to use lands or machinery bought and owned by the Government, and teaching them to produce therewith the food and other necessaries which they will themselves require and consume, or by employing them on works of public utility at rates of compensation high enough to enable them to support life, but too low to induce them to injure private employers by deserting them when wages are at all reasonable. If the discharged and unemployed could always escape the scourge of famine by working for the State, the contests between capital and labor would result in just terms for both, because each would be in a position to resist any exorbitant demands from the other. It is not likely that any very large sums would be required. From the very dawn of history it has been the practice of almost every Government to maintain and pay a large portion of the people out of the funds provided by taxation; but the armies obtained in this manner in the past were only used for war and destruction, while the legions of industry would always be engaged in the production of new wealth and the multiplication of the blessings of plenty and peace. The mere adoption of such a system would go very far towards obviating the necessity for applying it, because attempts would hardly be made to reduce wages down to the starvation point so long as it was known that if the laborers were driven to the wall they could always find refuge upon the lands or in the service of the Government.

And it should not be forgotten that any system which will result in universal employment at fair rates, will also be a great benefit to the employers by providing them with customers for their goods. If it should be necessary to protect our manufacturers from foreign competition in our home markets the tariff could be adjusted accordingly, but this point is of course a debatable one, and of minor importance.

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By the means suggested for protecting the laborers from the last turn of the screw of capital, the power of capital to oppress and degrade labor would be indirectly brought under the necessary degree of control.

OBJECTIONS ANSWERED.

If such methods are objected to on the ground that there would be no way of confining the exercise of such a power within reasonable limits, it may be answered that in this, as in many other matters of vital importance, we have no alternative but to trust to the common sense and experience of the majority of the people. And if it is argued that plans of this kind would lead to infinite theft and corruption among public officials, it can be urged in reply that such evils tend to cure themselves, and to do good by arousing the people to take a more active part in introducing better men and better methods of administration; and also, that if necessary every person employed by the Government could be required to abandon the right to vote until the expiration of six months or a year after he should have left the service.

Other objections can of course be urged, but it is well to remember that under the present circumstances, and in view of the fact that great changes are now inevitable, instead of trying to magnify the difficulties in the way of every plan that may be suggested, it will be wiser to employ our ingenuity in efforts to lessen and remove them.

There are always plenty of people ready to prove that the problems of riches and poverty can never be solved by any power, human or Divine, and their demonstrations are much more pleasant to some ears than the sound of the Marseillaise, but even if the gulf were really impassible it might be better to take the lead and jump than to be suddenly cast headlong.

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## CAUSES OF IDLENESS: THE REMEDY.

*STATEMENT OF JOHN E. MORRISSEY.*

NEW YORK, *October* 5, 1883.

*To the Senate Committee on Labor and Education:*

GENTLEMEN: As a workingman I beg to lay before you the conclusions which experience and a little study of the labor question forced me to come to. I believe it is widely admitted, and the existence of your committee proves, that our present systems are not the best, and that if this glorious Republic is to be built up and sustained as a great, prosperous, and free community, those in whose hands is placed the sacred trust of its Government will have to take a new departure, and cease to follow the barbarous systems of the effete monarchies of the Old World.

This Republic possesses all those means in the amplest degree which are necessary to make it a land of "happy homes and altars free," if those having the stewardship of those means were only possessed of the brains, the energy, and the *honesty* to make the proper use of them. It is needless to enumerate what those means are; all that is necessary is to keep in mind that land and labor are the two great factors in the production of wealth. This is clearly understood by capitalists, monopolies, and all those corporations and combinations which grasp the source of wealth and fence it around with partisan laws so as to debar labor until that labor is entirely to their advantage.

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Now, I hold that the best way to settle the labor question is to give an opportunity and to assist the surplus and unemployed labor in large cities to go out on the land. We need not rack our brains a great deal to see that this move would be for the benefit of all classes. Take, for instance, this city of New York. I verily believe that not more than one-half of the labor power (the great factor of national wealth and strength) at its disposal is utilized. Then, what, it may be asked, becomes of the other half. It is this: The unemployed become a burden on those who work. A man who works will often have to keep some friend who can get no work, or that friend must live by those means which degrade mankind and society, and they are either begging or thieving. I hold that seven-eighths of the culprits in our prisons at present are those who themselves, or their parents for them, failed to find a way of making an honest or decent living. Find a way for this surplus labor out on the land and the effect on our cities will be most salutary. Then our food supply will be abundant and consequently cheap. This will benefit *all* classes. We will have cheaper and less crowded, and therefere better, houses to live in. This will benefit the workingman, and will not cause much loss to the property owner; for what he loses by low rents he will gain in the punctuality with which they are paid, and in the cheapness of the necessaries of life, which will arise from *all* labor being employed and contributing to the common wealth. Then, lastly, it will give the laborer who remains in the cities a chance of *constant* employment, instead of the "day now and then" on which he must try at present to eke out a miserable living for himself and those dependent on him. Give our laborers a chance of being constantly employed, and if you do I promise you that in the vocabulary of our working community, there will be no such words as "loafer," "sharper," "thief," "murderer," and that the characters which these names represent must be sought for in some other quarter than in the ranks of *independent* and *intelligent* workingmen.

The question of immigration to this country is one which, in my opinion, requires investigation, and I believe that the time has come when these States can afford to withdraw all inducements whatsoever which are held out to immigrants. Let our Government devote the time and the means which it now expends in maintaining immigration bureaus to the development of increased power in the present population of this country and they will have no need of importing muscle or brain from foreign shores. This foreign element, which has no *real* interest in the national welfare of this country, has been and still is the greatest weapon in the hand of capital for crushing labor. People crushed into slavery in the Old World come here and are contented so long as they enjoy a nominal freedom, having none of that true spirit of republicanism which is necessary to preserve a people from relapsing into slavery, and to give them that intelligence and independence which will make it impossible for any person or party to exercise despotic or monarchical power over a vast community. By all means let all persons be welcome to these shores who come in friendship and at their own expense, but let our Government prevent all other countries shipping their slaves and paupers individually or wholesale to our shores, unless they want to prove themselves tools in the hands of corporations, whom alone benefit by the importation of those people.

In conclusion I will again say that this country possesses all the means which, properly utilized, would make it something like what God intended this beautiful world to be, a world of happiness in as far as man could make it, as he was ordered to, and a world of patience in

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as far as he could not; in fine, a *real*, not an *ideal*, "Utopia." I would ask the committee to excuse this sheet, as I originally intended it only as a draft, but not having time to put it in proper form, I hope the style in which it is presented, or even the source from which it has come, will not prevent them from considering its contents.

I am, gentlemen, very respectfully, your obedient servant,

JOHN E. MORRISSEY.

223 WEST SIXTIETH STEET, *New York City.*

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## SOCIAL SCIENCE.

### *STATEMENT OF CLINTON ROOSEVELT.*

Both science and religion recognize the fact as true to nature, that in order to make peace on earth and good will to all mankind, the hungry must be fed and naked clothed, not by degrading charity so much as by giving every man and child old enough to work, and every woman who may seek it, a fair day's wages for a fair day's work. There is nothing in any maxim of the seven wise men of ancient Greece, or in Darwin, Huxley, Tyndal, or Spencer, to compare in practical philosophy with these humble words of honest workingmen, "A fair day's wages for a fair day's work."

But what workingman is sufficiently instructed in political economy or social science to determine accurately whatis really a fair day's wages for a fair day's work? It has not been determined even how many hours' labor constitutes a fair time for work, to make it a day's work.

A cordwainer, as he chooses to be called on some occasions, may inform you that five shoes for women's wear is a day's work, but I have lately read that a pair of woman's shoes has been made complete by aid of machinery from the hides of leather, and the cloth for lining, in twenty minutes. But this fact strikes terror in the parent's heart while hammering on his lapstone. For he is forced to ask himself, What will now become of my poor wife and children, if iron arms can do the work and the machinery requires only to be fed with coal, which may be dug all ready to the hand out of the bowels of the earth?

The free-trader has replied by Malthus that whenever the demand for hands to work falls off, the children in excess of the demand must die. No one has yet demonstrated that if one community can co-exist with ten thousand and not with eleven thousand hands, then to collect the odd thousand and set them to work in another section on some other mines or water power, they may not subsist together as the first have done. For even if the free-trade Malthusian doctrine is true, which I deny, for as I have contended, as I think, conclusively, it is a false appearance, arising chiefly from a defect in the nature of the money of commerce, which may be very easily corrected. The want of education on this subject amongst not only workmen but the politicians of our country only emphasizes the demand for the establishment of an institution to supply the crying want. For it is want that goes abroad throughout the earth like a roaring lion seeking what or whom he may devour. The true name of the devil is want in whatever protean forms it may appear, whether in regimentals or canonicals. All the troubles in the world arise from want of something. But the greatest want of all is understanding of the ways and means of happiness by genius and

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industry at the right times and places. The ignorant in ways and means would fain have all things in common. But experience has proved long ago that thereby industry and genius are alike discouraged.

All the reasonable wants of man should be supplied by industry and genius, in that order in which wants arise in nature.

The wants of man are all included in three orders of the social science.

First, for the means of subsistence.

Second, for the means of defense.

Third, for the means of refinement.

Under the first order, for subsistence, come:

1. Agriculture.
2. Manufactures.
3. Commerce.

Under the second order, for defense:

1. The military science.
2. Jurisprudence.
3. Hygiene.

Under the refining or perfecting order:

1. Physics.
2. Metaphysics.
3. Politics.

Politics, including all that man can reasonably desire on earth as useful or delightful to him.

Nothing less than this arrangement can be reasonably termed scientific as a social science. Nothing can be safely left to chance, for chance always in the end destroys by accidents. Only a very few are born capable of thinking for themselves and others at the same time. But in a social system it is absolutely necessary that the selfish and the social instincts should be reconciled in the same acts, as with an army in action, every blow the soldier strikes is as much to the advantage of the army and the country he is hired to defend as to his own. But remember he requires to be hired and be paid his daily wages whether conquered or victorious against the common enemy. Human nature and the nature of things require all this to insure success. Without action on this understanding the worst enemies of an association will arise in its own household. It has always been so. Only a very few have been like the great Washington, who demanded only repayment of his own expenses while risking life and fortune for his country. Indeed, necessity as higher law compels even the most patriotic soldier to demand support for his dependent family while he fights the battles of the commonwealth, and what is needed now, as the most pressing need, is the conversion to the arts of peace, that scientific system of co-operation now best known in war. By the division and subdivision of labor no one ever need to lack the means of living, if with skill enough to turn a grindstone or polish up a needle's point. For however far apart the individual's labors may be, or however incomplete alone, all may be united in the end and each will be discovered essential in the grand result. By analysis and synthesis all good things are created. All of science is contained in these two processes. To separate and bring together in new forms of being is the work of genius in all cases. But no one man can do everything alone.

System is required, and discipline. Some may rebel against irksomeness, as the beast of prey, the lion, will hunt only with his mate, and can tolerate no rival in his forest. So the man of prey will still insist on standing out alone until he shows no line of differentialism between the freebooter on the coast of Africa, in supplying the demand for slaves

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in Cuba, and the free-trader in the use of common money, not for a fair rate of interest, but in order to reap that he does not sow, and gather that he does not strew—a usurer. In government, candidates should be elected only to the lower grades and rise thereafter as in the army or the navy, and learn thus the science and the arts of government together, and, after passing through the various grades, pass out to become judges in a high court for the trials of impeachments and correction of errors.

Taking it for granted that almost every individual has by nature peculiar excellences and defects, and fails in life from having no facilities to take the position in which he may exhibit all his excellence, a court of honor ought to be established whereby every individual may be enabled to prove undeniably that he ought to rise in public estimation, or if placed too high his fellow-citizens may on proper charges prove that he ought to yield up any office in which he may be unfit and take some place better suited to his genius or accomplishments, whether in a university or a penitentiary.

In the fewest words I have been enabled to command I have thus placed my purposes before you. I claim that they are strictly scientific, and that no other can avail to render light the burdens of humanity. I am not in want of anything myself; that is to say, I am not anxious now for either fame or fortune. I hope others will take hold of my propositions and go on with them to perfection. I can hardly hope to see the full fruition of a work like this at my time of life. The present purpose is to find persons who by what they have experienced of the world must see that unless we advance the general interests the most selfish instincts prevail, as formerly has been the case, and we are told that even in the country claiming for itself the highest civilization nineteen-twentieths of the people die prematurely of diseases superinduced by excessive labor and deficient nourishment, while they supply the world with merchandise and rob other starving peoples of employment, and in the Parliament it has been actually said they knew of no remedy for such a barbarous condition. Nor do I suppose the poor and ignorant can help themselves. My purpose is in future to apply only to rich men to afford the means of placing these ideas on a proper footing. I claim that they are strictly scientific; that they show no conflict between science and religion. Both agree upon the point that to make peace on earth and good will to mankind the hungry must be fed and the naked clothed. Extreme want knows no law of God or man, and want must be overcome—not only by misdirected charity, but by finding work for all disposed to help themselves by honest industry of head or hand, or both together; for mere labor without thought is of little value, and the first thing to be done now is to think.

CLINTON ROOSEVELT.

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*[Statement of Frank X. Heissinger, landscape and garden engineer, New York City.]*

## COLONIZATION AND ITS RELATION TO SOCIALISM.

I am pleased that the idea of distribution of labor is rapidly moving over the land, instead of a desire to concentrate it in the large cities. Yet it would be still better were the emigration of all countries organized more systematically, and were colonies created for the purpose of drawing out the immense riches that exist in the virgin soil of our great West.

Nearly all the crimes of which we read day after day, and which are mostly the consequence of overpopulation in the large manufacturing cities, would be greatly reduced were such a plan carried out. If a

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society were organized which united in the aim of building up the Western prairies by a large colonization of industrious, energetic laborers it would not only be a great blessing to them but to the capitalists as well, for the capitalists would not only retain the old capital but gain a new one by the industry, energy, and prosperity of the laboring class, and thus confidence, credit, and happiness would return to the country generally. The unreasonable, niggardly, and narrow-minded ones, who seem to believe that all the good things of this world are only for those who chance to be blessed with fortune, rank, and means, may live and die in their conceit and the world will not grieve at their loss.

On the subject of colonization, however, and how it could be made most productive of the common good, opinions differ very much, as the opponents of the plan most probably wish they should.

For this reason I submit a short sketch of my ideas on the subject. Far, however, from demanding their acknowledgment as the only and correct method of solving this most important problem, I merely assert the belief that they are as well considered as any yet given.

As all enterprises of this kind are naturally more effective when carried out in connection with larger masses of people, it would above all be necessary to establish an association or company; the larger and more extended the better. If the Government could be led to take part in the enterprise it would of course be best, yet as it will not apparently do so at present we must have recourse to other means.

My own belief, however, is that the Government of the United States have not only the right (which many seem to doubt) but also the obligation to assist in such cases as this. As Mr. Hendrick B. Wright once very truly stated in Congress, "It is not Wall street, New York, that will pay our colossal national debt; it is the emigrant and farmer to whom it will eventually be left, who will after all be compelled to raise the heavy load of indebtedness."

As has further been proven, agriculture is and will always remain the chief resource and foundation of national wealth, upon which alone it can rely and maintain itself in its present advanced stage.

For these reasons it is, as above stated, the duty of our Government, if possible, to assist colonies of emigrants to sustain themselves until they are able, if necessary, to comply with the demands which will eventually be made on them—to pay our national debt.

It would at least be something if the States interested in this subject would assist in furthering the enterprise, especially if they would act in concert with each other, which would certainly be far more effective than if each State acted on its own account, more especially in regard to emigrant agencies and commissions, which could be located at certain points, not alone for the sake of less expense, but for the good of the concern itself.

Until either the national or State governments take hold of this matter, however, if that ever occurs, we will hold fast to the idea of a private association.

The prospectus of such an association would be about as follows:

## I.

### OBJECT OF THE ASSOCIATION.

1. The highest possible security for the citizen and laborer in his spiritual, moral, sanitary, and material circumstances, as well as in his social position, *i. e.*, to obtain a worthy existence for such of the citizens and laborers of large cities and manufacturing centers (where they are being

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demoralized, body and soul) as are inclined to join and assist the project of colonization by founding new homes and towns in the West and South. Also assisting and protecting those remaining at home, suppressed by all-absorbing capital, to sustain their freedom and rights as worthy citizens of our great republic. In other words it should be an association for the protection of man against the so-called "higher order of animals."

2. The society should as far as possible protect that greatly threatened institution—domestic life. It should scarcely be necessary to present a long article on the subject of domestic life in the morally contaminated atmosphere of large centers, but we have only to refer to the lists of the poor and to the records of the criminal courts, for any one having possession of his senses and some regard for the miseries of his race to see that help is absolutely necessary here.

3. To bring labor and consequently the value of the same to an equal standard at all places.

4. To protect the employer against extortionate demands of employés. The society should in fact prevent these everlasting mutual troubles of employer and employé, by which one can readily see that human nature never gains, but on the contrary, becomes more embittered at every outbreak.

5. By founding such new colonies, towns, and cities we would secure new markets for our industries and a fresh impetus would be given to all trades, thus giving the honest and upright business man an opportunity for existence.

6. To establish an equilibrium between the consumers of agricultural products and their producers.

## II.

### HOW THESE OBJECTS MAY BE ATTAINED.

The ends sought may be attained—

A. By finding and securing lands, suitable for our purpose, as new places for labor and fresh business sources.

B. By finding and securing the means for purchasing such lands and places and to operate them advantageously.

C. By establishing one or more model farms.

D. By absolute guarantee of title deeds.

This last point is now under cer'ain circumstances one of the most difficult to remedy. It is a pity to be first compelled to expend so much money for discovering whether your title deeds are really valid or not, as though it were not possible, as it is elsewhere, to compel the officials of that particular department by assurance of punishment and loss of office to give the purchaser all the necessary information. Then of course there would be far fewer litigations in America—now the Eldorado of the lawyers.

This dark spot upon the fair name of the United States has cost it not only millions but thousands of millions, and injured it to the same extent. If a European knows comparatively nothing of American circumstances, he is sure to know of the occurrences above referred to. Such knowledge is then used to keep back from this country that class of emigrants most needed here, and this all for the sake of a few lawyers and their accomplices, so that these may live upon ill-gotten gains.

One might really believe those to be right who say: The Americans are a nation subsisting entirely upon the booty they plunder from strangers; when they came to the country they robbed the Indians of

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their freedom and rights, and now they do the same to all who come to them. If they cannot plunder them of their property, because perchance they have none, these people rob the stranger of his labor and time, still oftener of all moral virtues and possibilities of a higher existence by their demoralizing examples. The nation should at all hazards and with all possible energy relieve herself of all apparent complicity in such matters, which would not by any means be so difficult. Adorn the limbs of a few trees with the culprits and the work is done.

## III.

### THE STEPS NECESSARY.

Now, how shall all this be done.

The object which I have marked A can only be attained—

1. By appointing a commission, composed of two or three reliable and expert men, who will not, as is most usually the case, visit one place or State alone, but explore the whole Union, wherever suitable locations exist, and examine all lands in regard to locality, character of soil, with regard to irrigation, vegetation, and productiveness, minerological and climatic circumstances, natural or artificial communications with other places, States, &c. All these things the commissioners would examine and report conscientiously and without prejudice. The mutual comparisons would show what districts would be best for any class of people—or for any race, as, for example, Europeans, Asiatics, or even Africans, each according to their national characteristics. All this we must consider, if colonization on a large scale should succeed. Every one will comprehend this who has had opportunity to observe the different races in their native countries as compared with their conditions elsewhere.

Of lands we would at first use only the best and most advantageous, because it is success which gives people pleasure, courage, and endurance, and eventually draws thousands after them who would otherwise stay away; and thus accomplish more in ten years than could be done in one hundred years without the success of the pioneers.

These commissioners would also have to discover at what new or old towns or colonies tradesmen or mechanics are needed, and of what class, and how many could make a living there without injuring the business of those already established.

2. By issuing a newspaper which should from time to time give accurate reports of the rates of wages in the various businesses at the more important places; also the value of all necessaries of life, rent rates, &c., so that every one may have an oversight of the mutual circumstances and be well informed on all these subjects.

For these purposes there would be needed a correspondent at each place who should be interested in the matter, and who would, if possible, do the work gratuitously.

The object which I have above marked B can be attained—

1. By the issue of bonds of $10 each, which, with interest at 6 per per cent., would in ten years be redeemed or transferred lawfully to other then existing objects.

Shares to the number of 10,000 should at first comprise the funds of the association, secured through subscription, and paid up by subscribers within five months by monthly payments of $2 each. If the State interested would buy up the stock it would of course be best. The State could even derive advantage from such investment, for it would not run

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any risk. If any man should give up and run away, the work he had done, and the remaining colonists would certainly make up for what the State had done for him. The individual States could also furnish the colonists within their respective boundaries with all necessary tools and implements of home manufacture, should they be inclined to the enterprise, as also even the necessaries of life, thereby furthering industrial as well as agricultural interests.

For these advantages given the colonists the State could demand a certain portion of the crops, or, in fact, make any arrangement which may be agreed on, of mutual advantage to the colonists and the State.

2. By weekly payments of 50 cents from co-operative members, *i. e.*, actual members, such as will sooner or later colonize.

3. By weekly payments of 10 cents from members who, remaining at home, still wish to partake of the advantages the association offers this class of its members.

The object which I have above marked C can be attained—

By securing suitable land and erecting the necessary buildings thereon. We must have a teaching and operative personality. Stock necessary for operating the farms, as well as farming implements, machinery, &c., must also be secured. In all of which, next to the cheapness and durability of the articles, the chief object must not be forgotten, namely, the practical instruction and advantage of the laboring class.

If the means permit, it might not be out of place to establish model farms in various places or States where the climatic and other circumstances differ, using these also as experimenting stations for the test of new and alleged better varieties of grain, &c. As a matter of course, these model farms would soon be self-sustaining, if correctly conducted.

The object, which I have marked D, can be gained by employing a trustworthy advocate, who, however, should be made responsible for all his actions, and should give the association good security.

Should it happen that more persons apply for removal to the colonies at first than the means at command will allow, lots may be cast to determine the selection. Should any member join the colony at his own expense, the stock-shares, or other payments, with interest added, would be returned to him, the latter, however, only $10 at a time, and from year to year.

All who possess the means and should join any of the associations or colonies, and accept their laws, would at all times be welcome.

For the ease and comfort of members branch associations should be established in most of the large and small cities of the Union, all to be under control of one chief association which may be called the "central office" of the entire association, to be located wherever agreed upon. The branches should remit their balances of cash to the central office at the end of every three months, and should also draw money, if necessary, from it in order to comply with demands at the respective places.

In each colony a board of commissioners should be appointed, composed of residents who should be capable men, whose duty it should be—

1. To receive new comers and assist them to obtain as quickly as possible what they need, and find them employment suited to their special skill, so that they may not lose their time or waste their money. No one should, however, be compelled to accept the lands or employment which the commissioners might appoint or obtain for him.

2. To conduct and guard, according to the constitution of the association, the entire colony, and from time to time make report of its growth, &c., to the central association, which report might be published in the newspaper of the association.

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In each colony a house should be either built or rented, in which new comers could be hospitably received and entertained until entering upon their business, or until their own homes are completed. Where model farms exist such houses should be under control of the supervisors of the farm.

Such an association would be of the greatest importance, not only to settlers, but to those living in old and crowded localities, and for this reason all such should be drawn in, even through payments of only 10 cents each per week. For, in the first place, they will more easily find work, as so many persons would go to these colonies; and, secondly, if each man thereby earned only 10 cents per day more than before, that would make $30, reckoning three hundred working days per annum, and in ten years $300, while all this time he would pay only $52. Deducting interest on invested capital, initiation fee, &c., there still remains a balance of about $240 net gain. He certainly could not invest his money more advantageously, to say nothing of the far better treatment and the freer and more independent position he would occupy. Members remaining at home should, moreover, receive some consideration as by a "drawing" every three years at the central office, to a participation in which a five-years' membership would be necessary. At these "drawings" some of the prices would be in cash, but most in the products of the colonists, who would, therefore, also be gainers by the "drawings." As every co-operative member can, after ten years membership, receive back his money and interest, or can transfer it to others, the association could also be considered a savings bank for the middle-class, citizen, mechanic, and laboring man.

I will now present my idea of a body of rules for the government of such an association:

## RULES FOR THE GOVERNMENT OF A COLONIZATION ASSOCIATION.

[BY FRANK X. HEISSINGER, NEW YORK.]

### ARTICLE I.

The objects of the association are:

1. The greatest possible security to the citizen and laborer in his spiritual, moral, sanitary, and pecuniary circumstances and relations, and in his social position.

2. To protect domestic life now so seriously threatened by the circumstances and surroundings of crowded cities.

3. To distribute labor more evenly and as far as possible to equalize its value.

4. To protect employers from extortionate demands of employés, and *vice versa*, and to suppress the unpleasant feelings so often existing between employers and their laborers.

5. To create new markets for industry and trade, thus alleviating the distress of upright tradesmen.

6. To establish, as far as possible, an equilibrium between producers of agricultural products and consumers thereof.

### ARTICLE II.

These objects are to be attained:

1. By founding colonies in the West or South, or in other parts of the Union where there are few or no settlements.



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2. By appointing a commission to seek and select suitable territory and new avenues for trade and labor.

3. By raising sufficient means to enable members to reach the colonies and operate them to advantage.

The sum of $250 is considered sufficient for each member to reach the place of destination, to erect a dwelling, purchase tools, seeds, &c., and to obtain the necessary farm stock, possibly also to supply the food, &c., for the first half year, or, if necessary, the whole year.

Only the best and most approved machines and implements shall be purchased by and for the community, but as the cost of some expensive machines might be more for the single individual than he can afford, the company shall provide the same, and such machines shall be kept in a store-house, which is to be erected for the purpose.

Each member of the community shall be taxed a certain percentage of the cost for the purchase of such machines and shall consequently have the right to use them. In regard to such use the members shall draw lots, and each have the use of the machines according to his turn; each to be responsible for damages occasioned to the machines while in his use.

4. By founding one or more model farms.

5. By absolute guarantee of title, deeds, and possessions.

6. By publishing a gazette or journal of the association.

## ARTICLE III.—MEMBERSHIP.

1. Members of the association are divided into three classes, viz:

Class A. Stockholders; the shares repayable in 10 years, at 6 per cent. interest; $10 a share.

Class B. Co-operative members, *i. e.*, those who will go to the colonies sooner or later.

Class C. Those who, remaining at home, still wish to partake of the advantages of the association.

### 2. ADMISSION OF MEMBERS.

Any person, whether male or female, of good moral character, can become a member of the association. In Class B, however, only those will be admitted who possess health and strength in sufficient measure for such enterprizes, or who bring relatives with them who possess these qualifications.

### 3. RIGHTS OF MEMBERS.

*a*. Every member has the right to vote at elections.

Stockholders possessing more than one share have for each ten additional shares one extra vote, but no one member shall have more than five votes, no matter how many shares are owned by him or her.

Every member is eligible for office, except those excluded by section V, paragraph 2.

*b*. Each member has the right to sit and vote in any regular, general, or extraordinary meeting of the association.

Members should submit to the assembly suggestions which in their opinion may tend to the welfare of all. Such proposals are to be debated and promptly voted upon.

Such of these suggestions as may be interesting to all the branches

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should be sent to the central office and from there transmitted to the various branches to be by them debated, and if found good accepted.

In all debates and proceedings a majority shall rule.

*c.* Each member has the right of access to the books of the association at any reasonable time.

*d.* Stockholders possess all the rights of membership excepting those of actual colonization, which are the privileges of Class B, and participation in the drawings, which are intended for Class C. Should any stockholder wish at any time to settle in a colony he or she must possess as many shares as are equal to the sum of the contributions of a member of Class B for the time of his or her membership, or pay an amount equal thereto. Then he or she shall have the full rights of a co-operative member.

*e.* Every member of Class B shall after one year's membership and duties performed have and possess the rights stated in sec. II in regard to means for reaching the colonies, the erection of dwellings, purchase of stock, implements, &c. If these expenses should amount to less than $250 the balance up to this sum shall be paid in cash. If a member shall have given extra contribution for wife or children, as explained in paragraph *d* above, he shall receive for each of the same, *i. e.*, for as many as he has paid for, $100, partly in traveling expenses, food, &c., for the first period, and the remainder in cash.

*f.* Should there be too great a press toward colonization at any time the members desiring to colonize shall draw lots to determine who shall do so, their turn to draw being determined by the term of their membership. Should there be any members who join the colony at their own expense the shares of such shall be refunded with interest, the latter, however, reckoned only from $10 to $10 and from year to year. After a membership of ten years a member of Class C shall be entitled to the means of removal to the colony, whether he or she has received benefit from the drawings or otherwise. In such tenth year, if a member of Class C so prefer, his or her shares shall be taken back, as in the case of stockholders, of course with the forfeiture of the right of colonization. Such member can now also transfer his rights to another.

*g.* Each member of Class C shall after five years and every three years thereafter, have the right to take part in the drawings explained in section X, paragraph 3.

*h.* Every member has the right to vote upon the disposition of the funds in case of dissolution.

### 4. Duties of members.

*a.* The initiation fee is $1, upon payment of which a member receives the rules of the association and annually a printed account of the efforts and results, as well as a financial statement of the association.

*b.* To become a member of Class A it is only necessary to buy a few shares.

*c.* The shares may be purchased in five monthly payments of $2 each.

*d.* The members of Class B shall pay 50 cents weekly. As soon as an amount of $10 has thus been paid in, it is considered a share of the association's stock and bears interest as such; *i. e.*, the interest will be added to the capital and credited to the member's account, because whenever members go to the colonies, they will be to some extent debtors to the association.

*e.* Whoever wishes to secure for wife or children a payment for traveling expenses must contribute for each individual 25 cents weekly,

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extra, which would, however, be refunded in case of death or renunciation of further payment. For children under four years only one-half that sum shall be paid.

*f.* From the eleventh year of colonial possession each member shall contribute to the "drawings" or lotteries occurring every three years, which are arranged especially for the benefit of the members of Class C. The contributions may be in natural products, representing, however, a value of not less than $2. Besides this every member whose possessions are worth $3,000 free of incumbrance shall pay $2 annually to the treasury of the association as long as he lives, these funds to be used in favor of the younger colonists. From this tax a member can be made exempt forever by paying at once the sum of $25.

*g.* The members of Class C shall pay 10 cents weekly. These payments continue as long as the member participates in the drawings of the lottery.

*h.* The contributions of the latter two classes may be paid semi or quarter annually; of course in advance.

*i.* Whoever shall neglect paying for six months in succession without sufficient excuse shall be excluded from the association and its rights.

*j.* Members so excluded may be reinstated upon paying a new initiation fee, and shall thenceforth be treated as new members.

*k.* If pecuniary circumstances compel a co-operative member to withdraw or be excluded, his contributions, without interest, must be refunded on demand, in which case he will for a time be suspended from membership, but may afterward be reinstated with all former rights. Should a member die his next heirs, wife, or children can demand refunding as above. Should the wife or eldest child prefer taking the member's place they can do so, with all the rights and duties which the father possessed.

## ARTICLE IV.—ADMINISTRATION.

1. The general management of business is in charge of the central office of the association.

2. To offices in the central bureau any member in good standing of any branch of the association can be elected, it not being necessary for such persons to be located in the place where the central office is located.

3. The administration of the central office shall be composed of seven members—a president, a vice president, a secretary, an assistant secretary, a cashier, an assistant cashier, and a comptroller.

4. These officers shall receive salaries as follows: The president, $50 from every $1,000 of shares paid up in full per annum; the vice-president, secretary, cashier, and comptroller, each $37.50 to every $1,000 paid in as above; the assistant cashier and assistant secretary, $25 to every $1,000 paid in as above. Amounts of shares less than $1,000 shall not be reckoned in these cases. These salaries will be paid at the end of each year according to the average number of shares. Advances may, under special circumstances, be allowed, but only with the consent of the members, and with some regard to the amount to be received at the end of the year.

5. These officers shall be elected every three years. They may be elected a second time. They must enter upon the discharge of their duties fourteen days after election.

6. Besides these officers there shall be three assessors and a revising commission, composed of three members, who shall have no salaries.

7. The management of the branches shall be similar to that of the

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central office, except that the officers must be residents of the place, as their salaries can be but small in comparison with those above named. They shall have relatively the same remuneration as those of the central office, based upon the number of shares sold at their branches, so as to make the cost of management at each branch not more than about 1 per cent. of the entire stock capital. Should any one be inclined to serve gratuitously, the sum thus saved would be regarded and entered in the books as a donation, with the donor's name. These officers will be elected annually, and, like those of the central office, may be once re-elected.

8. The commissioners mentioned in section II, paragraph 2, shall be elected every three years, and be eligible for re-election. (In the case of these officers it might be well to retain them as long as they prove efficient.) They shall receive fixed salaries and mileage while traveling.

9. Every three months the branches will remit the surplus cash to the central office; and if the inclination to colonize should cause them greater expenses than their income they will draw upon the latter.

10. The association shall obtain a fire-proof safe with three different locks, to which each of the following officers shall possess keys: The president, the cashier, and the comptroller.

### ARTICLE V.—ELECTIONS.

1. In all elections a majority of the votes cast shall decide. For the election of officers of the central bureau the votes are to be cast at all the branches, recorded, and transmitted to the central office.

2. Minors or those who have received degrading punishment, or are on trial for criminal or other offenses, cannot hold offices.

3. The elections for branch officers shall take place at the annual meeting, notice of which shall be printed in the gazette of the association, or some other paper with large circulation. The election of officers of the central bureau shall take place three months earlier.

4. At the election of officers of the central bureau, as well as of the branches, substitutes for those officers shall be elected. These shall be the members receiving the next highest number of votes for the respective offices. The elections of the assessors and revising and land commissioners shall take place at the same time.

5. In case of a tie the president decides.

6. A regularly announced general meeting can conduct business, no matter what number of members are present.

### ARTICLE VI.—GENERAL DUTIES OF THE OFFICERS.

1. To conduct all business of the association except that which has been transferred to special committees.

2. To control the funds.

The special provisions regarding funds are:

*a.* After securing sufficient for the expenses of management, all current funds except a balance of 10 per cent. shall be used as rapidly as possible for colonizing purposes. The remaining 10 per cent. shall form a stock capital for use in special cases, and later to be used in the lotteries.

*b.* In the treasury of the central office there shall never be more than $1,000 cash. Everything over this sum shall be deposited in safe banks, or, if the members in general meeting permit, can be loaned out at legal rates of interest or on mortgage to members. Business estab-

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lishments or factories may be established to make or sell such articles as can be made or used in the colonies.

*c.* The cashiers of the branches shall every three months, or when their cash on hand amounts to more than $1,000, remit the balance to the cashier of the central office, obtaining a receipt for the same.

*d.* If money should be loaned out on mortgage to members, or to be used for establishing business or factories, and the demand for such money be greater than can be complied with, the applicants shall draw lots for the preference.

*e.* Whatever sum of money the colonist receives from the association he shall pay interest on at the rate of 6 per cent. After ten years' use, however, such sums must be returned to the association if not otherwise determined upon.

*f.* Only the president shall be allowed to loan out the association's surplus funds, distribute traveling tickets, implements, &c.

*g.* Every branch pays its own expenses, but must give account thereof to the central office.

*h.* In regard to loaning out money, a majority of votes of the officers at the central bureau shall decide.

*i.* Should any one consider himself injured through the decision of those officers he can appeal to the heads of all the branches and even to all members, at general meeting, which will then decide by a majority of votes.

*j.* In case of intention to withdraw or call in money loaned out one-half year's notice shall be given.

*k.* Delinquents shall be sued.

3. To appoint and control subordinate officials or servants and issue rules and regulations of service.

4. To conduct the drawings of the lotteries.

5. To call special and general meetings.

6. To organize at the close of every year a regular general meeting, and submit thereto an account of the general progress of the enterprise, submit a financial statement thereof, and conduct the elections. In regard to the officers of the central bureau the latter would only be necessary once in three years.

7. The financial statement of the central bureau shall be printed in the newspapers four weeks before the meeting; that of the branches two weeks before.

### ARTICLE VII.—DUTIES OF INDIVIDUAL OFFICERS.

1. The president represents the association in every sense, and has control of the business as well as of the officials.

2. The vice-president assists the president in all business of the association; makes out the financial statements in conjunction with the cashier and especially watches over and controls his actions as an official.

3. The secretary conducts the outside correspondence.

4. The assistant secretary conducts the inside correspondence.

5. The cashier of the central bureau receives the funds from the cashiers of the branches, invests it or pays out to co-operative members.

6. The cashier receives the monthly contributions, takes up new members, and pays the bills presented to him by the comptroller.

7. The comptroller examines all bills presented by and if correct signs and presents them to the cashier for payment. At the close of the year he assists the cashier with the statements and submits them to the assembly.

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8. The revising commissioners have especially to examine and control the treasuries and to give an account of the same at the close of the year.

9. The same course of business will be carried on at all the branches of the association.

### ARTICLE VIII.—MEETINGS.

1. On the first Saturday of each month regular meetings shall be held.

2. In these only the business and interests of the association shall be transacted or discussed.

3. At the close of each year there shall be a regular general meeting, the object of which is explained in Article VI, section 6.

4. Meetings of officers shall take place weekly, but when circumstances demand they may assemble at any time.

5. Special meetings either of the central bureau or branches can be called when necessary by the chief officers of the central bureau or of the branches respectively. Such meetings must also be called whenever a petition is presented signed, if for a meeting of the central bureau, by 100 members, if for a meeting of one of the branches, by 25 members. Should the members of any branch number less than 100, then the signatures of one-tenth the number would suffice.

6. For calling a special general meeting at the same time at all the branches it would be necessary to have at least 100 signatures of members to the petition.

### ARTICLE IX.—DONATIONS.

1. If no special regulations be made about donations (which regulations must not, however, in any case conflict with the rules of the association), all donations shall at once be used for colonizing purposes.

2. Should securities be given to the association in this manner, not the donor but the debtor shall be held responsible for them.

### ARTICLE X.—DRAWINGS.

1. For the privilege of colonization.

*a.* The number of prizes will be arranged according to the amount of that part of the associations funds set aside for this purpose.

*b.* The names of unsuccessful persons will be placed on the list again at every successive drawing until they draw the number which shall entitle them to the privilege of colonization, thus giving the older members a just advantage over the newer ones.

*c.* The chances are to be given according to the term of membership, the eldest first, no matter whether called for personally or through an authenticated representative.

*d.* Four weeks before the drawing members must send in their names.

*e.* If a member draws blanks eight times he is at the ninth entitled to the means for colonization, as already stated, given in Article III, paragraph 3, *f.*

*f.* These drawings shall take place semi-annually—at the end of January and end of August, respectively.

*g.* The number entitling to colonization is good for five years for that individual only.

2. Drawings by persons wishing the loan of capital shall be the same, as far as practicable, as the above.

3. Drawings for the benefit of the members of Class C.

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*a.* At these one-fourth of the contributions of this class shall be given as prizes. To each one hundred members there shall be ten prizes, the value of which shall depend upon the amount available for this purpose. They will be so arranged that the first prize will be worth 10 per cent. more than the following one.

*b.* The slips will be drawn from two urns at the same time; one containing the names of members, the other the names or designation of the prizes.

*c.* All these drawings shall be conducted in the rooms of the association at the central office, in the presence of at least two-thirds of its officers.

### ARTICLE XI.—COURT OF ARBITRATION.

In cases of controversies this court decides. It shall be composed of thirteen elected members. Should a decision of the same be unsatisfactory, and unless both parties should prefer to go to court, the case can be brought before the general assembly, and if not fully decided, go to the central offices, and from thence to all the branches, where all these courts of arbitration shall decide upon the same and send their returns to the central office. Here, as elsewhere, the ordinary majority rules. If this is still unsatisfactory, let the parties go before the bar.

### ARTICLE XII.

Whoever injures the association in any respect shall be brought before the court and excluded from the association, and under certain circumstances the offense shall be published and the offender declared dishonorable.

### ARTICLE XIII.—THE GAZETTE OF THE ASSOCIATION.

Regarding a gazette eventually to be established:

1. It should conform strictly to the objects and programme of the association, *i. e.*, it should prevent the necessity of members spending their means in subscribing for other more expensive papers, and for this reason should contain the political news and daily occurrences, but withhold all criticism or judgment upon them.

2. It should assist the land commissioners in discovering desirable towns or sites.

3. Every three months it shall quote the value of labor in the various trades and businesses at the principal places or cities. It must also quote the prices of the various articles of merchandise, products, house rent, &c. In short, the paper must seek to advance the interests of the association in every respect.

4. To insert advertisements of or for work for members at low rates of profit.

5. The association shall support the paper, the editor receiving a fixed salary. The association receives any profits that may accrue from the publication.

### ARTICLE XIV.—DISSOLUTION OF THE ASSOCIATION.

The association can only dissolve when the entire number of its members becomes less than fifty.

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## PATHOLOGY OF DISTRIBUTION.

*VIEWS OF CHARLES FRED. ADAMS, COUNSELOR AT LAW.*

11 PINE STREET, NEW YORK,
*August* 17, 1883.

Hon. H. W. BLAIR,
*Chairman Senate Committee on Education and Labor:*

SIR: Should the time, patience, and programme of your committee admit of such a thing, I would esteem it my duty (to be performed with no little diffidence and trepidation, let me assure you) to present to you, at such time within the coming week as you may appoint, as terse a statement as I can make of what—basing myself not only upon the logical analysis of admitted facts, but likewise upon the most recent results of eminent scientific authority—I take to be the true "pathology of distribution;" in other words, the correct theory of that part of the subject referred to you which the resolution speaks of as "the division between labor and capital of their joint productions in the United States." The discussion would bear, of course, upon the further question as to what "legislation, if any, is calculated to promote harmonious relations between capitalists and laborers, and the interests of both, by the improvement of the condition of the industrial classes of the United States."

By way of borrowing as much "representativeness" as is within my reach, I may mention that I am the national secretary of each of two societies, "The American Free Soil Society," and "The People's Tontine Society for Mutual Assurance against Absolute Dependence upon Wages," the programmes of which embody, in different and (so to speak) mutually alternative forms, the principle of the policy I wish to advocate.

Both societies are young, but the former receives accessions every day (of lawyers, doctors, clergymen, laborers, artisans, editors, in fact from all classes), and is officered by such prominent men as Henry George and Rev. Dr. R. Heber Newton; the second society, on the other hand, is not only growing, but, furthermore, already fully established as a complete "working model" of the institution which is desired, and, though as yet on but a small scale, is actually carrying out, in every detail, the programme which embodies what, if done on a large scale, might well be expected to contribute largely toward the removal of the existing defects in distribution.

If granted an opportunity, I shall endeavor to justify a position which, in general outline, may be thus pointed to:

1. That the only just and safe rule of distribution is this: That differences in the reward received shall be proportioned to differences in the contributions (whether of capital or labor) personally made to production.

2. That this rule is fatally disregarded by the maintenance of artificial privileges, which, without adequate compensation to the public, enable limited portions of the community to exact for their capital or their labor a larger share in distribution than it would have received in competition free from the unfair advantage of such artificial privilege.

3. That the mitigation of the degree in which this evil already exists, and the prevention of its further extension hereafter, are conditions so essential to the preservation of our institutions, and to the well-being of our people, that, if that course be necessary to their attainment, even Henry George's heroic remedy would be proper and expedient; while

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if, as I myself believe, the adoption, in time and upon a commanding scale, of the milder method of "mutual assurance against absolute dependence upon wages," would quite as certainly, and perhaps as quickly, and without danger of contention or revolution, promote the abolition and permanent prevention of improper monopolies of natural advantages; then, of course, there could be no question as to the propriety and expediency of so adopting that alternative method.

Awaiting such appointment, if any, as you may feel justified in making, I remain, very respectfully, yours,

CHAS. FRED. ADAMS.

P. S.—I have written upon these subjects in the International Review, The National Quarterly, The Times, Justice, and other papers.

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*PROSPECTUS OF THE AMERICAN FREE-SOIL SOCIETY.*

The conviction that the soil of every country belongs equally and inalienably to the whole people of that country, and that pauperism, want, and the industrial and political enslavement of the masses flow inevitably from the institution of private property in land, is so rapidly growing that only the union of those who hold this conviction is needed to bring into the arena of practical questions this greatest of all issues.

In England, where the truth that the land belongs inalienably to the whole people has within the past year been making most rapid progress, a Land Reform Union has been recently formed by inflential and earnest men and women for the purpose of better carrying on the agitation, and has already commenced active work by publications, meetings, and lectures. In Australia and New Zealand similar societies have been formed and a similar agitation begun; and though the Irish Land League, which at one time promised so much, has been disbanded, the impulse which it gave to the agitation of the land question still continues.

In the United States and Canada special circumstances are concurring with this general movement of thought to force the land question into prominence. The rapid exhaustion of the public domain, the enormous tracts which are passing into the possession of foreign aristocrats and syndicates, the growth of monstrous fortunes, and the increasing bitterness of the struggle for existence, combine to direct attention to this fundamental question; and the growing restiveness of the masses show that a momentous conflict between popular rights and special privilege is near at hand.

Believing that in this country the time is ripe for bringing all the vigor that comes from union to the promulgation of the truth that the land belongs to the people, the American Free-Soil Society has been formed as a means whereby those who hold this truth may become acquainted with each other, learn their strength, cultivate that fraternity that comes of a common belief, and unite their efforts for a great purpose. The formation of this society is the result of consultations extending over several months. Realizing that the only way of beginning a movement is to begin, we have formed an organization. By next spring we hope to have the society so extended that all parts of the country will be represented, and such changes may be made in our plan as experience and consultation may dictate.

The name we have chosen, while it well expresses our purpose, is associated with a great movement in the cause of human liberty. The

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first free-soil movement culminated in the abolition of chattel slavery. The one we desire to begin aims at the abolition of that industrial and social slavery, more widespread, more insidious, and more cruel, which results from making the soil on which and from which the whole people must live, the private proverty of a portion of their number.

Such a movement must encounter the opposition of ignorance, prejudice, and powerful interests, and for a long time to come can have no attractions for the demagogue and self-seeker, but to earnest men, desirous of working for the success of a great principle, this will but make it more attractive, and we call upon such to join with us, without regard to differences as to methods. We propose to recognize no distinction of race, sex, nationality, or creed. Any one of eighteen years of age and of good moral character can become a member. Our plan contemplates local groups, consisting of one or more members, from which city, county, State, and national organizations are formed; and we desire in every locality where there is a single person animated by the purpose we have at heart to form a nucleus of organization.

If you are willing to co-operate in establishing such a society, please write to Charles F. Adams, 11 Pine street, New York, inclosing 10 cents in postage-stamps towards defraying expenses of correspondence, when documents relative to organization will be sent you, and you will be put in communication with others in your locality from whom similar responses have been received. You will also aid us by forwarding the addresses of others in any part of the country to whom you think it would be desirable to send this circular, and by giving us any information or suggestions you may deem useful.

For the purpose of raising necessary funds, an initiation fee not to exceed $1, and a weekly subscription of 5 cents have been fixed. Ten cents of the initiation fee, and half a cent of the weekly dues it is proposed to reserve to the national organization for general expenses; but as it is our wish to raise as quickly as possible a fund for the printing of tracts and the general expenses of organization and propaganda, we would be glad to receive any special contribution with which you may desire to help forward the work.

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*CONSTITUTION OF THE WORKING WOMEN'S PROTECTIVE UNION, NO. 38 BLEECKER STREET, NEW YORK CITY.*

[Submitted with the testimony of Mrs. Farrer.]

ARTICLE I.—OBJECT.

The object of this union shall be to promote the interests of women who obtain a livelihood by employments other than household service.

This object shall be sought:

1. By securing for them legal protection from frauds and impositions, free of expense.

2. By appeals respectfully but urgently made to employers for wages proportioned to the work performed, and to the cost of living, and such shortening of the hours of labor as is due to health and the requirements of household affairs.

3. By seeking new and appropriate spheres of labor in departments not ordinarily occupied by women.

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4. By maintaining a registry through which those out of work may obtain employment.
5. By appeals to the community for that sympathy and support which are due to the otherwise defenseless condition of working women.

### ARTICLE II.—OFFICERS.

The officers of this society shall be a president, a vice-president, a secretary, a treasurer, and twelve directors, who, together with the officers, shall constitute a board for the management of its affairs, five of whom shall constitute a quorum for the transaction of business. The said board shall have power to fill any vacancies that may occur in their own body.

The officers and directors shall be elected by the society annually, and shall perform the duties and exercise the power usual to the offices held. The term of office shall be one year and until a successor has been duly elected.

### ARTICLE III.—MEMBERS.

The society shall consist of such persons as shall contribute to its funds by paying to the treasurer the sum of $10, and who shall thereafter be approved by the board of directors; such membership to continue for one year from the time of such payment. The contribution and payment of $50 during any one year shall, subject to the approval of the board of directors, constitute a membership for life. Honorary members may be elected at any regular meeting, either of the union or of the board of directors.

### ARTICLE IV.—ELECTIONS.

The society shall hold an annual meeting at the rooms of the union for the election of officers and directors, and the transaction of other business, on the second Monday in November, and the officers and directors then elected shall enter upon their duties on the first day of January thereafter.

### ARTICLE V.—BY-LAWS.

The officers and directors of the society may from time to time adopt such by-laws, in accordance with this constitution, as they may deem necessary for the proper government of the society; and all by-laws so adopted shall have the same force as if made by the society.

### ARTICLE VI.—SPECIAL MEETINGS.

Special meetings of the society may be called by the president at his discretion, and shall be called by the secretary on the written application of ten members, two of whom shall be directors; the business to be laid before such special meeting being stated in the call thereof.

### ARTICLE VII.—AMENDMENTS.

This constitution may be amended at any meeting of the society, a notice of the proposed amendment having been given at a meeting prior to the one at which the amendment is acted upon.

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## NEW YORK CENTRAL PARK.

*STATEMENT OF THE PRESIDENT OF THE DEPARTMENT OF PUBLIC PARKS.*

CITY OF NEW YORK,
DEPARTMENT OF PUBLIC PARKS,
36 *Union Square, December* 1, 1883.

Hon. H. W. BLAIR,
*Chairman United States Senate Committee on Labor and Education:*

DEAR SIR: I have been requested by Dexter A. Hawkins, esq., to communicate with you in regard to the use of the Central Park.

It appears from his communication to me that an impression has been made upon the minds of members of your committee that the park is chiefly of benefit to the rich, and used very little by "the rest of the public."

I beg leave to state that this is an entire mistake. While the Central Park is very extensively used by the richer classes, who ride through it either in their carriages or upon horseback, yet the great mass of visitors is composed of those who are unable to enjoy such luxuries. We have, during the past year, discontinued the practice of recording the number of persons who visit the park (which was kept up for several years), simply for the reason that on gala days, especially, it very much interfered with the proper police service; but as an illustration of the correctness of my statement above made, I will remark that it is estimated by the manager of the small menagerie, which is on public exhibition in the park, that over three millions of people visited it in one year. During public days, and on pleasant Sundays, the Central Park is thronged with men, women, and children, sauntering about its varied walks and resting places. During the summer public concerts are given upon the mall of the park, and also at the Battery. These concerts in the Central Park are attended by thousands of people, and are very much enjoyed.

It is, in fact, from my observation and long connection with the department, the great breathing ground for thousands every year, who are, by reason of situation and occupation, unable to visit the country.

I can say this with reference to nearly if not quite all the parks of the city, and I hope this will be a satisfactory response to your desire for information on this subject. If you need more, please communicate me such interrogatories as you would be pleased to have answered, and I will attend to them.

Yours, respectfully,

S. H. WALES,
*President Department Public Parks.*

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*VIEWS OF MR. ARAD BARROWS, OF PHILADELPHIA, PA.*

I have been in the manufacturing business forty-seven years, and have never had trouble with hands that amounted to a "strike;" have found them reasonable when lower prices were required, and not unreasonable when they asked for an advance. I have never known a labor strike that did not result in more losses to the workmen than to capital. Without the employer and employé work together, no establishment can be in a

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healthy condition, and I suggest that all trades unions abandon their fight with capital, hold their meetings with open doors, and contend politically for some of the reforms and changes I shall hereafter mention.

I have sought in this paper to give the result of my own experience, leaving the arguments on the subject for and against to be supplied by your own judgment and knowledge; but should you wish to ask any questions put them in writing, and I will answer in the same manner, truly and honestly, without regard to my interest or political bias.

### TARIFF.

It is published to the world that the iron business in this country is highly protected when it receives no protection. The duty levied by our laws, except in a few cases, only represents the difference between labor in this country and in Europe. The cost of our coal and iron ore is nearly all in labor. These articles are worth in the earth only 25 cents per ton. Limestone is all labor, and the labor in the case of furnaces is much more expensive than in Europe, and when you come to our business (the use of the pig-iron) the labor is from 33⅓ to 50 per cent. higher than in Scotland. Neither is labor protected; but we pay these high wages to enable us to pay the agriculturist $1 per bushel for potatoes, instead of from 25 to 40 cents, the price in 1840, and $8 per barrel for flour, instead of $4, as in 1840; and nearly all farm products are higher in about the same ratio now than previous to 1860. Notwithstanding the higher wages paid in some cases, 100 per cent. higher now than in 1840, our hands save comparatively nothing; whereas at that time they saved money and bought homes.

We are a young nation, and a tariff for protection is required to develop our boundless resources. Free trade does not give us low-priced goods. When we used Scotch pig-iron we got it very low for a year or two, until our charcoal furnaces were broken up and their hands scattered; then double or treble price was charged for that iron. The importer gets for an article all it will stand; home competition gives the consumer low prices.

### SPECIE PAYMENTS.

The panic of 1836, just previous to the commencement of my business life, was more widespread than any since. Thousands of honest business men were brought down to poverty, and in all these financial troubles the loss by the laborers of their few hundred dollars and also of employment is seldom considered, but it increases the number of sufferers in these periodical depressions ten-fold. In my time, with one exception (the war), all these panics have been brought about by the effort to maintain specie payments—an impossibility. Take late reports from Washington. Say we have in the country $743,000,000 in specie and $820,000,000 in circulating notes—not enough specie to pay the notes; but in addition, this specie is expected to pay our Government debt, our State debts, our city, town, and county debts, our corporation and individual debts, and to be used to transact all the business of the country. The only circulating notes I have ever known truly representing specie except in name are our own Government coin notes, the specie representing them remaining in the Government vaults until they are paid. The next best are our national bank notes, the bonds of the Government remaining with the Government as security until the notes are paid.

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Our national banking system should be improved and extended with additional safeguards to give stability to trade and permanency and security to our accumulated earnings. We should redeem no more of our national debt, but retain it as the property of the commonwealth for banking purposes. The nation can well afford to pay 3 per cent. on one billion of dollars, as I believe the people have saved since the existence of this banking system in being exempt from paying discounts on uncurrent money and in suffering no loss comparatively by counterfeit and broken bank notes a sum amounting to more than the whole national debt.

TRANSPORTATION.

With our various productions and boundless ability to increase, it is proper for our Government to open intercourse with points that would give an outlet for our manufactures and food surplus. We would willingly pay 3 cents postage if the 1 cent extra could be used by the Post-Office Department to pay liberally for carrying the mails by steam to ports in Asia, South America, Central America, Africa, and to any other point on the globe where there is a prospect of finding a market for our own surplus. This would encourage our ship-owners and ship-builders and revive a trade that for twenty years has required aid.

CORPORATIONS.

We ask in the name of labor that our Government shall establish a bureau to enable our law-makers to learn our wants, and shall pass such laws as will prevent the few from becoming excessively rich at the expense of the many. All wealth obtained by the labor of hand or head is legitimate, and should be protected, but that acquired by watering stocks, buying the necessaries of life to create a scarcity, or working to create a panic in order to rob the weak of their earnings is not legitimate. To illustrate, I will mention that a member of my family had occasion to telegraph me a few weeks ago from Western Pennsylvania. I was charged 40 cents for a message of seven words. Now, had the stock of the Western Union Telegraph Company been represented by $20,000,000 instead of $80,000,000, that message need have cost but 10 cents to pay 7 per cent. on the former sum. Railroad directors and managers get excessively rich while their employés make only a living. In some cases this may be legitimate, as the foreknowledge of the intentions of the company may have enabled these directors to make paying investments, but when the wealth is procured by the watering of stocks it is a proper subject for the consideration of Government. Mr. Gould in his testimony before you is reported as saying that the Western Union stock is not watered more than the stock of many other corporations, which leads us to suppose it is a common thing; and as the labor and business of the country have to bear these excessive charges which are required to pay interest on these excessive amounts of stock, we ask that this subject receive early consideration. If this process of gaining wealth remains unchecked, we shall soon have billionaires instead of only millionaires; for in addition to this watering process a few Jay Goulds, on some pretext, can absorb all the available specie in the country, create a panic, reduce all values and then buy in the property of those that happen to be in debt at one-tenth its cost. I do not propose that the Government shall own either railroads or telegraph lines, but it should have a supervising control over them to prevent its citizens from being plundered. Our Post-Office Department is managed on

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strictly business principles. The heads are liberally paid, and the subordinates receive fair compensation for the service rendered, so this Department gives us cheap service. I do not expect outside corporations to do as well, but there can be a vast improvement.

### TEMPERANCE.

Our shop is a temperance shop in comparison with many, but I estimate that 10 per cent. of the wages paid by us is spent by the workmen for intoxicating beverages. This question has been before the public in some sections of our country for fifty years, and many of the workers in it will tell you they have made no progress. Our Government lays a heavy duty on these beverages and licenses our citizens to manufacture them, while many of our States have laws outlawing their sale and outlawing the citizen that makes use of them. To my mind this is an inconsistency. If drunkenness is a disease, let those that cannot control themselves be sent to a hospital; if a crime, send them to prison. We should encourage the manufacture and use of cheap, light wines that all classes can use without so great a waste of health, mind, and money. This would place our citizens in the position of responsible human beings, and not treat them as wards. We can reason our people into temperance, but we can never force them.

### THE EIGHT-HOUR LAW.

Labor, like any other article, is regulated by supply and demand. About forty years ago the State of Pennsylvania passed an eight-hour law. We at once kept our accounts with our men by the hour, and have done so ever since, paying only for the hours worked. No laws can be made to regulate this matter; it should be left to custom and the necessity of the case.

### APPRENTICES.

Forty years ago apprentices were taken, and they learned a full trade. At first $3 per week was paid them; the wages was raised $1 each year until the end of their term of service. We paid our workmen by the piece; and outside influence and the influence of our workmen prevented these apprentices from doing any more work than just what would make their wages if done by journeymen, although each of them, of course, occupied the room of a full man. Some shops paid them by the piece—half or three-quarters the full price, but their bad work and their carelessness made neither system desirable. Young men now are taken and set at work without there being any obligation to teach them a full trade. They are put at some one branch of the trade, become expert at it, and learn no other branch; so there are very few young men at present who learn a trade, although they serve the time.

### SCHOOLS.

Our apprentice system being so unsatisfactory, I suggest that our common schools teach the principles of all branches of business, particularly agriculture, that it is possible to bring to the minds of the young in such a place. The children would get a theoretical knowledge of the several branches and be able to choose for themselves a calling, and in after life could put to a practical test what they had

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learned at school. The girls also should be taught in our public schools housewifery in theory, and all branches of business that they are capable of learning, leaving the practical part to be learned when they are called to fill their position in life.

PRISON LABOR.

New York State has 5,000 convicts; of whom 1,700 are at work in the stove and hollowware foundry business—900 at Sing Sing, 400 at Auburn, and 400 at the Elmira Reform School; at least they have shops for this number. Ohio has 400 men in an iron foundry in her State prison at Columbus; about 200 are employed in an iron foundry at the State prison at Baltimore, Md., and some of the Western and Southern States have now embarked, or are about to embark, in this branch of industry. In New York State three contractors pay for these convicts from 25 to 60 cents per day, about enough to furnish the State money to buy the prisoners food, these contractors receiving the difference between that and the price of outside labor; the State gains nothing, but furnishes the contractor with buildings, and keeps them in repair clear of taxes. These establishments cannot supply the entire trade, but they do enough to make a price so low that outside labor and capital cannot compete with them. There are other branches of business affected in the same manner, such as boot and shoe making, cigar-making, agricultural implements, and chairs, articles of hardware, &c. I give the foundry business as an example. If the State must employ these men, they should receive something near the price of the same labor outside. The result of the employment of these large bodies of convicts in any one industry is to make our investments of a lifetime unremunerative, and to compel molders, many of them in their old age, to seek other employment. Arguments against the system are not required. I simply state the facts.

Hon. HENRY W. BLAIR,
*Chairman Committee of Education and Labor.*

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*VIEWS OF MR. J. M. HANNAHS, OF CHICAGO.*

MR. CHAIRMAN AND GENTLEMEN OF THE COMMITTEE: While the National Legislature, which your committee authoritatively represents, is considering the question of labor, which is understood to be the relations of labor, or rather of our workingmen to the prosperity and stability of the nation, permit me, as a man who has worked steadily and laboriously as a mechanic for thirteen years, to address you.

I hardly need to say that if workingmen, that is men who perform manual labor for wages, and who compose the great majority of our population, that if these are comfortable and without good cause for complaint, if they are enjoying the constantly increasing bounties of nature, so far as is consistent with frugality and proper self-denial, then the prosperity and stability of the Republic is assured. Patriotism will be fostered, intelligence will become disseminated, strikes and mob-rule will be unheard of, and morality and religion will have their best conditions to reach the popular heart; hence this inquiry by Congress at this time, when popular and dangerous outbreaks are imminent, is of the highest importance.

In this I shall confine myself to one point or matter bearing upon the



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inquiry, which is that of the introduction of labor-saving machinery and appliances as affecting the condition and interests of workingmen.

Within the last fifty years probably more labor-saving machinery has been introduced than in all time before that. By this means all commodities for man's use and enjoyment, not only fabricants, but products of the soil, are not only largely increased, but they are produced with less manual labor than before. This condition ought to be, and may be, a great benefit to our race, and especially to workingmen. But lamentably it is not so as yet. In fact, so far, workingmen are losers instead of gainers by labor-saving machinery. I say it ought to be and may be a great benefit to them, but the only way such can be accomplished is by shortening the hours of labor. This fact was partially recognized by Congress, and a law was passed fixing a day's work at eight hours on all Government work; but the law was nullified by the Hayes administration. There seems to be no other way to reconcile and harmonize increased production by means of labor-saving machinery, with the necessities of workingmen, than by shortening the hours of labor.

The hours of labor should be reduced to eight, and so on, as less and less labor is required for adequate production. And Congress can, without interfering with personal rights, do much toward establishing this principle. The most I can do in this is to call attention to the subject. Modes of action in the matter are obvious. Hence, not to extend, I will only add that where a capitalist is producing goods adequate to the market demands, by the employment of, say, 100 men ten hours a day, and one of those men invents machinery whereby the same quantity can be produced by 75 men at no greater cost than before, then that man can lose no more by reducing the hours of labor to eight, and keeping the 100 men at work, than by discharging 25 of the men and keeping the remainder on for ten hours. Let this principle become understood, and let it be mutually recognized by capitalists and workingmen, and the matter of wages will adjust itself to the changed situation the same as when the ten-hour system was established. The ten-hour system when adopted did not reduce wages, but it soon increased them; and yet payment of wages by employers was less difficult than before.

I stated that "popular and dangerous outbreaks were imminent." The great uprising of 1877, however causeless, and other similar local disturbances, together with the knowledge that human nature is the same now as ever, the same as during the "reign of terror" in France, ought to be a warning that we stand upon dangerous ground. We can easily imagine that as our population becomes dense, and our cities numerous and great, and that as in the past there comes times of depression and distress, and the feeling among workingmen may be that they are wronged, and they thus become desperate and rise in their might any police force that we now have would be but as chaff before the wind. The great fortunes of our wealthy citizens, their palaces and resorts, would be scattered, and even their lives would not be safe. Telegraphs and railways would be destroyed and chaos would reign. Therefore, as we have no standing army, and by the way, if we had it would be useless for the protection of citizens or the enforcement of law, for under the recent decision of the Supreme Court, and the letter of the Attorney-General, the only function of the Federal Government is to collect and disburse revenues, and the only service of our Army is to look after squatters and Indians in our Territories, therefore our only reliance for averting these calamities is to conciliate the masses and to foster patriotism, by such means as is in the power of Congress and of the State legislature. The interests of wage-workers must not be overlooked.

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*VIEWS OF MR. E. H. ROGERS, OF CHELSEA, MASS.*

CHELSEA, MASS., *October* 18, 1883.

HONORED SIR: The undersigned, an operative ship-joiner, desires to call your attention to the statement of facts concerning the condition of working people, on pages 17–21 of The Hope of the Republic, which will be mailed with this.

I desire to recommend to your committee the establishment of courts of equity as a part of the judicial system of the country; these courts to have jurisdiction in all questions of hours of labor, wages, and rules of work.

I further suggest that in cases of the magnitude of the telegraph operators that the legal expenses of the strikers be paid by the Government.

Very truly yours,

EDWARD H. ROGERS.

P. S.—You are at liberty to print my propositions, if you please.

E. H. R.

Hon. HENRY W. BLAIR,
*Of the Senate Labor Commission.*

[Inclosure.—Extract from "The Hope of the Republic."]

Our Government, like that of the Hebrews, is the government of a free people. It is a system of self-government. Our constitution, like that of Moses, is pervaded with popular sympathies, and the spirit of liberty. In what respect, then, do we differ from the standard by which we are comparing ourselves? In this, namely, that the Hebrew constitution was not only a government of laws, but of laws *referring directly to the industrial and financial condition of the common people.* We have so far followed in the steps of Moses, that we recognize the theory, in both national and State constitutions, that government should be of laws, and not of men. But we have hitherto not only neglected to apply this theory specifically to the transactions of industry and exchange, but we are stoutly maintaining the right of individual and corporate capitalists not only to lord it as they please, over great bodies of laborers, but also to dictate terms in the matter of railroad transportation to influential mercantile and agricultural communities. We do this in the most thorough and effective manner in conserving "property" as the unit or base of our legislation; whereas the Bible standard is that of manhood, or, more properly, the family. It is true that our laws guard all classes of citizens from personal violence; but the practical effect of the laws concerning property is such as to inure almost exclusively to the trading and moneyed classes, because they do not apply to property until *after* it has been distributed. They make no effort, or pretense even, to shield the producer in his industrial right. Neither the legislative nor the judicial authorities of the State have admitted it to be any part of their functions to provide for equity in *the distribution of labor and its reward;* and in this respect they reverse the Mosaic legislation, which made as ample provision as the age permitted for relief from excessive toil, and controlled the price of labor, land, merchandise, and money, by the application of the highest principles of ethics. Two consequences follow from this disastrous omission—first, the enforced idleness of large numbers of the people, in consequence of the introduction of machinery, averaging at least a third of each year; and, second, an absolute inadequacy of income, not only because of this lack of steady employment, but also on account of the inherent defects of wages as a means of payment, their aggregate amount not being sufficient to purchase the things which the laborers have themselves made, thus causing the strange phenomenon of glutted markets in the midst of a needy and often suffering people. It has been ascertained by reliable statistics that the State of Massachusetts, which probably pays the highest wages in the Union, only averages $418 a year. As it is known that considerable numbers of skilled workmen exceed this average, in prosperous years, by several hundred dollars, what a pinched and narrow living must women and youths, and all who compose the low paid classes, have! These figures might be graded down through the different States until the colored laborers of the South are reached, where the united effort of a whole family only yields about $200 in cash per year. Will the reader pardon me if I point out here an

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appalling danger? Cultivated society is stupidly arguing against the exercise of violence by laborers, because, having the ballot in their hands, and being the most numerous, they are assumed to have the means of peacefully righting themselves by political action; but I aver that this assumption is not justified by existing facts, and, furthermore, that the governing classes, as long as they deceive themselves by such a specious theory, are in the condition of men who lie down to sleep upon a railroad track. It is now more than fifty years since the labor agitation began in this country, and the results may be briefly summarized as follows:

Our partial and ineffective legislation concerning the hours of labor, and our homestead laws, are all the enactments we have that touch vitally the interests of industry. The ten-hours day was one of the first requests we made; and our whole factory population are still pleading in vain for relief in this respect. Our lien law is a cheat. Suing in court is a mockery; the workman and all his family would starve to death a score of times before he could recover by a suit his wickedly withheld wage, which is his *living*. The law that gave three years for the redemption of a mortgage is repealed; and so is the law limiting interest on money. The national eight-hour law has been treated from the beginning with unblushing contempt, and disregarded by whole classes of officials having in charge large numbers of working people; and, finally, the intelligent, skilled workmen of the navy-yards and arsenals of the country have been deprived of its benefits by proceedings equally arbitrary and unrepublican. It follows, also, as an unavoidable consequence of our unhallowed worship of property, and neglect of the family, that we are rapidly sinking in this respect to the appalling social conditions of the Old World. The sacred privacy which should invest the home has been invaded by the double occupancy of buildings by our respectable working people; and statistics of the most reliable character prove that married women are being more and more forced to add their labor to that of their husbands to gain an ordinary livelihood. As a practical fact, our law system does so work as to enable a few money-holders to keep the people in subjection therewith, and devour their labor; and the case is growing worse and worse every day.

I maintain that the joint influence of the two erroneous theories, viz, that the power of the State should be limited to the protection of property *after* it has been distributed, and that the church has no *direct* control over material affairs, effectually neutralizes whatever political advantages the people possess. We may vote and petition until doomsday; but we shall accomplish nothing until this state of public opinion is rectified. The dreadful scenes which occurred during the Pennsylvania railroad riots will be liable to be repeated as long as the pathway of reform is blocked with such disastrous errors.

The Republic, if it would continue, must remedy these deficiencies. I have shown the germs of the social forces, which, in the various religious communes of the country, give us hope in these directions. It is my privilege now to call attention to the fact that the Plymouth Colony, which was indeed the moral seed-force of our national life, was unmistakably communistic in its origin, and that, in direct connection with this fact, the advantages of reciprocal relations between men in material affairs have been in operation in the New England fisheries for two hundred and fifty years. And what makes this allusion the more pertinent is the fact that these beneficent customs have been indirectly, but very effectively, aided by the natural operation of the marine laws of the United States.

I recollect as one of the most valuable lessons of the early years of my life, that I saw, on one occasion, eighty sail of the most perfectly constructed vessels of their kind in the world riding at anchor in the port of Wellfleet, Mass., a town deeply imbued with the Pilgrim spirit and character. These vessels could not have been worth less than two hundred thousand dollars; and they were owned almost exclusively by their crews, numbering about a thousand men. They were navigated on shares; and the whole business as it was conducted at that time furnished conclusive evidence that the religious spirit may work in harmony with the State in the application of equitable economic law.

But while I believe in the right and duty of the nation to act on those principles of large utilitarianism which would lead ultimately to equitable commerce, and while I feel that a necessity of the most urgent character is upon us to take some of the preparatory steps to that end with reference to the currency, the tariff, telegraphs, and railroads, and also secular education, blended with natural religion, I frankly admit that the obstacles in the way of a full settlement of a question of such stupendous magnitude as this on intellectual grounds and through political forces alone, seem to me to be insurmountable.

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*VIEWS OF MR. JOSEPH WESTBROOK, OF SAINT EDWARD, NEBR.*

LABOR AND WAGES.

BOONE COUNTY, NEBRASKA.

Hon. HENRY W. BLAIR,
*Washington, D. C.*

SIR: I will send you a few suggestions concerning labor and strikes, and wages and capital.

WORK AND WAGES IN NEBRASKA.

First. One day's labor in the State of Nebraska for or on railroads is ten hours; the wages paid per day is from $1.25 to $1.40; board per week, $4.50 to $5. The above includes all public works. Farm labor is fifteen hours per day; the wages paid range from $15 to $20 per month. All classes of work is usually paid for in the circulating medium of the county, or, in other words, money.

STRIKES CAUSED BY EXCESSIVE IMMIGRATION.

Second. The whole cause of strikes is too much immigration. Stop all immigration societies and the circulation of all pamphlets that encourage immigration from foreign countries, and the feeding of emigrants after their arrival in this country, and instead, feed our own poor and find homes for them, and this will close the gap between labor and capital. Our Senate can pass an act to prohibit the encouraging or coaxing of foreigners to our shores. We have tramps all over, and they are invariably foreigners. This, I think sufficient on this subject, and will leave it to your more able consideration.

INCUMBERED FARMS IN THE WEST.

Third. The number of families in this part that have no homes is about one in five, and of the four-fifths that have homes, there may be one in forty clear of incumbrance. The liens are for Eastern money sent to the banks here to be loaned only on improved real estate, with interest at 10 per cent. per annum. Our farms here are usually 160 acres. The owner of one quarter-section (160 acres) contracts a loan of from $300 to $500, according to the quality and location of his farm and the improvements. The income from 160 acres will range from $50 to $600 a year; the taxes from $50 to $60; clothing is very high in price, so also are groceries and farming implements and machinery; these are all sold here for twice what they ought to cost. For example, my own farm contains 200 acres of as good land as there is in the State of Nebraska. My sales will average $500 a year; there are nine in my family; we have no Sunday clothes, and spend nothing foolishly, yet it is hard to make both ends meet once a year. My taxes are $60 a year; interest on $600 of borrowed money, $60; that makes $120, which leaves $380 for clothes, groceries, keeping up farm implements, harness, &c. My groceries cost on average $50 per year.

THE TARIFF—HIGH RAILROAD CHARGES—SPECULATION.

Fourth. What causes our low priced produce and high priced farm implements, groceries, and clothes? It is high tariff, high railroad freights, and speculations in boards of trade. The Union Pacific Rail-

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road charges $85 a car to and from Chicago. We ought to get the service for $40. To and from Saint Louis, which is 75 miles nearer, the same company charges $100 per car. What is the remedy? There appears to be three, easily reached:

REMEDIES.

1. Let Congress legislate a tariff for revenue only.
2. An act by Congress to control the carrying of freight and passengers by our public highways.
3. Abolish all boards of trade.

SOURCES OF INFORMATION.

Now I have explained my views, in my feeble way, in as concise a manner as is possible for me. I have gained my knowledge of the facts partly from my own observations and talk with the people of different States and places, while traveling (my personal acquaintance extends from the State of Ohio to the Rockies, in Western Colorado), and from what I have read. I read the Missouri Republican, the Kansas City Times, and the Inter-Ocean, besides what is sent free from the East, say, six to eight papers per week.

SUBSIDIES TO RAILROADS SHOULD BE PROHIBITED.

There is one thing more I will speak of, which is of great importance to the farmers of the West. Congress should pass an act forever prohibiting States, counties, and towns voting subsidies to railways. This is a large item in our taxes, and all voters that pay no taxes will vote the people's money to build railways. We have already too many railways. They go ahead of the improvements of the country. This thing of one man voting away another man's property should be stopped, and, as I have said before, the flood of immigration should be checked at the earliest moment.

Now, the man that will work for the legislation I have suggested will put a crown on his head that will never fade in color or wear away. I want you to mark this down and remember it; it may all come to pass in your time or mine, and it may not.

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*VIEWS OF MR. T. E. RANDALL, OF CHICAGO, ILL.*

Have the workingmen a grievance? On this turns the whole labor movement. For if they have, it should be redressed; if not, there is nothing to redress. I assume that they have, and offer in support of the statement, 1st, the general acceptation of its truth; 2d, the individual statements of those likely to know the facts and able to judge of them. J. S. Mill distinctly says in his work on political economy that it is very doubtful if invention has in any way lightened the load of the laborer. The Chicago Tribune of March 9, 1882, says editorially, "Men have to work harder and to think harder to get a living now than formerly." Now if this is true, and it has not been contradicted, it not only establishes a grievance but it also defines it. It is this, there has been invention, and consequent increase of production, but it has not benefited the producer. In other words, the workman's share of the product has

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not kept pace with the increased production. For proof see the following figures from the census of 1870:

BOOTS AND SHOES.

| | 1850. | 1870. | Increase and decrease. |
|---|---|---|---|
| | | | *Per cent.* |
| Number of workshops | 11,305 | 23,428 | Increase 107 |
| Number of employés | 165,254 | 135,000 | Decrease 19 |
| Wages paid | $21,022,658 | $51,872,712 | Increase 147 |
| Value of product | $53,967,408 | $181 644,000 | Increase 236 |
| Average wages | $127 | $384 | Increase 197 |
| Profit | | | Increase 89 |

CLOTHING.

| | | | |
|---|---|---|---|
| Number of workshops | 4,278 | 9,855 | Increase 136 |
| Number of employés | 96,551 | 120,257 | Increase 23 |
| Wages paid | $15,032,340 | $34,234,394 | Increase 161 |
| Value of product | $48,311,700 | $187,503,248 | Increase 265 |
| Average wages | $154 | $284 | Increase 77 |
| Profit | | | Increase 104 |

The figures are copied from published reports. I do not vouch for their accuracy, but assuming their correctness they show conclusively that labor's share of the joint product does not increase in the same ratio as that of capital. Like nearly all public statistics they conceal some important factor in the problem. They give the annual wages, both average and aggregate, but they carefully conceal the aggregate profit, and also the cost of raw material by the aid of which, if given, the profit could be found. On their face they make a good showing; a large advance in wages and a greater per centum increase than in the case of profit, but a little arithmetic shows us that the share of the product paid to the laborer as wages in 1850 in the manufacture of boots and shoes was .389+ of the gross product, while in 1870 the proportion was but .285+ of the whole amount, showing a relative decrease of .104, or a loss of 26 per cent. on the ratio of 1850.

In like manner we find that in the manufacture of clothing the proportion of the whole value produced was .311+ in 1850, while in 1870 it had fallen off to .182, showing a loss of .129, or about 41 per cent. of the ratio of 1850. The census of 1880 presents our manufactures thus:

| | 1870. | 1880. |
|---|---|---|
| Number of operatives | 2,053,996 | 2,738,950 |
| Aggregate wages | $775,584,343 | $947,919,674 |
| Average wages | $374 64 | $346 08 |
| Decrease | $31 56, or 8+ per cent. | |

IRON AND STEEL.

| | | |
|---|---|---|
| Number of workmen | 77,555 | 140,978 |
| Aggregate wages | $40,514,981 | $55,476,785 |
| Average wages | $522 | $394 00 |
| Decrease | $128 | |

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The increase in cost of living during same period was about 35 per cent. The tariff was protective during the same decade.

The grievance of the laborer is that he does not share in the *profit* of his labor. The claim of the employer is that he furnishes the *capital* and takes the *risk*, and, therefore, is entitled to all the profit. Let us see for a moment. Railways only pay off once a month. The Chicago, Milwaukee and Saint Paul pays off on or about the 27th of one month for the month preceding, thus handing over to a man on pay-day about half what is due him. Does not the laborer furnish capital and take risk in this case? A firm for which I worked in this city for nearly six years, employed about 150 to 200 men. They paid on the 10th of each month. Each pay day each man left in their hands not less than eight days' pay, which at $2 per day would equal $16 each, or a total of not less than $2,500 constantly in hand, and each day thereafter adding to it. We have waited at times an additional week or so, and I have seen my wages lose 40 per cent. of its purchasing power while so waiting, without any remedy. Was there no loss, risk, or injustice to the men here? Yet there are cases worse than this.

I have tried in the foregoing to portray briefly some of the grievances of the workingmen. The truck system, long-pay periods, speculation in labor and the means of life, *contract*-convict labor, and other things of like effect, injure the laborer in many ways, but deeper than these is the principle of ownership which most employers assume in regard to industry—*my* business, *my* capital, *my* world. Employers assume the right to say just when, where, how, and to what extent production shall be carried on, regardless of everything but *profit*. This is wrong. The workman is interested in production as well as the overseer, and he will never be *satisfied* till he is recognized as a partner in the business on a basis of justice to both. *Then* the more the laborer produces the more he will be paid; the more he is paid the more he will consume; the more he consumes the more opportunity for renewed production; in short, man will produce to *have*, not to *sell*. *Now* the wages of labor will not buy the product; a part remains unsold; the market becomes glutted; production stops; labor is idle, starving, desperate; capital is unemployed, unremunerative, reckless. "The times are out of joint."

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### *VIEWS OF MR. JOHN GLEDHILL, OF NEW YORK.*

**(Representative buyer for the English and Scotch co-operative wholesale societies.)**

#### BENEFITS DERIVED FROM CO-OPERATION.

In co-operation the laboring classes will find the most effectual means of elevating themselves, and will secure greater comfort, independence, and freedom than they have hitherto enjoyed, by studying and putting into practical use its true principles. Co-operation does not want to pull down, but to build up. It is an element for the creation of wealth by the working classes, as it encourages amongst them habits of thrift, honesty, and frankness.

The country is at present agitated by strifes between labor and capital; strikes or lockouts are continually occurring, some of which are brought about by unscrupulous capitalists, and others by unscrupulous competition. When men get together to discuss the relations between capital and labor co-operation suggests itself, and instead of encouraging brute force it appeals to reason and arbitration.

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Trades unions have hitherto directed their efforts almost exclusively to maintain their rights in regard to wages and hours of labor; when they have been fortunate enough to avoid disputes, their funds accumulate rapidly. The chances are this money will be deposited in some bank at a low rate of interest, the bank will lend it out again at a higher rate, and in some cases probably to manufacturers who employ men connected with the union. The men belonging to the union have to be satisfied with 3 per cent. interest, while in all probability the borrower of their money will secure 10 or 15 per cent. The wonder is why trades unions do not make an effort to establish co-operative workshops, and so enable their members to avail themseves of the profit on their labor. There are numerous trades that would present comparatively little risk, and which, if nursed at first by the union, would in all probability prove successful. If the workingmen were aroused to their own power in this direction and induced to exercise it, they would take the most effectual means of destroying the abusive power exercised by the monopoly of capitalists.

The great success attained by co-operation in England has been by the distributive societies, which, after paying expenses and 5 per cent. on capital and providing reserve funds, &c., have divided the remaining profit among the members in proportion to their purchases at the store. That the system of dividing profits may be fully understood I give below the figures from the yearly report for 1881 of the Equitable Retail Co-operative Society of Manchester, England, which at that time consisted of 11,492 members; allowing $5 to the pound sterling the sales for the year amounted to $1,200,000; the capital was $520,740, upon which the society paid to shareholders $26,037 for interest, being at the rate of 5 per cent. per annum; after thus providing for capital there remained a profit on the year's business of $115,950, which was divided as follows:

| | |
|---|---|
| Dividend on members' purchases | $105,485 |
| Dividend on non-members' purchases | 1,685 |
| Bonus on employés' wages | 3,060 |
| Grant to news-room and library for use of members | 3,060 |
| Annual donations to hospitals, infirmaries, &c | 500 |
| Transferred to reserve fund | 2,160 |
| | 115,950 |

Thus it will be seen the shareholders got 5 per cent. on their capital, and in addition 10 per cent. on their purchases, which if taken together is equal to about 25 per cent. on the amount of their capital invested. Under the old system of trading the store-keeper would have reserved the whole of the profit to himself, but co-operation as illustrated acknowledges the right of consumers to share in the profit, for had it not been for the profit made on their purchases, capital would have made nothing. Specimens of actual results taken from the same society's share ledger could be given showing where members had only at first invested the small sum of $5, but who afterwards allowed their interest and dividend to remain with the society, and by this means alone had in the course of a few years amounts ranging from $100 to $500 standing to their credit. Co-operation is a system by which habits of thrift and economy are encouraged; many are the persons now having funds invested in co-operative societies and elsewhere who would never have had any savings if it had not been for these societies instilling the desire and showing them how to make the first effort to save. As these societies become firmly established on good sound business principles,

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truly it may be said, they become savings banks for the working classes. Capital has accumulated to such an extent with some societies that the board of managers have found themselves with more capital than they could profitably employ in their business, and rather than take the responsibility of investments elsewhere, they have cut down the largest shareholders by reducing the number of shares held by them. Societies are always ready to issue shares to new members; thus shares never sell at a premium, and a society can never become a monopoly, as the benefits will be equally shared by all who join.

There are in Great Britain 1,300 societies which are classed as industrial and provident societies (being distinct from those classed as joint stock companies); out of the 1,300 societies 934 made returns for the year 1882 as having 613,345 members, with

| | |
|---|---|
| Share capital | $33,470,470 |
| Loan capital | 6,387,265 |
| Total goods sold during the year | 127,762,420 |
| Total net profits during the year | 10,096,810 |
| Total amount applied to news-rooms and libraries for use of members | 76,030 |

In the year 1864 a number of English retail societies entered into a federation by which a co-operative wholesale society was established; in the year 1868 the Scottish societies followed their example by establishing a wholesale society for Scotland. Societies only can become members of these societies. The object is for the purpose of aggregating the purchasing power of the retail societies and to bring them into closer contact with the producer, thus adding the profit of the wholesale merchant to that of the retail trade, and by this means increasing the individual consumer's profit. The wholesale co-operative movement is a bond of union by which the various societies throughout the country are brought into closer contact with each other and thereby have an opportunity of stimulating and encouraging each other; it is a means by which well managed societies are able to direct, assist, and foster young and inexperienced societies. The great success attained by the wholesale societies is shown by the following figures:

| | |
|---|---|
| Number of societies holding shares | 816 |
| Number of members belonging to societies holding shares | 457,690 |
| Share and loan capital | 3,708,050 |
| Reserve fund | 142,175 |
| Marine reserve or insurance fund | 115,435 |
| Goods sold during the year 1882 | 25,694,135 |
| Net profit on sales during the year 1882 | 364,385 |
| Total goods sold since commencement | 194,506,125 |
| Total net profit since commencement | 2,704,475 |

The net profit is the gain after paying all expenses and 5 per cent. on capital, and has been divided among retail societies in proportion to their purchases. The profit may be considered a clear gain after selling goods at merchant's wholesale prices, which under other conditions would have remained in the hands of private wholesale merchants.

It may be said that co-operation has been tried in America, and in some cases failed; but this is no reason why we ought to be discouraged. England at first had many failures, both in productive and distributive co-operation, but there have been no more failures in co-operative enterprises, nor as many in proportion to the business done, as there have been in private enterprises. America ought to profit considerably on the past experience of co-operators, both at home and abroad. It will be well to remember that there are various so-called forms of co-operation; one is that of a few individual capitalists working together with the object of taking all the profit to themselves, but the true form is

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that in which the rights of capital, laborers, and consumers are recognized; it is this which holds out the prospect of the greatest good to the greatest number; to honest, thrifty workmen it means a mode of escape from present evils and the hope of much future good.

Under the co-operative industrial and provident societies act of Great Britain, an individual member can only hold shares to the number allowed by the rules of the society, which must not in any case exceed a total nominal value of $1,000. It is no doubt owing to this limit of individual investment that large savings belonging to co-operators have found investment in building societies and post-office savings banks. The total amount invested at the end of the year 1881 in benefit building societies was $206,253,200, and at the end of the same year the amount standing to the credit of depositors in the post-office savings banks was $180,972,480.

With these gratifying results before us of what has been accomplished by the laboring classes of Great Britain, it should stimulate us to give every encouragement to institutions whose object is to provide a good, safe, and profitable investment for the savings of the wage-earning classes.

The Government in this country, might by establishing post-office savings banks, bestow a great boon on the laboring classes. The reliability of these banks, and the people knowing they could withdraw their money at short notice in case of necessity, would encourage them to deposit their hard-earned savings, and as their deposits increased, habits of thrift and economy would be encouraged. Post-office savings banks would lead in a great measure to doing away with the great evil of buying furniture, sewing machines, pianos, &c., on the installment plan. The people would prefer to allow their bank accounts to accumulate until they were in a position to treat for these goods upon a cash basis, thus most probably buying cheaper and saving the interest and other expenses occasioned by the credit system and installment plan.

During the past year Mr. George Jacob Holyoake has been trying to induce the United States Government to issue in pamphlet form what may be termed a settler's guide. Such a book would be valuable, both to the workingmen of this and other countries; it would tend to open out vast tracts of unproductive land, and serve as a guide to where Government lands are to be had; this information, with a description of the surrounding country, and railway facilities and other means of approach, would be of vast service in assisting families to select homesteads of their own.

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*VIEWS OF MRS. IMOGENE C. FALES, OF BROOKLYN, N. Y.*

THE RELATIONS OF CAPITAL AND LABOR.

The chief difficulty between capital and labor is that their relations are improperly adjusted. Though dependent, they are, and have long been, more or less antagonistic. The cause of this antagonism lies more in their respective developments than in their essential natures. Capital has developed rapidly; labor is undeveloped. The former is organized in every regard; the latter completely unorganized. Organization means power, activity, and results. Disorganization implies the reverse. With capital there is working together, *i. e.*, co-operation; with labor it is endless underbidding of man against man, *i. e.*, competition.

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Labor is but another term for the race; its constant increase means the gradual reduction of a man's work value. This reduction is accelerated by the continually augmenting consolidation of capital. Each new pool and syndicate is a milestone in the history of lower wages and consequent pauperism. What autocracy effected in long-gone years is now accomplished by corporations. The fellah of Egypt, the ryot of India, is reproduced in the laborer of the nineteenth century. In our own land immigration aids natural increase in bringing about these results. The only remedy to the evil is that the work and the workman should no longer be dissociated. The producer should be directly interested in the product. This change can only result from the action of the worker. To adapt themselves to the requirements of the age they must do what capital has done, namely, combine. Their combination should be as complete as the relation of one share of stock in a stock company to another. It should be personal, vocational, social, and political. It should have one basis, mutual helpfulness; and one end, personal amelioration. The employé must become his own employer, either by being allowed an interest in his employment or by funding his earnings with those of his coemployés, and with them engaging in the same industry.

Thus the system of industrial co-operation is instituted. The first step toward it is the classification of industries.

Equally necessary in this land, where immigration pours a half million new citizens each year, is it to have some national institution, something in the nature of a national bureau of labor and statistics, whereby new fields can be opened, old ones developed, and whereby labor can be properly directed and located. By this instrumentality new centers can be brought into being and the old overcrowded cities can be relieved of their overplus of unrequired workmen. When left to hazard, overpopulated New York receives three immigrants to Virginia's one. A properly-managed governmental bureau would reverse this condition, and would in one decade convert a wilderness into a veritable Garden of Eden. Immigrants should have it in their power to know where labor is in demand, and of what character, in order to avoid detriment to their own interests and that of the community. Such governmental action would facilitate the spread of co-operative ideas. Men change from ideas. Conduct in the long run flows from cognition. The appreciation of the fact that government, *i. e.*, the whole body, cares for each individual's welfare, would eventually cause the individual to see his own importance in the State, and to realize that he, by combination and co-operation, could ultimately free himself from the evils of industrial life. That he will see it some time is undoubted, but to see it *as soon as possible* is the condition *precedent* of *modern progress*.

The necessity of the hour is for all wage-earners to combine—to organize, and to become a social and political unit.

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### *VIEWS OF MR. J. O. WOODS, OF NEW YORK.*

#### CO-OPERATION.

Humanity has always instinctively associated together. Marriage, with home life and rearing a family, is the earliest form of human association known to us. From the family sprang the tribe; tribes formed the nations. Such are the *natural* forms of human association, and the senti-

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ments and principles underlying them are the *natural* principles which give them life, value, and permanence.

As are the units so should be the mass which they form. The family is a unity from paternal, filial, and fraternal affection. The highest conception of humanity is that of a family, a brotherhood, children of a common parent, linked together by a fraternal spirit, which should prompt loving our neighbors as ourselves and doing as we would be done by. These are the principles of true political economy and the foundation on which society should rest. All contrary principles are false, and fabrics reared upon them will fall before the wind and flood of passion and selfishness. The moral elements must be the basis. The kingdom of heaven—the kingdom of righteousness, right feeling, right thinking, right acting—is the only order of society that can truly live and prosper. Establish first this kingdom of heaven and all else desirable will be added. All history teaches the folly of building upon any other basis.

"Am I my brother's keeper?" was Cain's answer to the inquiry for his murdered brother. "Am I my brother's keeper?" is ever the answer of the egotist to the inquiry for another's welfare. Selfishness is his inspiration. It prompts cheating, robbery, and knavery of all kinds. Slavery was its offspring, as is all oppression, and these react in treachery, falsehood, idleness, shiftlessness, and general demoralization.

To slave labor succeeded wage labor, bought at the lowest market price, with incidents resembling those of slavery. Scant wages result in scant service; poor pay in poor work. The action, reaction, and interaction of wrong are more wrongs. Like produces like in the moral as in the physical world.

Capital, at first the product of labor, has by the competitive system come to oppress labor, which should be its master, as indeed it might be were it as wisely directed as is capital. What would capital be without labor? When Phillip II drove the industrial classes out of Spain, he struck a blow at his country's prosperity from which it has never recovered. When the children of Israel left in a body their Egyptian taskmasters it caused such an industrial panic that an army was sent to bring them back. Labor may do without capital, as it can always produce it, but capital is worthless without labor.

Labor is constantly increasing in knowledge and power. The trades unions are multiplying and consolidating and learning that union gives force. But so long as it remains purely wage-labor the workers will be in a servile position. Men should, as far as possible, work for themselves—the only work befitting freemen. Equitable co-operation would place the workers in their natural relations with each other and upon a basis of true manliness. Their brains would then work with their hands in using their own or borrowed capital and they would be its master and not its slave.

Distributive co-operation has achieved great financial success in England. Its retail sales last year were over $100,000,000, with a net profit of $10,000,000. While the commercial benefits were enormous the moral results are greater, more especially of the Rochdale system. At those stores full weight and good quality of goods are guaranteed, with the effect of eliminating adulterations and improving their quality. No concealment of imperfections is allowed. The seller is servant to the buyer and required to aid the purchasers in selecting articles. A portion of the profits is devoted to libraries, with the best books and journals, reading-rooms, lectures, &c. Social life and a fraternal spirit are also cultivated. These are the features that have so much commended

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this system to philanthropists. The sole object of the civil service co-operative system is to get goods at the lowest prices.

While distributive co-operation flourishes in England, it has not succeeded so well in America. The explanation is easy. The population there is more homogeneous. They know and understand each other better, have more sentiments and opinions in common, and hence unite more readily for a common purpose. Our nation is heterogenous, being composed of all races of the world. We are a new people and not so well known to each other. Protestantism and republicanism have stimulated individualism so that each is caring for himself and leaving others to care for themselves. Even families disintegrate and scatter.

The basis of permanent organization for mutual benefits must be a community of opinions and sentiments as well as of interests. When we come to love our neighbors as ourselves, we shall be disposed to do as we would be done by. Hence the first step should be to cultivate and establish fraternal sentiments. The public should be educated to know that there is a community of interests in humanity, and that one part can no more be permanently elevated and happy, while another portion is degraded and miserable, than one part of the sea can be salt water while another part is fresh. Enlightened self-love and social are, indeed, the same. As the wage-workers become more closely associated they will more fully appreciate this truth, and seek each other's prosperity as their own in mutual fraternal co-operation.

Equitable co-operation is not difficult to establish where there is the right disposition for it. As it is a social, educational scheme, it should be begun by the persons interested. The following is a simple illustration of what may be done:

A social circle is formed of parishioners or neighbors, comprising the usual elements of society. They agree on a basis of action in their mutual business relations, viz, to love each other as themselves and do as they would be done by. They meet at each other's houses, or some convenient place, and bring kindred spirits with them until they become acquainted with each other. Moral duties and social relations are discussed, and music, reading, and various recreations introduced.

The next step should be to establish business relations with each other. The members of the circle agree to buy at the stores of the trading members, and to employ its various artisans and professions, provided they can be served as well as elsewhere. As cash trade is thus secured without expense, a discount can reasonably be allowed, such as is customary with co-operators.

To secure funds for trifling expenses, a tithe of the discounts could be retained. Thus, if the discount of 10 per cent. be allowed on a purchase of $10, 10 cents would be returned for the mutual fund. If one's purchase or transactions amount to $500 during the year and an average discount of 10 per cent. be allowed, the personal saving would be $50, of which $5 would go into the treasury. The details could be easily arranged.

In such a case mutual equitable co-operation would be established without any special capital or extra expense. The business would be upon a moral and fraternal basis, and the union might embrace all social and material interests. The members might agree to submit all differences or difficulties between them to the circle or its appointed committees and officers. Each should aid the others in all reasonable ways, as indeed he would if the proper sentiments prevailed.

A mutual circle might be organized in every parish or neighborhood. A germ of this new social order, however small, might be planted and

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nourished in which week-day business would illustrate the best Sabbath teaching. Alas! how little they now conform.

Possibly and probably in an extended circle of this kind persons might meet in some degree uncongenial, but a common, noble purpose would mold and harmonize them. We are not to avoid people because not quite to our taste. Our mission should be especially to the lowly. They are our brothers and sisters. If above them in character and culture we can educate them, if below, they us. Humility is a spiritual grace, and the noble end in view should stimulate exertion and forbearance.

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*PLATFORM OF THE AMERICAN ADVISORY CO-OPERATIVE BOARD.*

The American Advisory Co-operative Board declares as the basis of its action the following principles:

1. The true interests of any human community are common, to the extent that no portion of it can be permanently elevated and happy while another portion is degraded and miserable.
2. Enlightened moral and material self-interest dictates a fraternal and equitable regard for the best interests of all.
3. Morality is superior to money, and should not be subordinated to material interests.
4. Wealth is the product of head and hand work, applied to the cultivation and use of the resources and forces of nature, and equitably belongs to the producers—labor and the capital by which labor is made effective.
5. Enough wealth is produced to comfortably feed, clothe, house, and educate all faithful workers, and the social and financial relations of society should be such as to secure them the enjoyment of these necessities of civilized life.
6. Honest, equitable, and fraternal co-operation in the production, distribution, and enjoyment of wealth will secure the best results.

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*VIEWS OF CO OPERATION.*

A little time ago we visited the large publishing house of Cassel, Petter & Galpin, London. Nearly a thousand men were busy at the presses or preparing woodcuts, giving to the people the great need of the age, cheap yet good literature; all worked with enthusiasm. What was the secret of it; was it because they received fair wages? Not that alone. Was it because they were treated with the courtesy due from one man to another, be he hod-carrier or millionaire? Not that only; they were sharers in the profits of the firm. Every book printed was their book; every hour wasted was their loss. Of the capital, $200,000 is held by about three hundred employés, who have been able to buy stock. Two hundred and seventy-two others, each by the payment of 25 cents weekly, in three years and a half become partners. Those unable to save even this, if their salary be less than $1,500, after five years of service are helped to partnership by the provident society, established for old or disabled employés.

"Profit-sharing" of employés with the employed, is gaining ground abroad. Professor Sedley Taylor, late fellow of Trinity College, Cambridge, who has written much and ably on this subject, has given a detailed account of several of the more than one hundred firms already using this method in Europe.

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The Paris and Orleans Railway Company, with 15,743 employés, has practiced profit-sharing for forty years. The entire sum allotted the men over and above market wages during this time has been $11,000,000. Formerly a bonus was paid in cash; now it is compulsorily invested for a retiring life pension, when the employé is fifty years old. Messrs. Chai & Co., publishers, give 15 per cent. of the net profits to their workmen. The amount distributed in ten years has been $25,000. One-third is given in money, one-third to their provident society, and the remaining third is received after twenty years of labor. A single incident will show the interest manifested after profit-sharing was introduced. Two workmen setting type had each a lamp; they at once moved their frames together, and blew out one light to save expense for the firm of which they were now a part. The proprietor has also organized a school for his apprentices, where history, book-keeping, drawing, chemistry, &c., are taught. The pupils are promised 2 cents for each attendance, and at the end of the month receive this for spending money.

The Company of General Insurances has for thirty years divided 5 per cent. of its profits among its employés, in proportion to their individual salaries. This is accumulated at 4 per cent. compound interest, until the workman has been twenty-five years in their employ. The sum assigned has been nearly $1,000,000.

I was interested in the immense Bon Marche, after seeing the rooms where the 2,300 clerks take their meals, and where many of them sleep, to learn Madam Boucicault's plan. Her husband and son having died, she is the responsible head. Of the $4,000,000 capital, she holds $2,500,000, while her employés hold $1,500,000. After five years of labor in her house, all share in the profits, the sum being fixed annually by herself. This is put at 4 per cent. compound interest, till the men have worked twenty years and the women fifteen. The labor share since the adoption of this system, seven years ago, has reached nearly $100,000.

In 1878 a company was formed in Paris to study profit-sharing and report its progress. The annual bulletins can be obtained from our National Bureau of Education. The Maison Leclaire with its thousand workmen is well known. The founder, the son of a poor village shoemaker, coming penniless at seventeen to Paris, apprenticed to a hard master, determined in after years to aid those who worked for him. During the first fifteen years of his business they subscribed monthly to a mutual aid society. This fund was then taken into partnership. The profits are given after taking out 5 per cent. interest on capital, one-fourth to the two managing partners, one-fourth to the aid society, and half in money to the workmen. The day before his death, in 1872, Lecaire wrote his partner: "Until sound learning shall have replaced ignorance among the masses, until the disinherited shall have strength to raise themselves to us, we must hold out a hand to them. Otherwise the rooted antagonism between the suffering classes and the more fortunate will never cease." He said: "It is better for me to earn 100 francs and give 50 to my workmen, than to earn only 25 and keep them all myself."

M. Board, in his piano manufactory, has for twenty years, after deducting 10 per cent. on capital invested, divided the profits proportionately with the workmen; one part to the interest already allotted, the other according to the wages paid. Their shares have been already over $240,000. The paper mills at Angouleme, with 1,500 workmen, have a somewhat similar plan. In all these cases the workingman receives his daily wages at market price. If no profits are made he receives no share, but with his employer feels the general disappointment and loss arising from increased exertion with the hope of profit.

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THE RESULT FROM PROFIT-SHARING

has been excellent. Workmen have become encouraged to save, to do more and better work, to be sober and self-respecting, and to avoid strikes as detrimental to their own welfare. They are no longer eye servants, but responsible coworkers. Ambition is aroused, and they desire homes of their own. Hon. Francis A. Walker says:

Many experiments and probably much disappointment, and some failures will be required to develop the possibilities of this scheme and determine its best working shape, yet in the end I see no reason to doubt that such a relation will be introduced extensively with the most beneficial results.

Postmaster-General Fawcett, in "Pauperism, its Causes and Remedies," page 165, says:

The public press often tells us how some iron master or some manufacturer has become a millionaire, but not a word is said about any advance in the condition of those without whose labor such vast wealth could not be accumulated. All experience shows that there can be no hope of introducing more harmonious relations unless employers and employed are both made to feel that they have an immediate and direct interest in the success of the work in which they are engaged.

A letter received from one of England's largest manufacturers has these words:

I think when the time comes for co-operative production, it will solve many questions and destroy large manufacturing monopolies, raise the laboring slave to an independent and regenerating position in his own and our opinion. I am sure there is a strong feeling, in the mind at least of the intelligent employer of labor, that he owes his work-people something.

Co-operative distribution has already wrought wonders. The story of the twenty-eight weavers of Toad Lane reads like romance. Of course it is objected that such broad partnerships destroy the privacy of business; that workmen are unwilling to share losses—assertions well answered last year by Professor Taylor before the Manchester Statistical Society; and that wages are better in America than elsewhere, therefore labor should be satisfied. The recent great strikes in our own country, saying nothing of the 2,352 in Europe since 1870, show that there is still dissatisfaction, both with length of hours and wages. Doubtless we shall help to save our Sabbath by the adoption of the English half-holiday on Saturdays. The man who works from sunrise to sunset, scarcely knowing that the flowers are growing about him or that the sky is blue above him, must have some time for fresh air and sunshine. Shall we not also eventually help to solve the labor question by "profit-sharing?"

A hopeful sign of that future when, as the lamented W. Staney Jevons said: "The workman's interest shall be bound up with those of his employer, and pitted in fair competition against those of other workmen and employers" rather than workmen banded together and employers together, is the fact that never before were employers building so many tasteful homes for the employed as now. In Sweden model dwellings are erected, with the intention that the workmen, by annual payments, shall become the owners. They are usually designed for two families, three rooms for each, the rent about $16 a year, paid for by their vegetable gardens.

Mr. Krupp, at his steelworks at Essen, Prussia, where 17,000 men are employed, has already built about 3,000 houses for them. He has also established schools and a reading-room. When ill they receive half-pay and are cared for in the hospitals without cost. Saltaire, built by Sir Titus Salt for his 4,000 workmen is clean and attractive with its



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two-story houses of light stone, its flower beds in every front yard, its handsome hall, used as a library, museum, and for class rooms, its park of fourteen acres, with cricket grounds and lake for boating, and without a single saloon in the town.

The 944 building associations in England and Wales, with a share-capital of $90,000,000, are making many waste places comfortable and healthful. Peabody, with his $2,500,000, set an example that the world will more and more emulate. Fifteen of the worst localities of London have immense brick or stone blocks, with clean rooms and happy children. While each of the nearly 8,000 rooms pays only about 50 cents a week for rent, the net profit on capital is from 3¼ to 3½ per cent. Two other London societies have each spent $1,500,000 for a similar purpose. Some towns in France are thus using their surplus capital, believing it to be a paying investment as well as a humanitarian scheme. The work of Miss Octavia Hill, one feature of which is that wealthy ladies shall each look after three or four houses, collecting rents and giving helpful suggestions as to health and cleanliness, deserves careful study.

Neat, skilled, and able-bodied workmen cannot come from squallid homes, where food is poorly cooked and ventilation and drainage unknown. A pot of flowers in the window of shop or home, and a picture on the walls are wonderful educators. All through Scandinavia one sees flowers in every window, be the home ever so modest. What wonder that the people are honest; the doors of a Norwegian never being locked, and that they are most tender, alike to children and to animals.

Whatever may be thought of profit-sharing and home-building, humanity, as well as self-interest, must enlist employers in the *education* of the employed. The workingman has become an important factor in our civilization. Through his increasingly strong labor organizations men will be sent to Congress to represent his interests. Power will not be wanting, but the wisdom of the legislation thus affected, with regard to monopolies, taxes on land, eight-hour system, &c., will depend largely on the education of the constituents. John Stuart Mill said of education as a remedy for the ills of the working people, "It is indeed not the principal, but the sole remedy, if understood in its widest sense." Said Jules Ferry recently, "Labor and schools—that is the law of the future. It is by these that the great American democracy is daily taking gigantic strides toward the almost incalculable greatness of its destinies." France herself is nobly doing her part. There are more than one hundred art classes for adults in Paris alone, all numerously attended and chiefly by workingmen. There are also free courses of elementary and advanced lectures in every branch of literature, art, and science, including modern languages, biology, and mathematics, given by men of national reputation, to large audiences, composed mostly of workingmen. Especially does one see this at the College de France and Conservatoire des Arts et Metiers. Similar courses are given in all the chief towns. This is a feature America might well copy for her adult population. Where is our South Kensington Museum, with its science and art schools all over the United Kingdom, with evening classes for artisans at 75 cents a month?

The workingmen's colleges of London, the first organized in 1854 by Rev. Frederick Denison Maurice, assisted by such men as Ruskin, Rossetti, Cave Thomas, and others, are not only the best possible prevention of socialism, but the best aid to good citizenship. Thomas Hughes, M. P., is president of one college with seven hundred students, and Rev. Stopford Brooke of another. The course is so thorough that some of

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the students have taken the B. A. degree of London University. The charge for tuition is small—25 cents a term for Greek or Latin. Each Saturday evening free popular lectures are given by eminent scholars. Dr. Birkbeck began a somewhat similar work thirty years before, and his institute has become the parent of one thousand others in Great Britain.

The "Workingmen's Club and Institute Union" is an association of five hundred and fifty clubs for mutual improvement by lectures and libraries and for recreation. Mr. Hodgson Pratt is its leading spirit. Only recently one thousand of its seventy-five thousand members were entertained at the South Kensington Museum by the president and his wife, Sir Thomas and Lady Brassey. How different the position of the intelligent workingman of to-day from that of the Helots of Sparta, put to death at will, or the Roman peasant, sold like the ox, with the land on which he labored!

We visited with great interest many workshops abroad, always finding where most was done for the employed, there most was also done for the employer. In the large engineering works of Messrs. Tangye, in Birmingham, with two thousand men, lectures are given twice a week during the dinner hours on political or general subjects, the men often suggesting the topics. Evening classes are held, a library provided, and a visitor for the sick. Breakfasts and dinners are furnished, the latter costing from 12 to 16 cents. It is a comfort to see the men eating this rather than a cold dinner from a tin pail. Perry & Co., pen-makers, have a dining-hall, with complete kitchen apparatus. They loaned the committee having it in charge sufficient money to purchase food at the start. The firm also fitted up a theater and purchased a lantern for dissolving views. Several firms have bought brass instruments for the bands organized among the men.

At Liverpool and London, cocoa rooms are provided, where cocoa or tea are served at a cent a cup, a bun at the same price, with jam, meat, &c., at low rates. The profits made on the refreshments are distributed by a committee of the work people as they see fit. At the end of these rooms there is a stage for concerts, private theatricals, or bowling. A piano is also furnished. De La Rue & Co., printers and lithographers, some thirty years ago organized a Factory Tea Society, to give tea with the evening meal at 5 o'clock daily, with tea and sugar to be taken home on Friday evenings. These being purchased at wholesale, were sold to the workmen at a fair profit, and the money put aside for their provident fund. Last year the profits were $2,500. More than twenty-seven thousand gallons of tea were sent in hot cans to the workmen. They pay weekly at the rate of 2 cents a pint. The fund is used in sickness or death.

James Smeiton & Sons, near Dundee, employ about five hundred persons in weaving. They provide a piano and harmonium in a hall accommodating six hundred, used as a school-room during the day, and for classes and lectures in the evening. They pay a librarian to take charge of a good library. Samuel Morley, M. P., a man of great wealth and great charities, is at the head of the Providence Society among his men. In a letter he says: "In a large number of cases libraries with reading-rooms have been established by firms for their young men, and these are well used and appreciated. The best way to promote benefit and provident societies is, I believe, to second the efforts made by the men themselves." How nobly he has done this the figures in last year's report abundantly testify. In Switzerland the workingmen, in their associations, provide lectures on social and political questions. In re-

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mote communes, if there is no one else to do it, the workmen themselves prepare the lectures.

Cadbury Brothers in their large cocoa works, covering three acres, employ over five hundred persons. Especial attention is paid to ventilation and proper light. A cricket and foot-ball ground is provided for the men, and a play-ground with swings, &c., for the women and girls. Large dining-rooms are furnished for both sexes, where they can warm or cook their dinners over gas stoves; eighty chops can be cooked in ten minutes. From 9.15 to 9.30 every morning, the work people meet for a religious service. The wife of the leading minister of Birmingham gives most interesting health lectures to the wives of workingmen. Three firms in Manchester have institutes attached to their works. Others every pay-day give each of their three or four thousand men a paper or magazine. Penny biographies and histories are scattered widely. Rev. H. R. Haweis, the well-known author, has been an ardent promoter of this. The man who works ten or twelve hours a day has no time for two-volume novels or six-volume histories. The man or woman with leisure owes it to humanity that he or she use it for those who are obliged to toil.

Somewhat similar work, collated in our own country from Pullman, Fairbanks, Wanamaker, Waltham Watch Factory, Pacific Mills, Lawrence, Passaic Rolling Mills, New Jersey, and elsewhere, would be helpful. Every State, and the nation as well, needs a labor bureau as ably managed as that of Massachusetts. Then we should know how long our work people labor, in what homes they live, and whether or not justice is done them. The State should be interested in the best good of every citizen. It is superfluous to say that a more general education is one of our greatest needs. Mormonism would die were it not for ignorance. The population question needs but the light of political economy. The masses are led by the unscrupulous. Dr. Haygood, of Georgia, rightly says, "A man who does not know that voters ought to be able to read and write does not know enough to be argued with." And yet we have in this country 3,000,000 whites over ten years of age who cannot write, and a larger number even of colored in the same deplorable condition. In Germany, in 1870, only 12 per cent. were illiterate. In the United States that year there were 20 per cent. In the last sixty years over 11,000,000 immigrants have come to us. Last year the average was over 2,000 a day. Professor Walker says:

> If the state will see to it that the whole body of the people can read and write and cipher, that the common air and common water are kept pure; and that the first feeble efforts of the poor at bettering their condition and "saving for a rainy day" are guarded against official frauds and speculative risks, it may take its hands off at a hundred other points and trust its citizens in the main to do and care for themselves.†

Postal saving banks, such as England has tried so successfully for twenty years, with life annuities, will remedy "frauds and speculative risks," and be of great value to the poor. The Government must do much for education, and yet we shall doubtless be obliged to have many Peabodys and Slaters before the work is accomplished. The elevation of the world comes largely from individual effort. I know a minister who teaches large classes in botany, gratuitously, that his people may have minds above the trivialities of life, as well as honor the Maker of the plants and flowers about them. The Chautauqua course of reading, started by Dr. Vincent, is doing incalculable good among the people. The country has also much to hope for the higher education of women, because of the consequent elevation of society and a race of educated men born of educated mothers. Common-school education would be a blessing, if for no higher reason than that it increases the income of the

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laborer from 20 to 50 per cent. In the near future technical education will fit men and women to earn their living. Each large city can do at least what has been done by the business firms of Cleveland, Ohio, in its educational bureau during the past two years. Mr. C. E. Bolton, after several trips abroad, determined to enlist the city in more general education for the working people.

For six weeks, each noon and night, he visited nearly every mill and factory among our two hundred thousand people, and with the hearty concurrence of employers gathered the men around him for ten minutes, speaking from box, counter, or anvil. Twelve entertainments were offered them one for dollar, eight cents each, with the gift each time of a condensed graphic book of forty pages. Over four thousand took course tickets, among them four hundred teachers in the public schools. Fortunately a wealthy and generous man, Mr. W. H. Doan, had built a plain tabernacle for the use of the people, and this was packed every Saturday evening, hundreds going away, unable to gain admittance. After a half-hour concert by a trained orchestra, the people stood for five minutes, and then listened to a lecture by Beecher, Gough, Tourgee, Joseph Cook, and others. The books were on astronomy, geology, histories of England, France, or the United States, health, manners, &c. Crowds came in from the suburbs. One man who had walked six miles, only to find the doors closed, said, "I don't mind the loss of the lecture so much, if I can only have the book sent me;" and he left 2 cents with a stranger for postage. On the last night, which is made a special occasion, the tabernacle being trimmed with flags and flowers, little tickets called "red options" are sold for 25 cents, transferable some months later for a regular ticket. One sick workman, out of money, offered to give his note for the 25 cents, because he could not bear to lose the lectures.

The second year twenty entertainments were given for $1.50; ten indoor lectures, preceded not only by a concert, but by a half hour prelude on the eye, architecture, glaciers, or other useful subject, often illustrated, and ten outdoor concerts on the public square, under an electric light of 32,000 candle power. The people, therefore, had concerts, preludes, and lectures in winter, and also in summer, with nearly 5,000,000 pages in the books, for 7½ cents each evening. After paying all expenses, $1,000 were put in the bank the first year, and over twice that amount the second, to be used, it is hoped, towards a people's college, a large public building, with hall, art gallery, and institute where drawing, wood-carving, telegraphy, &c., may be learned, and many of the things made or grown in Ohio exhibited. This self-supporting educational bureau is upheld by a committee of one from each of the leading firms of the city. The president, Gen. M. D. Leggett, is also president of the Brush Electric Company. Hon. John Eaton, Commissioner of Education, who, as well as the press, has given the plan his hearty commendation, opens the course the coming winter. Last year a debate on free trade *versus* protection, by Professors Sumner, of Yale College, and Denslow, of Chicago, drew an immense audience. This winter woman suffrage will be debated. A course of lectures on cooking will be open to the wives of ticket-holders. Over two hundred letters of inquiry have been received from cities and firms, showing that there is deep interest in whatever elevates the people. Does the work pay? Ask anybody who has watched the four thousand eager faces as they listened to every word of the speakers, or carefully read the little books, having them bound at the close of the season for 25 cents each. Ask those who work sixty hours a week by a heated furnace, or an oil tank, eating a cold dinner, and going wearily home by gaslight.

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*VIEWS OF MR. F. P. BROOKS, OF WATERTOWN, WIS.*

HOW TO PREVENT "STRIKES"

Is a problem over the solution of which abler pens than ours have been wielded in vain, but being of a somewhat sanguine temperament we tackle the subject without fear. We believe that education is one of the principal causes of the discontent of late years manifesting itself among the laboring classes, and would therefore favor the abolishment of the public-school system. And to illustrate this point we will use for our purpose an imaginary employer and an imaginary employé. The two have been schoolmates, the latter being rather the better scholar; the former is possessed of a little gold and much brass, the latter of no brass but good health and willing hands. Be it remembered that we do not single out an isolated case, but that our illustration is intended to cover employers *as a class* and the employed *as a class*. Well, the two young men start out as employer and employé. Business flourishes and more help is needed. In a few years—or many—a large manufacturing establishment has been the result, and the employer is reputed wealthy. The employé has received his pay as agreed upon and finds no fault, still, he cannot help to note the difference in his own situation and that of his employer, and he gets to thinking. The tenor of his thoughts is about as follows: Twenty years ago to-day I began work for this man; he has paid me all he agreed to, as an honest man should; he has always treated me kindly and I have no cause to find fault; but, after all, I cannot quite understand why there should now be such a difference in our worldly affairs, when but a short twenty years ago we started out on an equal footing. I have certainly worked as hard as he did during that time. My family expenses have no doubt been much less than his. During all this time he has been smoking cigars while I have been content with a pipe; he has drank wine while I have been satisfied with beer; he resides in a large, magnificently furnished house of his own, while I am still compelled to rent; his wife and children are dressed in silks and velvet, while my poor wife and children must wear calico and faded shawls. I have been sober, industrious, and prudent; the health of myself and family has been good, and yet I have been unable to lay up a cent. But, let me see. Have I received as much pay as I have *earned*, or my employer could afford to pay? He can read, and goes to studying the quotations on the raw material; he knows to a dot the cost of manufacturing, and also the proprietor's price. He has not forgotten figuring entirely (though he has had little practice for twenty years) so he borrows a pencil and proceeds to demonstrate. And what does he find? Why simply that where he has received $1 as wages the employer could well have afforded to pay him $2 and still have a handsome profit. The retailer has made no complaint about the price of the goods; and why should he? The consumer has to foot the bill finally. In this frame of mind, and with the quotations, figures, &c., in his pocket, he calls a meeting of his shopmates in some *secret place*—to do this publicly would subject them all to discharge—and lays the result of his investigations before them. With one accord they say: We will stand this injustice no longer; our wives and little ones shall be fed and clothed as becomes the sons of honest toil.

We will demand a fair share of the result of our labor. The proprietor fumes and tears, inveighs against the rascally conspirators for meddling with his business, but all to no purpose. The "conspirators" have formed a "union," under written constitution and by-laws (they can

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write), to stand by each other as long as one of them has a penny left, or until the proprietor is willing to pay fair wages for good work. And the worst of it all is, that the same state of affairs exists all over the country, and to discharge these men means a closing of the establishment.

The reader is by this time probably ready to admit that the public school is a fraud. You see, the parents of this employé were too poor to educate the boy at a private institution, so that only for the much-vaunted public school he would have remained a docile, dutiful workman, asking no questions, doing no thinking, making no tell-tale figures and behaving generally as becomes a worthy human machine. We have no objection to the education of rich men's sons—too proud to work and too lazy to steal—at private schools and colleges, to become lawyers, doctors, preachers, or what not, but an education totally unfits a man to become an obedient, reliable laborer. The Southern slaveholder understood this question to perfection. Instead of a school teacher, a preacher was employed on every large plantation to preach to the darkies from the text: "Servants obey your masters." Slave labor was reliable until the fanatical Northern schoolmarm was permitted to poison the minds of the negro with the desire for an education, and the idea that "the laborer is worthy of his hire." Next, the Northern abolitionist, slowly and stealthily, but surely, taught the "contented and happy" slave that it was wrong for capital to *own* its labor; and the consequence was, frequent "*strikes*" for freedom, and at last a bloody and costly war. To make labor reliable in the Northern States we would recommend that the whole public-school system be abolished, so that none but those who are rich enough to live without work shall receive an education. Turn the school fund over to the churches, and make attendance at divine worship, of the laboring classes, compulsory. Compel clergymen to preach principally about Lazarus and the rich man; about the camel trying to crawl through the eye of a needle, &c.; that Vanderbilt, Jay Gould, Alexander Mitchel, and all rich men will surely go to hell when they die; that the pay of "skilled workmen" at the building of Solomon's temple was one penny a day and no grumbling allowed, and that every poor man who puts in six honest days' work in a week, and is willing to take whatever his employer has a mind to pay him, without fault-finding, shall have a reserved seat in Abraham's bosom, by the side of Lazarus. Why should the laboring man wish to lay up something for wife and children, or for a spell of sickness, or for old age, when he is no longer able to work. Poor-houses have been established in every county for him and his, so that the desire for more than a bare living is both foolish and pernicious. Believing that we have accomplished what we started out to do we now bring our article to a close, promising, however, that if we discover a fault in the workings of the plan, we will suggest necessary alterations and improvements in our next.

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*VIEWS OF JAMES H. BLOOD*

*To the honorable chairman of the Congressional Committee on Education and Labor:*

As a fundamental proposition, and as one by which all social and industrial problems must be solved, I think your honorable committee will agree with me that there is an "irrepressible conflict" between right and wrong; between justice and injustice, at all times, among all peoples, in all countries, which will never cease; which can never be suc-

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cessfully repressed by compromise; which will continue to wage until right and justice shall be triumphantly enthroned as the sovereign ruler of the peoples. And by the term "the peoples" is comprehended not the inhabitants of any State, any country, any continent, any hemisphere, but the world. Any proposals for reform that do not rest upon the Fatherhood of God and the brotherhood of man, must fall short and fail. Right and justice are universal, and must come to rule universally; as universally as man inhabits the earth.

What is wrong as between individuals, is also wrong as between nations. A nation can no more be rightfully prospered at the expense of another nation than can an individual at the expense of another individual. What one person or class of persons detains from another without rendering an equivalent is robbery, whether it is by stealing direct, by driving a sharp trade, by interest, *rents*, or profits, by the terms of law, by the decisions of events, or by the arbitration of nations—there is no difference in principle between taking a cent and taking a continent.

These propositions are self-evident, and require no argument to sustain them. It is only necessary therefore, to determine what are equivalents, in order to establish a basis for the settlement of all questions of right and wrong; all questions of justice and injustice. Like causes produce like results. If all persons were born and raised under the same conditions, and were surrounded by the same influences, they would be alike in all things. That they are not so born, reared, and surrounded is determined by circumstances over which the individual has no control. That is to say, that one is born to luxury and another to poverty; that one inherits the taint of crime and another the perfume of goodness; that one is feeble and frail and another robust and strong, is no choice of the individual, but, is determined by a multiplicity of causes so broad and complicated as to involve the entire community. That is to say, further, that if one person by his superior capacities and opportunities secures to himself all the comforts and luxuries of life, all the posts of honor and preferment that his next-door neighbor wholly fails to reach, it is *not* to be placed to his credit, since his superior capacities and opportunities are not to be credited to him, but to the circumstances of his birth, education, and surrounding influences.

Justice is all-sided; it takes into consideration everything that is involved in the subject of a question. Now, what is justice between individuals, whose circumstances of birth, education, and surroundings consign them to wholly different stations? Clearly this: That what one individual or class of individuals secures by virtue of superior capacities and opportunities, above the general average of the comforts of life, belong of right to the other individual or class of individuals failing by lack of capacity and opportunity, to secure an average. To make this clear, take an illustration from the present common practice. A person born a cripple, or with disabilities that make it impossible to support himself, is taken care of by the community as a matter of right. Having been given life without his own consent, and a life incapable of maintaining itself, he has a right to claim support for that life. Now, what is true of a case of complete disability is equally true of all grades of disability up to that which admits of an average acquirement. Even energy, as opposed to indolence, is not to be excluded from the list of capacities and disabilities since both are as much an inheritance as are the other individual characteristics. It must be remembered that we are arguing to determine what justice *is*, not what custom has established; nor what theories and religions have sought to teach. Without regard or reference to any existing thing we want to determine what is absolute jus-

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tice between individuals. In no other way can we expect to organize society in which there shall not be an irrepressible conflict going on; on no other basis can we expect to correct all the evils and abuses that now afflict the peoples of the earth; by no other practice can we live the doctrines of the Nazarine: "Love our neighbors as we do ourselves," and obey the new commandment: "Love one another," which superseded all other and elder commandments held to be divine and supposed to be humane.

Let every person who is discussing the problem of industrial justice ask himself or herself, Can there be a brotherhood of man outside of a community of interests? Is a palace on the one hand and a hovel on the other an evidence of brotherhood; of love of neighbor as of self; of loving each other? Is a people among whom there are the upper-ten millionaires on the one side and the lower million toilers for a bare subsistence a Christ people? And yet these same millionaires would have God recognized in the Constitution. It is but a step between modern Christianity and consummate hypocrisy.

Holding in view the principles above annunciated, in what sense are existing things right or wrong, just or unjust?

The Declaration of Independence, on which our Government is supposed to be founded, and by which its laws are supposed to be administered, holds "that all men are created equal, and are endowed by their Creator with certain inalienable rights, among which are life, liberty, and the pursuit of happiness." The right to remain as they are born, *seems* to be a natural sequence, while the right to life carries with it the right to the unrestricted use of the elements necessary to maintain it. These elements are the common gift of the Creator to man, and belong of right to all. No man or class of men has a right to seize upon them, and, holding them as their own, deal them out to the less fortunate for gain. These elements are the earth, the air, and the water, each of which is interchangable into the others, and, therefore, in reality, one. The water and the air have so far *evaded* the avaricious clutch of man, but not so the land. Notwithstanding it is an inalienable right of man to have the use of as much of the land as is requisite to support his life, the whole world is practically in the hands of speculators, who not only assume to own it, but excluding others from its use, put their own price upon it. There can be no such thing as rightful ownership of the soil. All ownership enforced by law or might is war levied against the common rights of man.

In the place of ownership there should be a system of allotment, by which each person should be secured in the inalienable possession of a certain quantity, for which, so long as Government is maintained as a substitute for industrial organization, a certain tax should be required. Such a division of the soil would be infinitely superior and more advantageous to the people than ownership, since it could not be sold, lost my mortgage, given away, or alienated by any other means. Such a system would make a surety of the homestead that no shylock could ever infringe upon and over which no red flag would ever hang.

Ownership of the land is one of the most serious evils with which the future will have to deal, and yet it might be settled easily. Let it be enacted that on the death of individuals owning land it should revert to the people, and in a single generation the evil would be removed without any violent commotion or disorder, and without doing harm to any one. As rapidly as the land should be thus surrendered to its rightful position it should be alloted to the people as above provided. Of course, all the special wealth, such as gold and silver and other min

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eral mines, and coal and oil, should be reserved and worked for the public benefit, without profit, and, ultimately, without cost; for, ultimately, the industries will be organized and the whole land worked for the public benefit. Then, in place of isolated homesteads, there will be vast associative homes; in place of the small, inconvenient, and unhealthy farm-houses, there will be vast industrial palaces, containing everything that can minister to the comfort, health, and happiness of man, socially, intellectually, and morally. There is enough in the world to give to each person all the comforts and luxuries that the most favored now enjoy. The difficulty is that they are not equally distributed. The future will see that this is remedied.

Competitive industry is simply industrial war, in which the stronger in any sense prey upon the weaker in every way. The great error that has been committed is that the evolutions of the various departments of society have not gone on together. The original condition of the race was one of family government. The father was the arbitrary head of the family, with none to question his authority or dispute his right. In this condition the stronger families came to oppress the weaker and reduce them to slavery. To resist them the weaker families combined, and, in turn, becoming the stronger, forced all families into tribes. In time, the combination continuing, tribes ceased their wanderings and builded cities, and ultimately cities united and gave birth to nations, extending their sovereignty over the intervening country. Finally, under Cæsar, Rome became mistress of the then known world, the evolution of government in that direction ending in the concentration of arbitrary power in the hands of one man—one man ruling the whole, every other.

From this concentration of power began a redistribution, through limited and constitutional monarchies and dictatorships to republics, in which is exemplified the theory of each one's ruling through representation in the general government. When this form of government shall become a fact, instead of a theory, then will be exemplified the opposite extreme to Cæsar, and governmental evolution culminate to develop into industrial organization, which shall take the place of political combinations.

Now, had these evolutions of political government been accompanied by industrial evolution—had the tribes, cities, nations, monarchies, dictatorships, and republics been industrial as well as political, there would have been no conflict between the two systems—the more highly developed political organizations could not have been used as instruments of oppression to the industries. But during all the vast period of time that government has been evolving, from the rudimental form to its present far-on development, the industries have remained in the rudimental form. The head of each family contends with every other for industrial supremacy, just as formerly they contended for governmental supremacy.

There are, however, illustrations in industry of the development conforming to tribal, city, and national government, and they have the same effect upon rudimental industry that those governments had upon the rudimental government of the family—they reduce them to slavery. In one way or another the family is enslaved industrially by these more highly developed forms of industry. The principle involved is the same in each, and it will develop in industry as it did in government, unless, learning a lesson from government, the people shall lift industry to its proper place.

The common copartnership is the tribal form of industry; the incor-

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porated monopolies are the industrial cities, and the railroad system of the country, when it shall become under a single management, will be a national industry, and being the most far-reaching, intricate, and intimately connected with all other organized industries, will become the Cæsar or the Rome of the industrial world.

Then will begin the redistribution of the industrial power, and it will continue until each individual will be equal to any other industrially, as in theory each is equal to any other politically in republican governments. There will be no escaping this consummation. It is the course observed in governmental evolution; it will be the course observed in industrial development. Why cannot the people be wise? Why may they not avoid all the war and strife incidental to this development and at once place their industries on the same plane that their government occupies?

All this, however, is a problem for the future to solve, but it has been introduced here to show the natural order of industrial development; to show what must be when that development shall have taken place. The question remains to be considered, what can and what ought to be done now to benefit those who are oppressed by the evolutionary processes that are going on? Those or the wiser of those who hold that competitive industry is not the ideal order of civilized life do not desire to overturn it and set up a community of interests through anarchy and revolution. They desire, if it be possible, that the necessary reforms shall be made through the means already provided; that is, the ballot. They are aware, however, that the chances for doing this are becoming fewer year by year as corporations acquire more and more the control of the votes of their *employés*. But they do not yet despair of seeing the producers unite *en masse* and assert their interests and their rights despite the intimidation to which they will be subjected.

There is one stern necessity that in the name of a common humanity cries out for relief. That there should be a large class of willing workmen in a country like this who cannot secure labor enough, or at wages enough to supply themselves and families the commonest necessities of life is a disgrace that every one who has a spark of humanity in him should desire to have wiped out. Our system of competitive industry makes no provision for this class, but on the contrary produces it. The most comprehensive charitable movements are no cure for the evil—are at best a mitigation; and they all prove that people who have some self-respect left, prefer to starve rather than accept as charity what they know belongs to them of right. There is but one way to meet this question and that is by Government employment. The General Government should institute industries in which every person willing and able to work, who cannot secure it otherwise, may earn an honorable livelihood. Colonization on public lands ought to be included in this scheme. Thousands of able-bodied men hang about our large cities who might become profitable citizens on the almost unlimited wheat lands of the Far West. This scheme should be conducted upon the plan of a community of interests for those who are colonized. The success of such a scheme would, it is believed, be so very marked as to induce thousands, if not millions of wage-laborers who now scout the idea to turn their backs upon the competitive system of industry, desert the ranks of the army that is waging industrial war, and seek shelter within the arms of the more humanitarian system of mutual interests. For my own part I believe that if a scheme of this kind was introduced into this country it would not be ten years before the present monopolists of the rights of labor would be compelled to take their employés

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into partnership and share their profits with them equally, or else be left with their business plants lying idle upon their hands.

This system of Government employment and colonization of the people should also include, in a proper way, that of our prison discipline. Our present system of criminal jurisprudence and the methods by which justice is administered and punishment meted out, is another blotch upon the pretended Christian humanity of our civilization. Criminals, so-called, are still men and women and ought to be treated as such; but the effect of present methods is to make them feel that they are outcasts and beyond the pale of reform. Indeed "a single term" is often sufficient to make its subject a hardened criminal. All this is wrong. Penalties ought never to be inflicted as punishment. Who among the best of us can assume to judge the unfortunate and say that, under the circumstances—all the circumstances—any of us would have done better than he whom we send to the gallows or to imprisonment for life or a long term of years? All that we have the right to do is to protect ourselves from those whom we have reason to believe are dangerous, and while so protecting ourselves, taking care to do no injustice to them; taking care to allow them all possible personal rights and privileges, prominent among which is the right to support themselves and families by some chosen labor, which right is entirely ignored by our present system. By such a system that would show them that their weaknesses are pitied instead of their misfortunes aggravated, the criminal class would gradually disappear.

The next step that ought to be taken should be to abolish all laws for the collection of debts, as much as a matter of economy as of justice. The public, not being taken into the negotiations preceding the contraction of debts, ought not to be called in to compel their payment. People who sell property or loan money to be paid at some future time do so expecting to reap a benefit, and often grant the credit when they would not do so if the law didn't stand behind them to enforce their claims. The abolition of such laws would greatly curtail the credit system, and put it out of the power of usurers to gradually absorb the accumulated wealth of the country. It would, besides, render unnecessary a large proportion of our legal tribunals; return to productive industry the army of lawyers, court officials, and officers of the law and take the wind away that triumphantly fills the sails of so many merely speculative enterprises. It is said that in the State of Wisconsin, for a period of ten years, the costs of attempting to collect debts were twice the amount actually collected. No doubt the same is true of all other States for all decades. If this be so it would be better for the public to guarantee all debts than to attempt to enforce their collection, and this would be as near right as anything can be in a competitive system of industry.

The next evil that should claim attention in a palliative system of reform—in a step-by-step scheme of progress—is the abolition of usury—interest. An interest that exceeds the average increase of wealth allows the usurer to not only acquire all that increase, but to gradually absorb the accumulated wealth as well. According to the best authorities the increase of wealth is from 1½ per cent. to 2 per cent. per annum; that is to say, the wealth of the world doubles, say, every forty years, but the usurer's money at only 6 per cent. per annum doubles every eleven years, while at 10 per cent. it doubles every seven years, and at 12 every six years. In many parts of the country the last two rates prevail. From these facts it is easy to see why the wealth of the country is rapidly passing into the hands of capitalists, so rapidly that in five decades ending in 1880 the proportions of wealth held by capital-

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ists and producers has been reversed. In 1830 the former held about 30 per cent. to the latter's 70 per cent. of the accumulated wealth of the country, but in 1880 these proportions had been transposed. How much to be preferred is the clutch of usury upon the throats of the producers in this country to that of the landlordism of England and Ireland upon those of the tenants there?

Besides, the rates of usury in a country determine also those of rents and profits. If the money-lender receive 10 per cent. per annum net for the use of his money, so must the landlord for the use of his houses; and so must the merchant that rate of profit every time he turns his stock of goods. In short, everybody who deals in the products of labor desires to make as much net as does the usurer, and so the blight of interest overshadows labor everywhere, taking the lion's share of its result and leaving it the merest means of sustenance in the best of times, and in the worst to beg, to steal, or starve.

Nor is it difficult to account for the pretty nearly regular ten years' panics that affect this country. A single illustation will show the process clearly. In a small inland city where there had never been any bank accommodations, near the end of the late war there was established a national bank having a capital of $100,000. With its $90,000 of circulation it began to make loans upon the real estate upon the county in which it was located. Within two years it had over $500,000 in mortgages. It is a well-established fact that money paid out by a bank to any one within its natural deposit limits is returned to it again within a month. The bank loans to a contractor or a builder; the builder purchases material and pays his laborer; the latter pays his landlord and his grocer, and all these recipients deposit in the bank, and the bank loans again. And so the process is repeated until the bank has mortgages on all the desirable property to five times the amount of its circulation.

In the mean time the contractor, or the builder, or whoever else may have had loans from the bank, has not made as great profits as expected, and has not been able to meet his interest regularly, and the amount of interest on the five times loaned circulation is greater than the profits of industry can pay; and as the bank does not make any more loans, all the money in the country is soon locked up within its vaults. Great and greater sacrifices are made by the debtors to tide over the hard times, but they only get more deeply involved, until finally, when the bank has got all the money and claims on all the property, it begins to foreclose its mortgages, and sells the property at just enough to pay its claims, or else bids it in and becomes its owner. This is the process by which, through usury, the capitalists are rapidly becoming possessed of all the accumulated wealth. The outlook from this stand-point alone is threatening enough to demand the abolition of interest, for, sooner or later, revolution must ensue unless the tendency to millionairism on the one hand and pauperism on the other is diverted into more healthful channels.

But how shall interest be abolished? Easily. Let the Government loan to the people, on ample security, without interest. Supposing the average rate of interest paid to be 6 per cent., and that the Government should take up all the mortgages, it would require but about eleven years for the people to liquidate their debts, by simply making annual payments on the principal to the amount of what they would have to pay usurers as interest. Just think of it. The whole country out of individual indebtedness in ten years simply by the Government loaning money without interest! And when it is remembered that this

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would also stop the accumulation of wealth in the hands of the already rich, and allow labor to retain the total results of its toil, it becomes a question of the grandest magnitude and gravest importance, worthy of the consideration of every humanitarian and reformer, and especially of your committee, who have under advisement the condition of education and labor in this country.

Another step in the direction of right and justice to the masses of the people would be taken if the Government should take possession of and run in the interest of the people, and at their expense, publicly, all public methods of travel and commerce—the street railroad, the stage-coach, the steamboat, and the railroads—to include, of course, the post-office and the telegraphs. "But this is communism," says the upper ten. Well, suppose it is, what, then, if it be right? The best institutions that we have are essentially communistic. The public highways are constructed and maintained at the public expense. Upon them the lowliest wage-laborer has equal rights with the Vanderbilts, Astors, and Goulds, and yet he may not contribute a cent directly to their expenses. His children also go to the public schools, and are equal to the children of his millionaire neighbor. And still nobody seems to be alarmed by the examples of these specifically communistic institutions, or even to think of them as being communistic; but, on the other hand, they are everywhere acknowledged as among the very best parts of our civilization. Nor would anybody think differently if other institutions were to be fashioned after them. The bugaboo is in the *name* of communism, which means, to the average citizen, a division of the wealth and a life of indolence for the shiftless, and of extra labor for the industrious and thrifty—the silliest and most baseless arguments possible to be conceived.

The principle upon which the post-office service is conducted is also essentially communistic. The excess of expenses over receipts in various sections of the country are made good by the excess of receipts over expenses in various other sections of the country; and if the general expenses exceed the general receipts they are made good from the public Treasury.

Now, why should not the poor, who have no property upon which to levy taxes, use the public mails as well as the highways and the schools? and if the mails, why not the public conveyances? I think there are conclusive reasons why they should, simply as an act of justice.

And these reasons are that, behind the fact that the rich pay taxes to the tax-gatherers, stands the other, though unrecognized fact, that the laborers furnish the funds, the people who are assessed and who hand the money into the treasuries, being their self-appointed agents. The proof is simple and complete. Nobody will deny that the rich grow richer and fewer in number, and the poor poorer and more numerous every year. All the increase in accumulated wealth goes into the hands of the former class. There are individual cases of the rich becoming poor and of the poor rich, but these are the exceptions that prove the rule. Now take a case under the rule to illustrate the whole class: A is a large manufacturer of cotton cloth, employing five thousand men, women, and children, not one of whom is taxed at all. A's property, invested in the manufacturing business, is $1,000,000, upon which the taxes are assessed, say at 2 per centum, $20,000. At the beginning of the fiscal year A has this property, with his usual stocks of manufactured and unmanufactured material, and a balance in the bank of $100,000. The business for the year goes on as usual; he buys more raw cotton, employs and pays help to manufacture it, and sells the cloth.

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In the mean time he has paid the taxes. At the end of the year, with the same amount of stock on hand, his bank account shows a balance of $150,000. Now who furnished the money that paid those taxes and swelled the bank account $50,000? Did A produce it? Most emphatically, no. But those whom he hired and paid just enough to maintain their lives did. They made the property that sold at a profit, produced the increase; they took the raw material and put their labor into it and increased its value to the amount for which it was sold, while A claimed and kept everything above the cost. It cost him something to keep his factory and machinery in running order, but he expended no more on his help. Indeed, they were only a part of the machinery by which he manufactured the goods; *i. e.*, they were made so by the unjust system that allowed him to grow rich at the expense of their toil, while they remained poor.

If it should be replied that those who purchased the cloth for consumption paid the profit, it doesn't alter the argument. It only extends it to embrace all laborers; since, if it were consumed by other laborers, then, of course, their toil produced the profit and paid the taxes. If it were consumed by other rich persons, then the money that they paid for it was the profit of other laborers' toil. So look at it as we may, it was labor at last that gave him the money to pay the taxes and to increase his bank account. Had the business been conducted upon the principle of the exchange of equivalents, the people whom A employed would have given him the money to pay the taxes as a part of the expense of carrying on the business and have kept, or at least shared, with him the $50,000 increase in the bank. I hold that this is simple justice; but since it was not meted out to them, they are entitled to the benefit of whatever those taxes go to maintain. Therefore I repeat that the productive labor and also the labor employed in distributing its products is entitled to the free use of everything supported by taxing the property of the country, which is a misnomer, for property can't pay taxes. Only productive labor can do this. In this way all means of transportation are constructed and maintained; therefore the labor of the country is entitled to their use just as they are to use the highways and schools, and as they ought to have the right to use the mails.

"But," says the advocate of competitive labor, "if this be true, why have individual property at all?" That is just the point to which it is desired that the attention of the people should be drawn. Why, indeed? I repeat, had the industries been allowed to keep pace with Government in its evolution, there would have been no such thing now as individual ownership of property, which is the rudimental industrial condition. Is the republican system of government an improvement on the family system? Is a government in whose construction and administration every person within its jurisdiction has an equal share, an improvement over a despotic monarchy that holds the lives and services of all its subjects at its disposal? If so, then also would an industrial system fashioned after it be an improvement over what now obtains. There is no escaping the logic of the law of evolution; everything that is must yield to it. Industrial war must cease. The industries must be organized, and when they shall be, they will take the place of political governments.

With the replacement of the competitive system of industry by the organic system of labor, almost all of the incentives to crime would disappear; and if this system were national, not only would the incentives to crime be done away, but all the illegitimate kinds of money-making,

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all occupations now carried on outside of or in spite of law, would necessarily cease; there would be no room for such occupations, for all people would belong to the grand organized army of labor. Tippling shops would form no part of such an organization, nor would hundreds of thousands of women be compelled to sell themselves to vice for the means wherewith to live, nor would other hundreds of thousands sell themselves in the same way to secure means with which to compete with their more wealthy or fortunate sisters, for with the disappearance of the great inequalities caused by individual wealth accumulated by the robbery of labor, the rivalry in dress would also disappear. All the caste that could exist in such a society would be in merit. The best people would naturally rise to the best positions—to the positions of honor—for there would be none of trust. The incentive of wealth would be replaced by the desire to secure the most honorable positions, which are now largely controlled by the power, influence, and use of wealth. It seems to me that the people who cry down organic labor and uphold the present systems are responsible for nearly all the crimes and quite all the misery there is in the world, and that the Christian ministry is blind when it denounces the principles that underlie the very system indorsed by their professed Master. An universal brotherhood is impossible under any other system than organic co-operation; then all systems that stand in its way or make it impossible, are not only unhumanitarian, but, being so, are also unchristian.

"But," continues the above advocate, "it would be utterly impossible to have an orderly society after that system." Not at all. We have only to conceive of the present system going on without the intervention of money, to see that a system of organic production and distribution might be inaugurated by which nearly all the evils of the present could be cured—indeed, all the evils that have their basis in want, or in the desire for gain. If the labor of the country were organized to supply the needs of the people and working in concert, the number of hours per day that it would be necessary to labor to produce as much as is now produced would be reduced at least one-half at once, and ultimately to no more than two hours per day. Besides, the different kinds of labor would be localized where the least effort would produce the most results.

The difference that there would be would, however, be immense. Those who now produce the luxuries that the non-laborers consume would retain at least their equal shares of them. Production would become universal, and distribution would become equalized among all, in which case the necessities of distribution would become the accessories of production, and therefore its allies instead of its despoilers. The humblest toiler would be entitled to every necessity, comfort, and luxury that the most favored would enjoy, though it is fair to concede that there would be some "pomp and circumstance" connected with the positions of honor that would not attach to the more modest callings, just as the public buildings would be more magnificent than the organic homes of the people. But everything could then be magnificent, since fully one-half the labor now devoted to production of crops and merchandise, designed specially to secure money, would then be turned to the production of permanent wealth. All buildings would be made castles and palaces; all highways would be bordered by everything to please the eye and satisfy the taste for the beautiful that could be secured, and ultimately the whole world would become a paradise of use and beauty. And what is more than all the rest, poverty and misery and want would be abolished; malice, hate, and crime replaced by sym-

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pathy and love and good will, and disease, physical, mental, and moral, would gradually disappear from the face of the earth, and purity and happiness and peace and joy become universal; the Kingdom of Heaven would be inaugurated on the earth. And this is the aim of industrial communism; this is communism.

Very respectfully, your obedient servant,

JAMES H. BLOOD,

*Formerly Colonel Sixth Infantry, Missouri Volunteers.*

GOVERNOR'S ISLAND,

*New York Harbor, N. Y., December* 10, 1883.

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*VIEWS OF MR. C. A. TRIPP, OF BUTLER, MO.*

CONDITION OF FARMERS AND LABORING MEN.

I am a farmer. One-half of the headsof families only have homes of their own in this locality. One-half of remainder (one-fourth of all) have their farms mortgaged, and are paying interest at the rate of from 8 to 15 per cent. annually. Rents of land one-third of crop, or $2.50 per acre. Taxes 1½ per cent., nearly half of which is school tax. Wages of farm hands are $18 per month, with board, eight months in year, paid monthly, cash. Rich Hill, Mo., coal miners receive $2 per day, and board themselves; they are paid monthly. If paid before the end of the month there is 10 per cent. off, or trade at the company's store, and a man who does not trade at the company's store is not wanted, you see. Farmers and laboring men generally just barely make a living; that is, coarse, substantial clothing and food. Those that are in debt are getting behind more and more every year. The Missouri Pacific Railroad system has managed to set the price and control the freight traffic, regardless of law. Immense amounts of tobacco and alcoholic and malt liquors are used.

REMEDIES.

Now for remedies. Let the tariff alone. Pay the national debt as fast as possible. Tax the national banks out of existence, and substitute in their stead full legal-tender (greenbacks) notes. Allow no foreigner to own real estate. No man to own or acquire in the future more Government land than 160 acres. Establish the postal telegraph as soon as possible. Pass an interstate commerce bill, and 15 years from now own or build main railroads of United States. When you read this don't say "lunatic," but think.

C. A. TRIPP.



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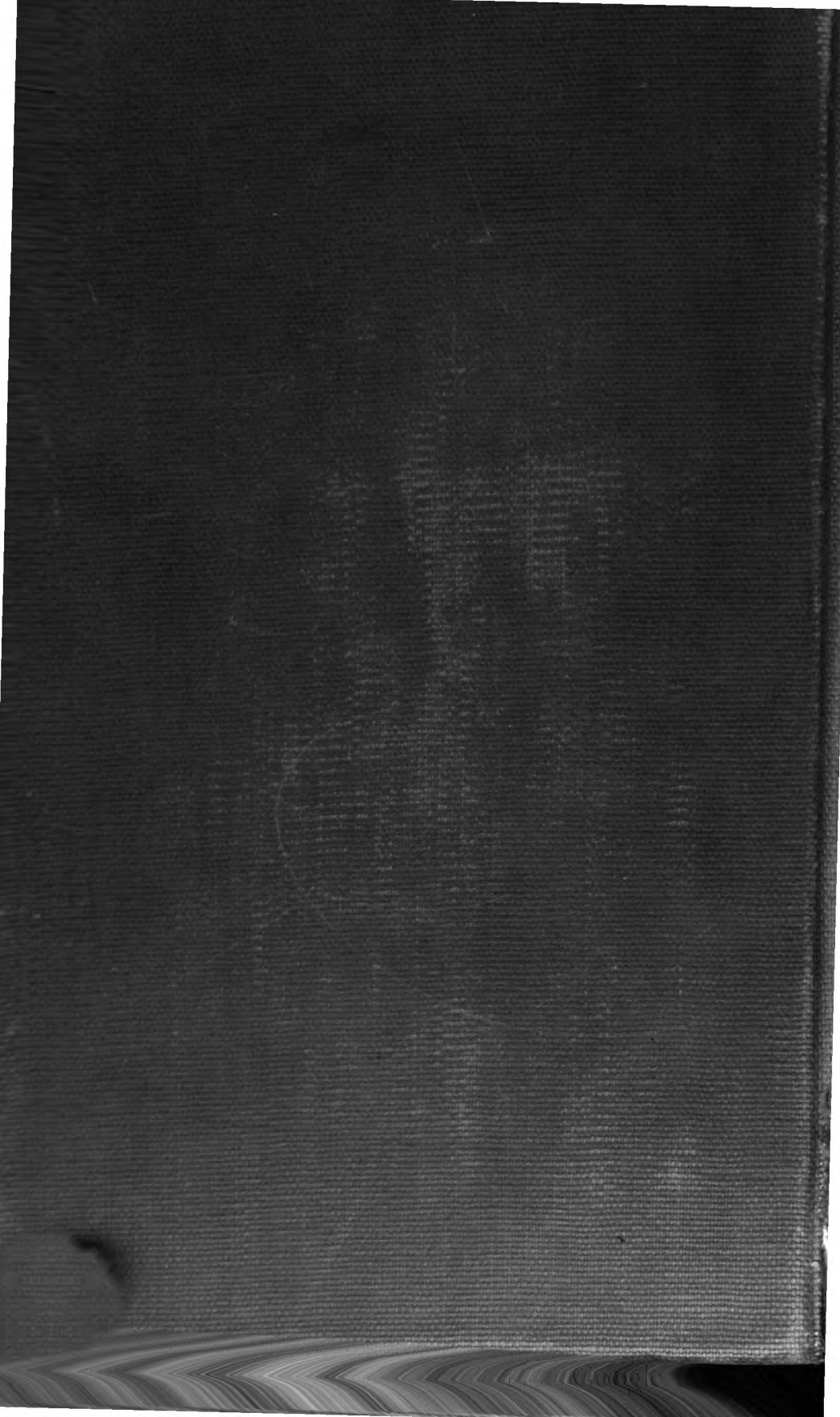
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