PRESIDENT URGES NEW LEGISLATION IN HOT MESSAGE

BIG CORPORATIONS SCORED BECAUSE OF ATTITUDE TOWARD GOVERNMENT.

EMPLOYERS' LIABILITY LAW

Chief Executive Declares Act Needs Immediate Revision—Righting of Injunction Abuses Is Urged.

To the Senate and House of Representatives: The recent decision of the supreme court in regard to the employers' liability act, the experience of the Interstate Commerce Commission and of the department of justice in enforcing the interstate commerce and antitrust laws, and the gravely significant attitude toward the law and its administration recently adopted by certain heads of great corporations, render it desirable that there should be additional legislation as regards certain of the relations between labor and capital and between the great corporations and the public.

The supreme court has decided the employers' liability law to be unconstitutional because its terms apply to employes engaged wholly in intrastate commerce as well as to employes engaged in interstate commerce. By a substantial majority the court holds that the congress has power to deal with the question in so far as interstate commerce is concerned.

As regards the employers' liability law, I advocate its immediate reenactment, limiting its scope so that it shall apply only to the class of cases as to which the court says it can constitutionally apply, but strengthening its provisions within this scope. Interstate employment being thus covered by an adequate national law, the field of intrastate employment will be left to the action of the several states. With this clear definition of responsibility the states will undoubtedly give to the performance of their duty within their field the consideration the importance of the subject demands.

Compensation for Employes Hurt in Government Service

I also very urgently advise that a comprehensive act be passed providing for compensation by the government to all employes injured in the government service. Under the present law an injured workman in the employment of the government has no remedy, and the entire burden of the accident falls on the helpless man, his wife, and his young children. This is an outrage. It is a matter of humiliation to the nation that there should not be on our statute books a provision to meet and partially to atone for cruel misfortune when it comes upon a man through no fault of his own while faithfully serving the public. In no other prominent industrial country in the world could such gross injustice occur; for almost all civilized nations have enacted legislation embodying the complete recognition of the principle which places the entire trade risk for industrial accidents (excluding, of course, accidents due to willful misconduct by the employe), on the industry as represented by the employer, which in this case is the government. In all these countries the principle applies to the government just as much as to the private employer. Under no circumstances should the injured employe or his surviving dependents be required to bring suit against the government, nor should there be the requirement that in order to insure recovery negligence in some form on the part of the government should be shown. Our proposition is not to confer a right of action upon the government employe, but to secure him suitable provision against injuries received in the course of his employment. The burden of the trade risk should be placed upon the government. Exactly as the workingman is entitled to his wages, so he should be entitled to indemnity for the injuries sustained in the natural course of his labor. The rates of compensation and the regulations for its payment should be specified in the law, and the machinery for determining the amount to be paid should in each case be provided in such manner that the employe is properly represented without expense to him. In other words, the compensation should be paid automatically, while the application of the law in the first instance should be vested in the department of commerce and labor. The law should apply to all laborers, mechanics, and other civilian employes of the government of the United States, including those in the service of the Panama canal commission and of the insular governments.

The same broad principle which should apply to the government should ultimately be made applicable to all private employers. Where the nation has the power it should enact laws to this effect. Where the states alone have the power they should enact the laws. It is to be observed that an employers' liability law does not really mean mulcting employers in damages. It merely throws upon the employer the burden of accident insurance against injuries which are sure to occur. It requires him either to bear or to distribute through insurance the loss which can readily be borne when distributed, but which, if undistributed, bears with frightful hardship upon the unfortunate victim of accident. In theory, if wages were always freely and fairly adjusted, they would always include an allowance as against the risk of injury, just as certainly as the rate of interest for money includes an allowance for insurance against the risk of loss. In theory, if employes were all experienced business men, they would employ that part of their wages which is received because of the risk of injury to secure accident insurance. But as a matter of fact, it is not practical to expect that this will be done by the great body of employes. An employers' liability law makes it certain that it will be done, in effect, by the employer, and it will ultimately impose no real additional burden upon him.

There is a special bill to which I call your attention. Secretary Taft has urgently recommended the immediate passage of a law providing for compensation to employes of the government injured in the work of the Isthmian canal, and that $100,000 be appropriated for this purpose each year. I earnestly hope this will be done; and that a special bill be passed covering the case of Yardmaster Banton, who was injured nearly two years ago while doing his duty. He is now helpless to support his wife and his three little boys.

Action Urged to Right Abuses of the Injunction

I again call your attention to the need of some action in connection with the abuse of injunctions in labor cases. As regards the rights and wrongs of labor and capital, from blacklisting to boycotting, the whole subject is covered in admirable fashion by the report of the Anthracite Coal Strike commission, which report should serve as a chart for the guidance of both legislative and executive officers. As regards injunctions, I can do little but repeat what I have said in my last message to the congress. Even though it were possible, I should consider it most unwise to abolish the use of the process of injunction. It is necessary in order that the courts may maintain their own dignity and in order that they may in effective manner check disorder and violence. The judge who uses it cautiously and conservatively, but who, when the need arises, uses it fearlessly, confers the greatest service upon our people, and his preeminent usefulness as a public servant should be heartily recognized. But there is no question in my mind that it has sometimes been used heedlessly and unjustly, and that some of the injunctions issued inflict grave and occasionally irreparable wrong upon those enjoined.

It is all wrong to use the injunction to prevent the entirely proper and legitimate actions of labor organizations in their struggle for industrial betterment, or under the guise of protecting property rights unwarrantably to invade the fundamental rights of the individual. It is futile to concede, as we all do, the right and the necessity of organized effort on the part of wage-earners and yet by injunctive process to forbid peaceable action to accomplish the lawful objects for which they are organized and upon which their success depends. The fact that the punishment for the violation of an injunction must, to make the order effective, necessarily be summary and without the intervention of a jury makes its issuance in doubtful cases a dangerous practice, and in itself furnishes a reason why the process should be surrounded with safeguards to protect individuals against being enjoined from exercising their proper rights. Reasonable notice should be given the adverse party.

This matter is daily becoming of graver importance and I can not too urgently recommend that the congress give careful consideration to the subject. If some way of remedying the abuses is not found the feeling of indignation against them among large numbers of our citizens will tend to grow so extreme as to produce a revolt against the whole use of the process of injunction. The ultra-conservatives who object to cutting out the abuses will do well to remember that if the popular feeling does become strong many of those upon whom they rely to defend them will be the first to turn against them. Men of property can not afford to trust to anything save the spirit of justice and fair play; for those very public men who, while it is to their interest, defend all the abuses committed by capital and pose as the champions of conservatism, will, the moment they think their interest changes, take the lead in just such a matter as this and pander to what they deem popular feeling by endeavoring, for instance, effectively to destroy the power of the courts in matters of injunction; and will even seek to render nugatory the power to punish for contempt, upon which power the very existence of the orderly administration of justice depends.

It is my purpose as soon as may be to submit some further recommendations in reference to our laws regulating labor conditions within the sphere of federal authority. A very recent decision of the supreme court of the United States rendered since this message was written, in the case of Adair vs. United States, seemingly of far-reaching import and of very serious probable consequences, has modified the previously entertained views on the powers of the congress in the premises to such a degree as to make necessary careful consideration of the opinions therein filed before it is possible definitely to decide in what way to call the matter to your attention.

Asks Federal Supervision of Interstate Carriers

Not only should there be action on certain laws affecting wage-earners; there should also be such action on laws better to secure control over the great business concerns engaged in interstate commerce, and especially over the great common carriers. The Interstate Commerce Commission should be empowered to pass upon any rate or practice on its own initiative. Moreover, it should be provided that whenever the commission has reason to believe that a proposed advance in a rate ought not to be made without investigation, it should have authority to issue an order prohibiting the advance pending examination by the commission.

I would not be understood as expressing an opinion that any or even a majority of these advances are improper. Many of the rates in this country have been abnormally low. The operating expenses of our railroads, notably the wages paid railroad employes, have greatly increased. These and other causes may in any given case justify an advance in rates, and if so the advance should be permitted and approved. But there may be, and doubtless are, cases where this is not true, and our law should be so framed that the government, as the representative of the whole people, can protect the individual against unlawful exaction for the use of these public highways. The Interstate Commerce Commission should be provided with the means to make a physical valuation of any road as to which it deems this valuation necessary. In some form the federal government should exercise supervision over the financial operations of our interstate railroads. In no other way can justice be done between the private owners of those properties and the public which pay their charges. When once an inflated capitalization has gone upon the market and has become fixed in value, its existence must be recognized. As a practical matter it is then often absolutely necessary to take account of the thousands of innocent stockholders who have purchased their stock in good faith. The usual result of such inflation is therefore to impose upon the public an unnecessary but everlasting tax, while the innocent purchasers of the stock are also harmed and only a few speculators are benefited. Such wrongs when once accomplished can with difficulty be undone; but they can be prevented with safety and with justice. When combinations of interstate railways must obtain government sanction; when it is no longer possible for an interstate railway to issue stock or bonds, save in the manner approved by the federal government; when that government makes sure that the proceeds of every stock and bond issue go into the improvement of the property and not the enrichment of some individual or syndicate; when, whenever it becomes material for guidance in the regulative action of the government, the physical value of one of these properties is determined and made known—there will be eliminated from railroad securities that element of uncertainty which lends to them their speculative quality and which has contributed much to the financial stress of the recent past.

Would Permit Pooling of Railroad Interests

In this connection I desire to repeat my recommendation that railways be permitted to form traffic associations for the purpose of conferring about and agreeing upon rates, regulations, and practices affecting interstate business in which the members of the association are mutually interested. This does not mean that they should be given the right to pool their earnings or their traffic. The law requires that rates shall be so adjusted as not to discriminate between individuals, localities, or different species of traffic. Ordinarily, rates by all competing lines must be the same. As applied to practical conditions, the railway operations of this country can not be conducted according to law without what is equivalent to conference and agreement. The articles under which such associations operate should be approved by the commission; all their operations should be open to public inspection; and the rates, regulations, and practices upon which they agree should be subject to disapproval by the commission.

I urge this last provision with the same earnestness that I do the others. This country provides its railway facilities by private capital. Those facilities will not be adequate unless the capital employed is assured of just treatment and an adequate return. In fixing the charges of our railroads, I believe that, considering the interests of the public alone, it is better to allow too liberal rather than too scanty earnings, for, otherwise, there is grave danger that our railway development may not keep pace with the demand for transportation. But the fundamental idea that these railways are public highways must be recognized, and they must be open to the whole public upon equal terms and upon reasonable terms.

In reference to the Sherman anti-trust law, I repeat the recommendations made in my message at the opening of the present congress, as well as in my message to the previous congress. The attempt in this law to provide in sweeping terms against all combinations of whatever character, if technically in restraint of trade as such restraint has been defined by the courts, must necessarily be either futile or mischievous, and sometimes both. The present law makes some combinations illegal, although they may be useful to the country. On the other hand, as to some huge combinations which are both noxious and illegal, even if the action undertaken against them under the law by the government is successful, the result may be to work but a minimum benefit to the public. Even though the combination be broken up and a small measure of reform thereby produced, the real good aimed at can not be obtained, for such real good can come only by a thorough and continuing supervision over the acts of the combination in all its parts, so as to prevent stock watering, improper forms of competition, and, in short, wrongdoing generally. The law should correct that portion of the Sherman Act which prohibits all combinations of the character above described, whether they be reasonable or unreasonable; but this should be done only as part of a general scheme to provide for this effective and thoroughgoing supervision by the national government of all the operations of the big interstate business concerns.

I do not know whether it is possible, but if possible, it is certainly desirable, that in connection with measures to restrain stock watering and overcapitalization there should be measures taken to prevent at least the grosser forms of gambling in securities and commodities, such as making large sales of what men do not possess and "cornering" the market. Legitimate purchases of commodities and of stocks and securities for investment have no connection whatever with purchases of stocks or other securities or commodities on a margin for speculative and gambling purposes. There is no moral difference between gambling at cards or in lotteries or on the race track and gambling in the stock market. One method is just as pernicious to the body politic as the other in kind, and in degree the evil worked is far greater. But it is a far more difficult subject with which to deal. The great bulk of the business transacted on the exchanges is not only legitimate, but is necessary to the working of our modern industrial system, and extreme care would have to be taken not to interfere with this business in doing away with the "bucket shop" type of operation. We should study both the successes and the failures of foreign legislators who, notably in Germany, have worked along this line, so as not to do anything harmful. Moreover, there is a special difficulty in dealing with this matter by the federal government in a federal republic like ours. But if it is possible to devise a way to deal with it the effort should be made, even if only in a cautious and tentative way. It would seem that the federal government could at least act by forbidding the use of the mails, telegraph and telephone wires for mere gambling in stocks and futures, just as it does in lottery transactions.

Santa Fe President Had Guilty Knowledge of Rebating

I inclose herewith a statement issued by the chief of the bureau of corporations (Appendix 1), in answer to certain statements (which I also inclose), made by and on behalf of the agents of the Standard Oil corporation (Appendix 2), and a letter of the attorney-general (Appendix 3), containing an answer to certain statements, also inclosed, made by the president of the Santa Fe Railway Company (Appendix 4). The Standard Oil corporation and the railway company have both been found guilty by the courts of criminal misconduct; both have been sentenced to pay heavy fines; and each has issued and published broadcast these statements, asserting their innocence and denouncing as improper the action of the courts and juries in convicting them of guilt. These statements are very elaborate, are very ingenious, and are untruthful in important particulars. The following letter and inclosure from Mr. Heney sufficiently illustrate the methods of the high officials of the Santa Fe and show the utter falsity of their plea of ignorance, the similar plea of the Standard Oil being equally without foundation:

"Department of Justice, Office of the United States Attorney, District of Oregon.

"Portland, January 11, 1908.

"The President, Washington, D. C.

"Dear Mr. President: I understand that Mr. Ripley, of the Atchison, Topeka & Santa Fe Railway system, has commented with some severity upon your attitude toward the payment of rebates by certain transcontinental railroads and that he has declared that he personally never knew anything about any rebates being granted by his road. . . . I inclose you herewith copy of a letter from Edward Chambers, general freight traffic manager of the Atchison, Topeka & Santa Fe Railway system, to Mr. G. A. Davidson, auditor of the same company, dated February 27, 1908.

"This letter does not deal with interstate shipments, but the constitution of the state of California makes the payment of rebates by railroads a felony, and Mr. Ripley has apparently not been above the commission of crime to secure business. You are at liberty to use this inclosure in any way that you think it can be of service to yourself or the public.

"Sincerely yours,

"FRANCIS J. HENEY."

"San Francisco, February 27, 1907.

"Dear Sir: I hand you herewith a file of papers covering the movement of fuel oil shipped by the Associated Oil Company over our line from January 1, 1906, up to and including November 15, 1906.

"We agreed with the Associated Oil Co.'s negotiations with Mr. Ripley, Mr. Wells and myself, that in consideration of their making us a special price on oil for company use, which is covered by a contract, and the further consideration that we would take a certain quantity, they would in turn ship from Bakersfield over our line to San Francisco Bay points a certain minimum number of barrels of fuel oil at rate of 25 cents per barrel from Bakersfield, exclusive of the switching charge.

"These statements cover the movement except that they have included Stockton, which is not correct, as it is not a bay point and could not be reached as conveniently by water. We have paid them on account of this movement $7,239 which should be deducted from the total of movement shown in the attached papers.

"I wish you would arrange to make up a statement, check the same, and refund to the Associated Oil Company down to the basis of 25 cents per barrel from Bakersfield where they are the shippers, regardless of who is consignee, as all their fuel oil is sold delivered. The reason for making this deal in addition to what I have stated is that the Associated Oil Company have their own boats and carry oil from fields controlled by themselves along the coast near San Luis Obispo to San Francisco at a much lower cost than the special rate we have made them and in competition with the Union Oil Company and the Standard Oil Company, it was necessary for them to sell at the San Francisco Bay points on the basis of the cost of water transportation from the coast fields. They figured they could only afford to pay us the 25 cents per barrel if by doing this they sold our company a certain amount of fuel oil, otherwise the business covered by the attached papers would have come in by boat from the coast fields.

"I am writing this up completely so that there may be in the papers a history of the reasons why this arrangement was made. I wish you would go ahead and make the adjustment as soon as possible, as the Associated Oil Company are very anxious to have the matter closed up. The arrangement was canceled on November 15th at a conference between Mr. Ripley, Mr. Wells, Mr. Porter, and myself.

"Yours truly,

"EDWARD CHAMBERS."

"Shipments-Associated Oil Company,

"Mr. G. A. Davidson,

"Auditor, Los Angeles."

The attacks by these great corporations on the administration's actions have been given a wide circulation throughout the country, in the newspapers and otherwise, by those writers and speakers who, consciously or unconsciously, act as the representatives of predatory wealth—of the wealth accumulated on a giant scale by all forms of iniquity, ranging from the oppression of wageworkers to unfair and unwholesome methods of crushing out competition, and to defrauding the public by stock jobbing and the manipulation of securities. Certain wealthy men of this stamp, whose conduct should be abhorrent to every man of ordinarily decent conscience, and who commit the hideous wrong of teaching our young men that phenomenal business success must ordinarily be based on dishonesty, have during the last few months made it apparent that they have banded together to work for a reaction. Their endeavor is to overthrow and discredit all who honestly administer the law, to prevent any additional legislation which would check and restrain them, and to secure if possible a freedom from all restraint which will permit every unscrupulous wrongdoer to do what he wishes unchecked provided he has enough money. The only way to counteract the movement in which these men are engaged is to make clear to the public just what they have done in the past and just what they are seeking to accomplish in the present.

The administration and those who support its views are not only not engaged in an assault on property, but are strenuous upholders of the rights of property. Under no circumstances would we countenance attacks upon law-abiding property, or do aught but condemn those who hold up rich men as being evil men because of their riches. On the contrary, our whole effort is to insist upon conduct, and neither wealth nor property nor any other class distinction, as being the proper standard by which to judge the actions of men. For the honest man of great wealth we have a hearty regard, just as we have a hearty regard for the honest politician and honest newspaper. But part of the movement to uphold honesty must be a movement to frown on dishonesty. We attack only the corrupt men of wealth, who find in the purchased politician the most efficient instrument of corruption and in the purchased newspaper the most efficient defender of corruption. Our main quarrel is not with these agents and representatives of the interests. They derive their chief power from the great sinister offenders who stand behind them. They are but puppets who move as the strings are pulled. It is not the puppets, but the strong cunning men and the mighty forces working for evil behind and through the puppets, with whom we have to deal. We seek to control law-defying wealth; in the first place to prevent its doing dire evil to the republic, and in the next place to avoid the vindictive and dreadful radicalism which, if left uncontrolled, it is certain in the end to arouse. Sweeping attacks upon all property, upon all men of means, without regard to whether they do well or ill, would sound the death-knell of the republic; and such attacks become inevitable if decent citizens permit those rich men whose lives are corrupt and evil to domineer in swollen pride, unchecked and unhindered, over the destinies of this country. We act in no vindictive spirit, and we are no respecters of persons. If a labor union does wrong, we oppose it as firmly as we oppose a corporation which does wrong; and we stand equally stoutly for the rights of the man of wealth and for the rights of the wage-worker. We seek to protect the property of every man who acts honestly, of every corporation that represents wealth honestly accumulated and honestly used. We seek to stop wrongdoing, and we desire to punish the wrong doers only so far as is necessary to achieve this end.

Campaign of Lawbreakers Against Government's Policy

There are ample material rewards for those who serve with fidelity the mammon of unrighteousness, but they are dearly paid for by the people who permit their representatives, whether in public life, in the press, or in the colleges where their young men are taught, to preach and to practice that there is one law for the rich and another for the poor. The amount of money the representatives of certain great moneyed interests are willing to spend can be gauged by their recent publication broadcast throughout the papers of this country, from the Atlantic to the Pacific, of huge advertisements attacking with envenomed bitterness the administration's policy of warring against successful dishonesty, and by their circulation of pamphlets and books prepared with the same object; while they likewise push the circulation of the writings and speeches of men who, whether because they are misled, or because, seeing the light, they yet are willing to sin against the light, serve these their masters of great wealth to the cost of the plain people. The books and pamphlets, the controlled newspapers, the speeches by public or private men to which I refer, are usually and especially in the interest of the Standard Oil Trust and of certain notorious railroad combinations, but they also defend other individuals and corporations of great wealth that have been guilty of wrongdoing. It is only rarely that the men responsible for the wrongdoing themselves speak or write. Normally they hire others to do their bidding, or find others who will do it without hire. From the railroad-rate law to the pure-food law, every measure for honesty in business that has been passed during the last six years has been opposed by these men on its passage and in its administration with every resource that bitter and unscrupulous craft could suggest and the command of almost unlimited money secure. But for the last year the attack has been made with most bitterness upon the actual administration of the law, especially through the department of justice, but also through the Interstate Commerce Commission and the bureau of corporations. The extraordinary violence of the assaults upon our policy contained in these speeches, editorials, articles, advertisements, and pamphlets, and the enormous sums of money spent in these various ways, give a fairly accurate measure of the anger and terror which our public actions have caused the corrupt men of vast wealth to feel in the very marrow of their being. The attack is sometimes made openly against us for enforcing the law, and sometimes with a certain cunning, for not trying to enforce it in some other way than that which experience shows to be practical. One of the favorite methods of the latter class of assailant is to attack the administration for not procuring the imprisonment instead of the fine of offenders under these anti-trust laws. The man making this assault is usually either a prominent lawyer or an editor who takes his policy from the financiers and his arguments from their attorneys. If the former, he has defended and advised many wealthy malefactors, and he knows well that, thanks to the advice of lawyers like himself, a certain kind of modern corporation has been turned into an admirable instrument by which to render it well-nigh impossible to get at the head of the corporation, at the man who is really most guilty. When we are able to put the real wrongdoer in prison, this is what we strive to do; this is what we have actually done with some very wealthy criminals, who, moreover, represented that most baneful of all alliances, the alliance between the corruption of organized politics and the corruption of high finance. This is what we have done in the Gaynor and Greene case, in the case of the misapplication of funds in connection with certain great banks in Chicago, in the land-fraud cases, where, as in other cases likewise, neither the highest political position nor the possession of great wealth has availed to save the offenders from prison. The federal government does scourge sin; it does bid sinners fear; for it has put behind the bars with impartial severity, the powerful financier, the powerful politician, the rich land thief, the rich contractor—all, no matter how high their station, against whom criminal misdeeds can be proved. All their wealth and power can not protect them. But it often happens that the effort to imprison a given defendant is certain to be futile, while it is possible to fine him or to fine the corporation of which he is head; so that, in other words, the only way of punishing the wrong is by fining the corporation, unless we are content to proceed personally against the minor agents. The corporation lawyers to whom I refer and their employers are the men mainly responsible for this state of things, and their responsibility is shared with all who ingeniously oppose the passing of just and effective laws, or who fail to execute them when they have been put on the statute books.

Much is said, in these attacks upon the policy of the present administration, about the rights of "innocent stockholders." That stockholder is not innocent who voluntarily purchases stock in a corporation whose methods and management he knows to be corrupt; and stockholders are bound to try to secure honest management, or else are estopped from complaining about the proceedings the government finds necessary in order to compel the corporation to obey the law. There has been in the past grave wrong done innocent stockholders by overcapitalization, stock-watering, stock-jobbing, stock manipulation. This we have sought to prevent, first, by exposing the thing done and punishing the offender when any existing law had been violated; second, by recommending the passage of laws which would make unlawful similar practices for the future. The public men, lawyers and editors who loudly proclaim their sympathy for the "innocent stockholders" when a great law-defying corporation is punished, are the first to protest with frantic vehemence against all efforts by law to put a stop to the practices which are the real and ultimate sources of the damage alike to the stockholders and the public. The apologists of successful dishonesty always declaim against any effort to punish or prevent it, on the ground that any such effort will "unsettle business." It is they who by their acts have unsettled business; and the very men raising this cry spend hundreds of thousands of dollars in securing, by speech, editorial, book, or pamphlet, the defense by misstatements of what they have done; and yet when public servants correct their misstatements by telling the truth they declaim against them for breaking silence, lest "values be depreciated." They have hurt honest business men, honest working men, honest farmers; and now they clamor against the truth being told.

The keynote of all these attacks upon the effort to secure honesty in business and in politics is well expressed in brazen protests against any effort for the moral regeneration of the business world, on the ground that it is unnatural, unwarranted and injurious, and that business panic is the necessary penalty for such effort to secure business honesty. The morality of such a plea is precisely as great as if made on behalf of the men caught in a gambling establishment when that gambling establishment is raided by the police. If such words mean anything they mean that those whose sentiments they represent stand against the effort to bring about a moral regeneration of business, which will prevent a repetition of the insurance, banking and street railroad scandals in New York; a repetition of the Chicago & Alton deal; a repetition of the combination between certain professional politicians, certain professional labor leaders, and certain big financiers, from the disgrace of which San Francisco has just been rescued; a repetition of the successful effort by the Standard Oil people to crush out every competitor, to overawe the common carriers, and to establish a monopoly which treats the public with a contempt which the public deserves so long as it permits men of such principles and sentiments to avow and act on them with impunity. The outcry against stopping dishonest practices among wrongdoers who happen to be wealthy is precisely similar to the outcry raised against every effort for cleanliness and decency in city government because, forsooth, it will "hurt business." The same outcry is made against the department of justice for prosecuting the heads of colossal corporations that has been made against the men who in San Francisco have prosecuted with impartial severity, the wrongdoers among business men, public officials and labor leaders alike. The principle is the same in the two cases. Just as the blackmailer and bribe giver stand on the same evil eminence of infamy, so the man who makes an enormous fortune by corrupting legislatures and municipalities and fleecing his stockholders and the public, stands on the same moral level with the creature who fattens on the blood money of the gambling house and the saloon. Moreover, in the last analysis, both kinds of corruption are far more intimately connected than would at first sight appear; the wrongdoing is at bottom the same. Corrupt business and corrupt politics act and react with ever increasing debasement, one on the other; the corrupt head of a corporation and the corrupt labor leader are both in the same degree the enemies of honest corporations and honest labor unions; the rebate taker, the franchise trafficker, the manipulator of securities, the purveyor and protector of vice, the blackmailing ward boss, the ballot-box stuffer, the demagogue, the mob leader, the hired bully, and man-killer—all alike work at the same web of corruption, and all alike should be abhorred by honest men.

The "business" which is hurt by the movement for honesty is the kind of business which, in the long run, it pays the country to have hurt. It is the kind of business which has tended to make the very name "high finance" a term of scandal to which all honest American men of business should join in putting an end. The special pleaders for business dishonesty, in denouncing the present administration for enforcing the law against the huge and corrupt corporations which have defied the law, also denounce it for endeavoring to secure sadly needed labor legislation, such as a far-reaching law making employers liable for injuries to their employes.

"Business" Hurt by Movement for Honesty Should Be Crushed

It is meet and fit that the apologists for corrupt wealth should oppose every effort to relieve weak and helpless people from crushing misfortune brought upon them by injury in the business from which they gain a bare livelihood. The burden should be distributed. It is hypocritical baseness to speak of a girl who works in a factory where the dangerous machinery is unprotected as having the "right" freely to contract to expose herself to dangers to life and limb. She has no alternative but to suffer want or else to expose herself to such dangers, and when she loses a hand or is otherwise maimed or disfigured for life, it is a moral wrong that the whole burden of the risk necessarily incidental to the business should be placed with crushing weight upon her weak shoulders, and all who profit by her work escape scot-free. This is what opponents of a just employers' liability law advocate; and it is consistent that they should usually also advocate immunity for those most dangerous members of the criminal class—the criminals of great wealth.

Our opponents have recently been bitterly criticising the two judges referred to in the accompanying communications from the Standard Oil Company and the Santa Fe railroad for having imposed heavy fines on these two corporations; and yet these same critics of these two judges exhaust themselves in denouncing the most respectful and cautious discussion of the official action of a judge which results in immunity to wealth and powerful wrongdoers, or which renders nugatory a temperate effort to better the conditions of life and work among those of our fellow countrymen whose need is greatest. Most certainly it behooves us all to treat with the utmost respect the high office of judge; and our judges, as a whole, are brave and upright men. Respect for the law must go hand in hand with respect for the judges; and, as a whole, it is true now as in the past, that the judges stand in character and service above all other men among their fellow-servants of the public. There is all the greater need that the few who fail in this great office, who fall below this high standard of integrity, of wisdom, of sympathetic understanding and of courage, should have their eyes opened to the needs of their countrymen. A judge who on the bench either truckles to the mob and shrinks from sternly repressing violence and disorder, or bows down before a corporation; who fails to stand up valiantly for the rights of property on the one hand, or on the other by misuse of the process of injunction or by his attitude toward all measures for the betterment of the conditions of labor, makes the wage-worker feel with bitterness that the courts are hostile to him; or who fails to realize that all public servants in their several stations must strive to stop the abuses of the criminal rich—such a man performs an even worse service to the body politic than the legislator or executive who goes wrong. The judge who does his full duty well stands higher, and renders a better service to the people, than any other public servant; he is entitled to greater respect; and if he is a true servant of the people, if he is upright, wise and fearless, he will unhesitatingly disregard even the wishes of the people if they conflict with the eternal principles of right as against wrong. He must serve the people; but he must serve his own conscience first. All honor to such a judge.

The opponents of the measures we champion single out now one and now another measure for especial attack, and speak as if the movement in which we are engaged was purely economic. It has a large economic side, but it is fundamentally an ethical movement. It is not a movement to be completed in one year, or two or three years; it is a movement which must be presevered in until the spirit which lies behind it sinks deep into the heart and the conscience of the whole people. It is always important to choose the right means to achieve our purpose, but it is even more important to keep this purpose clearly before us; and this purpose is to secure national honesty in business and in politics. We do not subscribe to the cynical belief that dishonesty and unfair dealing are essential to business success, and are to be condoned when the success is moderate and applauded when the success is great. The methods by which the Standard Oil people and those engaged in the other combinations of which I have spoken above have achieved great fortunes can only be justified by the advocacy of a system of morality which would also justify every form of criminality on the part of a labor union, and every form of violence, corruption, and fraud, from murder to bribery and ballot-box stuffing in politics. We are trying to secure equality of opportunity for all; and the struggle for honesty is the same whether it is made on behalf of one set of men or of another.

Laws Must Continue to Be Administered with Even Hand

The laws must in the future be administered as they are now being administered, so that the department of justice may continue to be, what it now is, in very fact the department of justice, where so far as our ability permits justice is meted out with an even hand to great and small, rich and poor, weak and strong. Moreover, there should be no delay in supplementing the laws now on the statute books by the enactment of further legislation as outlined in the message I sent to congress on its assembling. Under the existing laws, much, very much, has been actually accomplished during the past six years, and it has been shown by actual experience that they can be enforced against the wealthiest corporation and the richest and most powerful manager or manipulator of that corporation, as rigorously and fearlessly as against the humblest offender. Above all, they have been enforced against the very wrongdoers and agents of wrongdoers who have for so many years gone scot free and flouted the laws with impunity, against great law-defying corporations of immense wealth, which, until within the last half dozen years, have treated themselves and have expected others to treat them as being beyond and above all possible check from law.

It is especially necessary to secure to the representatives of the national government full power to deal with the great corporations engaged in interstate commerce, and above all, with the great interstate common carriers. Our people should clearly recognize that while there are difficulties in any course of conduct to be followed in dealing with these great corporations, these difficulties must be faced, and one of three courses followed. The first course is to abandon all effort to oversee and control their actions in the interest of the general public and to permit a return to the utter lack of control which would obtain if they were left to the common law. I do not for one moment believe that our people would tolerate this position. The extraordinary growth of modern industrialism has rendered the common law, which grew up under and was adapted to deal with totally different conditions, in many respects inadequate to deal with the new conditions. These new conditions make it necessary to shackle cunning as in the past we have shackled force. The vast individual and corporate fortunes, the vast combinations of capital, which have marked the development of our industrial system, create new conditions, and necessitate a change from the old attitude of the state and nation toward the rules regulating the acquisition and untrammeled business use of property, in order both that property may be adequately protected, and that at the same time those who hold it may be prevented from wrongdoing.

The second and third courses are to have the regulation undertaken either by the nation or by the states. Of course in any event both the national government and the several state governments must do each its part, and each can do a certain amount that the other cannot do, while the only really satisfactory results must be obtained by the representatives of the national and state governments working heartily together within their respective spheres. But in my judgment thoroughgoing and satisfactory control can in the end only be obtained by the action of the national government, for almost all the corporations of enormous wealth—that is, the corporations which it is especially desirable to control—are engaged in interstate commerce, and derive their power and their importance not from that portion of their business which is intrastate, but from the interstate business. It is not easy always to decide just where the line of demarcation between the two kinds of business falls. This line must ultimately be drawn by the federal courts. Much of the effort to secure adequate control of the great corporations by state action has been wise and effective, but much of it has been neither; for when the effort is made to accomplish by the action of the state what can only be accomplished by the action of the nation, the result can only be disappointing, and in the end the law will probably be declared unconstitutional. So, likewise, in the national arena, we who believe in the measures herein advocated are hampered and not aided by the extremists who advocate action so violent that it would either be useless or else would cause more mischief than it would remedy.

We have just passed through two months of acute financial stress. At any such time it is a sad fact that entirely innocent people suffer from no fault of their own; and every one must feel the keenest sympathy for the large body of honest business men, of honest investors, of honest wageworkers, who suffer because involved in a crash for which they are in no way responsible. At such a time there is a natural tendency on the part of many men to feel gloomy and frightened at the outlook; but there is no justification for this feeling. There is no nation so absolutely sure of ultimate success as ours. Of course we shall succeed. Ours is a nation of masterful energy, with a continent for its domain, and it feels within its veins the thrill which comes to those who know that they possess the future. We are not cast down by the fear of failure. We are upheld by the confident hope of ultimate triumph. The wrongs that exist are to be corrected; but they in no way justify doubt as to the final outcome, doubt as to the great material prosperity of the future, or of the lofty spiritual life which is to be built upon that prosperity as a foundation. No misdeeds done in the present must be permitted to shroud from our eyes the glorious future of the nation; but because of this very fact it behooves us never to swerve from our resolute purpose to cut out wrongdoing and uphold what is right.

I do not for a moment believe that the actions of this administration have brought on business distress; so far as this is due to local and not world-wide causes, and to the actions of any particular individuals, it is due to the speculative folly and flagrant dishonesty of a few men of great wealth, who seek to shield themselves from the effects of their own wrongdoing by ascribing its results to the actions of those who have sought to put a stop to the wrongdoing. But if it were true that to cut out rottenness from the body politic meant a momentary check to an unhealthy seeming prosperity, I should not for one moment hesitate to put the knife to the corruption. On behalf of all our people, on behalf no less of the honest man of means than of the honest man who earns each day's livelihood by that day's sweat of his brow, it is necessary to insist upon honesty in business and politics alike, in all walks of life, in big things and in little things; upon just and fair dealing as between man and man. Those who demand this are striving for the right in the spirit of Abraham Lincoln when he said:

"Fondly do we hope, fervently do we pray, that this mighty scourge may pass away. Yet, if God wills that it continue until all the wealth piled by the bondsmen's two hundred and fifty years of unrequited toil shall be sunk, and until every drop of blood drawn with the lash shall be paid by another drawn with the sword, as was said three thousand years ago, so still it must be said: 'The judgments of the Lord are true and righteous altogether.'

"With malice toward none; with charity for all; with firmness in the right, as God gives us to see the right, let us strive on to finish the work we are in."

In the work we of this generation are in, there is, thanks be to the Almighty, no danger of bloodshed and no use for the sword; but there is grave need of those stern qualities shown alike by the men of the north and the men of the south in the dark days when each valiantly battled for the light as it was given each to see the light. Their spirit should be our spirit, as we strive to bring nearer the day when greed and trickery and cunning shall be trampled under feet by those who fight for the righteousness that exalteth a nation.

THEODORE ROOSEVELT.

THE WHITE HOUSE,
January 31, 1908.

Habitual Constipation

May be permanently overcome by proper personal efforts with the assistance of the one truly beneficial laxative remedy, Syrup of Figs and Elixir of Senna, which enables one to form regular habits daily so that assistance to nature may be gradually dispensed with when no longer needed as the best of remedies, when required, are to assist nature and not to supplant the natural functions, which must depend ultimately upon proper nourishment, proper efforts, and right living generally. To get its beneficial effects, always buy the genuine

Syrup of Figs and Elixir of Senna

manufactured by the

CALIFORNIA FIG SYRUP Co. ONLY

SOLD BY ALL LEADING DRUGGISTS

one size only, regular price 50¢ per Bottle

POOR JOHN!

Scrappeigh—I was a confounded fool when I got married!

Mrs. Scrappeigh—Well, John, married life hasn't changed you any!

A Remedy for Neuralgia or Pain in the Nerves.

For neuralgia and sciatica Sloan's Liniment has no equal. It has a powerfully sedative effect on the nerves—penetrates without rubbing and gives immediate relief from pain—quickens the circulation of the blood and gives a pleasant sensation of comfort and warmth.

"For three years I suffered with neuralgia in the head and jaws," writes J. P. Hubbard, of Marietta, S. C., "and had almost decided to have three of my teeth pulled, when a friend recommended me to buy a 25 cent bottle of Sloan's Liniment. I did so and experienced immediate relief, and I kept on using it until the neuralgia was entirely cured. I will never be without a bottle of Sloan's Liniment in my house again. I use it also for insect bites and sore throat, and I can cheerfully recommend it to any one who suffers from any of the ills I have mentioned."

OPENS GRAVE FOR A PICTURE.

Sorrowing Widow Had to Have Picture by Which to Remember Hubby.

To be exhumed after he had been buried for 20 days and told to sit up and "look pleasant" was the tough luck that befell a corpse out at Woodlawn cemetery, New York, the other day. Henry Brown, a train dispatcher on the One Hundred and Twenty-ninth street elevated road, died December 6 of rheumatic gout and was buried decently and in order. Some two weeks after the funeral it occurred to Mrs. Brown that she would like a photograph of her husband, having none that did him justice. Immediately she petitioned the Bronx health department for permission to exhume Henry and snapshot him. The health department was somewhat dazed, but granted the request, and so, with a photographer and an undertaker, Mrs. Brown went to Woodlawn and had the three weeks' corpse dug up. Brown was taken both profile and full face.

She Was in No Hurry.

Rev. Dr. Wallace, new pastor of the East End Baptist church, brought a new one to Cleveland with him.

According to the story, a Boston girl got on the street car one day carrying one of those muffs the size of an ordinary hassock. She had only one hand in the muff. A young man sitting next to her took advantage of the opportunity to slip his hand into the unoccupied end of the muff.

The Boston girl turned upon him severely. "I could have you arrested for such a familiarity," said she. "But," she added, "I'm from Boston and I purpose to keep calm. Now, I'll just give you ten minutes to let go of my hand."—Cleveland Plain Dealer.

Generally Done.

"Did you know that the Downtown Merchants' bank had closed its doors?"

"Good heavens! Is that so?"

"Certainly. It always does when cool weather comes."—Baltimore American.

PANTRY CLEANED

A Way Some People Have.

A doctor said:—

"Before marriage my wife observed in summer and country homes, coming in touch with families of varied means, culture, tastes and discriminating tendencies, that the families using Postum seemed to average better than those using coffee.

"When we were married two years ago, Postum was among our first order of groceries. We also put in some coffee and tea for guests, but after both had stood around the pantry about a year untouched, they were thrown away, and Postum used only.

"Up to the age of 28 I had been accustomed to drink coffee as a routine habit and suffered constantly from indigestion and all its relative disorders. Since using Postum all the old complaints have completely left me and I sometimes wonder if I ever had them."

Name given by Postum Co., Battle Creek, Mich. Read, "The Road to Wellville," in pkgs. "There's a Reason."

Sincerity Gives Power.

There is nothing which will add so much to one's power as the consciousness of being absolutely sincere, genuine. If your life is a perpetual lie, if you are conscious that you are not what you pretend to be, you cannot be strong. There is a restraint, a perpetual fighting against the truth going on within you, a struggle which saps your energy and warps your conduct, says Home Chat. Sham and shoddy are powerless; only the genuine and the true are worth while.

Mule Resented Tail Pulling.

Mistaking the tail of a mule for an electric light pull in the darkest corner of his barn, John McCarthy of Atlantic City, N. J., gave the supposed contact line a sharp jerk. The mule responded to the pull with both hoofs. As a result of the mistake McCarthy was taken to the hospital with the marks of the mule's hoofs on his face and side. He barely escaped being stamped to death by rolling out of reach after he had been knocked down.

They Both Want.

First Mother (reading letter from son at college)—Henry's letters always send me to the dictionary.

Second Mother (resignedly)—That's nothing; Jack's always send me to the bank.—Puck.

As Might Have Been Expected.

"With one exception, everything I've put money into has gone up in the air."

"What was the exception?"

"An airship."—Life.

During the Tiff.

Mrs. Houlihan (sobbing)—I never saw ye till th' day before me unforchnit marriage!

Mr. Houlihan—An' I often wisht ye hadn't seen me till th' day afther!—Puck.

The Uses of Science.

Stella—How did you make him propose?

Bella—Introduced Prof. Flexner's statement that he could give anybody a new heart.—N. Y. Sun.

Hopeless.

"Now don't ask me another question. Little boys should not be too inquisitive?"

"Why mustn't I ask you any more, daddy? And what's inquisitive?"—Judge.

A Martyr.

"Mamma, have I got to take a bath to-night?"

"I'm afraid you have, my dear?"

"But I haven't done anything all the week to deserve it."—Life.

Commander of Archers.

In Scotland there is a picturesque office known as the marshal of Gentle Archers. The holder is commander of the ancient Bodyguard of Archers who still appear in London green, and are armed with the old-time bow.

Reassuring.

Patient (to dentist)—I say! This gas is absolutely safe, isn't it?

Dentist—Don't worry, sir. In these times I couldn't afford to lose a customer.—Life.