

PRESIDENT'S MESSAGE

Washington, Dec. 8.—The annual message of the president, read in both houses of congress, is in full as follows: To the Senate and House of Representatives:

Finances.
The financial standing of the nation at the present time is excellent, and the financial management of the nation during the last seven years has shown the most satisfactory results. But our currency system is imperfect, and it is earnestly to be hoped that the currency commission will be able to propose a thoroughly good system which will do away with the existing defects.

During the period from July 1, 1901, to Sept. 30, 1908, there was an increase in the amount of money in circulation of \$902,991,399. The increase in the per capita during this period was \$7.06. Within this time there were several occasions when it was necessary for the treasury department to come to the relief of the money market by purchases or redemptions of United States bonds, by increasing deposits in national banks, by stimulating additional issues of national bank notes and by facilitating importations from abroad of gold. Our imperfect currency system has made these proceedings necessary, and they were effective until the monetary disturbance in the fall of 1907 immensely increased the difficulty of ordinary methods of relief. By the middle of November the available working balance in the treasury had been reduced to approximately \$5,000,000. Clearing house associations throughout the country had been obliged to resort to the expedient of issuing clearing house certificates, to be used as money. In this emergency it was determined to invite subscriptions for \$50,000,000 Panama canal bonds and \$100,000,000 3 per cent certificates of indebtedness authorized by the act of June 13, 1898. It was proposed to redeposit in the national banks the proceeds of these issues and permit their use as a basis for additional circulation notes of national banks. The moral effect of this procedure was so great that it was necessary to issue only \$24,631,980 of the Panama canal bonds and \$15,436,500 of the certificates of indebtedness.

During the period from July 1, 1901, to Sept. 30, 1908, the balance between the net ordinary receipts and the net ordinary expenses of the government showed a surplus in the four years 1902, 1903, 1906 and 1907 and a deficit in the years 1904, 1905, 1908 and a fractional part of the fiscal year 1909. The net result was a surplus of \$99,253,413.64. The financial operations of the government during this period, based upon these differences between receipts and expenditures, resulted in a net reduction of the interest bearing debt of the United States from \$987,141,040 to \$897,253,990 notwithstanding that there had been two sales of Panama canal bonds amounting in the aggregate to \$54,631,980 and an issue of 3 per cent certificates of indebtedness under the act of June 13, 1898, amounting to \$15,436,500. Refunding operations of the treasury department under the act of March 14, 1900, resulted in the conversion into 2 per cent consols of 1030 of \$200,309,400 bonds bearing higher rates of interest. A decrease of \$8,687,956 in the annual interest charge resulted from these operations.

In short, during the seven years and three months there has been a net surplus of nearly one hundred millions of receipts over expenditures, a reduction of the interest bearing debt by ninety millions, in spite of the extraordinary expense of the Panama canal and a saving of nearly nine millions on the annual interest charge. This is an exceedingly satisfactory showing, especially in view of the fact that during this period the nation has never hesitated to undertake any expenditure that it regarded as necessary. There have been no new taxes and no increases of taxes. On the contrary, some taxes have been taken off. There has been a reduction of taxation.

Corporations.
As regards the great corporations engaged in interstate business, and especially the railroads, I can only repeat what I have already said, and again said in my messages to the congress. I believe that under the interstate clause of the constitution the United States has complete and paramount right to control all agencies of interstate commerce, and I believe that the national government alone can exercise this right with wisdom and effectiveness so as both to secure justice from and to do justice to the great corporations which are the most important factors in modern business. I believe that it is worse than folly to attempt to prohibit all combinations, as is done by the Sherman anti-trust law, because such a law can be enforced only imperfectly and unequally, and its enforcement works almost as much hardship as good. I strongly advocate that instead of an unwise effort to prohibit all combinations there shall be substituted a law which shall expressly permit combinations which are in the interest of the public, but shall at the same time give to some agency of the national government full power of control and supervision over them. One of the chief features of this control should be securing entire publicity in all matters which the public has a right to know and, furthermore, the power, not by judicial, but by executive, action to prevent or put a stop to every form of improper favoritism or other wrongdoing.

The railroads of the country should be put completely under the interstate commerce commission and removed from the domain of the anti-trust law. The power of the commission should be made thoroughgoing, so that it could exercise complete supervision and control over the issue of securities as well as over the raising and lowering of rates. As regards rates, at least this power should be summary. The power to investigate the financial operations and accounts of the railways has been one of the most valuable features in recent legislation. Power to make combinations and traffic agreements should be explicitly conferred upon the railroads, the permission of the commission being first gained and the combination or agreement being published in all its details. In the in-

terest of the public the representatives of the public should have complete power to see that the railroads do their duty by the public, and as a matter of course this power should also be exercised so as to see that no injustice is done to the railroads. The shareholders, the employees and the shippers all have interests that must be guarded. It is to the interest of all of them that no swindling stock speculation should be allowed and that there should be no improper issuance of securities. The guiding intelligence necessary for the successful building and successful management of railroads should receive ample remuneration, but no man should be allowed to make money in connection with railroads out of fraudulent overcapitalization and kindred stock gambling performances. There must be no defrauding of investors, oppression of the farmers and business men who ship freight or callous disregard of the rights and needs of the employees. In addition to this, the interests of the shareholders, of the employees and of the shippers should all be guarded as against one another. To give any one of them undue and improper consideration is to do injustice to the others. Rates must be made as low as is compatible with giving proper returns to all the employees of the railroad, from the highest to the lowest, and proper returns to the shareholders, but they must not, for instance, be reduced in such fashion as to necessitate a cut in the wages of the employees or the abolition of the proper and legitimate profits of honest shareholders.

Telegraph and telephone companies engaged in interstate business should be put under the jurisdiction of the interstate commerce commission. It is very earnestly to be wished that our people, through their representatives, should act in this matter. It is hard to say whether most damage to the country at large would come from entire failure on the part of the public to supervise and control the actions of the great corporations or from the exercise of the necessary governmental power in a way which would do injustice and wrong to the corporations. Both the preachers of an unrestricted individualism and the preachers of an oppression which would deny to able men of business the just reward of their initiative and business sagacity are advocating policies that would be fraught with the gravest harm to the whole country. To permit every lawless capitalist, every law defying corporation, to take any action, no matter how iniquitous, in the effort to secure an improper profit and to build up privilege would be ruinous to the republic and would mark the abandonment of the effort to secure in the industrial world the spirit of democratic dealing. On the other hand, to attack these wrongs in that spirit of demagoguery which can see wrong only when committed by the man of wealth and is dumb and blind in the presence of wrong committed against men of property or by men of no property is exactly as evil as corruptly to defend the wrongdoing of men of wealth. The war we wage must be waged against misconduct, against wrongdoing, wherever it is found, and we must stand heartily for the rights of every decent man, whether he be a man of great wealth or a man who earns his livelihood as a wageworker or a tiller of the soil.

It is to the interest of all of us that there should be a premium put upon individual initiative and individual capacity and an ample reward for the great directing intelligences alone competent to manage the great business operations of today. It is well to keep in mind that exactly as the anarchist is the worst enemy of liberty and the reactionary the worst enemy of order so the men who defend the rights of property have most to fear from the wrongdoers of great wealth, and the men who are championing popular rights have most to fear from the demagogues who in the name of popular rights would do wrong to and oppress honest business men, honest men of wealth, for the success of either type of wrongdoer necessarily invites a violent reaction against the cause the wrongdoer nominally upholds. In point of danger to the nation there is nothing to choose between, on the one hand, the corruptionist, the bribe giver, the bribe taker, the man who employs his great talent to swindle his fellow citizens on a large scale, and, on the other hand, the preacher of class hatred, the man who, whether from ignorance or from willingness to sacrifice his country to his ambition, persuades well meaning but wrong headed men to try to destroy the instruments upon which our prosperity mainly rests. Let each group of men beware of and guard against the shortcomings to which that group is itself most liable. Too often we see the business community in a spirit of unhealthy class consciousness deplore the effort to hold to account under the law the wealthy men who in their management of great corporations, whether railroads, street railways or other industrial enterprises, have behaved in a way that revolts the conscience of the plain, decent people. Such an attitude cannot be condemned too severely, for men of property should recognize that they jeopardize the rights of property when they fail heartily to join in the effort to do away with the abuses of wealth. On the other hand, those who advocate proper control on behalf of the public, through the state, of these great corporations and of the wealth engaged on a giant scale in business operations must ever keep in mind that unless they do scrupulously justice to the corporation, and unless they permit ample profit, and cordially encourage capable men of business so long as they act with honesty, they are striking at the root of our national well being, for in the long run, under the mere pressure of material distress, the people as a whole would probably go back to the reign of an unrestricted individualism rather than submit to a control by the state so drastic and so foolish, conceived in a spirit of such unreasonable and narrow hostility to wealth, as to prevent business operations from being profitable and therefore to bring ruin upon the entire business community and ultimately upon the entire body of citizens.

The opposition to government control of these great corporations makes its most effective effort in the shape of an appeal to the old doctrine of states' rights. Of course there are many sincere men who now believe in unrestricted individualism in business, just as there were formerly many sincere men who believed in slavery—that is, in the unrestricted right of an individual to own another individual. These men do not by themselves have great weight, however. The effective fight against adequate government control and supervision of individual, and especially of corporate, wealth engaged in interstate business is chiefly done under cover, and especially under cover of an appeal to states' rights. It is not at all infrequent to read in the same speech a denunciation of predatory wealth fostered by special privilege and defiance of both the public welfare and law of the land and a denunciation of centralization in the central government of the power to deal with this centralized and organized wealth. Of course the policy set forth in such twin denunciations amounts to absolutely nothing, for the first half is nullified by the second half. The chief reason among the many sound and compelling reasons that led to the formation of the national government was the absolute need that the Union and not the several states should deal with interstate and foreign commerce, and the power to deal with interstate commerce was granted absolutely and plainly to the central government and was exercised completely as regards the only instruments of interstate commerce known in those days—the waterways, the highroads—as well as the partnerships of individuals who then conducted all of what business there was.

Interstate commerce is now chiefly conducted by railroads, and the great corporation has supplanted the mass of small partnerships or individuals. The proposal to make the national government supreme over, and therefore to give it complete control over, the railroads and other instruments of interstate commerce is merely a proposal to carry out to the letter one of the prime purposes, if not the prime purpose, for which the constitution was founded. It does not represent centralization. It represents merely the acknowledgment of the patent fact that centralization has already come in business. If this irresponsible outside business power is to be controlled in the interest of the general public it can only be controlled in one way, by giving adequate power of control to the one sovereignty capable of exercising such power—the national government. Forty or fifty separate state governments cannot exercise that power over corporations doing business in most or all of them, first, because they absolutely lack the authority to deal with interstate business in any form and, second, because of the inevitable conflict of authority sure to arise in the effort to enforce different kinds of state regulation, often inconsistent with one another and sometimes oppressive in themselves. Such divided authority cannot regulate commerce with wisdom and effect. The central government is the only power which without oppression can nevertheless thoroughly and adequately control and supervise the large corporations. To abandon the effort for national control means to abandon the effort for all adequate control and yet to render likely continual bursts of action by state legislatures, which cannot achieve the purpose sought for, but which can do a great deal of damage to the corporation without conferring any real benefit on the public.

I believe that the more far-sighted corporations are themselves coming to recognize the unwisdom of the violent hostility they have displayed during the last few years to regulation and control by the national government of combinations engaged in interstate business. The truth is that we who believe in this movement of asserting and exercising a genuine control in the public interest over these great corporations have to contend against two sets of enemies, who, though nominally opposed to one another, are really allies in preventing a proper solution of the problem. There are, first, the big corporation men and the extreme individualists among business men who genuinely believe in utterly unregulated business—that is, in the reign of plutocracy—and, second, the men who, being blind to the economic movement of the times, believe in a movement of repression rather than regulation of corporations and who denounce both the power of the railroads and the exercise of the federal power which alone can really control the railroads. Those who believe in efficient national control, on the other hand, do not in the least object to combinations, do not in the least object to concentration in business administration. On the contrary, they favor both, with the all important proviso that there shall be such publicity about their workings and such thoroughgoing control over them as to insure their being in the interest and not against the interest of the general public. We do not object to the concentration of wealth and administration, but we do believe in the distribution of the wealth in profits to the real owners and in securing to the public the full benefit of the concentrated administration. We believe that with concentration in administration there can come both the advantage of a larger ownership and of a more equitable distribution of profits and at the same time a better service to the commonwealth. We believe that the administration should be for the benefit of the many and that greed and rascality practiced on a large scale should be punished as relentlessly as if practiced on a small scale.

We do not for a moment believe that the problem will be solved by any short and easy method. The solution will come only by pressing various concurrent remedies. Some of these remedies must lie outside the domain of all government. Some must be outside the domain of the federal government. But there is legislation which the federal government alone can enact and which is absolutely vital in order to secure the attainment of our purpose. Many laws are needed. There should be regulation by the national government of the great interstate corporations, including a simple method of account keeping, publicity, supervision of the issue of securities, abolition of rebates and of special privileges. There should be short time franchises for all corporations engaged in public business, including the corporations which get

power from water rights. There should be national as well as state guardianship of mines and forests. The labor legislation hereinafter referred to should concurrently be enacted into law.

To accomplish this means, of course, a certain increase in the use of, not the creation of, power by the central government. The power already exists. It does not have to be created. The only question is whether it shall be used or left idle, and meanwhile the corporations over which the power ought to be exercised will not remain idle. Let those who object to this increase in the use of the only power available, the national power, be frank and admit openly that they propose to abandon any effort to control the great business corporations and to exercise supervision over the accumulation and distribution of wealth, for such supervision and control can only come through this particular kind of increase of power. We no more believe in that empiricism which demands absolutely unrestrained individualism than we do in that empiricism which clamors for a deadening socialism, which would destroy all individual initiative and would ruin the country with a completeness that not even an unrestrained individualism itself could achieve. The danger to American democracy lies not in the least in the concentration of administrative power in responsible and accountable hands. It lies in having the power insufficiently concentrated, so that no one can be held responsible to the people for its use. Concentrated power is palpable, visible, responsible, easily reached, quickly held to account. Power scattered through many administrators, many legislators, many men who work behind and through legislators and administrators, is impalpable, is unseen, is irresponsible, cannot be reached, cannot be held to account. Democracy is in peril wherever the administration of political power is scattered among a variety of men who work in secret, whose very names are unknown to the common people. It is not in peril from any man who derives authority from the people, who exercises it in sight of the people and who is from time to time compelled to give an account of its exercise to the people.

Labor.
There are many matters affecting labor and the status of the wageworker to which I should like to draw your attention, but an exhaustive discussion of the problem in all its aspects is not now necessary. This administration is nearing its end, and, moreover, under our form of government the solution of the problem depends upon the action of the states as much as upon the action of the nation. Nevertheless there are certain considerations which I wish to set before you, because I hope that our people will more and more keep them in mind. A blind and ignorant resistance to every effort for the reform of abuses and for the readjustment of society to modern industrial conditions represents not true conservatism, but an incitement to the wildest radicalism, for wise radicalism and wise conservatism go hand in hand, one bent on progress, the other bent on seeing that no change is made unless in the right direction. I believe in a steady effort, or perhaps it would be more accurate to say in steady efforts in many different directions, to bring about a condition of affairs under which the men who work with hand or with brain, the laborers, the superintendents, the men who produce for the market and the men who find a market for the articles produced, shall own a far greater share than at present of the wealth they produce and be enabled to invest it in the tools and instruments by which all work is carried on. As far as possible I hope to see a frank recognition of the advantages conferred by machinery, organization and division of labor, accompanied by an effort to bring about a larger share in the ownership by wageworker of railway, mill and factory. In farming this simply means that we wish to see the farmer own his own land. We do not wish to see the farms so large that they become the property of absentee landlords who farm them by tenants nor yet so small that the farmer becomes like a European peasant.

Again, the depositors in our savings banks now number over one-tenth of our entire population. These are all capitalists, who, through the savings banks, loan their money to the workers—that is, in many cases to themselves—to carry on their various industries. The more we increase their number the more we introduce the principles of co-operation into our industry. Every increase in the number of small stockholders in corporations is a good thing for the same reasons, and where the employees are the stockholders the result is particularly good. Very much of this movement must be outside of anything that can be accomplished by legislation, but legislation can do a good deal. Postal savings banks will make it easy for the poorest to keep their savings in absolute safety. The regulation of the national highways must be such that they shall serve all people with equal justice. Corporate finances must be supervised so as to make it far safer than at present for the man of small means to invest his money in stocks. There must be prohibition of child labor, diminution of woman labor, shortening of hours of all mechanical labor. Stock watering should be prohibited and stock gambling, so far as is possible, discouraged. There should be a progressive inheritance tax on large fortunes. Industrial education should be encouraged. As far as possible we should lighten the burden of taxation on the small man. We should put a premium upon thrift, hard work and business energy, but these qualities cease to be the main factors in accumulating a fortune long before that fortune reaches a point where it would be seriously affected by any inheritance tax such as I propose. It is eminently right that the nation should fix the terms upon which the great fortunes are inherited. They rarely do good, and they often do harm to those who inherit them in their entirety.

Protection For Wageworkers.
The above is the merest sketch, hardly even a sketch in outline, of the reforms for which we should work. But there is one matter with which the congress should deal at this session. There should no longer be any paltering with the question of taking care of the wageworkers who, under

our present industrial system, become killed, crippled or worn out as part of the regular incidents of a given business. The majority of wageworkers must have their rights secured for them by state action, but the national government should legislate in thoroughgoing and far-reaching fashion, not only for all employees of the national government, but for all persons engaged in interstate commerce. The object sought for could be achieved to a measurable degree, as far as those killed or crippled are concerned, by proper employers' liability laws. As far as concerns those who have been worn out, I call your attention to the fact that definite steps toward providing old age pensions have been taken in many of our private industries. These may be indefinitely extended through voluntary association and contributory schemes or through the agency of savings banks, as under the recent Massachusetts plan. To strengthen these practical measures should be our immediate duty. It is not at present necessary to consider the larger and more general governmental schemes that most European governments have found themselves obliged to adopt.

Our present system, or, rather, no system, works dreadful wrong and is of benefit to only one class of people—the lawyers. When a workman is injured what he needs is not an expensive and doubtful lawsuit, but the certainty of relief through immediate administrative action. The number of accidents which result in the death or crippling of wageworkers in the United States is simply appalling. In a very few years it runs up a total far in excess of the aggregate of the dead and wounded in any modern war. No academic theory about "freedom of contract" or "constitutional liberty to contract" should be permitted to interfere with this and similar movements. Progress in civilization has everywhere meant a limitation and regulation of contract. I call your attention to the bulletin of the bureau of labor which gives a statement of the methods of treating the unemployed in European countries, as this is a subject which in Germany, for instance, is treated in connection with making provision for wornout and crippled workmen.

Pending a thoroughgoing investigation and action there is certain legislation which should be enacted at once. The law passed at the last session of the congress granting compensation to certain classes of employees of the government should be extended to include all employees of the government and should be made more liberal in its terms. There is no good ground for the distinction made in the law between those engaged in hazardous occupations and those not so engaged. If a man is injured or killed in any line of work it was hazardous in his case. Whether 1 per cent or 10 per cent of those following a given occupation actually suffer injury or death ought not to have any bearing on the question of their receiving compensation. It is a grim logic which says to an injured employee or to the dependents of one killed that he or they are entitled to no compensation because very few people other than he have been injured or killed in that occupation. Perhaps one of the most striking omissions in the law is that it does not embrace peace officers and others whose lives may be sacrificed in enforcing the laws of the United States. The terms of the act providing compensation should be made more liberal than in the present act. A year's compensation is not adequate for a wage earner's family in the event of his death by accident in the course of his employment. And in the event of death occurring, say, ten or eleven months after the accident the family would only receive as compensation the equivalent of one or two months' earnings. In this respect the generosity of the United States toward its employees compares most unfavorably with that of every country in Europe—even the poorest.

The terms of the act are also a hardship in prohibiting payment in cases where the accident is in any way due to the negligence of the employee. It is inevitable that daily familiarity with danger will lead men to take chances that can be construed into negligence. So well is this recognized that in practically all countries in the civilized world, except the United States, only a great degree of negligence acts as a bar to securing compensation. Probably in no other respect is our legislation, both state and national, so far behind practically the entire civilized world as in the matter of liability and compensation for accidents in industry. It is humiliating that at European international congresses on accidents the United States should be singled out as the most belated among the nations in respect to employers' liability legislation. This government is itself a large employer of labor, and in its dealings with its employees it should set a standard in this country which would place it on a par with the most progressive countries in Europe. The laws of the United States in this respect and the laws of European countries have been summarized in a recent bulletin of the bureau of labor, and no American who is struck by the great contrast between our practices and theirs—a contrast not in any sense to our credit.

The congress should without further delay pass a model employers' liability law for the District of Columbia. The employers' liability act recently declared unconstitutional on account of apparently including in its provisions employees engaged in interstate commerce as well as those engaged in the local courts to be still in effect so far as its provisions apply to the District of Columbia. There should be no ambiguity on this point. If there is any doubt on the subject the law should be re-enacted, with special reference to the District of Columbia. This act, however, applies only to employees of common carriers. In all other occupations the liability law of the District is the old common law. The severity and injustice of the common law in this matter have been in some degree or another modified in the majority of our states, and the only jurisdiction under the exclusive control of the congress should be ahead and not behind the states of the Union in this respect. A comprehensive employers' liability law should be passed for the District of Columbia.

I renew my recommendation made in a previous message that half holi-

days be granted during the summer to all wageworkers in government employment.

I also renew my recommendation that the principle of the eight hour day should as rapidly and as far as practicable be extended to the entire work being carried on by the government. The present law should be amended to embrace contracts on those public works which the present wording of the act seems to exclude.

The Courts.
I most earnestly urge upon the congress the duty of increasing the totally inadequate salaries now given to our judges. On the whole, there is no body of public servants who do as valuable work nor whose moneyed reward is so inadequate compared to their work. Beginning with the supreme court, the judges should have their salaries doubled. It is not befitting the dignity of the nation that its most honored public servants should be paid sums so small compared to what they would earn in private life that the performance of public service by them implies an exceedingly heavy pecuniary sacrifice.

It is earnestly to be desired that some method should be devised for doing away with the long delays which now obtain in the administration of justice and which operate with peculiar severity against persons of small means and favor only the very criminal whom it is most desirable to punish. These long delays in the final decisions of cases make in the aggregate a crying evil, and a remedy should be devised. Much of this intolerable delay is due to improper regard paid to technicalities which are a mere hindrance to justice. In some noted recent cases this overregard for technicalities has resulted in a striking denial of justice and flagrant wrong to the body politic.

At the last election certain leaders of organized labor made a violent and sweeping attack upon the entire judiciary of the country, an attack couched in such terms as to include the most upright, honest and broad minded judges no less than those of narrower mind and more restricted outlook. It was the kind of attack admittedly fitted to prevent any successful attempt to reform abuses of the judiciary, because it gave the champions of the unjust judge their eagerly desired opportunity to shift their ground into a championship of just judges who were unjustly assailed. Last year before the house committee on the judiciary these same labor leaders formulated their demands, specifying the bill that contained them, refusing all compromise, stating they wished the principle of that bill or nothing. They insisted on a provision that in a labor dispute no injunction should issue except to protect a property right and specifically provided that the right to carry on business should not be construed as a property right, and in a second provision their bill made legal in a labor dispute any act or agreement by or between two or more persons that would not have been unlawful if done by a single person. In other words, this bill legalized blacklisting and boycotting in every form, legalizing, for instance, those forms of the secondary boycott which the anthracite coal strike commission so unreservedly condemned, while the right to carry on a business was explicitly taken out from under that protection which the law throws over property. The demand was made that there should be trial by jury in contempt cases, thereby most seriously impairing the authority of the courts. All this represented a course of policy which, if carried out, would mean the enthronement of class privilege in its crudest and most brutal form and the destruction of one of the most essential functions of the judiciary in all civilized lands.

The violence of the crusade for this legislation and its complete failure illustrate two truths which it is essential our people should learn. In the first place, they ought to teach the workingman, the laborer, the wage-worker, that by demanding what is improper and impossible he plays into the hands of his foes. Such a crude and vicious attack upon the courts, even if it were temporarily successful, would inevitably in the end cause a violent reaction and would band the great mass of citizens together, forcing them to stand by all the judges, competent and incompetent alike, rather than to see the wheels of justice stopped. A movement of this kind can ultimately result in nothing but damage to those in whose behalf it is nominally undertaken. This is a most healthy truth, which it is wise for all our people to learn. Any movement based on that class hatred which at times assumes the name of "class consciousness" is certain ultimately to fail, and if it temporarily succeeds, to do far-reaching damage. "Class consciousness" where it is merely another name for the odious vice of class selfishness is equally noxious whether in an employer's association or in a workman's association. The movement in question was one in which the appeal was made to all workmen to vote, but as individuals of a certain class in society. Such an appeal, in the first place, results in the more high minded and far-sighted among the persons to whom it is addressed and, in the second place, tends to arouse a strong antagonism among all other classes of citizens, whom it therefore tends to unite against the very organization on whose behalf it is issued. The result is therefore unfortunate from every standpoint. This healthy truth, by the way, will be learned by the Socialists if they ever succeed in establishing in this country an important national party based on such class consciousness and selfish class interest.

The wageworkers, the workmen, the laboring men of the country, by the way in which they repudiated the effort to get them to cast their votes in response to an appeal to class hatred have emphasized their sound patriotism and Americanism. The whole country has cause to feel pride in this attitude of sturdy independence upon acting simply as good citizens, as good Americans, without regard to faction and improper class interests. Such an attitude is an object lesson in good citizenship to the entire nation.

But the extreme reactionaries, the persons who blind themselves to the wrongs now and then committed by the courts on laboring men, should

also think seriously as to what such a movement as this portends. The judges who have shown themselves able and willing effectively to check the dishonest activity of the very rich man who works inquiry by the mismanagement of corporations, who have shown themselves alert to do justice to the wageworker and sympathetic with the needs of the mass of our people so that the dweller in the tenement houses, the man who practices a dangerous trade, the man who is crushed by excessive hours of labor, feel that their needs are understood by the courts—these judges are the real bulwark of the courts; these judges, the judges of the stamp of the president elect, who have been fearless in opposing labor when it has gone wrong, but fearless also in holding to strict account corporations that work inquiry, and far-sighted in seeing that the workingman gets his rights, are the men of all others to whom we owe it that the appeal for such violent and mistaken legislation has fallen on deaf ears, that the agitation for its passage proved to be without substantial basis. The courts are jeopardized primarily by the action of these federal and state judges who show inability or unwillingness to put a stop to the wrongdoing of very rich men under modern industrial conditions and inability or unwillingness to give relief to men of small means or wageworkers who are crushed down by these modern industrial conditions, who, in other words, fail to understand and apply the needed remedies for the new wrongs produced by the new and highly complex social and industrial civilization which has grown up in the last half century.

The rapid changes in our social and industrial life which have attended this rapid growth have made it necessary that in applying to concrete cases the great rule of right laid down in our constitution there should be a full understanding and appreciation of the new conditions to which the rules are to be applied. What would have been an infringement upon liberty half a century ago may be the necessary safeguard of liberty today. What would have been an injury to property then may be necessary to the enjoyment of property now. Every judicial decision involves two terms—one an interpretation of the law, the other the understanding of the facts to which it is to be applied. The great mass of our judicial officers are, I believe, alive to these changes of conditions which so materially affect the performance of their judicial duties. Our judicial system is sound and effective at core, and it remains and must ever be maintained as the safeguard of those principles of liberty and justice which stand at the foundation of American institutions, for, as Burke finely said, when liberty and justice are separated neither is safe. There are, however, some members of the judicial body who have lagged behind in their understanding of these great and vital changes in the body politic, whose minds have never been opened to the new applications of the old principles made necessary by the new conditions. Judges of this stamp do lasting harm by their decisions, because they convince poor men in need of protection that the courts of the land are profoundly ignorant of and out of sympathy with their needs and profoundly indifferent or hostile to any proposed remedy. To such men it seems a cruel mockery to have any court decide against them on the ground that it desires to preserve "liberty" in a purely technical form by withholding liberty in any real and constructive sense. It is desirable that the legislative body should possess and, wherever necessary, exercise the power to determine whether in a given case employers and employees are not on an equal footing, so that the necessities of the latter compel them to submit to such exacting as to hours and conditions of labor as unduly to tax their strength, and only mischief can result when such discrimination is upset on the ground that there must be no "interference with the liberty to contract"—often a merely academic "liberty," the exercise of which is the negation of real liberty.

There are certain decisions by various courts which have been exceedingly detrimental to the rights of wageworkers. This is true of all the decisions that decide that men and women are by the constitution "guaranteed their liberty" to contract to enter a dangerous occupation, or to work an undesirable or improper number of hours, or to work in unhealthy surroundings, and therefore cannot recover damages when maimed in that occupation and cannot be forbidden to work what the legislature decides is an excessive number of hours, or to carry on the work under conditions which the legislature decides to be unhealthy. The most dangerous occupations are often the poorest paid and those where the hours of work are longest, and in many cases those who go into them are driven by necessity so great that they have practically no alternative. Decisions such as those alluded to above nullify the legislative effort to protect the wageworkers who most need protection from those employers who take advantage of their grinding need. They halt or hamper the movement for securing better and more equitable conditions of labor. The talk about preserving to the misery hunted beings who make contracts for such service their "liberty" to make them is either to speak in a spirit of heartless irony or else to show an utter lack of knowledge of the conditions of life among the great masses of our fellow countrymen, a lack which unfits a judge to do good service just as it would unfit any executive or legislative officer.

There is also, I think, ground for the belief that substantial justice is often suffered by employees in consequence of the custom of courts issuing temporary injunctions without notice to them and punishing them for contempt of court in instances where, as a matter of fact, they have no knowledge of any proceedings. Outside of organized labor there is a widespread feeling that this system often works great injustice to wageworkers when their efforts to better their working condition result in industrial disputes. A temporary injunction procured ex parte may, as a matter of fact, have all the effect of a permanent injunction in causing disaster to the wageworkers' side in such a dispute. Organized labor is chafing under the unjust restraint which comes from repeated resort to this plan of procedure. Its discontent has been ur-