PART THREE. DESERET EVENING NEWS. 17 TO 24

FIFTY-THIRD YEAR

TRUTH AND LIBERTY

SATURDAY, JANUARY 31, 1903. SALT LAKE CITY, UTAH.

Morgan and Morganism THE MAN AND HIS METHODS. What Is the Steel Trust? What Does New York Think?

of "Morgan and Morganism"-"The Man and His Methods," the London Daily Mail is publishing a series of letters on the great Ame e heading of "Morgan and assistent by his fellow countrymen at home and abroad. The sixth and seventh articles are herewith reproduced

a comother trusts. The great the constituent themselves aller organhich Mr. Morgan include the within the last trust, which is tion of some of the big Mr. Morgan did not

he trust is that the of rival interests elimiand keeps up prices. that by centralizaantrol and administration econ-

a this latter contention, it is at that against whatever he abolition of reset the new e which the fact of duces-the cost of profit, or remunerbe however it may hiner, Mr. Morgan ombinations "for his Americans say, and if ts renders unnecessary a number of highimplies the necessity argument whether the the element of the new industry effects any ng in administration, and this considerations.

limit to the administrative man. The finances industry may rlor, but the industry not be centralized. If it were the mines and lants and forges of the state glyania and bring them to view it might be pos control them But it d the ablest man in all Amer rvous breakdown in the ever wastage ent competiies implied it also assured nomies as come from What orial control. effect in administration, it also wastages that come ce of direct authoritative pro. There are a thouret, a thousand sources of in a factory controlled man, which are impossible of an in to a chief sitting in an office a red miles away and suffering from is prostration. t, the ecomonies of great inal combinations, though they look ell on paper, need to prove them. In practice before they can be turn to the first proposition, that elimination of competition prices be maintained at a level of high On the face of it this is the lest and most self-evident of prop-ns. But it hardly states the facts. limination of competition implies stabilshment of a monopoly, and el trust has not by any means ished a monopoly. establishment of a monopoly has dream of the imaginative and us producer ever since modern talism began. But a permanent oly in any commodity of univer-nsumption never has been estab-, and in the nature of things nevbe. Commodities of universal ption are necessarily commodiree and illimitable production and iron and wheat are not from natures and properties indispen-to man. It is their abundance and tess that make their supreme and importance. The very fact ey are among the daily necesif life implies a universal profuproduction that excludes the lorgan's trust has not establishnd no one ever will establish, a of the fron and steel industry United States. ron and steel industry of that land is as yet only in its imma- | quoted at 85%.

ture beginning, and of this he has only succeeded in capturing a portion. Com-petition remains, and competition inevitably must grow. Nothing can pre-vent the development of the immense mineral resources that yet remain to be in that country of illimitable The trust, if it is to establish apped monopoly, has either to fight that mpetition is to absorb it, and to do

is ultimately impossible. The steel trust has not put up prices. It has had no occasion to try, indeed, the tariff and the huse prosperity of the country having accomplished that for it. It has shared the high prices along with all the business remaining outside itself. But the time will come when at least it will be necessary for the trust to endeavor to maintain prices. Then the competition which the present era of prosperity has called in-to being will have to be faced.

Of late there has ben a certain modification of the public attitude towards

trusts. A few years ago the trust sys-tem was a sort of bogey vaguely hated and feared. In the popular imgaina-tion it was a gigantic beast of prey with horrid blood-gouted, insatiable maw. Its feroclous nature and purpose were to levy blood-money upon the public by taxing the necessaries of life to a ppint at which life would become unliveable. Bread and meat, coal and iron, the supply of every commodity indispensable to livelihood or life was to be made the monopoly of some gigantic trust, which would put up the prices to the uttermost limit of the public capacity to pay. There was apprehension of the time when beetsteak, owing to the operation of a beefsteak trust, would be a guinea an ounce; there was a car-toon in which a dearsome monster rep-resenting a milk trust was relentlessly demanding the last drop of the heart's blood of a supplicating mother as the price of a bottle of milk for her hunger.

stricken bab The trust was regarded as a relentless and irresistible monopoly, which, having smothered all competition, would proceed to assess values accord-ing, not to the cost of production, but to the needs of the helpless consumer. This terrified idea does not hold to-Such observation as has been day. Such observation as has been possible of the workings of trusts and the wide thought which that observa-tion has suggested have to a certain extent reassured the public mind. It has come to be recognized that even the most powerful of trusts is powerless in the presence of the inexorable law

A director in an important enterprise | once remarked: "Mr. Morgan is a member of our board, and practically dictates what should be done. The interest which he represents is a very small minority, but," added this gen-tieman, "Mr. Morgan is so masterful a man that he is bound to control wherever he has a voic

This plain statement from experience explains much of what might otherwise be looked upon as a mystery, for it is a very well-known fact that Mr. Morgan's interest, personal or through firm, in the various enterprises w he is reputed to control is usually very small In the steel trust itself, the show of

hands at the vote on stock conversion proved that out of the ten million shares of preferred and common stock Mr. Morgan himself held only 19,000, and J. P. Morgon & Co only 2,800. The same is true of most other so-called

'Morgan enterprises,' But personal force and power are not all. Ten years ago neither Mr. Mor-gan nor his firm occupied the commanding position now held by them. Perhaps the most noteworthy element in his subsequent rise to prestige was

his achievement in the syndicate formed to save the treasury's gold re-serve in 1895 The foreign exchange houses were much averse to entering on such an agreement, but Mr. Morgan simply informed them that they would ave to do so, and they did. This was the beginning of a remarkable series of incidents of the same kind which have cuiminated of late in important New York banks taking a share in the Morgan underwriting syn-

dicates, even when they preferred not One bank president perto do so. sonally admitted, in connection the first steel trust syndicate, that he did not care to join the underwriters, but, he added, "it is not easy to stay out when Mr. Morgan has hinted that one ought to be a member of it." it should, however, be added that, even in 1895, the "Morgon schemes" followed the same rule as has prevailed this

year in lavishing huge sums of cash on people who shared the risk with him. The Morgan government bond syndicate of 1895 practically turned over \$3,500,000 at the treasury's ex-

Mr. Morgan's prestige was thought to be at its height in 1895; its real culmi-nation was reached, however, in March, 1901, when the steel trust was organ-ized. It is incorrect to suppose an It is incorrect to suppose Englishmen often do, that the inter-national shipping trust was the high that the two supposed objects of a trust-the extinction of competition and mark of his American reputation. So far is this from the truth that the main greeting accorded to the shipping trust announcement was that it was a piece of folly "Mr. Morgan is the reat Napoleon of finance!" a well-known the extortion of extravagant profits are mutually exclusive. To extort ex-travagant prices means not only a cor-responding shrinkage in demand, but

Wall street calls the "bull schemes" was to attempt the undermining of our country's prosperity. Foreigners can hardly conceive the extent to which these huge amalgamations, with their incidental booming of prices, have been popularly identified with the natural wement of prosperity.

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The two other reasons for the silence or misrepresentations of the press in these matters were the fear of antag-onizing the powerful interest that might be useful, and not least the fact that the Morgan interest in one way or another had acquired a voice in the ouncils of several prominent newspapers. This influence was acquired by various means, which need not be enumerated, and which, in fact, are not absolutely known in every case.

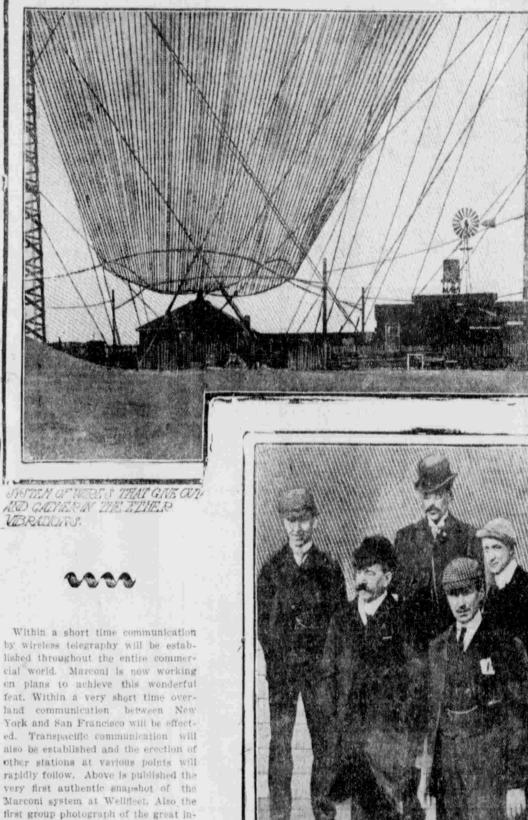
I believe it to be safe to say that in America public confidence in Mr. Morgan's group of financial operations was not positively shaken until first the Northern Pacific fight began to make people wonder what were the limits of conservatism, and laler the encoded in the state of the

remarkable financial operations of the teel trust and the Louisville and Nashville greatly emphasized such doubts. The story of the Northern Pacific struggle is sufficiently well Pacific struggle is suffic known to English readers.

The point to which attention should be called in this connection, however, is that the public began to ask how operations could possibly be conserva-tive which involved the tossing of cap-ital into the stock market at so crazy ale of prices

Old hands used to say in Wall street, when the rise of Northern Pacific from to 1,000 was in progress on the stock xchange, that Mr. Morgan, at any ate, was indulging in no such mad astime. He was then in Europe, and, was said, could not have approved a action. But later, in the Peter Powers suit, Mr. Morgan testified that he himself gave the buying order. The orders could not possibly have resulted in anything but the disastrous corner, which, as a matter of fact, ensued The New York public has never for given Mr. Morgan this he has never since enjoyed the reputation for con-servatism which was his before. I know that the reader will find nothing of this in the American newspapers and correspondence, but it is frue and correspondence; but it is true, and every Londoner who mixed in Wall street circles last May and June

knows it to be true. The steel trust scheme to convert \$200,000.000 preferred shares into bonds has from the first been regarded as a Morgan move. One of Mr. Morgan's own closest associates said flatly, when the conversion was blocked by injuncMARCONI PLANS TO COVER WHOLE WORLD WITH HIS WONDERFUL SYSTEM,



ventor and his assistants.

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inevitable increase in competition. A trust might start with all the in the world to put up prices to gold value, but it must inevitably come to for enlarged profits in other directions. In fact, experience so far goes to show that the trust system

tends rather to cheapen prices than to raise them. Indeed, information received today rom the United States shows that fully three-fourths of the increase in stee production during the last two years is lue to independent makers. It is stated

in the best informed circles that the trust now controls barely one-half of the steel output, whereas the popular estimate at the period of the formation of the trust allotted it 75 per cent of the total ouput. In addition to this, the price of certain lines in steel has been recently reduced, in spite of strenuous opposition from the trust's managers,

and this again is due to the competition of the independent mills. The steel trust, then, wields no magic power.It can neither establish a monopoly nor regulate prices, except to its own hurt. It is just a big business which has to go out into the market and compete with other big businesses. The only difference is that it has a hugely inflated capital. It acquired the constituent businesses at a very high valuation, and it asked from the public a valuation so high as only to be justi-fied by the assumption that good trade and high prices are to last in the Unit-

ed States for ever. But on the stock exchange its 100dollar preference shares which were is-sued, it is believed, at about 90, are

UTAH'S LONDON COLONY.

Wall-street man remarked at that time, speaking of the foolish conferring of such titles on the Ferdinand Wards of Wall street. "He is," a bystander replied, emphatically; "and he has got his troops into Warsaw." This opinion, so far as concerned the

outlook for the promotions thrust thus helter-skelter on the market, was very general, and it was correct. The reasons why such convictions were not courageously outspoken are a little curlous. One was the belief of the average financier that the schemes were bound to succeed, and that therefore it was unwise to oppose them. But much more than this, the silence

and criticism during the operations of 1901 are to be explained by the extraordinary attitude of the press.

It is probably not understood abroad -it is, in fact, not generally known even in America-that the press of New York has been virtually gagged as to criticism of these operations. The statement may, I think, be made without qualification, that, outside of the sensational papers, which, of course, have no financial standing, there are not more than two newspapers in New York, daily or weekly, which have dared to tell the truth regarding these later promotions. It is within my per-sonal knowledge that editors of some later promotions. highly respectable and important newspapers have in private conversa-tion freely professed their dislike of these schemes; yet they have contin-ued to approve them in print. The explanation is threefold: first, and least objectionable among the rea-

ceived an ovation, many who were in the audience crowded into the artist's

room and begged Monsieur Archain-

AT HAGUE.

legal authority and

sons, is the curious idea which has pre-valled in this country during the last two years, that to criticise any of what | breathing-space?'

Yet the announcement of this conver sion scheme was a heavy blow to public confidence in this and kindred promotions.

The feeling, both in and out of financial circles, has been that this conver-sion scheme was undertaken for the purpose of helping out certain large subscribers to the Steel trust amalgamation who were unable to sell their stock except at heavy sacrifice, and who, therefore, were to be provided with bonds at the expense of the company's credit. It is perfectly safe to say that the

outside public now regards this con-version scheme as utterly indefensible, especially when inaugurated by the proposition to pay \$10,000.000 outright to a Morgan syndicate for the service a Morgan syndicate for the service

of guaranteeing the conversion. My readers will not, therefore, wonder that when the new amalgamation and conversion operations came on the and conversion operations came on the market this autumn they were received in a frame of mind very different from that of eighteen months before. In-deed, the change in public sentiment from the time when the Reading and Jersey Central were combined at the decay the decay when the read inner close of 1990, and when the steel trust itself was formed in the ensuing March. to its attitude at the present time to-wards such operations at the shipping trust flotation and the Louisville and Nashville deal, is one of the most striking and dramatic in the history of the American market.

The present Wall street comment on this entire financial group may be summed up tersely as follows: "Why "Why can they not leave us alone a moment and give our shaking money market a

her. One who was present writes me that "she was perfect, that is all I can

soy." She has received many flatter ing offers to return to Parls next winter

song. When she had finished she re- | baud, her teacher, to present them to

yarns in the forecastle. The first year of his mission was spent in the French part of Switzerland, but when that

mission was closed sixteen months ago.

MARCONT AND MIS ASSISTANT

missionaries are once more hard at work, and notwithstanding the fact work, and notwithstanding the fact that our numbers are greatly reduced and three of us are without compan-ions, the prospects of the London con-ference have not been brighter for a long time. There seems to be a spirit of investigation abroad and people are opening their doors to us on every hand. This is very gratifyin~ as this great city of London has generally been con-sidered a rather barren field. tunity to learn all about marine navi-gation, as he will dine with the officers of the boat, and will have ample op-portunity to hear the "old tars" spin sidered a rather barren field.

Elders Sampson, Knowles and Chas. H. Smith, who have been laboring in this conference for the last two years, returned home in December, and Elder Jno. D. Hughes sails from Liverpool some time in February, after having labored a year in Wales and fifteen months in the London conference. Elder Hughes is an artist who will very likely be heard from in the near future.

he was transferred to England. Elder Andrew Jensen is spanding a few days in London, collecting Church historical dats, and incidentally, visit-ing some of the places of interest to be seen here. He is accompanied by his

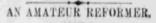
wife, who recently came over from Utah to visit her relatives and travel in He spent a number of years in the art Europe with her husband. Next week schools of Chicago and made portrait they will continue their journey to

painting a specialty. Elder Roy D. Thatcher of Logan has been hono. ably released and has accepted an invita-tion to return home on the freight boat Ottoman. He thinks it a good oppor-Elder Roy D. | Holland, Germany, and the three Sea. linavian countries.

TROK CONTRACTION AVIAT GAST ENVIR.U. DELL

Last week Eldrs Wm. R. Horne of Richfield, Chas. H. Aebischer of Logan, Heber J. Webb of St. George, Samuel Alien of Goshen and J. F. Barton of Bluff, Utah, passed through London on their way to the Continent to fill missions. Elders Horne and Aebischer were headed for the Netherlands, while the other brethren proceeded to Switzerland via Faris.

Our latest arrival from Zion is Elder Claude T. Barnes, and he has been ap-pointed to jabor in Hammersmith, with the writer. TRACY Y. CANNON.



An oblong piece of colored paper, printed and filled out in due form and signed by the postmaster at Morgan-town, instructed the postmaster at Chicago to pay to Henry M. Gwilliams the sum of \$1.65.

A tall, lanky person who had dropped In at the postoffice presented it at the

The clerk read it through carefully and looked at the lanky person with some suspicion.

Are you Mr. Gwilliams?" he demanded.

"Yes, sir." "H'm! Who sends the money to you?" "H'm! Who sends the money to you?" "Harrison Hilker, Morgantown, state of Kentucky. He's a man, if I remem bêr rightly, with a firizly mustache, wart on each side of his nose, sandy complexion, blue eyes, pleasing expression of countenance, good talker, voted for Bryan in 1990, but believes in the gold standard. This money was sent to balance a legal account of long standing-"

"I don't care for any of that," intered the young man on the other side " the glass partition, "Have you pa-pers or anything of that kind about you a or anythis to identify you as owner of this order?" "Here's the letter it came in," said the person professing to be Mr. Gwil-lams, "You can see the name on the "Anything else?"

"Oh yes."

Here he laid the contents of the inor breast peaket of his coat before

"That's a letter from a cousin in ows," he sentained, pointing out the no on tep of the plic, "Receipted bill rem gas company. Here's my bank-Towa." ame. I think, agrees with name arder. Letter from client on side. Involved in suit over Invitation to club ban-Une Tench Circular from proprietor of wire factors, offering to-" guess that'll do.

want you to be satisfied. It's a serious thing to pay out a dollar and six bits-or is it four bits?-to a total stronger who hasn't anything but an honest face and a few documents to recommend him. Here's---"

told you I was satisfied. "But Fm not i want to make the proof overwhelming." He took a dozen or two of his profeesional cards from a small moroccu

That's all I have with me," he said, "That's and i have the use of your tele-but if I can bring the offlee boy here in theme I can bring the offlee boy here in en minutes with a hundred more-"" "Don't set funny. I told you the nuffication was satisfactory. Quite sure?" Yes, str.

enause if you are not-

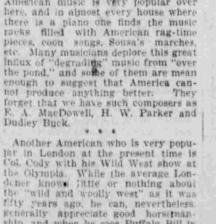
"Pieuse let that lady behind you_" "Ah' Beg pardon, ma'm. I hope you will not have as hard a job in estab-ushing your identity as I had." He raised his hat, gathered up the or-der on the cashler which the clerk had shound at him evaluated his decument. shoved at him, replaced his documents in his various pockets and moved (0ward window No. 25 .- Chicago Tribune,

Theatricals in the World's Metropolis-Sousa Turning People Away-Miss Emma Ramsey's Continued Success-Movements of the Missionaries. cial Correspondence. "Good-bye Dolly Gray" does get rather undon, Jan. 12, 1903 .- The year 1993. tiresome after having heard it every day for two solid years. As usual, he be an interesting one for London's is playing to crowded houses, indeed, hundreds are being turned away every rs of the drama, the chief anticiing interest resting in the foreign night, so great is the demand for seats. American music is very popular over has promised by the leading man-

is. Mr. Tree will produce Tolstoi's ection;" Sir Henry Irving will sen in Sardou's "Dante," at Drury e, and it is probable that Mr. Alexar will find a successor to "If I Was in Forster's "Alt Heidelberg." s also possible that Sir Charles naham will appear in Mr. Alfred as's "La Chatelaine," and there are ors of the production of Ibsen's Vikings," by Miss Ellen Terry, is the foregoing most of the leadive dramatists will be representpresent that truly great Eng-ber, Mr. Forbes Robertson, Is "Othello" at the Lyric, while atomine "Mother Googse," with comedian, Dan Leno, g the children, old and hury Lane, Mr. Robertson Gertrude Elliott are rehears ng's "The Light That Failed."

II he the first time that has been seen on the stage. creating much interest ng his many admirers.

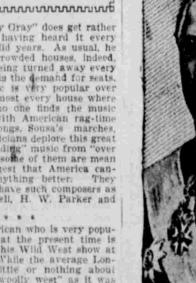
has and his band have come to h and threaten to give the organ thank him if he does, for really,



ship, and when he sees Buffalo Bill in a fierce encounter with an Indian brave he becomes as enthusiastic as a college student at a football game. Word comes from Paris of the suc-

cess Miss Emma Ramsey is enjoying. She has recently been doing some con-cert work which has brought her most favorable criticism from both musicians

ceived such a storm of applause when she stepped on the stage, that it was



national

and the public: indeed at a concert where she sang the other night she rebefore she could begin her before The Hague court.

and do concert work, but I understand she has not yet decided just what she will do. She expects to return to U ah next April or May, and will perhaps be heard in most of the larger cities of our state. Camille Erlanger, one of the oremost composers of Paris, and strong man at the opera comique, i very much taken up with her voice He thinks her singing so artistic that he has asked her to introduce some of his new songs. Miss Ramsey was in London for three weeks last summer. and her singing delighted every one of us. She is a thorough musician and impresses one with the character sh puts into her singing. She is one wh pleases the musician as well as the public, and like all true artists, the more you hear her sing the better you like her. Unlike any of our oth Note ner. Unlike any of our other young singers, she has had the advan-tage of both the German and the French schools, having spent two years in Berlin before going to Parls. She has, without doubt, a great future be-fore her, for one who could overcome the obstacles she has successfully met as a student and hence new doubt of the student. as a student, and being possessed of an extraordinary musical perament, is sure to succeed as an art

At a concert in Croydon this week Miss Nannie Tout is going to sing Coleridge-Taylor's "Spring Has Come," and the composer will accompany her on the piano. That reminds me, by the way, that the Royal Choral Society will sing "Hiawatha" on the twenty-eighth in the Royal Albert Hall. This means that there is a rare treat in store for that there is a rare treat in store fo us as the music which Coleridge-Tay for has set to this beautiful poem is superb, and Sir Fred. Bridge is certain to give an excellent rendition of it. Mr Visetti has been agitating the question of giving Miss Tout a free scholarship All the professors realize that she is

Prof. De Martens, the famous interworthy of one, but the great drawback is that she is not a British subject and membe of The Hague arbitration tribunal, will they are afraid that if they favor her in this way a very dangerous precedent probably be one of the distinguished international jurists selected to try the Venezuelan controversy when it gets will be established.

Now that the holidays are over the



John Singer Sargent, R. A., one of the world's most famous portrait' painters is in the United States. It is the first time he has visited his native land since 1898. Mr. Sargent is here to paint President Roosevelt's portrait. The picture is for the historical series of United States presidents.