McClure's Magazine February, 1905

Rhode Island: A State for Sale

What Senator Aldrich Represents—A Business Man's Government Founded Upon the Corruption of the People Themselves

THE political condition of Rhode Island is notorious, acknowledged, and it is shameful. But Rhode Islanders are ashamed of it. There is the shining truth about this state. Not many American communities are so aware of their political degradation, none has a healthier body of conservative discontent; and the common sense of this good-will, unorganized and impotent though it is, makes the Rhode Islander resent the interest of his neighbors. "Our evils are our troubles," he says; "they don't concern the rest of you. Why should we be singled out? We are no worse than others. We are better than some; we want to set things right, but can't. Conditions are peculiar."

This is all wrong. The evils of Rhode Island concern every man, woman, and child in our land. For example:

The United States Senate is coming more and more to be the actual head of the United States government. In the Senate there is a small ring (called the Steering Committee) which is coming more and more to be the head of the United States Senate. The head of this committee is Senator Nelson W. Aldrich, who has been described as "the boss of the United States," "the power behind the power behind the throne," "the general manager of the United States." The fitness of these titles is questioned, but it is a question of national politics, and all I know to the point in that field is what everybody knows: that Senator Aldrich, a very rich man and father-in-law of young Mr. Rockefeller, is supposed to represent "Sugar," "Standard Oil," "New York," and, more broadly, "Wall Street"; our leading legislative authority on protective tariff, he speaks for privileged business; the chairman of the Senate Finance Committee, he stands for high finance. These facts and suppositions, taken together with the praises I have heard of him in Wall Street and the comfortable faith he seems to inspire in business men all over the country, suggest that we have in Senator Aldrich the commercial ideal of political character, and—if not the head—at least the political representative of the head of that System which is coming more and more to take the place of the passing paper government of the United States.

What sort of a man is Senator Aldrich? What school of politics did he attend, what school of business? What kind of a government is it that forms the traditions and perhaps the ideal of the most powerful man in our national legislature? What kind of a government does he give his own people in his own state? In brief, what is the System that he has produced and that has produced him? These are questions of national interest, and Rhode Island can answer them. Mr. Aldrich is the senior senator for Rhode Island and Providence Plantations.

And Rhode Island throws light on another national question, a question that is far more important: Aren't the people themselves dishonest? The "grafters" who batten on us say so.

Politicians have excused their own corruption to me time and again by declaring that "we're all corrupt," and promoters and swindlers alike describe their victims as "smart folk who think to beat us at our own game." Without going into the cynic's sweeping summary that "man always was and always will be corrupt," it is but fair while we are following the trail of the grafters to consider their plea that the corrupt political System they are upbuilding is founded on the dishonesty of the American people. Is it?

It is in Rhode Island. The System of Rhode Island which has produced the man who is at the head of the political System of the United States is grounded on the lowest layer of corruption that I have found thus far—the bribery of voters with cash at the polls. Other states know the practice. In Wisconsin, Missouri, Illinois, and Pennsylvania "workers" are paid "to get out the vote," but this is only preliminary; the direct and decisive purchase of power comes later, in conventions and legislatures. In these states the corruptionists buy the people's representatives. In Rhode Island they buy the people themselves.

The conditions are peculiar. As the Rhode Islanders say, their state is peculiar in many ways. But it is American. The smallest of the states, it is one of the biggest in our history. Poor in soil, it is rich in waterways, and the Rhode Islanders, turning early from agriculture to manufacture, made goods which they sent forth from their magnificent harbor to all the world in ships that brought home cargoes of wealth. One of the New England group of colonies, Rhode Island was founded as a refuge from the Puritan intolerance of Massachusetts. One of the "Original Thirteen states," it was the first (May 4, 1776) to declare its independence of Great Britain, and the last (May 29, 1790) to give allegiance to the United States. So the American spirit of commercial enterprise and political independence has burned high in Rhode Island. There is nothing peculiar about that, and there is nothing peculiar about the general result of the corruption of the state.

Rhode Island is an oligarchy. But so were Wisconsin and Illinois and Missouri, and so are New York, Pennsylvania, and New Jersey. The oligarchy is the typical form of the actual government of our states. There is one peculiarity about the Rhode Island oligarchy, however. It is constitutional. The oligarchies of other states were grafted upon constitutional democracies. Rhode Island never was a democracy, and in that peculiarity lies the peculiar significance of this state to the rest of us.

Rhode Island has a restricted suffrage. Many a good American thinks that if we could "keep the ignorant foreigner from voting," and otherwise limit the suffrage to persons of property who would have a direct, personal, financial interest in government, we then should have good government. Should we? Rhode Island can answer that question. Again, many "thinkers" have thought that it was the wicked cities with their mixed populations which have degraded and disgraced us, and that if we could but devise some scheme of representation by which the balance of power could be given into the honest hands of the good old American stock out upon the healthy countryside we then should be saved. Rhode Island has such a scheme. The significance to the rest of us of the story of Rhode Island lies in the fact that its essentially typical condition was reached under extraordinary circumstances, which some "leading citizens" in other states think would correct their evils.

"Leading citizens" have made Rhode Island what it is. They always have ruled there. I have called the state an oligarchy. It used to be an aristocracy. "Freeholders" and their eldest sons alone participated in the colonial government under the charter of Charles II, and after the Revolution, when all the other states adopted constitutions, Rhode Island went on under its royal charter of 1663 and an "unwritten constitution" till 1842. I cannot stop to describe this "landed

aristocracy" in an American state. It is sufficient that it closed with the Dorr Rebellion. The abuses were so intolerable that the people, the patient American people who have submitted to Croker, Quay, Cox, and other despots, rose in open revolt.

The next experiment was a "commercial aristocracy." The constitution of 1842 "extended" the suffrage from holders of real to those also possessed of personal property—if they were native born. The "foreign vote" was restricted as before to real estate holders till 1888, when personal property qualified a foreign-born as well as a native voter. The "mob," which owned nothing and paid no taxes, was allowed to vote, but only upon registering four months before election and then not "upon any proposition to impose a tax or the expenditure of money." These registered voters, for example, cannot vote for members of city councils.

The most effective restriction of the suffrage, however, was established in the constitutional scheme of disproportionate representation. The governor, elected by a majority (now by a plurality) of the voters of all classes, was made a "pure executive"; he had no veto. All legislative powers were lodged in the General Assembly of two houses. The lower branch, the House of Representatives, is limited to seventy-two members, no matter what the population may be, and while each town shall have at least one representative, no city may have more than one-sixth of the membership. This is undemocratic enough, but the Senate, says the constitution, "shall consist of one senator from each town and city in the state."

Here is the crux of the situation. A town in Rhode Island is what is known to most of us as a township. There are thirty-eight "towns and cities" in the state. Their population in 1900 was 428,551. Of this total, 36,027 lived in twenty towns. Thus less than one-eleventh of the people of the state elect more than five-tenths—a majority—of the Senate. Providence, with 29,030 qualified voters, has one senator; Little Compton elected one, one year, by a unanimous vote of seventy-eight. There are fourteen such "towns" with less than 500 qualified voters; there are twenty with less than 2,000 each. Thus was the sovereignty of the state put into the hands of the "good old American stock, but in the country."

What happened? The "best people" continued to rule. The "best people" of the period after the new constitution were manufacturers, but their fine old houses stand today as witnesses not only to their wealth, but also to a refined taste. There can be no doubt that they came as near forming a real aristocracy as commercialism can produce! They certainly were just the kind of men that many theorists say should have control of government. Well, they got control in Rhode Island. How? With money. Aristocrats though they were, they were business men first, and they went after the key to control in a businesslike way. They bought up the towns. The "best people" sent offers of bribes to the good people of the countryside, and the good people took the bribes and let the best people run the government. It was a commercial aristocracy that corrupted the American stock in Rhode Island and laid the foundation of the present financial and political System of corruption in the state.

This class ruled till well down into the eighties, and its leader, Senator Henry B. Anthony, "discovered" and promoted Nelson W. Aldrich, his successor, who represents the System, and General Charles R. Brayton, the boss who developed and directs it. Since Anthony's time, the latter-day business man—he who makes, not cotton goods, but money—the captain of finance, has succeeded to the control, but he has not disturbed the foundation stone of the System. He also rules with money. He, too, sends bribes to the towns of Rhode Island, and to him also the good "country" American has surrendered his sovereignty. There is no doubt about this. The corruption of the voters of the towns of Rhode Island is so ancient and so common that Governor Lucius F. C. Garvin addressed in March, 1903, a "Special Message concerning Bribery in Elections to the Honorable, the General Assembly," etc.:

Gentlemen: - . . . That bribery exists to a great extent in the elections of this state is a matter of common knowledge. No general election passes without, in some sections of the state, the purchase of votes by one or both of the great political parties. It is true that the results of the election may not often be changed, so far as the candidates on the state ticket are concerned, but many assemblymen occupy the seats they do by means of purchased votes.

In a considerable number of our towns bribery is so common and has existed for so many years that the awful nature of the crime has ceased to impress. In some towns the bribery takes place openly; is not called bribery, nor considered a serious matter. The money paid to the voter, whether two, five, or twenty dollars, is spoken of as "payment for his time." The claim that the money given to the elector is not for the purpose of influencing his vote, but is compensation for time lost in visiting the polls, is the merest sophistry, and should not deceive any adult citizen of ordinary intelligence. It is well known that in such towns, when one political party is supplied with a corruption fund and the other is without, the party so provided invariably elects its Assembly ticket, thus affording positive proof that the votes are bought and the voters bribed. . . .

This startling official arraignment had no appreciable effect within the state. It was too true. But the message attracted outside attention, and Mr. Edward Lowry, of the *New York Evening Post*, and Mr. Waldo L. Cook, of the Springfield (Mass.) *Republican* made investigations so thorough and reports so complete that, though I went over the same ground with more time and more deliberation, I found nothing to correct and little to add to their facts.

Nine of the towns are absolutely purchasable; that is to say, they "go the way the money goes." Eleven more can be influenced by the use of money. Many of their voters won't go to the polls at all unless "there is something in it." But there need not be much in it. Governor Garvin quoted a political leader in one town who declared that if neither party had money, but one had a box of cigars, "my town would go for that party—if the workers would give up the cigars." In another town one party had but one man in it who did not take money, and he never voted. A campaign marching club organized for a presidential campaign paraded every night with enthusiasm so great that the leaders thought it would be unnecessary to pay for votes in this town; few of the members voted. Another time, when no money turned at a state election, one town, by way of rebuke to the regular party managers, elected a Prohibition candidate to the Assembly.

Both parties buy votes, and though the practice seems to have destroyed completely all loyalty to the state, some loyalty to party remains in most of these towns. But even this sentiment is mercenary. The Democratic leader of a Democratic town told me that he has to pay something always. "For instance," he explained, "my town is all right. The Republicans can come in there with more money than I have, and I still can hold it. Suppose they have enough to pay ten dollars a vote and I can give but three; I tell my fellows to go over and get the ten, then come to me and get my three; that makes thirteen, but I tell them to vote my way. And they do. And the Republicans do the same in their solid towns when we go in to outbid them." Another instance stated to me by a campaign manager was the experience of a "respectable business man" who lived in a town that usually "went wrong." The manager wanted to carry that town, and he asked the business man to do it. "I offered him a few hundred dollars," he said, "and he wouldn't take the money at first; said it would be of no use among the kind of men he could influence. But I

got him to try it, and after election when he came to report he had learned something. He had spent most of the money, and he was astonished at the character of the men who took such money. 'Why,' he said, 'they took it as easy as you please.' They asked why we hadn't done that before. They said they were willing to vote our way if only we would make it interesting!"

This "respectable business man" discovered the most depressing development of the Rhode Island practices- the kind of voters that take bribes. They are Americans; others, too, but the worst of these rotten boroughs are the "hill towns," so called because they lie back away from the harbor and river and "big cities," up on the hills. There is the American stock pure; too pure, some apologists say; the hill towns are called degenerate. Maybe they are. The population of many of them has decreased slowly, but pretty steadily, for a hundred years. "The most courageous of the people have gone out," you hear, "and little new blood has gone in." But that only proves the point. These pure Americans are corrupt. Another consideration to be weighed is that the temptation has been severe and long. With so much power to bestow, their votes have been eagerly sought, as very valuable. But this accident only explains, perhaps, why other, more populous districts elsewhere are not corrupt; they have not been tried. It is cheaper in Providence to bribe the opposition leaders, and in Missouri and Wisconsin to wait and buy the select men of the people, not the people. Where the people are tempted, in the country "towns" of Rhode Island, the people sell out. And Rhode Island proves the willingness to buy. The respectable business man, who was astonished at the standing of the men who sold, was ready enough to buy, and he did buy, and he had no astonishment for his own conduct. Bribe-giving is "not so bad." Some men who talked to me of their vote-buying knew and said, and one of them plainly felt, that it was a shameful practice, but they all regarded it as necessary. Governor Garvin referred once publicly to a "district judge" who so regarded it, and so notorious is this case that a dozen men named the judge to me. The Democrats, who, being out of power, stand for reform and a new constitution, do not see how they can get control long enough to make the needed changes without more money than they can raise in the state, and the hope of some of the leaders is that an exigency will arise, say in national politics, which will enable them to collect enough "outside capital" to buy up the state for their party.

Bribery, bribery of the people, is a custom of the country in Rhode Island; it is an institution, and, like the church or property, it is not safe to attack it. This may sound preposterous, and there is a public opinion against the custom, but the country clergy, as Mr. Lowry showed and as Bishop McVickar of the Rhode Island diocese of the Episcopal Church confirmed, do not denounce bribery from their pulpits; they do not dare. The bishop declared that the country clergy could not "speak out without coming to financial grief and ruin," and he proposed "doing something, so that no one will dare threaten local ministers with the loss of their positions." What does the Bishop mean by such language? "It is an outrage on our civilization," he added, "that young men of the church with high ideals should be put under the ban of the power of political immoralities and forced to acquiesce in evil for the sake of their families."

The good bishop was pointing, when he spoke thus, at the System, of which this bribery institution is the cornerstone. Back of the vote-buyers are the most powerful interests of the state, the friends of "all that is," and even Bishop McVickar has been unable to do the "something" to free the clergy. The head men in the churches, the leading citizens in the state, the captains of finance and industry, won't let the clergy "preach politics"; they may preach the Gospel, not morality, not practical morality.

What is this precious System that can compel the respect, of silence at least, even from the Church? It is just such a typical financial political organization as we have seen in other

states, only plainer; as General Brayton, the boss, says: "bad, but not a bit worse than in many other states. Because Rhode Island is small, you can see things better; that's what makes the difference." But that is a most encouraging difference to those who want to see things better. Business men are back of the politicians that rule most corrupt states; in Rhode Island they are in plain sight, and everybody knows them and their operations. Here, also, there are politicians to "do the dirty work," but the very politicians in this state are not of the "low-down" sort. They are not "Irish immigrants"; the Irish are in opposition here. Nor are they saloonkeepers and keepers of disorderly houses, gamblers, and the "scum of the earth." So purely a business government is this that the officers and legislators, the bosses and the leaders, are typically native-born citizens of professional and business occupations. General Brayton himself comes of a fine old Rhode Island family, with a revolutionary record and a line of sons reaching from the Supreme Court bench to Congress; the boss went to Brown University and served with credit in the Civil War. Though he had himself admitted to the bar apparently only to enable him, as a St. Louis grafter put it, "to take fees, not bribes," none the less the boss is a lawyer.

And he is a "character." He is old now, blind, and some of his political friends said he was mentally weakened. I think they feared his candor; though, when I called, his relatives, after consulting with him, and reporting that he felt he had better not talk, they put the refusal on other grounds. It is better so, for whereas I make it a rule to treat such interviews as confidential, Mr. Lowry had his for publication, and here it is, a remarkable outline of the Rhode Island government by General Brayton himself:

"There is a lot of talk of bribery here, but . . . I don't think there is much outright votebuying done; the voters are paid for their time, because they have to leave their work and come down to the polls. Sometimes that takes all day. The Republican party shouldn't be blamed for the present state of affairs. The Democrats are just as bad, or would be if they had the money.

"The manufacturers in the state are really to blame for present conditions. If they would only hang together and wanted to do it, they could clean out the state in no time at all. They give to the Republican campaign fund in presidential years, but usually when you go to them to get money for state elections they say: 'Oh! we'll take care of our town'; so in that way all of the towns in the state are peddled around, each manufacturer caring for his own town. Some of them haven't treated the party just right. The Republicans have never passed any legislation that would bother them, like the ten-hour law and things like that, until there was such a strong demand from the labor people and the citizens that the party had to do it."

"What is your share in the forming of legislation and the passage of bills?"

"I am an attorney for certain clients and look out for their interests before the legislature. I am retained annually by the New York, New Haven and Hartford Railroad Company, and am usually spoken of as 'of counsel' for that road. Of course, I don't have anything to do with damage suits or matters in relation to grade crossing. As everyone knows, I act for the Rhode Island Company (street-railway interests), and I have been retained in certain cases by the Providence Telephone Company. In addition to these I have had connections, not permanent, with various companies desiring franchises, charters, and things of that sort from the legislature. I never solicit any business," added General Brayton, without a smile. "It all comes to me unsought, and if I can handle it I accept the retainer."

"What is your power in the legislature that enables you to serve your clients?"

"Well, you see, in managing the campaign every year I am in a position to be of service to men all over the state. I help them to get elected, and, naturally, many warm friendships result, then when they are in a position to repay me they are glad to do it." The elected governors of Rhode Island are called "administrative mummies." They have sat for years without power and without homage in the state-house, while across the hall, in the office of the High Sheriff, Boss Brayton was the state. He directed the General Assembly. His word was law. He did not have to "dicker, trade, and buy," there was no "addition, division, and silence" for him. He handled the campaign funds of "the party," and with them the voters were bought at the polls. The legislator returned by the electors came bought. When the time for local caucuses was approaching, the party leaders came down to Providence to get money for expenses from Brayton.

"How much do you think you will need?" he would ask.

"Oh, say \$500."

"Five hundred dollars to carry that town! Who's your man for senator?"

The leader would tell him. If the local candidate suited Brayton, a bargain was struck as to the amount; if not, he would say pointedly: "I guess there isn't any money for you this year."

The leader then had to go back and pick out another candidate, or, perhaps, Brayton would give him a suggestion which the "other fellows" would have to "agree upon." At any rate, Brayton had to be satisfied or the party got no money for expenses.

When the General Assembly met he directed its labors, and his masterfulness is unprecedented. A good-natured, generous man, he adopted a cross, surly tone, which, alternating with kindness, made men fear and like him, too. Not at all vindictive, he punished severely as a matter of policy. If a member of the legislature disobeyed him, he would say, "That man sha'n't come back," and that man rarely could be renominated and reelected. He was very open, and hundreds of anecdotes are told to illustrate his methods. The *Springfield Republican* reported two, which are well known. Once, when the House of Representatives was in prolonged session, Brayton became hungry. "D—it!" he exclaimed, "who is that fool talking in the house? It's lunch time and past. Sheriff, go in and see that the house adjourns."

The house adjourned. Another time, this conversation was overheard between the angry boss and a most humble Republican floor leader:

"D—it, can't I have a little bill passed when I want it?" said the boss.

"But, General, I didn't know you were interested in that bill."

"Well, I am, and I want it passed right away."

That little bill was passed right away.

"Where's Senator —?" said the boss in his blindness one morning when he arrived in the state-house.

"In the Senate," said someone. "Get him," said Brayton. "Bring him here. I want him to lead me out to (let us say) drink."

Such was the discipline of a coarse man made peevish by too much power. The only wonder is that men put up with it. But Brayton could reward, too. He had "success" as well as "failure" to bestow. The General Assembly "elects" judges, sheriffs, and fills most of the offices in between. It is the road to success, and Brayton has made it a rule to send on to these higher offices, even to the Supreme Court of the state, men who have served him in the General Assembly, thus controlled and thus disciplined. The law allows legislators to serve as district judges while sitting in the legislature, and they do. The effect on the courts of all this is not for me to discuss (it is said to be "not so bad as you would think"). The effect on the legislature is to make it absolutely subservient to the boss, who really appoints to all these offices, and thus controls all the patronage of the state. More than that, he has business to give—business that is not political. It puzzled me at first to find that there was so little bribery in a legislature so

corruptly devised. The pay of senators and representatives was small, and some of them served for years without the reward of promotion to the bench or any other office. The chairman of a most important committee explained it all frankly to me. There was some bribery, he said, but it wasn't typical. When he first opened his law office, a small corporation offered him \$5,000, besides his fee, if he could put through the legislature an amendment to their charter. William G. Roelker, the senator at the head of the committee that would decide, said it should not pass. The young lawyer did not know Brayton, but he went to him and told him all about his business.

"I told Brayton," he said, "just how it was; that I wanted that \$5,000, and after talking a long time to me, the General said he'd see about it; for me to come the next day. I went at the appointed time and Brayton was out. I was 'hot,' till a friend of mine came up and said my bill was through. Brayton had done it before he said he would, and when I offered to divide the five thousand with him, he nearly threw me out of his office. But he threw me into politics all right. He knew he was putting me under obligations forever; oh, he was shrewd all right. But wouldn't you go the limit for a man that gave you your first lift like that?"

I have heard thoughtful Rhode Islanders say that by such methods, by a cynical tone with young men and sneers at their college education and high ideals, by assisting them in "crooked business" and getting his corporations to employ the "good fellows" and ignore the "fools," General Brayton has corrupted more of the youth of the state than any man that ever lived in it— Brayton and his business backers—the men and interests he says he represents.

For Brayton was the front, not the head, of the System. Say what you will about the "boss," no one man can do what any American boss has done without the powerful backing of the "vested interests" of a community. Brayton had great personal power; he "organized" the Republican party; he systematized the corruption of voters; he chose legislators; he organized the General Assembly and ran it; he has gradually altered the government of the state. But he did not do this for his own uses. Brayton is not rich. He says himself that he took "fees" for legislation, but they were fees, not fortunes. The New Haven Railroad's annual retainer was only \$10,000. His fee for an ordinary bill was \$500. I know of one company that paid him as high as \$1,000, but that was for a piece of legislation worth, in Missouri, for instance, at least \$55,000. Like the voters of Rhode Island, like the local leaders, like the legislators, the boss of Rhode Island was cheap. "I often told him that," said one of his lieutenants to me when I had expressed this opinion, "and now that he is getting out, we'll raise some prices." Brayton was a bad and an able man, but he was a tool, and he realizes it now: "I have been the scapegoat of the party for twenty years."

Who are "the party" in Rhode Island? As I have said above, they are and they always have been the "leading business men" of the state. First the old aristocracy, then the old manufacturers, and Brayton's growl because they would not let him spend their bribery funds in their own towns is an echo of a past relationship. Then came the railroads, and the annual retainer of \$10,000 is what the scientists would call a rudimentary vestige of their interest. After steam comes electricity, and it is the electric railway men who are at the head of the government now. For, as General Brayton explained to Mr. Lowry, he serves others "with the understanding that when their interests conflict with those of the Rhode Island (street-railway) Company, the street-railway people are to have first call." So the Brayton government is a business government. The cost to the character of the people of the state is heavy, but never mind; Rhode Island has what honest business men of this country have long honestly said we ought to have in all states and all cities in the United States, a business government—of the business men, by the business men, and for the business men. What have the Rhode Island business men done with it?

The old aristocracy, we have seen, drove the people to revolt. The old manufacturers sought a high protective tariff, and they got it. The railroads sought rights, privileges, and property, and they got them in the way they preferred, by bribery, not by a fair contract with the state. This is what Rhode Island's older business rulers did with political power. Now for the "trolley crowd"; what have they done with it?

They financed it. They organized it into a company which they are selling to outside capitalists.

"They" are Marsden J. Perry, William G. Roelker, and the Hon. Nelson W. Aldrich. Perry is the business man. He began life a poor boy, had some sort of connection with a theatrical show, till, entering the chattel mortgage business, he made himself a banker, promoter, and finally Rhode Island's first captain of finance. He is really an able man, dangerous, but only because he is spoiled by power. Roelker is the lawyer. Counsel to corporations, he was after money, and when they all got that he retired to play at Newport. Aldrich is the politician of the group. He also began life humbly, as a clerk and bookkeeper, first in a market, then in a wholesale grocery business, and in this he worked up to a partnership. Thus he was a business man originally—he is yet, for that matter—but business men in Rhode Island do not neglect politics, and Aldrich became alderman, legislator, speaker of the house, congressman, and, finally, senator. Having served it step by step, this leader of the United States Senate may truly be said to be a product, as he is now the supreme head, of the Rhode Island System.

There were others concerned with these three men, but they, representing the business, the law, and the politics of the state, conceived and carried to success a scheme to buy up, equip with electricity, and not only run, but finance, the old horse-car lines of Providence, Pawtucket, and, later, of the state. The first steps were taken in secret, but I understand that the plan originated with Perry. He was getting interested in public utilities and had put a lighting deal through the (business men's) city council of Providence. While he was thus in touch both with finance and politics, he had neither the capital, credit, nor political power needed for such a scheme as this. You don't have to have money for big as you do for small business; influence will do, financial and political "pull," Aldrich had both. As the highest representative of political power in the state, its senior senator should have been the man most to be avoided and feared. His duty, if he took any part at all, was to see that the interests of the state were protected. But that is a moral, not a practical view to take of business and politics. Aldrich, as the senator for Rhode Island, had gone to Congress as the representative of protected, that is to say, privileged, business. Indeed, it was as the representative of manufacturers of his state that he felt bound to make himself an authority on tariff legislation. And it was as such that the chairman of the Senate Finance Committee came in touch with Wall Street, the trusts, and the so-called moneyed interests. It was natural for a Rhode Islander to think of him for such business as Perry had before him. And Aldrich joined Perry; he became a partner in his scheme; he delivered Brayton and Brayton's System; and, besides the actual government of his state, Senator Aldrich brought, to back the scheme, capital from out of the state.

One of the explicit charges against Senator Aldrich was offered as an explanation of the scandalous campaign to elect about this time (1892) a legislature to return him to the United States Senate. It was repeatedly made by Colonel A. K. McClure, the editor of the *Philadelphia Times*, and never denied by Mr. Aldrich, who, however, says he never denies such things. Colonel McClure declared that Aldrich, as chairman of the Finance Committee of the Senate, added to the House tariff schedules one mill—worth \$3,000,000 a year to the trust—to the duty on Sugar. "When this bill came to the Senate," said Colonel McClure in his Boston speech,

"there was no open demand for an increase, but Senator Aldrich had a battle in Rhode Island, and it was a battle royal for cash. He had to be rejected to the Senate, and he gave an additional one-tenth of one percent to the sugar men, and the sugar men fought that battle in Rhode Island and reelected him."

Just as Providence people were wondering where the money for that campaign came from, so they wondered who the men were in the railway deal and where that money came from. The street-car stock was bought up at advancing prices, and Brayton's legislature was turning out bills to enable willing councils to grant franchises. Evidently they were powerful men, but all was a mystery till in 1893 the United Traction and Electric Co. was organized. Then Senator Aldrich appeared as president; John E. Searles (sugar) as vice-president; F. P. Olcott (Central Trust Company), treasurer; and Perry and Roelker as officers, directors, or stockholders in the subordinate companies; and the money proved to have been loaned by what is known in New York as the (Central) "trust company of the sugar crowd." The promoters issued \$8,000,000 of bonds to pay for the property they bought and to equip it with electricity, and \$8,000,000 of stock, which they divided among themselves, they and their outside backers, eight in all. But they were not yet through. Considering their inexperience in such business, Aldrich, Perry & Co. displayed unusual foresight. The scheme, still to be executed, was to gather practically all the public utility companies in and around Providence into one great parcel, "The Rhode Island Company," and, way back in 1891, their first legislation was a general act providing that any town or city might grant exclusive franchises. In 1892 the General Assembly passed special acts for such exclusive franchises to the street-railway, gas, and electric light companies. These franchises were to be for twenty years; they might just as well have had them for ninety-nine years, but it is amazing to see how often these public utility political business men all over the country have been satisfied with short-term grants. Apparently they thought only of a quick turn for cash. Perry, Aldrich & Co. made this mistake. It is said that they discovered it when they began to approach Philadelphia capital to sell out. Down there the captains of political industry had grants for 999 years, and they pointed out the defect in the Rhode Island charters. By that time it was almost too late.

Opposition was developing to this abuse of the powers of the state for private exploitation. The public, especially in Providence, began to ask questions and make demands. These demands were very moderate, and they seem finally to have resolved themselves into one—for a transfer system. Now, any expert street-railway man knows that transfer tickets wisely given increase traffic and profits, but President Aldrich was not such an expert. He was a "power behind a power," and he declared that the company could not pay interest on the bonds and dividends on its (watered) stock if the transfer privilege were granted. The absurd public continued, none the less, to regard this private business as a public convenience, and the cry was still for transfers. The company, which had got so much for little or nothing (a graduated tax of from three to five percent of the gross receipts), seeing that it might have to yield, looked about for something to get out of the public for the transfer privilege. Why not an extension of its twenty-year franchise? A bill was put through the ever-ready Greneral Assembly providing that a new contract, for transfers, etc., might be entered into by the companies and the City of Providence "for a term of not more than twenty-five years from the date of such contracts." Thus was the franchise to be extended. The trick was seen, and the public, having no effective representation in any branch of the government, resorted to mass meetings to prevent the city council from entering into the new agreement. The city council, composed, mind you, of business men, not of typical aldermen, and elected by a restricted suffrage, was a part of the state

System; it had been put up to ask for this bill; it had asked for it; and now failed to clinch the bargain only through fear of the extra-legal expression of the public will.

The next scheme appeared in an act (General Assembly, 1896) which provided for transfers at certain valuable central sites, which the city was to give to the company. This was no more preposterous than giving away miles of streets, but the public, again by sheer indignation, beat its own government. The transfer controversy went on for years, till 1902, and then the legislature required the company to give transfers, but only so long as five-cent fares were paid. The agitation for three-cent fares had arisen in other places, and the Rhode Island Company, under the guise of giving "free transfers," fixed the fare at a nickel forever. That was the purpose of the act. And the effect of the "free transfers" was a sudden upward leap of earnings!

Meanwhile the company had been extending its lines, procuring franchises, privileges and unlimited rights in all the cities and towns that it cared to "tap." I know no councils so "respectable" and I know few grants more ridiculous in their terms. That of Bristol, which is typical, gives the company every license, excepting that it is subject to police and health regulations which the town authorities shall prescribe. This sounds almost "socialistic" in Rhode Island, but a characteristic clause is added: "with the consent of the company."

But Aldrich, Perry & Co. were in this business to sell out, and they had to have a perpetual franchise. They got it, and the act by which they got it is the "smartest" piece of legislation that I know of anywhere. "An act to increase the revenues of the state" is the title. The company, having failed to pay to the city of Providence the increased tax due, was being annoyed by public clamor, and irresponsible persons were beginning to take up the franchise tax notion. To head off all such dangerous radicalism once and forever, the company's legislature put a state tax of one percent on the gross earnings of all street-railway companies, this to be "in lieu and satisfaction of all other taxes, excises, burthens, or impositions by or under the authority of the state." As in the Bristol franchises, as in the Providence transfer act, as in practically all such corporation legislation in this state, the law, however, was to become binding only when each company had given its consent.

But all this is by the way. The masterpiece of legislative treason—for it is no less—in this act, is the rest of this consent clause; which says that when the company has agreed, the act "shall be binding and in full force between the state and such assenting company, and shall not be altered or amended without the consent of both parties." Governor Garvin characterized this as an "irrepealable law." It is a contract between United States Senator Aldrich as the state and President Nelson W. Aldrich of the street railway company, by which, without the consent of his company, his state cannot tax his company or alter or take back its franchise. It passed, and is believed by the company to be what Boss Brayton calls it, a "perpetual franchise."

With this legislation, these remarkable men passed for themselves also a charter, a sort of onmibus grant to lease, buy, etc., etc., all gas, electric light, street-railway, etc., etc., corporations in the state. This also was irrepealable, unlimited, etc., etc.; it was for a company to "hold" the public utilities in the state, and the name thereof was, fittingly, the Rhode Island Company. Even Pennsylvania capital could ask no more than the Rhode Island captains of industry, politics, and law had to offer, and the deal was going through when a gross error was made.

There had been some outcry at the doings of the legislature of 1902, and to pacify the workingman a ten-hour law was enacted for street-railway conductors and motor-men. The company consented and notice was posted on the car barns. Suddenly the notice came down, and

Aldrich resigned the presidency of the company. It is understood that the "Philadelphia folks kicked; said they'd agreed to buy an eleven-hour road, and they wouldn't take a ten-hour road." The law was mandatory, but that didn't matter to the Rhode Island Company. They refused to obey the law. There was a strike. The men "had recourse to lawlessness," especially in Pawtucket. This was anarchy. The company was breaking a law itself, but that wasn't anarchy. Anarchy arises where other people break laws and injure my property. The company demanded police protection, such police protection as it had in Providence, where the state controlled the city police. Not satisfied with the conduct of the Pawtucket police, they had deputy sheriffs appointed and the militia called out to enforce the law (against the men). Thus the company won the strike, but the law that caused it stood. The courts were asked to declare it unconstitutional, but the courts could not see it so, and the company was in a bad fix. It was not without resources, however. Rhode Island has among its other preposterous institutions a post-election session of the legislature. The General Assembly meets in the winter, and having done all it dares, adjourns till after election day in the fall; then the expiring body, no longer answerable at the polls, does what the "power behind the power" directs. After the election of 1902 the General Assembly which had passed it unanimously killed that ten-hour law and threatened to take from the city and give to the state the control of the Pawtucket police!

Aldrich, Perry & Co. were in a position now to proceed with their business, and they moved fast. We need not follow them. It was all a matter of high finance. By a complicated process of stock transfers, leases (for 999 years), and "sales," all among themselves, but through the medium of several underlying operating and holding companies, they managed to develop a total capitalization of \$39,160,200, while they still left the control of the property in the Rhode Island Company, with a capital of \$2,000,000. Perry is president of this company, but the famous U. G. I. (the United Gas Improvement Co.) of Philadelphia owns it. What the promoter's profits are I can't reckon, and the brokers to whom I applied in Providence declared they couldn't; they said they didn't understand it all. This much is certain, however: Aldrich, Perry, and Roelker made fortunes out of it.

They made these fortunes out of their political power, but, as one of their defenders said, they did it without breaking a law or committing a crime. But how could they commit a crime? They were above the law. It was their law; they made it. True, they disobeyed the ten-hour law, but that was "necessary," and exceptional. As in Philadelphia and Pittsburgh, the System was so perfect that all they had to do, if they wished to commit a wrong, was to pass a law to make it right. This might take time, but wherever they could afford the time, they were patient. See how they waited, three or four years, for the irrepealable law that gave them their perpetual franchises! Of course, they abused the law; they abused their legislative powers in the General Assembly, but they did this in the interest of business. "This is a business country, and the government is there to help business." Is it? An ex-official of the United state Treasury Department, who now is a prominent banker, said that to me once, and it is a common view taken by business men of the corruption of government in the interest of business. But is that what "the government is there for"? I think not. I think that it is this legitimate, business graft, not police blackmail, which is the chief cause of our political corruption, but this is no place for "academic" reflections. The point is that this must be the view taken of political power by Marsden J. Perry, one of the typical captains of industry of the United States, and by Nelson W. Aldrich, the head of a state and of the United States Senate. Let us say, however, that because the chosen people of Rhode Island sold out at from \$5 to \$25 a vote the sovereign power of the state, their financial and political representative had a right to sell a part of that power to outside capital for some \$40,000,000.

The next question is, what did they do with the rest of their power? They ruled; how did they rule? Suppose that it was right for them to rule and, ruling, to grant themselves extraordinary privileges. We hear that we cannot have the services in politics and government of able business men without paying for it. Let us put this forty millions down as fair pay for the privilege Rhode Island had of being governed by the ablest business men in the state. What have the business rulers of Rhode Island given in return? The old manufacturers, having got what they wanted, a protective tariff, gave loyal allegiance to—what? To the state, to the United States? No, to "the party," to the Republican party. They let Brayton do as he pleased with the state. So with the railroad. The New York, New Haven and Hartford has "about all that it wants," but for "protection" in those bribe-bought rights, for license to break or "beat the law," it supports the System. That is the way it continues to pay the people of the state, by helping to keep the state corrupt.

And as for the Aldrich-Perry trolley crowd—their wants were very large and they were so exacting and so jealous that General Brayton often complained to his lieutenants about them; some people declare that the eleven-hour labor law was due to one of his revolts. And we have seen that he had to condition all his contracts for legislation with the understanding that the street-railway had first call. However, the street-railway did not want everything. What of the rest? Boss Brayton could do what he would with what was left. They didn't care apparently. And that was Brayton's business, to sell the rest. A man could go to Rhode Island and, if he respected the rights of the trolley crowd, he needn't pay any attention to the rights of the people of the state. Rhode Island was, and it is, a state for sale. In other words, these business men's business government was a government of boodle. Having their "legitimate graft," they let the rest be held for sale to other business men who applied with—fees. Incredible? What else did General Brayton mean when he said that in addition to his regular retainment by the steam and electric railways, he had "connections, not permanent, with various companies desiring franchises, charters, and things of that sort from the legislature"?

Senator Aldrich declared to me, in the face of all this, that his government of Rhode Island was "good government." Now, he means what men of his class usually mean by the term: an administration, convenient and liberal to business, but strict with vice and disorder, and free from scandals and petty police graft. The senator does not know whether this is true or not, nor does he care enough to inform himself. He is an inordinately selfish man, so selfish that in all the time I spent in his state I did not find, even among his associates, a single warm personal friend of the man. And as for the government of Rhode Island, General Brayton summed up the senator's attitude toward that when he told Mr. Lowry that Aldrich took no active part until "about a year or two before it comes time for him to be elected again; then he gets active."

It is true that in some of the cities and towns of Rhode Island petty graft has been neglected. At one time or another this evil has appeared among them, but the small business men selected for the council of Providence, for example, by a restricted suffrage, have offended chiefly on the side of supine indulgence toward larger business graft. Just now, however, the trains are laid for the development of this wretched political-vice business there, and a man who has the confidence of Mr. Ferry, and is in the pay of Senator Aldrich, is at the head of it; his patrons may not know it, but I believe they don't care, for the same man is corrupting Democratic leaders and wrecking the opposition organization; getting it to put up tickets so bad that the Republicans can win. The Democratic city of Pawtucket is subject to the corrupt control

of the Third Ward Democratic gang in combination with one branch of the local Republican organization, and when a Republican leader of another branch pleaded last fall with the state organization to cut loose from this connection, the answer he received was "not this year." "This year" a legislature was to be elected to return Aldrich to the senate. The worst case of "good government," however, is that of Block Island. This ocean community has a population of 1,396, almost all descended from the sixteen original families that settled there. They always have had what they call a "king." The reigning king is Christopher E. Champlin, state senator and a "Democrat." But Champlin "stood in" with Brayton, and this is what Brayton's business system permitted Champlin to do to his own people in his own town: The chief business of the Block Islanders is that of hotel keeping. Champlin owns one of the largest hotels. Most of the traffic and most of the hostelries are at the eastern end of the island; Champlin's hotel is at the other end. Near it is the "Great Salt Pond," which the senator proposed to make a harbor of by opening a breach to the ocean. The United States Government said it was not a feasible scheme; the channel could be made, but the sand drift of the seashore would close it. The state authorized the town to undertake the work, the state to pay part, the town the rest with money loaned by the state from school funds. Year by year, fresh appropriations had to be made to keep open the breach, till the state had spent \$129,123.90, the town \$62,000. Mr. Edward M. Sullivan, a young lawyer whom Governor Garvin appointed a commissioner to investigate the situation, reported that "the harbor is used exclusively by excursion steamboats and island craft," for which there was already a haven. "Some local interest more influential than the demands of coastwise commerce . . . actuated those appropriations. The opening of Great Salt Pond was manifestly designed by its promoters, who are the principal owners of the land and its vicinity, to transfer the business center . . . to the head of Great Salt Pond. . . . Each of these appropriations was made in the closing hours of the session . . . and were not included in the appropriation bill of the committee of finance of any year. No report of the expenditure was made by the town council or the state committee . . . There has been no public bidding or competition for the work, which has been done throughout by one contractor," etc., etc.

Besides this work, Champlin received state authority to build an electric railway line between the two ends of the island. Champlin made the town borrow at four per cent, the money on which the road was to pay four per cent. The town pays its interest; but the horse-cars, which are all there is of the electric railway company, have never made any accounting. Also, in much the same way, he had the town vote a steamboat, which he ordered of such a draft that it could enter his but not the town harbor. The town passed the legal limit of indebtedness, and the citizens were worried, but Champlin "owns" the council of five members-his brother, his father-in-law, another relative, and two loyal followers of his. The "town" voted his measure, and it might as well, for if it failed to the legislature would. Brayton's General Assembly enacts special legislation so freely that I had almost forgotten to mention this absurdity explicitly. Besides the police of Providence and Newport, the state has taken the election machinery and many other local offices and functions from municipalities that have "gone Democratic," and where it has set up bipartisan boards. Republicans select the Democrats and thus use this power to corrupt the minority organization. The General Assembly, corrupt itself, is a corrupting upper council for every municipality in the state, as Block Island illustrates: A majority of the voters then declared, six years or so ago, under the local option law, for absolute prohibition on the island, but Champlin put through the General Assembly a special act permitting the sale of liquor on Block Island. Again, the Society for the Prevention of Cruelty to Animals arrested a street-car driver for driving the pitiful horses that draw the miserable cars of the Champlin line. The

General Assembly passed a special act which prevented such interference by the society in this one town!

They will tell you in Rhode Island that Block Island is an exceptional case. It isn't. It is typical; on a small scale it is like the case of Providence. But suppose we grant that it is extraordinary—it happened, it was possible. Doesn't it show that if you or I should go to a small town of Rhode Island, get political control, and send ourselves to the General Assembly, we could do what we would to our town? If we delivered to Aldrich, Perry, and Brayton the things that are Caesar's, couldn't we have our Salt Pond, our poor little street-car line, and our great public debt? "Ah, but," they told me at first, "Champlin is a Democrat, and the Republican party cannot be blamed for his misdeeds." Champlin, the Democrat, was repudiated by his own party, and the Republican party took him up. He fought for his place in his party, and while he was making the contest for his "good Democratic standing," with a group of his own party for him, this man was the regular Republican leader in the Republican state senate!

Both parties betray the common interests of this state. Political-financial, the System is bipartisan, too, especially in the Democratic municipalities where, as in Providence, certain Democratic leaders sell outright to the Republicans; or where, as in Pawtucket, the worst elements in both parties combine to graft upon the city; or as in Bristol, where they trade, the Democrats sharing the council and giving the Republicans the legislative delegation. Colonel Colt, the great manufacturer and financier, controls Bristol, and when he ran on the Republican ticket for governor a year ago the Democrats put up no legislative ticket. There are many exceptions among both "organizations" and leaders, but they are indeed exceptions. Generally speaking, the people of Rhode Island are represented only by individuals and they can do nothing but protest. One of these protestants was Dr. Garvin, but he was governor of the state and powerless.

This country doctor is the most singular figure in American politics. A New Englander reared down South, he attended a Friends' school, and traces of all these influences are marked in his character. A single-taxer, an individualist, an advocate of the "popular initiative for constitutional amendments"—this sweet-tempered radical who has stood for every reform that looked in the direction of democracy, marched, unmoved by ridicule, abuse, or defeat, without a sign of anger or of pain, straight into the confidence of a majority of the voters of this conservative New England community.

When the slowly rising discontent in the state approached the height of a majority, the Democratic party nominated Dr. Garvin, and his party, with help from independent Republicans, Prohibitionists, Socialists—all the opposition to the System that usually scatters, voted for him. He was elected in 1902 and again in 1903. He was elected as a protest, however, and that is all he has been. He could not be governor in fact; Greneral Brayton was that. As we have seen, the gubernatorial chair never had amounted to much more than an empty honor for "safe men." No veto power went with it, and the appointive power was really wielded by Brayton in the interest of the machine of the System. A governor like Dr. Garvin would have made his own appointments, but Brayton and the System had seen Governor Garvin coming. They rifled the office before he got into it. When this Aldrich-Perry-Brayton company foresaw that the people might elect a governor to represent the common interests of the state, they had the appointive power transferred to the Senate. They left it so that a "safe" Republican governor, obedient to them, might seem to appoint, but not a "dangerous" Democrat like Dr. Garvin. The governor's nominations go to the Senate, which may confirm or reject or ignore them; and, if it ignores them for three days, this senate, constituted as we have seen, may proceed to make its own

appointments. The United States Senate in its dignity is sensitive about the independence of the (upper) legislative branch of the government, and it is jealous of any encroachment by the executive. Its leader, Mr. Aldrich, comes honestly by his senatorial sensitiveness; where he comes from, the executive, representing a majority of all the voters, is something which the Senate, representing the System, ignores, overrides, and insults, and, as for encroachment, that is a sacred prerogative of the legislative branch.

Such, then, is the government of Rhode Island. Such is the System that has developed with a restricted suffrage, with the balance of power against the cities, with business men conducting both politics and government. What is the matter? What is the cure? The local reformers think that these very features which other reformers yearn for are the cause of the Rhode Island troubles, and that the constitution, "which did it," must be changed. A new constitution is indispensable to Rhode Island. Theoretically it is unjust, in practice it is tyranny, to maintain a government controlled by the purchase of twenty country districts which poll less than one-eleventh of the vote of the state. But the old constitution did not "do it." This instrument facilitated, it did not produce, the System, and a new constitution will not destroy it. Other states, with constitutions as ingenious as the best that the reformers in Rhode Island can hope for, have developed essentially the same System. The Enemies of the Republic will overcome any obstacle that is merely constitutional, legal, or mechanical.

The trouble lies deeper, and the cure must cut deeper. We have blamed our laws and our constitution long enough, and in turn we have charged our disgrace to our foreign population, to the riffraff of the cities, to our politicians, to our business men. And now, in Rhode Island, the American farmer is the guilty fool and his fellow-culprits are American captains of finance, law, and politics. Are they alone at fault? I cannot see it so. It seems to me that, in one way or another, we all are at fault. The provision of the Rhode Island constitution which lodged the dominant power out in the country, simply pointed to the farmer as the first man to corrupt; and he proved corruptible only because the strain came hardest upon him. His power should be spread out over the whole population, but then the pressure will bear hardest upon the political representatives of the people, and we know from other states that the representatives will sell, if there are offers to buy; and we know that the business representatives will offer to buy. And we know that we all will condone or submit, for some consideration—cash or protection, office or friendship, party loyalty or comfort. The best hope of Rhode Island, for example, should be in the leadership of the old manufacturing families, and the best of this aristocratic class have voted for Dr. Garvin. But would they if his office were not powerless? They told me, these gentlemen, that Aldrich did not represent them or their state. "He may represent our corrupt towns and your own New York," they said, "but he doesn't represent Rhode Island!" Yet Governor Garvin was defeated this year (by some 500 votes) because a Republican president had to be elected, and a legislature to return to the United States Senate the arch-representative of protected, privileged business.

Aldrich does represent Rhode Island, and that is what is the matter with Rhode Island, and that is what is the matter with Aldrich. And he represents the rest of us, and that is what is the matter with all of us. Rhode Island will have reform when we all have reform; when we are all willing to make sacrifices for the sake of our country and our self-respect; when the American farmer will give up his two or thirty dollars "pay for time lost in voting"; when the business man will be content to do a little less "business"; when the manufacturer will risk his unnecessary protective tariff (the graft, not the protection); when the captains of finance will be content with honest profit; when the clergy will face "the loss of their position" and "financial grief and ruin," rather than "be put under the ban of political inunorality, and forced to acquiesce in evil." The Republican hope of compelling the other fellow to quit "within the party," is stupid; reform within a party so degraded and so happy as "the party" in Rhode Island is impossible. The Democratic party may prove a good engine for the work ahead, but the notion of those of its leaders who think to restore pure, representative democracy by buying up the people for a year or two, is American corruption carried to the limit of Anglo-Saxon hypocrisy. There is no reform but reform, and reform begins at home—with all of us.