

McClure's Magazine
April, 1904

Enemies of the Republic

***The Political Leaders Who are Selling Out the State of Missouri, and the Leading
Businessmen Who are Buying It***

Business as Treason --- Corruption as Revolution

EVERY time I attempted to trace to its sources the political corruption of a city ring, the stream of pollution branched off in the most unexpected directions and spread out in a network of veins and arteries so complex that hardly any part of the body politic seemed clear of it. It flowed out of the majority party into the minority; out of politics into vice and crime; out of business into politics, and back into business; from the boss, down through the police to the prostitute, and up through the practice of law into the courts; and big throbbing arteries ran out through the country over the state to the nation—and back. No wonder cities can't get municipal reform! No wonder Minneapolis, having cleaned out its police ring of vice grafters, discovered boodle in the council! No wonder Chicago, with council-reform and boodle beaten, found itself a Minneapolis of police and administrative graft! No wonder Pittsburgh, when it broke out of its local ring, fell, amazed, into a state ring! No wonder New York, with good government under Mayor Seth Low, voted itself back into Tammany Hall!

They are on the wrong track; we are, all of us, on the wrong track. You can't reform a city by reforming part of it. You can't reform a city alone. You can't reform politics alone. And as for corruption and the understanding thereof, we cannot run round and round in municipal rings and understand ring corruption; it isn't a ring thing. We cannot remain in one city, or ten, and comprehend municipal corruption; it isn't a local thing. We cannot "stick to a party," and follow party corruption; it isn't a partisan thing. And I have found that I cannot confine myself to politics and grasp all the ramifications of political corruption. It isn't political corruption. It's corruption. The corruption of our American politics is our American corruption, political, but financial and industrial, too. Miss Tarbell has shown it in the trust, Mr. Baker in the labor union, and my gropings into the misgovernment of cities have drawn me everywhere, but, always, always out of politics into business, and out of the cities into the state. Business started the corruption of politics in Pittsburgh; upheld it in Philadelphia; boomed with it in Chicago and withered with its reform; and in New York, business financed the return of Tammany Hall. Here, then, is our guide out of the labyrinth. Not the political ring, but big business—that is the crux of the situation. Our political corruption is a system, a regularly established custom of the country, by which our political leaders are hired, by bribery, by the license to loot, and by quiet moral support, to conduct the government of city, state and nation, not for the common good, but for the special interests of private business. Not the politician, then, not the bribe-taker, but the bribe-giver, the man we are so proud of, our successful business man—he is the source and

sustenance of our bad government. The captain of industry is the man to catch. His is the trail to follow.

We have struck that trail before. Whenever we followed the successful politician, his tracks led us into it, but also they led us out of the cities—from Pittsburgh to the state legislature at Harrisburg; from Philadelphia, through Pennsylvania, to the national legislature at Washington. To go on was to go into state and national politics, and I was after the political corruption of the city ring then. Now I know that these are all one. The trail of the political leader and the trail of the commercial leader are parallels which mark the plain, main road that leads off the dead level of the cities, up through the states into the United States, out of the political ring into the System, the living System of our actual government. The highway of corruption is the “road to success.”

Almost any state would start us right, but Missouri is the most promising. Joseph W. Folk, the circuit attorney of St. Louis, has not only laid wide open the road out there; he knows it is the way of a system. He didn't at first. He, too, thought he was fighting political corruption, and that the whole of it was the St. Louis ring. But he got the ring. Mr. Folk convicted the boss and nearly all the members of the “boodle combine” that was selling out his city; yet the ring does not break. Why? Because back of the boodlers stand the big business men who are buying the city up. But Folk got the business men, too; Charles H. Turner, president of the Suburban Railway Company, president of the Commonwealth Trust Company; Philip Stock, secretary of the St. Louis Brewery Association; Ellis Wainwright, the millionaire brewer; George J. Kobusch, president of the St. Louis Car Company; Robert N. Snyder, banker and promoter, of Kansas City and New York; John Scullen, ex-president of street railways, a director then and now of steam railways, a director then and to the end of the Louisiana Purchase Exposition. These are not “low-down politicians”; they are “respectable business men.” Having discovered early that boodlers flew in pairs; that wherever there was a bribe-taker there also was a bribe-giver. Folk hunted them in pairs. And in pairs he brought them down. And still the ring does not break. What is the matter?

That's what's the matter. “That man Folk” is attacking the System. If he had confined his chase to that unprotected bird, the petty boodler, all might have been well. Indeed, there was a time, just before the first trial of the boss, Colonel Ed Butler, when the ring was in a panic and everybody ran. If he had stayed his hand then. Folk could have been governor of Missouri with the consent of “his party,” and a very rich man besides. But he would not stop. These were not the things he was after. At that moment he was after Boss Butler; and he got him.

“And the conviction of Butler was the point,” he said, “where we passed out of the ring into the System.”

Butler was not only the boss of the ring; he was the tool of the System. He was the man through whom the St. Louis business man did business with the combine, and Folk hadn't caught all the business men involved. The first time I met him, early in his work, he was puzzled by the opposition or silence of officials and citizens, who, he thought, should have been on his side. The next time I saw him this mystery was clearing. One by one those people were turning up in this deal or way back of that one. He could not reach them; he can never reach them all; but there they were, they, their relatives, their friends, their lawyers, their business and social associates — “nobody can realize,” said Mr. Folk, “the infinite ramifications of this thing.” “They,” “this thing,” the “vested interests” of St. Louis, are the St. Louis System.

Corruption was saved, not ended, by the very thoroughness of Mr. Folk. The ring was rallied, not smashed, by his conviction of its boss. The boodlers who had wanted to turn state's

evidence “stood pat.” Why? They had an assurance, they said, that “not one of them would go to the pen.” Who made this promise? Butler. Ed Butler, himself sentenced to three years in the penitentiary, gave this explicit assurance, and he added (this was last summer) that “the courts will reverse all Folk’s cases, and, when Folk’s term expires, we will all get off, and the fellows that have peached will go to jail.” Maybe Butler lied; some of the politicians said that it would be “bad politics” to reverse “all Folk’s cases,” and that some, possibly Butler’s own, would have to be affirmed. Butler, however, was not afraid, and, sure enough, in December his case was reversed. All the boodle cases so far have been reversed. Not a boodler is in jail today (January 22, 1904), and the same court gave a ruling which made it necessary for Folk to reindict and retry half a dozen of his cases. The boodlers are a power in politics. Butler sits in the councils of the Democratic party. He sat there with the business men and with the new, young leaders who drew up the last platform, which made no mention of boodle, and he assisted in the naming of the tickets. After the last election, Butler was able to reorganize the new House of Delegates, with his man for Speaker, and the superintendent of his garbage plant (in the interest of which he offered the bribe for which he was convicted) for chairman of the Sanitary Committee. But the nominations he had helped to make were not only those of aldermen, but of the candidates for the vacancies on the bench which was to try boodle cases, and also for that court which was to hear these cases, and his own, on appeal! And the presiding justice of this, the criminal branch of the Supreme Court of Missouri, went upon the stump last fall and declared that a man who thought as Mr. Folk thought, and did as Mr. Folk did, had better leave the state!

Appalling? It did not appall Mr. Folk. He realized then that it was a System, not the ring, that he was fighting, and he went after that. There was another way into it. One Charles Kratz, the head of the council combine, did business, like Butler, with and for business men. Kratz fled to Mexico with means supplied by his business backers, but Mr. Folk used the good offices of the president and the secretary of state to get the man back. And he succeeded; he had Kratz brought back. The hope was that Kratz would confess and deliver up his principals. The other boodlers, however, received Kratz with a champagne dinner, and he also stood pat. But even if Kratz should surrender, and even if Folk thus were to smash the Butler ring and catch not five or six, but fifty, of the captains of industry behind it—still, I believe, the System would stand. Why? Because “this thing” is more than men, and bigger than St. Louis.

All the while Mr. Folk was probing the city he kept an eye on the state. It was out of his jurisdiction, but it affected his work. Some of the silent opposition he encountered came from state officials, and the court which was inspiring so much faith in boodlers was a state court. These officials were not implicated in his exposures, and these judges were honest men, but the state legislature, at Jefferson City, sent forth significant rumors, and about these Folk gossiped with the St. Louis boodlers, who explained that corruption was an ancient custom of the state. Helpless but informed, Folk watched and waited, till at last his chance came.

One day in February, 1903, when a bill in which the Speaker of the House was interested failed of passage, that officer left his chair in anger, saying, “There is boodle in this.” The House was disturbed. Folk’s work had opened the public mind to suspicion, and the newspapers were alert. Investigations were ordered, one by the House committee, which found nothing; another by a Jefferson City grand jury, which resulted in a statement by Circuit Attorney R. P. Stone that it was all “hot air” and that, anyhow, he had no ambition “to become a second Folk.” (Stone was indicted himself afterward.) Then the governor directed Attorney-General E. C. Crow to take charge, and Crow took charge. Picking Lieutenant-Governor Lee for a weakling, he concentrated on him. Lee was telling things, bit by bit, but he kept denying them, and the jury was uneasy and

reluctant. The outcome of the inquiry was in doubt in Jefferson City, when Mr. Folk heard that “floating all around town “were a lot of thousand-dollar bribe bills which were distributed at the Laclede Hotel. The Laclede Hotel is in St. Louis, and St. Louis is Folk’s bailiwick. Folk jumped in. He traced the bills, and, in a jiffy, he had the whole inside story. He gave out an interview directed at Lieutenant-Governor Lee, who saw it; saw, he said, that Folk had him, and ran to Attorney General Crow to confess. Changing his mind, he fled the state, but Folk gave out another interview that brought him back. Meeting and agreeing on a course, Folk and Crow worked together. They got Lee’s confession in full, and his resignation of the lieutenant-governorship; and with all this for a lever, they opened the mouths of other legislators. Indictments followed, and trials; Crow took all the evidence and carried on the dull, slow trials, which we need not follow.

The lid was off Missouri. The stone Mr. Folk had had so long to leave unturned was lifted. What was under it? Squirring in the light and writhing off into their dark holes were state senators and state officers, state committee-men and party leaders, but also there were the Western Union Telegraph Company, the Missouri Pacific Railroad, the St. Louis and San Francisco, the Iron Mountain and Southern, the Wabash; Mr. Folk’s old friend, the St. Louis Transit Company; the breweries, the stock yards, the telephone companies; business men of St. Louis, St. Joseph, and Kansas City—the big business of the whole state. There they were, the “contemptible” bribe-taker and the very “respectable” bribe-giver, all doing business together. So they still traveled in pairs; and the highway still lay between the deadly parallels—business and politics. The System was indeed bigger than St. Louis; it was the System of Missouri.

What, then, is the System of Missouri? The outlines of it can be traced through the “confessions of state senators which,” Folk’s grand jury said, “appall and astound us as citizens of this state. Our investigations,” they added, “have gone back twelve years, and during that time the evidence shows that corruption has been the usual and accepted thing in state legislation, and that, too, without interference or hindrance. . . We have beheld with shame and humiliation the violation of the sacred trust reposed by the people in their public servants.”

Just as in the city, the System in the state was corruption settled into a “custom of the country”; betrayal of trust established as the form of government. The people elect, to govern for them, representatives who are to care for the common interest of all. But the confessing senators confessed that they were paid by a lobby to serve special interests. Naturally enough, the jurors, good citizens, were incensed especially at the public servants “who sold them out.” But who did the buying? Who are the lobby? The confessions name Colonel William H. Phelps, John J. Carroll and others, lawyers and citizens of standing at the bar and in the state, and they were the agents of the commanding business enterprises of the state. Moreover, they were aggressive corruptionists. You hear business men say that they are blackmailed, that the politicians are corrupt, and that the “better people” have to pay.

Colonel Phelps, an officer of the Missouri Pacific, and the lobbyist of the Gould interests, has said that he had to exercise great cunning to keep the legislature corrupt. New legislators often bothered him, especially “honest men,” Senators who would not take money. Sometimes he got them with passes, which was cheap, but not sure, so he had been compelled sometimes actually to “rape” some men, as he did Senator Fred Busche, of St. Louis.

Busche is himself a business man, a well-to-do pie-baker, and he went to Jefferson City full of high purpose and patriotic sentiment, he said. Among the measures up for passage was a bill to require all railways to keep a flagman at all crossings. It was a “strike” bill. Phelps himself had had it introduced, to prove his usefulness in killing it, perhaps, or to raise money for himself and his pals. (The corrupt corporations are often cheated by their corrupt agents.) At any rate,

Phelps asked Busche to vote against the bill, and Busche did so. A day or two later Phelps came up to Busche, thrust a hundred-dollar bill into his pocket, then hurried away and remained out of sight till Busche had become reconciled to the money. "After that," Busche added, "Phelps had me." Busche accepted a regular salary of \$500 a session from the railroad lobbyist, and other bribes: \$500 on the St. Louis transit bill, \$500 on an excise bill, etc. He estimated that he had made corruptly some \$15,000 during his twelve years.

Phelps put Busche into the "Senate Combine," which is just such a non-partisan group of a controlling majority as that which Colonel Butler wielded in the municipal legislature councils of St. Louis. Butler, however, was a boss; Phelps is not. There is no boss of Missouri as there is of New York, Pennsylvania, and other more advanced states. Phelps is the king of the lobby, and the lobby rules by force of corruption. The lobbyists, representing different special business interests, bought among them a majority of the legislators, organized the Senate, ran dominant committees, and thus controlled legislation. You could do business with any lobbyist, and have the service, usually, of all, or you could deal with a member of the combine. Indeed, the "combine" was free to drum up trade when times were dull, and Mr. Folk quotes a telegram from a member sent on such a mission to St. Louis: "River rising fast," it said. "Driftwood coming down. Be there tomorrow."

"Driftwood" was boodle bills for business men, and some of it was blackmail, but it was all irregular. The regular business was more businesslike. The "combine" was only the chief instrument of the lobby and was made up of dishonest legislators. The lobby controlled also the honest men. For these belonged to their party. The corporations and big businesses contribute to all campaign funds, and this is the first step toward corruption everywhere. It is wholesale bribery, and it buys the honest legislator. He may want to vote against the "combine," but the lobby serves the party as well as business, and the "state Committee" has to "stand in." That is the way the Democratic party got control of the police and election machinery of Missouri cities and forced those normally Republican communities into the Democratic line. The lobby delivers the dishonest votes. In return for such services and for the campaign contributions, the state committee of the dominant Democratic party has to deliver the honest votes, and often, too, the governor of the state. As for the minority party, the Republicans in Missouri are like the minority everywhere: just as corrupt and more hungry than the majority. Disrupted by quarrels over the federal patronage, the Republican legislators follow the Democrats for more, for dribblets of graft, and the first senator convicted by Crow was a Republican.

There is nothing partisan about graft. Only the people are loyal to party. The "hated" trusts, all big grafters, go with the majority. In Democratic Missouri, the Democracy is the party of "capital." The Democratic political leaders, crying "down with trusts," corner the voters like wheat, form a political trust, and sell out the sovereignty of the people to the corporation lobby. And the lobby runs the state, not only in the interest of its principals, but against the interest of the people. Once, when an election bill was up—the bill to turn over the cities to the Democrats—citizens of Kansas City, Democrats among them, had to hire a lobbyist to fight it, and when this lobbyist found that the interest of his corporations required the passage of the bill, he sent back his fee with an explanation. And this story was told me as an example of the honesty of that lobbyist! Lieutenant-Governor Lee in his confession gave another such example. Public opinion forced out of committee, and was driving through the Senate, a bill to put a just tax on the franchises of public service corporations. The lobby dared not stop it. But Colonel Phelps took one day "his accustomed place" behind a curtain back of the Lieutenant-governor's

chair, and he wrote out amendment after amendment, passed them to Senator Frank Farris, who introduced them, and the lobby put them through, so that the bill passed, “smothered to death.”

When Lieutenant-Governor Lee drew aside that curtain he revealed the real head of the government of Missouri. I mean this literally. I mean that this system I have been describing is a form of government; it is the government. We must not be confused by constitutions and charters. The constitution of Missouri describes a governor and his duties, a legislature and the powers lodged in a Senate and a House of Representatives, etc., etc. This is the paper government. In Missouri this paper government has been superseded by an actual government, and this government is:—a lobby, with a combine of legislators, the Democratic state Committee, and state leaders and city bosses for agents. One bribe, two bribes, a hundred bribes might not be so bad, but what we have seen here is a System of bribery, corruption installed as the motive, the purpose, the spirit of a state government. A revolution had happened. Bribes, not bullets, were spent in it, and the fighting was slow and quiet, but victory seemed sure; the bribe-takers were betraying the government of the people to an oligarchy of bribe-givers, when Joseph Folk realized the truth.

“Bribery,” he declared, “is treason, and a boodler is a traitor.”

“Bosh!” cried the lawyers. “Poppy-cock,” the cynics sneered, and the courts ruled out the cases. “Bribery,” said Judge Priest, at the trial of the banker, Snyder, “is, at the most, a conventional crime.” “Corruption is an occasional offense,” the ring orators proclaim, but they answer themselves, for they say also, “corruption is not a vice only of Missouri, it is everywhere.”

“It is everywhere,” Folk answers, and because he has realized that, because he realized that boodling is the custom and that the “occasional” boodler who sells his vote is selling the state and altering the very form of our government, he has declared boodle to be a political issue. And because the people do not see it so, and because he saw that no matter how many individual boodlers he might catch, he, the circuit attorney of St. Louis, could not stop boodling even in St. Louis. Mr. Folk announced himself a candidate for governor, and is now appealing his case to the people, who alone can stop it. His party shrieked and raged, but because it is his party, because he thinks his party is the party of the people, and because his party is the responsible, the boodle party in his state, he made the issue first in his own party. He has asked his people to take back the control of it and clean it up.

Thus, at last, is raised in St. Louis and Missouri the plain, great question: Do the people rule? Will they, can they, rule? And the answer of Missouri will be national in importance. Both the Democracy and democracy are being put to the test out there.

But Missouri cannot decide alone. “Corruption is everywhere.” The highway of corruption which Folk has taken as the road to political reform goes far beyond Missouri. When he and Attorney-General Crow lifted the lid off Missouri, they disturbed the lid over the United States, and they saw wiggling among their domestic industries and state officials, three “foreign trusts”—the American Sugar Refining Company, the American Book Company, and the Royal Baking Powder Company. These are national concerns; they operate all over the United States; and they are purely commercial enterprises with probably purely commercial methods. What they do, therefore, is business pure and simple; their way will be the way of business. But off behind them slunk a United States senator, the Honorable William J. Stone. He was on the same road. So they still run in pairs, and the road to success still lies between the two parallels, and it leads straight to Washington, where, in political infinity, as it were, in that chamber of the bosses, the United States Senate, the parallels seem to meet. Are the corrupt customs of Missouri

the custom of the country? Are the methods of its politics the methods of business? Isn't the System of that state the System of the United States? Let us see.

Among the letters of the confessed boodler, Lieutenant-Governor Lee, to his friend Daniel J. Kelly, are many references to his ambition to be governor of the state. When Folk decided to run for that office the politicians were shocked at his "ambition"; he had not served the party, only the people. But Lee, whom they knew to be a boodler, was not regarded as presumptuous. He was a "possibility." And, in his first letter on the subject to Kelly, he asks how he can sell himself out in advance to two trusts. "Of course you can help me get a campaign fund together," he says, "and I will be grateful to you. . . . How would you tackle Sugar-Tobacco if you were me in the campaign-fund matter?" Kelly must have advised Lee to write direct, for the next letter is from H. O. Havemeyer, expressing "my hopes that your political aspirations will be realized," and adding, suggestively, "If I can be of any service I presume your representative will appear. (Signed) H. O. Havemeyer." Lee wanted Kelly to "appear," and there was some correspondence over a proposition to have the contribution made in the form of advertisements in Lee's two trade journals. But Lee "needed help badly, as the country papers must be taken care of," so he asks Kelly "to so present the case to Mr. H. that he will do some business with the papers and help me out personally besides. Do your best, old man," he pleads, "and ask Mr. H. to do his best. A lift in time is always the best." And Mr. H. did his best. Lee had arranged that Kelly was to see Havemeyer on both personal and business accounts, but the "personal" came by mail, and Lee wires Kelly to "drop personal matter and confine to advertising. Personal arranged by mail." And then we have this note of explanation to "Friend Kelly":

"The party sent me \$1,000 personally by mail. If you do anything now it will be on the advertising basis. Truly and heartily, Lee."

Here we have a captain of industry taking a "little flyer" in a prospective governor of a state. Mr. Havemeyer probably despises Lee, but Mr. Havemeyer himself is not ashamed. Business men will understand that this is business. It may be bad in politics, but such an investment is "good business." And there is my point ready made: This "bad" politics of ours is "good" business.

A longer trail is that of William Ziegler; his business, the Royal Baking Powder Company; and the company's agent, Daniel J. Kelly. In Missouri they said Crow was "after" United States Senator Stone, but "they travel in pairs," so he had to begin with the business men, as Folk did. He indicted first Kelly, then Ziegler, for bribery. Lee, whose confession caused the indictment of Kelly, wired this warning: "D. J. Kelly: Your health being poor, brief recreation trip if taken would be greatly beneficial. James Sargent." Kelly took the recreation trip to Canada, and Ziegler, in New York, resisted extradition to Missouri for trial. The prospect was of a long lawyers' fight, the result of which need not be anticipated here. Our interest is in the business methods of this great commercial concern, the Royal Baking Powder "trust," and the secrets of the success of this captain of the baking-powder industry. And this, mind you, as a key to the understanding of "politics."

We have been getting into business by following politics. Now, for a change, we will follow a strictly business career and see that the accepted methods of business are the despised methods of politics, and that just as the trail of the successful politician leads us into business, so the trail of the successful business man leads us into politics.

Ziegler's "success story" is that of the typical poor boy who began with nothing, and carved out a fortune of many, many millions. He was not handicapped with a college education and ethical theories. He went straight into business, as a drug-clerk, and he learned his morals

from business. And he is a “good business man.” This is no sneer. He told me the story of his life one night, not all, of course, for he knew what the purpose of my article was to be; but he told me enough so that I could see that if the story were set down—the daring enterprise, the patient study of details, and the work, the work, the terrible, killing work—if this all were related, as well as “the things a business man has to do,” then, I say, the story of William Ziegler might do him, on the whole, honor as well as dishonor. But this, the inspiring side, of such stories, has been told again and again, and it does not give “our boys” all the secrets of success, and it does not explain the state either of our business or of our politics. I have no malice against Mr. Ziegler; I have a kind of liking for him, but so have I a liking for a lot of those kind, good fellows, the low-down politicians who sell us out to the Zieglers. They, too, are human, much more human than many a “better man.” How often they have helped me to get the truth! But they do sell us out, and the “good business men” do buy us out. So William Ziegler, who also helped me, he, to me here, is only a type.

Ziegler went into the baking-powder business way back in 1868 with the Hoaglands, a firm of druggists at Fort Wayne, Indiana. The young man mastered the business, technically as a pharmacist, commercially as a salesman. He fought for his share in the profit; he left them and established a competitive business to force his point, and in 1873 they let him in. So you see, Young Man, it isn't alone sobriety, industry, and honesty that make success, but battle, too. Ziegler organized the Royal Baking Powder Company in 1873, with himself as treasurer.

The business grew for three or four years, when it was discovered that alum and soda made a stronger leaven, and cheaper. Worse still, alum was plentiful. Anybody could go into its manufacture, and many did. The Royal, to control the cream of tartar industry, had contracted to take from European countries immense quantities of argol, the wine- lees from which cream of tartar is made. They had to go on making the more expensive baking-powder or break a contract. That would be “bad business.”

So Ziegler was for war. His plan was to “fight alum.” His associates, less daring than he, objected, but Ziegler won them over, and thus was begun the “Alum War,” famous in chemistry, journalism, and legislation. Outsiders knew little about it, but they can find the spoils of Ziegler's battle in the bosom of their own family. Let any man in the North, East, and West, ask himself if he does not think “alum in food is bad”; if he can't answer, let him ask his wife. She will not know exactly why, but she is pretty sure to have a “general impression” that it is injurious in some way and that “the Royal is pure,” “the best.” This general impression was capitalized by Ziegler in 1898, at a valuation of many millions of dollars. He combined, in a trust, the Cleveland, Price, and Royal cream of tartar companies; their separate capitalization amounted to something over one million. The trust was capitalized at \$20,000,000.

Now, how did Ziegler plant this general impression which was sold as so much preferred and common stock? He began the war by hiring chemists to give “expert opinions” against alum and for cream of tartar. The alum people, in alarm, had to hire chemists to give opposite opinions for alum and against cream of tartar. What the merits of the chemical controversy are, no man can decide now. Hundreds of “eminent scientific men,” chemists, physiologists, and doctors of medicine, have taken part in it, and there are respectable authorities on both sides. The Royal's array of experts, who say “alum is bad,” is the greater, and they are right as to “alum in food.” But that is a trick phrase. The alum people say, and truly, that the alum in baking-powder disappears in the bread, just as cream of tartar does, and that the whole question resolves itself into the effects on the human system of what is left. In the case of the alum, the residuum is hydrate of aluminum, of which Dr. Austin Flint, who experimented with Professor Peter F.

Austin and Dr. E. E. Smith, says that it “is inert; has no effect upon the secretion of gastric juice, nor does it interfere with digestion; and it has no medicinal effects.” On the other hand, the alum party say that the residuum of cream of tartar powder is “Rochelle salts, an irritant drug with purgative qualities.” This the Royal overwhelmed with testimony, but Ziegler does not believe much in defense. He attacks. His was a war on “impure food,” and his slogan was short and sharp: “alum, a poison.” That was all.

And that is enough for us. Our war is on “impure business,” and, whatever the truth is about alum and cream of tartar, the truth about Ziegler and the Royal Baking Powder is this: they were making alum baking-powders themselves. All the while Ziegler was buying those expert testimonials against it, he was manufacturing and selling alum baking-powder.

This, on his own testimony. He brought a suit once against the Hoaglands, his associates, and he wanted to show that he, not they, had made the business what it was; so he went upon the stand and swore that he started the alum war; he hired Dr. Mott, the first chemist, etc., etc. Listen, then, to this captain of industry confessing himself:

“I have heard the testimony about what is called the alum war,” he says. “I instituted it upon the part of the company. I employed Dr. Mott personally—it is possible that Mr. Hoagland may have made the money arrangement with him; I also visited other chemists and got certificates; I did all that business connected with the chemical part of the investigation, preparing the matter; I originated that matter; Mr. Joseph C. Hoagland bitterly opposed it; he said war on alum would injure the sale of all baking-powders; that it would bring all baking-powders into disrepute, and it was difficult for the public to tell an alum baking-powder from a cream of tartar powder.

“We had also as a company been manufacturing alum baking-powder, which was in the market, not under our brand Royal but another brand. The theory was that our competitors might get hold of some of that, analyze it, and show that we also manufactured alum baking-powder”

Nor is that all. Ziegler says he “got” the chemists. How he “got” them I don’t know, but the company had at one time an ammonia skirmish. They were making ammonia baking-powder, and the alum people “showed them up,” so Ziegler had to have ammonia testimonials from leading chemists, and he sent out for them.

“I got some myself,” he testifies. “I went over and saw Professor Norton, who had given an adverse opinion. I got him to change his mind. He did not deny what he had said before, but he gave us something that answered our purpose.”

“Answered our purpose!” There you have the equivalent in business of the political platform. The purpose answered in the alum war was advertisement. Having “got” the chemists’ opinion, he had to turn that into public opinion, so he had to “get” the press. And he got the press, and his method of advertising fixed public opinion. How?

The Chamber of Commerce of Richmond, Va., recently “in seeking the source of a prejudice which once existed in the state [against alum baking-powder, which is a staple in the South] believes,” it says, “that it is to be found in a comprehensive system of what may be called ‘blind advertising’ or ‘reading notices’ inaugurated years ago in the newspapers of the country by the Royal.” The Chamber printed a sample contract:

Please publish articles as below, each one time, in Daily and Weekly, as pure, straight reading, on top half of fifth page, set in the same size and style of type, and with the same style of heading as the pure reading adjoining, leaded or solid to correspond with such pure reading, to be surrounded by pure reading, and without date, mark or anything to designate them as paid matter;

and with the express understanding that they are not at date of publication or afterward to be designated or classed by any article or advertisement in your paper as advertisements, or as paid for, or as emanating from us. Start with top one on list and publish, in same order, daily two days apart and weekly one week apart.

ROYAL BAKING POWDER CO.

This step paved the way to the publication of anything the Royal might want to say as news or as the disinterested opinion of the paper. They would get a case of poisoning, for example, have it investigated and reported in one newspaper, then they would send the clipping for publication to their other newspapers. Here is one from the *Commercial-Appeal*, Memphis, Tenn., Jan. 9, 1900.

SAID TO BE ALUM POISONING—SERIOUS CASE OF ILLNESS REPORTED FROM THE USE OF IMPURE BAKING POWDER.

Johnstown (Pa.) Tribune.

The poisoning of the Thomas family, of Thomas Mill, Somerset County, four members of which were reported to have been made dangerously ill by impure baking powder used in making buckwheat cakes, has been further investigated.

The original can, with the remainder of the baking powder left over after mixing the cakes, was secured by Dr. Critchfield. The powder had been bought at a neighboring country store and was one of the low-priced brands.

Dr. Critchfield said that the patients had the symptoms of alum poisoning. As the same kind of baking powder is sold in many city groceries as well as country stores, Dr. Critchfield thought it important that a chemical examination should be made to determine its ingredients. He therefore transferred the package of powder to Dr. Schill, of this city, for analysis. Dr. Schill's report is as follows:

"I certify that I have examined chemically the sample of . . . baking powder forwarded to me by Dr. Critchfield. The specimen contained alum."

DR. FRANCIS SCHILL, JR., Analyst.

Alum is used in the manufacture of the lower-priced baking powders. It is a mineral poison, and for this reason the sale of baking powders containing it is in many cities prohibited.

The Thomas family tried to answer this "news item." Six of them signed a statement that they were sickened not by alum baking-powder, but by arsenical poisoning from a newly-painted sausage machine; that "the doctors did not tell us that the symptoms was alum poisoning, but arsenical poisoning"; that they were "using alum baking-powder then and are yet, as Dr. Schill and Dr. Critchfield said it was all right." And the physicians made affidavits to the same effect, one of which, Dr. Critchfield's, covers both:

Personally appeared before me J. B. Critchfield, who deposes and says as follows: That I am the doctor who attended the Thomas family who were poisoned some time ago. The statements and advertisements of the Royal Baking Powder Company that I stated that they (the Thomas family) were poisoned by alum in baking powder is false. I never made any such statement. Mr. La Fetra, the agent of the Royal Baking Powder Company, called on me and

asked me if I would state that the poisoning was alum poisoning, and I told him I would not. They have in their advertisements misquoted me and have made false statements in regard to the matter, as the symptoms were arsenical poisoning and not alum.

*J. B. CRITCHFIELD
April 20, 1900.*

Such lying was not so common as a more subtle deception. A typical form of “reading notice” was to speak of alum as a poison, and then add suggestively: “Recently in New York two deaths occurred from poisoning by the use of powders sent to victims in samples.” This does not say that the powders were alum, and, so far as I can learn, the only two deaths that occurred in this way at about that time were those of Bamett and Mrs. Adams, for whose murder Molineux was tried and acquitted; and Kutnow and bromo-seltzer were the powders alleged to have been used on them.

Such methods are corruption: not in law, not in business; “seeing” a chemist and getting him “to change his mind” and give “something that will answer a purpose,” would be “fraud” and “pull” in politics; in business it is only a “trick of the trade.” Printing lies is “faking,” when the newspaper itself does it; but to do it for a big advertiser is a common practice of every-day business. It pays, and what pays is right. In the years preceding the formation of the trust, the Royal company, capitalized at \$160,000, made profits which rose from \$17,647, in 1876, to \$725,162, in 1887. In other words, the income in 1887 was more than four times the capital, and the largest item of expense was for advertising, which ran up from \$17,647, in 1876, to \$291,084, in 1887. As the Hoaglands swore: “The great value of the property, estimated at millions of dollars, consists not in goods, nor in factories, nor in substantial assets, but in the goodwill and popularity of its name and trademark.” In short, as I said before, in a capitalization of twenty millions, eighteen represented a “general impression” that “alum was bad” and that cream of tartar was “the best.”

But this was not enough. One year’s profits of a million and a half were made on only twenty percent of the baking-powder business. If they could get the other eighty percent, they could make six and one-half millions a year. And why not? Alum had not been driven out of the trade; it made gains steadily. The Royal had to keep up its fight. As Mr. Hoagland said: “A subtle tenure hangs upon its continued success which can be maintained only by the most unique and peculiar abilities, by the most cunning tact and long experience.” Since, then, they had to fight for life, why not fight for a monopoly? Ziegler was for entirely driving alum out of use.

How? By legislation. But success would cost the consumer thirty millions a year. The consumer is the people, and legislators are representatives of the people. No matter. The representatives of the people must use the power of the people to build up a trust by compelling the people to use only trust baking-powder. Impossible? Not at all. Legislation favorable to the Royal has been enacted or offered in twenty-four states of the Union! How the trust worked in all these states I do not know. Ziegler charged the Hoaglands with having “paid money to influence legislators in the legislature of the state (of New York) and paid the same out of the funds of the company.” I don’t know about New York. I must go by the experience of Missouri, and, while Attorney-General Crow charges Ziegler with bribery out there, all I can prove is that bribes were paid in the interest of the Royal. Besides, direct bribery by a captain of industry himself is not typical, and it is the typical that we want to understand. This commercial concern went into politics, and it applied to the politics of Missouri those “peculiar abilities” and the “cunning tact” which we know and which we see have met the supreme test of business—success. Now we can see what business methods look like in politics.

Ziegler becomes a mere shadow. Corrupt Royal agents do the work. One of these was Daniel J. Kelly, publisher of the *American Queen*. Kelly organized, in 1890, the National Health Society, a “fake” as to national membership; just like fake political organizations. “Pure food” is the Royal’s platform, and Kelly made pure food his hobby. “I have made a study of the subject,” he said in an affidavit submitted to the United States Industrial Commission. “Such time as I have had free from the demands of my publishing business I have largely devoted . . . to furthering the passage of pure-food bills in the various states. For the past two or three years my attacks . . . have been largely directed against alum baking-powder, and I have been interested in the movement that has spread through nearly all the states of the Union in favor of pure-food laws, prohibiting the use of alum baking-powders on the ground that they are poisonous.”

To follow Kelly through “nearly all the states of the Union” would be interesting, but Missouri’s experience was probably typical. In 1899 a bill was introduced into the legislature of that state, prohibiting the use of poisons in food, “arsenic, calomel, bismuth, ammonia or alum.” “Or alum” was the point. Missouri is an alum state; \$15,000,000 was invested there in the alum baking-powder industry, which was one of the largest in the state and represented all the capital and all the enterprise of many of its citizens. “Or alum” would drive them out of business and leave a foreign trust a monopoly. But those legislators, in this Democratic state, advanced that bill out of turn and passed it, without a hearing, without notice, in secret. And the alum men did not learn till August 14, that after August 17 they could not continue in business, and then they heard of the law by accident.

This outrage aroused public opinion, and the alum men prepared a repeal bill for the next session, two years later. Meanwhile, however, Kelly and the National Health Society extended their organization. The Health Society of Missouri was formed and the founder thereof was that “friend of the people,” the Hon. William J. Stone, ex-governor of Missouri, and then a candidate for United States senator. Now, Stone is no boodler. He and Colonel Phelps, after a long political friendship, quarreled once, and Stone called Phelps a lobbyist. “Oh,” said Phelps, “we both suck eggs, Stone and I, but Stone, he hides the shells.” But I do not believe that Stone handles bribes. He is that other type, the orator of the people whose stock in trade is his influence; “an embezzler of power” Folk called him once. This anti-trust orator was hired by the trust to bring action under the trust’s “or alum” law against his fellow citizens and thus install the foreign trust in the field of a general local industry. “Ah, but he acted as a lawyer.” Do you know who said that? None other than William J. Bryan, arch-Democrat, arch-friend of the people, arch-foe of the trust, and that does excuse this political treason—in law and in business. I asked one of Folk’s confessed boodlers, once, whether, if he had it all to do over again, he would boodle again. “Yes,” he said thoughtfully, “but I would study law.” “Why?” I asked. “So as I could take fees instead of bribes,” he said, without humor. In other words, he saw, as Bryan saw, and Stone and the commercial world see, that what is boodling in politics is business in the practice of the law. And the practice of law is business.

When the alum men’s repeal bill was introduced in the session of 1901, Kelly’s plan to beat it was laid. Lieutenant-Governor Lee, who has told the story, referred the measure to a picked committee which was to have a hearing. The Hon. William J. Stone was to appear on the trust side, but not for the trust. There was no hearing, but Stone’s speech, full of the Royal expert’s chemical facts, in the Royal’s phraseology, was laid on the desks of the members, and this is the way it begins:

“I appear before you on the request of the Health Society of Missouri. This association is composed of a number of people—good people, both men and women— living in different parts

of the state, with headquarters in St. Louis.” There was no such society. The “number” was three. They were not “good people,” not “both men and women”; they were Stone, his son, and one other man. And the headquarters in St. Louis was in the safe of Stone’s law office.

And this is a United States senator! The Democrats of Missouri have sent him to Washington to do battle there for the “good people, both men and women,” against the Republican representatives of the Octopus. Well, we also are bound for Washington and we’ll be interested chiefly in the Republican senatorial traitors, but we shall meet Stone there, too, and an introduction to a Democrat or two may help us. Let us turn now to an honest boodler, the Hon. John A. Lee, and hear how the “little alum fellows’ ” repeal bill was killed in 1901, and how again, in 1903, in the session which elected Stone United States senator, it was beaten.

“When I was elected Lieutenant-governor in 1900,” Lee says, “I was entirely unfamiliar with the ways of legislation. The Royal Baking Powder Company had been doing extensive advertising in the paper with which I was connected. I have known Daniel J. Kelly for some years and he has been ostensibly my friend. In the beginning of the session of 1901, I made no secret of the fact that it was my desire to defeat the repeal of the (anti-) alum law.

“One day Senator Farris came to me and said that it ought to be worth a good deal to the Royal Baking Powder Company to keep the anti-alum law on the statute books; and that the boys on the committee did not think that they ought to prevent its repeal without some compensation. I asked him what the boys wanted. He said they wanted \$1,000 apiece for six of the committee, which was all of the committee except Senator Dowdall, and \$1,000 for the senator who introduced the bill. Unfortunately for me, Kelly called me up over the long-distance telephone from New York that same day, and I communicated to him the proposition made to me by Farris. He said he would see his principal and wire me the next day whether or not the proposition would be accepted. I received a telegram the next day from Kelly stating that the proposition was agreeable. This telegram I gave to Farris in Senator Morton’s room, who was ill at the time. The agreement was that the bill, in return for the money to be paid each senator, would be killed in committee— that is, never reported from the committee. The committee did keep the bill, and though there were various protests all over the state demanding a report from the committee, none was made.

“I have since learned that the chairman of the committee, in order to escape the pressure being brought upon the committee, left Jefferson City with the bill in his pocket, not returning until the closing day of the session, and that the report of the committee on the bill was filed by the chairman after the session adjourned, and the journal falsified, so as to have it appear that the report over to Farris, and this report was made a report of the committee, I believe, without any change.

“On February 28, 1901, I received a check from Kelly for \$8,500, being the \$7,000 for the seven senators mentioned and \$1,500 for myself. On March 19, 1901, the day after the adjournment of the legislature, I met Farris by appointment at the Laclede Hotel and settled with him and his associates in accordance with his proposition. I went to the bank and drew \$7,000, leaving \$1,500 for my share, went to Farris’s room, and there handed the money to Senator Farris. He divided the \$7,000 into seven different packages or envelopes. While I was in the room Senator Mathews and Senator Smith came in, and to each of these Senator Farris gave one of the packages. The \$1,500 was to go to me, and was used by me in a trade paper.

“Just prior to the last session (1903) Kelly sent for me to come to the Planters’ Hotel. I went to his room, found Senator Farris there, and Kelly told me in the presence of Farris that he had \$15,000 for the senators to defeat the repeal of the alum law of this session, and that \$1,000

was for me. I told him I could not take it. He communicated with me at various other times, that he had \$1,000 for me in return for what I should do for him, etc., but I was determined to take no more money in that way, and refused. Finally, it seems he sent for my brother and gave him a check for \$1,000, telling him to give it to me, tendering it as payment to me for my official influence.”

Poor Lee! The miserable bribe-taker is disgraced and abandoned. He might have been governor. The alum people were for him in the last session; he had promised them a fair committee, and he hoped not to have to vote himself. But Senator Farris was against him, and Farris arranged it so that, when the measure came up, there was a tie in the Senate. At the close of the roll, when the clerk turned to the chair for the deciding vote, Farris rose in his place. The chamber was still; everybody was aware that a weak boodler “wanted to reform,” and that the “game was to show him up.” Lee hesitated.

“Mr. President,” said Farris, pointing his finger at Lee, “we are waiting for you.”

“Nay,” Lee voted, in a whisper, and the trust was left in control for two years more.

Even then Lee’s hopes were not dead, nor his chances. But he “peached” and that ended Lee. He is a traitor—to the System.

But what of the captain of industry? What of the Royal Baking Powder Company, what of the Gould railroads, what of the breweries? What of Ellis Wainwright and George J. Kobusch and John Scullen? What of all the rest of the big business men? They are the sources of our political corruption. What of the System back of the corrupt rings? That is the sustenance of our political degradation. Ellis Wainwright, a fugitive from justice, dines in Paris with the American ambassador, who is negotiating a treaty for the extradition of bribers. A group of the ablest criminal lawyers in New York, at a hearing before Governor Odell at Albany, could not speak of John A. Lee without twisting their faces into ludicrous scorn; but they were defending William Ziegler from extradition to Missouri. And John Scullen!—I cited once, as an example of the shamelessness of St. Louis, the fact that Turner, the state’s witness in the boodle cases, was still president of his trust company. When I returned to the city, some honest business men told me triumphantly that Turner had had to resign.

“Is John Scullen still a director of the World’s Fair?” I asked. He was, they said. “Then why has Turner been punished?” I inquired. “Was it because he boodled, or because he was a traitor to the System and peached?”

“Because he peached, I guess,” was the answer, and there lies the bitter truth. There is no public opinion to punish the business boodler, and that is why Joseph W. Folk had to go into politics and run for governor out in the state with “boodle” for the sole issue. He is laying down as a political platform the doctrine of the new patriotism: that corruption is treason; that the man who, elected to maintain the institutions of a government by the people, sells them out, is a traitor; whether he be a constable, a legislator, a judge, or a boss, his act is not alone bribery, but treason. Folk’s appeal is to the politician, the people, and the business man, all three, and there is hope in all three. The politician is not without patriotic sentiment: Ed Butler does not mean harm to his country; he is only trying to make money at his business. And as for the business man—

One night, at a banquet of politicians, I was seated beside a man who had grown rich by unswerving loyalty to a corrupt ring—“the party organization,” he would have called it—which had done more permanent harm to his country than a European army could do in two wars. He was not a politician, but a business man; not a boodler, but the backer of boodlers, and his conversation was a defense of “poor human nature,” till the orchestra struck up a patriotic air. That moved him deeply.

“Isn’t it beautiful!” he exclaimed; and when the boodlers joined in the chorus, he murmured, “Beautiful, beautiful,” then leaned over and with tears in his eyes he said:

“Ah, but the tune for me, the song I love, is ‘My Country, ’tis of Thee.’ ”

I believe this man thinks he is patriotic. I believe H. O. Havemeyer thinks his success is success, not one kind of success, but success, not alone his, but public “prosperity.” And William Ziegler, who is spending millions to plant the American flag first at the North Pole, I am sure regards himself as a peculiarly patriotic American—and he is. They all are, according to their light, honorable men and patriotic citizens. They simply do not know what patriotism is. They know what treason is in war; it is going over to the enemy, like Benedict Arnold, and fighting in the open against your country. In peace and in secret to seize, not forts but cities and states, and destroy, not buildings and men, but the fundamental institutions of your country and the saving character of American manhood—that is not treason, that is politics, and politics is business, and business, you know, is business.

“Do you really call it wrong to buy a switch?” asked a St. Louis business man. “Even if it is necessary to your business?”

“Say,” said a politician, “if a rich mogul comes along and shakes his swag in your face and asks for a switch that he has a right to get, because he needs it in his business, wouldn’t you grab off a piece? On the level, now, wouldn’t you?”

They answer each other, these two, and each can judge the other, but neither can see himself as he is or the enormity of his crime. And “that man Folk,” rising out of the wrecked machinery of justice in Missouri, may lead his people to see that the corruption of their government is not merely corruption, but a revolutionary process making for a new form of government; and the people of Missouri, rising out of the wrecked machinery of the government of Missouri, may teach their politicians a lesson in liberty and honor. But that is not enough. That will reach neither the source nor the head of the evil. Some power greater than Folk, greater than that of the people of Missouri, must rise to bring home to the captain of industry the truth: That business, important as it is, is not sacred; that not everything that pays is right; that, if bribery is treason, if the corrupt politician is a traitor, then the corrupting business man is an enemy of the republic. No matter how many bonds he may float in war, or how much he may give for charity and education, if he corrupts the sources of law and of justice, his business is not success, but—treason, and his own and a people’s failure.